LIST OF FILES

2011-2012
SENATE STATE AFFAIRS COMMITTEE
LIST OF FILES (PAGE 1)

3/10/11 HEARING ON VETERANS HOMELESSNESS

7/19/11 GOVERNMENT EFFICIENCY REVIEW

CONFIRMATIONS 2011

CONFIRMATIONS 2012

SB 2

SB 7

SB 16

SB 18

SB 26

SB 29

SB 30

SB 31

SB 33

SB 36

SB 39

SB 50

SB 53

SB 61

SB 89

SB 93

SB 94

SB 98

SB 104

SB 117

2011-2012
SENATE STATE AFFAIRS COMMITTEE
LIST OF FILES (PAGE 2)

SB 121

SB 129

SB 130

SB 131

SB 132

SB 136

SB 150

SB 178

SB 179

SB 198

SB 206

SB 208

SB 222

SCR 1

SCR 2

SCR 11

SCR 16

SCR 17

SCR 18

SCR 19

SCR 20

SCR 22

SJR 4

SJR 10

2011-2012
SENATE STATE AFFAIRS COMMITTEE
LIST OF FILES (PAGE 3)

SJR 11

SJR 14

SJR 15

SJR 16

SJR 17

SJR 20

HB 3

HB 8

HB 18

HB 19

HB 28

HB 64

HB 98

HB 101

HB 129

HB 169

HB 180

HB 182

HB 190

HB 204

HB 205

HB 216

HB 234

HB 247

2011-2012
SENATE STATE AFFAIRS COMMITTEE
LIST OF FILES (PAGE 4)

HB 271

HB 281

HB 304

HB 316

HB 333

HB 345

HB 347

HCR 6

HCR 7

HCR 28

HJR 15

HJR 34

3/10/11 HEARING ON VETERANS HOMELESS-NESS

<TARGET><BILL></BILL><SUBJECT>3-10-11 HEARING ON VETERANS
HOMELESSNESS</SUBJECT><COMM>SSTA27</COMM></TARGET>

ALASKA VETERANS FOUNDATION

Ending Chronic Veteran Homelessness in Alaska in Five Years
Anchorage Project (to be a pilot project/model for Alaska)

Amid all the customary rhetoric honouring military veterans on this Veterans Day, Alaska Beat would like to contribute a sobering statistic. According to a U.S. Department of Veterans Affairs estimate, cited by the National Coalition for Homeless Veterans, a mere eight percent of all Americans are military veterans, but nearly 20 percent of the estimated U.S. homeless population has served our nation's armed forces. We would add that out of the 20 homeless who have died on the streets in Anchorage this past 18 months, 5 were veterans.

If we are serious about ending veteran homelessness in five years, we cannot just do more of what we have been doing. Existing programs and approaches, as good as they are, have not solved this problem. We need new ideas, new approaches, and new partners willing to push the boundaries allowing the full inclusion of our homeless veterans "as they are" not as we wish they would be. First we must get them off the streets, and then we can start to help them find a new path. *Ric Davidge, Senate Testimony on ending veteran homelessness in Alaska.*

What: TWO New Projects:
We are requesting a one year predevelopment planning grant to support the Alaska Veterans Foundation, Inc. and its partners in creating two scalable and realistic model project plans in order to develop up to 70 single living units of permanent supportive housing in Anchorage. This predevelopment package is designed to be scalable for other areas of the state such as Fairbanks, the Mat-Su Valley, and large rural communities with sufficient homeless veteran populations to warrant such a facility/program

a) Housing First A **WET** harm reduction facility for chronic homeless veterans in Anchorage with application to other Alaskan communities. This is a 25 single living unit structure with offices and meetings rooms structured on the Housing First model. Although the location has not been finalized, we are working on securing an option for 5 acres in Eklutna adjacent to the 5 acres for VetCity. We have also located other options in this area. This co-location would enable staff cost savings as well as other program and facility efficiencies.

b) VetCity A **DRY** project based on the classic Honor Farm concept where residents work (are in training for work or working) no less than 6 days a week, and are then provided housing (up to 50 single, couple, small family cabins). No alcohol allowed. We provide direct integration into all of the trades through a relationship with Helmets to Hard Hats and other VA and state/federal DOL programs and labor organizations and the University of Alaska. The object is to provide an alcohol free, warm, safe environment that they contribute to (1/3 of their income) for as long as it may take to get them fully reintegrated into the work community anywhere in Alaska. Location is 5 acres in Eklutna.

Why? The Need: Although the annual VA Community Homelessness Assessment and Local Education Networking Groups (CHALENG) report to Congress has stated for some time that there are 600 homeless veterans in the area, after two years of effort we have not been able to independently confirm this "on the street" in Anchorage. We now know the 600 number is based on a VA formula. We have, however, confirmed, through the twice yearly Anchorage Homeless Connect and Stand Down events, about 80 to 100 unsheltered homeless veterans in need at a time. Of this group we believe there are fewer than 50 chronic homeless veterans in serious need of long term supportive housing. Other communities across Alaska report homeless veterans, but no serious studies have provided, by community, a clear understanding of the demand for permanent supportive housing for homeless veterans. This project will work with the University of Alaska and others in an attempt to better profile these needs by community.

The Anchorage Mayor's Homeless Leadership Team (HLT) has also released (May 2010) its recommendations to the Mayor after 8 months of concentrated study by the most knowledgeable leaders on this issue in Anchorage. **Both of these projects are directly consistent with the recommendations of the HLT** to the Mayor. The predevelopment funds/work will provide essential planning for appropriate Housing First and VetCity site selections (Eklutna), physical and program project designs, and a sustainable financial plan for at least the first five years for every 25 unit system of Housing First and VetCity concept. This is a part of HLT recommendation of 200 single living units for the chronic homeless in Anchorage.

Why segregate Veterans?
Most veterans come with a shopping cart of services and benefits earned through service and sacrifice that are not available to nonveterans. This includes grants, per diem, and other services, so it makes sense to bring veterans together pooling these programs. Neither of these facilities will be exclusive for veterans, but they must have a minimum of **75%** veterans to qualify for most of the VA, HUD, and DOL funding sources applicable. Furthermore, there is a long standing and well understood benefit to sitting veterans down together who have shared common experiences (combat and other) to work through their individual issues toward the goal of being a fully functional and appropriate member of the community.

VA National 5 year Program to end Veteran Homelessness
These two projects are within the scope and purpose of the new US Dept of Veteran Affairs national 5 year plan. The VA Secretary is fully committed to meeting veterans "as they are and as them come to us" which is a significant change in the approach of the VA to this challenge. We are members of the **National Committee to End Veteran Homelessness** through the Vietnam Veterans of America and the **National Coalition for Homeless Veterans** and therefore have ongoing direct access to the highest levels of the VA in Washington D.C. including the White House and the key Members of Congress and their staff who are supportive of this national initiative. We meet with and brief these offices and Members quarterly when in Wash DC for meetings.

Existing VA Programs/facilities: Although the Anchorage VA provides an excellent statewide 50 bed Domiciliary (at C & Benson, Anchorage) for recovering (alcohol/drug) homeless veterans which has good success, their barriers to entry, waiting list, failure rate, and recidivism clearly indicate the need for additional beds and a different approach for some vets. In our direct interviews with chronic homeless veterans we find them often unwilling to enter the Domiciliary for a host of reasons. The development of a Housing First facility and VetCity under a loose working partnership of the VA, Veterans Industries, the Municipality of Anchorage, some

Veteran Service Organizations, Trade Union apprenticeship programs, the Alaska Department of Labor, the University of Alaska, etc addresses those concerns.

Given the obvious relationships between this proposal and the existing VA Domiciliary program, we believe that adding these two new models to our community will actually allow the VA Domiciliary to be even more successful with those veterans that choose the VA Domiciliary model while allowing veterans unwilling to accept the Domiciliary concept to find success in our Housing First or VetCity models. The overarching goal of eliminating veteran homelessness is the same, the process and philosophy just a little different with these two additional approaches. Again, it's about meeting veterans "as they are" and then helping them make the appropriate choices that will enable them to be successful in the community.

The VA Community Homelessness Assessment and Local Education Networking Groups (CHALENG) report annually confirms that the VA needs additional facilities for this hard to serve population. We believe, consistent with the Mayor's Homeless Leadership Teams recommendations, that we need new beds in both a Housing First harm reduction model and a longer term supportive housing model like VetCity. These are both a little different then the domiciliary model, because they are designed to meet veterans "as they come to use" many of whom will not use VA programs for a range of reasons. In addition, Mayor Sullivan has expressed strong support for an approach that would build on the old Honor Farm concept. VetCity is based on that specific approach, but with much more intense job integration.

The **VA Grants and Per Diem** program **does not fund** any planning for projects like this. We have contacted the Technical Assistance partnership in Boston referred to us by the Washington, D.C. office of the VA Grants and Per Diem Assistant Director. This group has provided important assistance in the development of this proposal and we anticipate them having a very active and appropriately critical role in the predevelopment work to be funded by this appropriation. The Foundation is not able to fund this predevelopment planning internally; however we are actively working our way through the matrix of issues such as site selection and facility design options under our existing budget and programs. We believe that in partnerships with other nonprofits and for profits, our attempt to identify other funding sources for the project will assist in the financial sustainability of both of these ventures. But we want to get started now, and this predevelopment grant will facilitate that better then any other option we have discovered.

Site: We are currently in negotiations with the private owner (Harry Johnson) for two sites of five acres each in Eklutna. The VetCity site has previously been improved as a potential trailer court and thus has a good gravel pad, well house/water, sewer, and electricity in and functional. This 5 acre tract is our first priority in starting up the VetCity with small cabins now in design by Builders Choice. We have reached an agreement (Dec 1, 2010) on a lease purchase for this tract and have begun making monthly payments consistent with that agreement. We are confident that with the predevelopment appropriation we can leverage that commitment to secure the full purchase cost (under $400,000) for this 5 acre tract.

The second site for the Housing First model is directly adjacent to the 5 acres now under agreement. The owner is the same, and a veteran, who wants to work with us in the acquisition of this additional 5 acres once we have a full plan in place – that will be developed using this grant.

Why Eklutna? Given the community concerns raised with the municipal discussion around the "Red Roof Inn" Housing First project – although eventually approved, we decided to locate away from Anchorage neighborhoods. Although we originally wanted to locate adjacent to the new VA Clinic and joint hospital, land was not available for that option. This was not just in consideration of the NIMBY problem but also in the best interest of the veterans in our program as it keeps them from reconnecting with negative influences. We believe it critical that we provide a significant space/time barrier between our location and the "4th Ave subculture" that so often draws recovering veterans back to the street. The Eklutna location is perfect. Out of sight and out of mind, but only 20 minutes van ride to the VA Clinic/Hospital in east Anchorage just off the Glenn Highway and Muldoon Road.

Consistent with our statewide approach, we have a representative from Fairbanks participating in our planning team as the Housing First concept/design is to be scalable for possible development in other communities across Alaska. This will allow other locations across Alaska to trailer on our work and not have to start from zero. We believe this imperative if we are to meet the five year target for ending veteran homelessness in Alaska.

Occupants: Although communities talk about ending homelessness in a generic form, there is a significant difference between the "homeless" and the "chronic homeless." We know that the chronic homeless use a disproportionate amount of our community services and are generally regarded as "the homeless" in general conversation. But we also know that the majority of homeless persons/families are being adequately served with the existing transitional systems, programs, and facilities in Anchorage and in some other communities. Honestly addressing the "chronic" homeless veteran problem, most all with substance abuse combined with serious mental challenges and in some cases physical disabilities, is much more difficult. We believe it requires new approaches. The Housing First harm reduction model has now been proven in a number of communities across America. We think it's time we offered this proven program here in Anchorage and then across Alaska targeted toward veterans. Furthermore, the honor farm concept was a proven program for decades across America. We believe it can still work and our discussions with homeless veterans, the Anchorage Police Department, the Anchorage Fire Department and with lots of other providers gives us great hope that by combining these two programs in Eklutna we can realize the goal of ending homelessness for our Alaska veterans in 5 years. We also believe VetCity embraces the new "Healing Camp" programs developed by the Alaska Mental Health Trust and in operation in some rural communities. The Healing Camp program allows VetCity to directly meet cultural issues within our homeless veteran community.

Concept: Using the **Housing First - harm reduction model,** this project will likely be some form of loose **partnership** which we hope to have codified by an MOU between the VA/Anchorage and the Alaska Veterans Foundation, Inc. and its partner VetCity, Inc as well as some National Veteran Service Organizations – if they choose to participate - and other partners. Other than the Foundation, the Vietnam Veterans of America have committed to support this venture. We will continue to invite other NVSO's into this effort, but frankly their participation is not likely unless we show substantive commitments and progress. Approval of this grant will help us leverage wider participation. The Alaska Veterans Foundation & VetCity will play the role of developer and owner/manager of this Housing First Project and VetCity. The project will provide permanent supportive housing designed specifically for chronically homeless veterans. We believe that other national veteran service organizations should provide and collectively support a nationally accredited Veteran Service Officer on site no less than part-time and hold regular/monthly meetings in the common areas to help reintegrate these veteran tenants back

into, at least, the veteran community. The Vietnam Veterans of America, Anchorage Chapter 904 and its state and supportive national offices have made this commitment. We also think it important, consistent with their means and ability, that each veteran service organization in the community makes some annual financial commitment to the ongoing support of this project. We do not wish to in any way imply this commitment to be anything other than voluntary. This strategy will then, for the first time, actually reintegrate our chronic homeless veterans with their brother and sister veterans in our community. **This is an important part of this strategy.** That through our collective effort, as national veteran service organizations; we stand as a family of veterans in support of our bothers/sisters. The reason VVA has already made this commitment is their motto: ***"Never Again will One Generation of Veterans Abandon Another."*** Both the Housing First and VetCity concepts continue that commitment.

Based on existing successful models in other states/communities, the Alaska Veterans Foundation, Inc. and VetCity Inc. proposes to develop and operate one veteran-specific purpose built Housing First project comprised of 25 single living units (15 doubles, 10 singles). Included in this structure would be a common area space for the resident manager, small group room, and NVSO office. The Alaska Veterans Foundation, Inc. and VetCity, Inc. plan to develop this project as an operating example that can be replicated in other communities in whole or in part across Alaska, therefore the design and financing of these facilities needs to be scalable for application in other communities, such as Fairbanks. The Anchorage facility/program should function as a working model to assist other communities in understanding and developing their own facilities/programs given sufficient needs and partnerships.

Furnishings will be provided under a contract with VA/Veteran Industries (VI) located at the Anchorage VA Domiciliary based on the *All-A-Board Solid Pine Furniture* designs or something comparable. Veteran's Industries in Anchorage is more then capable of building this furniture in their existing wood shop at the Domiciliary and this work would provide appropriate training and critical income to veterans in recovery within the VI program.

Once completed, these two projects should provide 75 permanent supportive housing units (25 in housing first, and 50 in VetCity) in either a supportive, harm reduction, housing first strategy based on proven need and the successful Housing First models in Seattle, New York, Denver, and Boston or the classic Honor Farms of old. We believe both provide a place and service not now available to veterans in our community or in Alaska.

Services: The medical, mental health, and other "services" needed by the veteran tenants of these projects will be immediately available at the VA clinic/hospital in Anchorage through van transport. Facility and Case managers will be located on site or in coordination with the VA programs in Anchorage.

Transportation: There will be a need for ongoing transportation in and around Anchorage. The driver for this van or small bus should be provided under contract with Veterans Industries located at the Domiciliary in Anchorage. Grants are available to cover the purchase and operation of this vehicle. Optionally, residents who can qualify in VetCity can provide this service through work contacts.

Funding Options:

A. One Year Money (Predevelopment Planning Funds)

- **Predevelopment Budget**
  - Site plan/design/appraisal $ 75,000
  - Architectural and Engineering $100,000
  - Legal, Accounting $ 30,000
  - Environmental Assessment $ 15,000
  - Financial feasibility/underwriting $ 20,000
  - Project Management $ 60,000

  TOTAL $300,000

Property Acquisition

Available two 5 acre parcels in Eklutna currently owned by Harry Johnson. One improved and one partially improved. We have an independent appraisal in process on the partially improved tract and a lease purchase agreement in hand. The estimated purchase price for the first 5 acre partially improved tract is $380,000. We are now working on a purchase and site clean up strategy for the adjoining 5 acre improved site.

The final project design, budget, etc will be completed within one year for submission to the project's various partners and the US House and Senate Veteran's Affairs Committees and the VA (at all levels), the State of Alaska, and prospective partners for physical plant and operational funding. Once funded, the project will be contracted out for construction to SDVOB or Veteran Owned Businesses who must then work with VA Veteran's Industries in all hiring who often have experienced crafts persons in recovery.

B. Development Budget - No Year Money (planning, build, operate)

We wish we could give you an amount so we could get the project funded up front, do the planning and project development, then build both and open them, but there are just too many variables and the design, cost of materials, labor, site cleanup and development will take some time to develop a detailed development and operating Proforma budget. In addition, the Alaska Veterans Foundation, Inc. will need to asses and develop a financing sustainable model/plan incorporating a range of public and private resources to develop and operate these innovative permanent supportive housing projects. Further is the time needed for coordination with the local VA management and programs, and the leadership of the various Veteran Service Organizations through formal MOU's as well as all trade unions, the University of Alaska, the King Career Center, and other job training companies.

Our experience, however, is that unless there is a project and money committed to at least its planning with specific pre-development activities, it's very difficult to get this moving forward just as a concept. We believe these planning funds help give credibility to these two projects sufficient to leverage VA, NVSO, and other provider (private and public) commitments in cooperation.

These projects must be coordinated with the Municipality of Anchorage Coalition on Homelessness who support this request and the MOA Military and Veterans Affairs Commission, the Veterans Administration Homeless Programs, the Municipality of Anchorage including APD and AFD, the Vet Center, the VA Domiciliary, the VA Clinic and joint hospital as well as other local and statewide groups working in the homeless community to ensure appropriate coordination and identification of potential veteran tenants. We therefore believe it

very appropriate that these funds be appropriated through the Municipality of Anchorage, Homeless project. We have discussed this option with the Director of this program and find them more than willing to oversee these funds to ensure they are appropriately spent consistent with the direction of Congress.

After years of study and struggle to understand the failures of our transitional systems for our homeless veterans, we believe it is now time to offer these two programmatic alternatives - proven in other communities, to help end veteran homelessness in Anchorage and then across Alaska. This is the start, this is the opportunity, and the Foundation on behalf of its Board and that of VetCity is pleased to submit this request in an effort to get these concepts moving forward for all of us and our homeless veterans.

It is an honor,

Ric Davidge, Chairman
Alaska Veterans Foundation, Inc.
VetCity, Inc.

Letters of support collected and available

AN ALASKAN COMPANY
BUILDERS CHOICE, INC.

351 East 104th Avenue, Suite 150, Anchorage, Alaska 99515 Phone: (907)522-3214 Fax: (907)522-3216

January 26, 2011

Ric Davidge
Ricdavidge.ak@gci.net
rdavidge@cyalaska.com

BCI Quote 2011-21590

Dear Ric,

Thank you for allowing us the opportunity to quote the Vet City project for you.

Studio Cabin:	
Per Attached Master Specifications and Layout	$76,749.00
One (1)Bedroom:	
Per Attached Master Specification and Layout	$109,610.00
Two (2) Bedroom:	
Per Attached Master Specification and Layout	$121,414.00
Forty (40)Bed Complex	
Per Attached Master Specification and Layout	$1,194,598.00

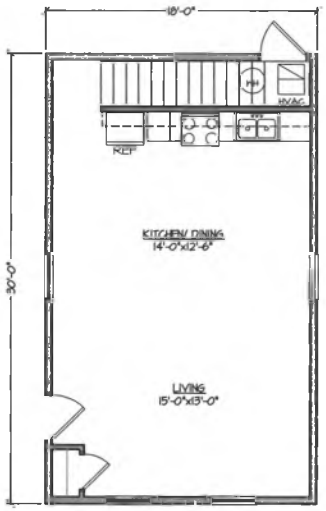
- Includes Engineering and Fire Marshal Approval for 40 Bed Complex Only
- Does Not Include Delivery or Installation
- No Sprinkler System
- No Exterior Decks, Ramps or Steps
- No Local or City Permits
- Payment Terms: 25% Deposit Due Upon Acceptance of Quote. Deposits are Non Refundable. Balance Due Prior to Delivery
- FOB BCI Yard

Builders Choice, Inc. reserves the right to adjust pricing due to current economic conditions. Price quoted is subject to change after thirty (30) days.

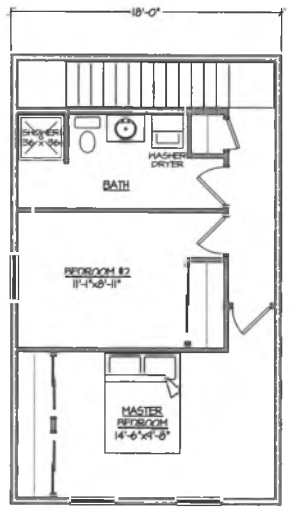
Thank you for giving us the opportunity to bid for your business. I am looking forward to having the opportunity to speak with you directly and am confident that we are able to exceed your expectations.

Sincerely,

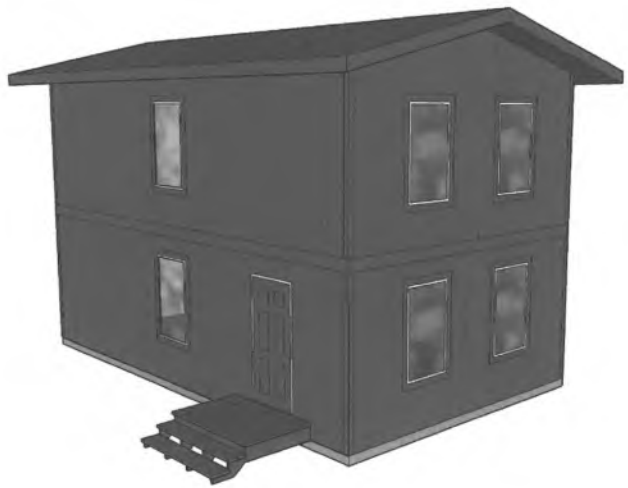
Mark Larson
President



First Floor



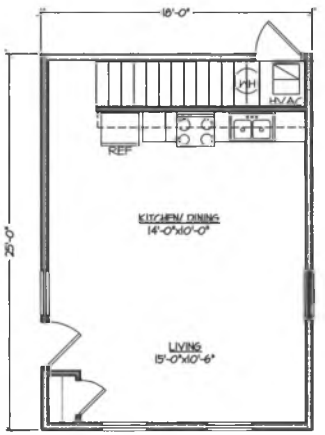
Second Floor



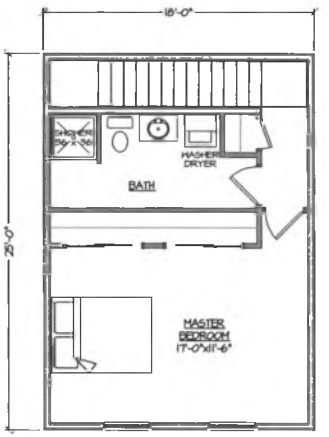
Two Bedroom Unit
Couple w/ Child

VETCITY.ORG
Where No Vet is Left Behind

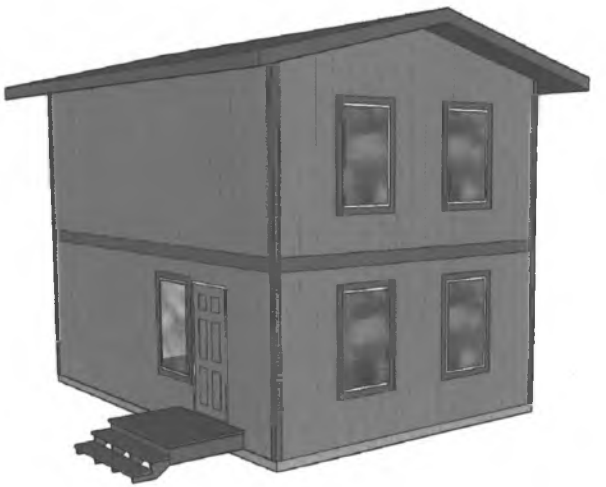
AN ALASKAN COMPANY
BUILDERS CHOICE, INC.



First Floor

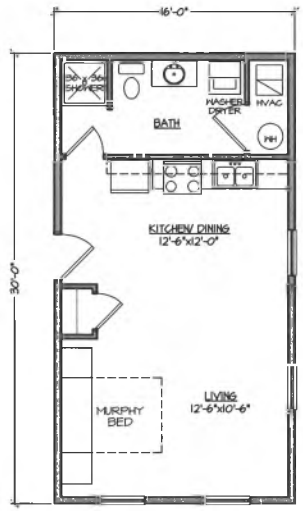


Second Floor

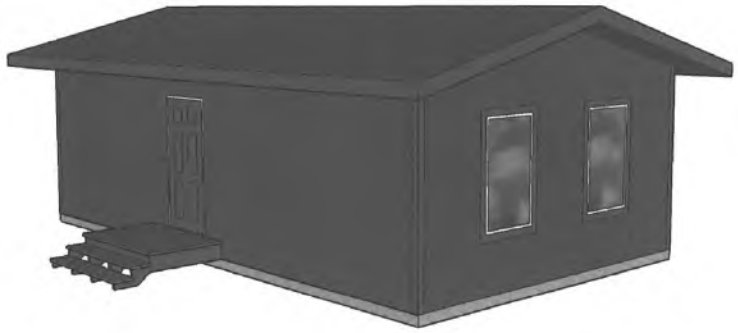


One Bedroom Unit

Couple



Studio Unit
Single Person



March 10, 2011
Senate State Affairs Committee

Testimony by Ric Davidge

What should be the role of the State of Alaska in ending veteran homelessness?

The US Secretary of Veterans Affairs and this federal administration have made this a top, secretarial and White House priority. They have announced a five year plan, a PowerPoint presentation of which is included in this packet. This sets up an opportunity for the State of Alaska to leverage federal interest and funds into addressing this national embarrassment.

Why veterans? Because they've earned it!

In addressing this challenge there are a number of up front questions the state needs to address:

- **How many homeless veterans are there in Alaska?**
  - This is a very interesting question, but honestly, we don't know
  - We do know that the US Dept of VA has been claiming in their annual report to Congress that there are an estimated 600 homeless veterans in Alaska.
  - We have not been able to verify this number on the ground in Anchorage
  - We think the number is much closer to about 100 at any time, based on
    - Twice annual Point-In-Time Counts (2011 report enclosed)
    - VA reports on actual veterans in their Domiciliary facility in Anchorage
    - Annual Stand Downs (for homeless veterans) in Anchorage

- **Where is the best place in Alaska for us to start addressing this challenge?**
  - One thing we do know is that Anchorage is the homeless capital of Alaska
    - This has been confirmed annually by the twice annual Point-In-Time Counts across the state
    - The Municipality of Anchorage has a very good plan to end homelessness
      - The Mayor's Leadership Team reviewed all issues, plans, and programs and provided the mayor a series of recommendations that will help end homelessness.
    - The Anchorage Coalition on Homelessness is a very active and functional organization of over 40 entities involved in providing some type of service for homeless Alaskan's
    - The Alaska Veterans Foundation, Inc. (well known 501c3) in partnership with VetCity, Inc. (a new 501c3) has developed and presented a proposal for the purposes of developing two facilities w/programs to end veteran homelessness in 5 years. This plan has been supported by dozens of local, state, and national organizations.

- **What should the state really do in addressing this challenge?**
  - Understand the challenge
  - Craft solutions that are responsive to the need and responsible in cost
  - Consider an active role for the AK Dept of Mil & Vet Affairs in this endeavor
    - AKNG training projects (medical, construction, etc)
    - The military academy (projects)
    - VSO services/assistance
  - Support the Alaska Veterans Foundation, Inc. proposal to get started ($300,000)
  - Provide structural support for identified solutions
    - Enable the direction of "profits" from the AHFC back into low income housing consistent with the mission of that agency.
      - Give state priority of ending veteran homelessness

- **What is the US Dept of Veterans Affairs doing about this challenge in Anchorage now?**
  - One of the oldest programs of the federal government is the Domiciliary. This facility, on C and Northern lights in Anchorage, provides a safe warm place for homeless veterans who are addicted/homeless, to work through a X month program to get clean/sober and ready for reintegration.
  - Up till recently, some of the rules of the "Dom", cause many to fail and go back on the street. The Dom has made significant improvements on retention now, but where do they go after the Dom? The VA has been asking for help here for years in their annual report to congress. The AK Vet Foundation proposal provides an alternative to the Dom with Housing First and more beds/doors for long term supportive housing.
  - Many come back in a few months and go though the program again and again. We think the AK Vet Foundation proposal provides the essential and missing long term supportive housing that will keep them off the street and making better choices.

- **Why are so many veterans homeless?**
  - We are the 8%. That is the percentage of Americans who have stood guard for America and advanced the notion of human freedom in many parts of the world
  - 25% of those homeless who died in Anchorage these past two years, were veterans
  - The Point-In-Time Count suggests that veterans make up about 15% to 20% of the homeless in Anchorage, but again only 8% of the population.
  - Well over 65% of all homeless veterans suffer from some level of mental disorder
  - Almost all suffer from both mental disorders and alcohol or drug additions. There way of self medicating their pain.

- **What do we need in facilities and/or services that are not now available?**
  - The VA Dom is working well within its structural limits, but
  - We need **long term supportive housing**, a need annually mentioned in the VA annual report on their efforts to end homelessness in Anchorage, and
  - **Housing First for veterans**
    - The Alaska Veterans Foundation, Inc. and VetCity, Inc. have prepared a proposal that is supported by dozens of local, state, and national organizations toward providing just these two facilities. Copy provided.

- **What are some suggestions on what the State of Alaska should do to help end veteran homelessness in the next five years?**
    - Initiate a statewide plan towards ending veteran homelessness in five years that is complementary to the federal plan. This should allow Alaska to leverage federal dollars that can support components of the state's effort.
        - The Alaska Housing Finance Corporation is the appropriate entity to head this up in partnership with the Municipality of Anchorage and the Alaska Veterans Foundation, Inc and the US Dept of Veterans Affairs.
        - Once a proven pilot is up and running, it would make sense to provide the designs, financial sustainability plan, etc to other communities such as Fairbanks who have homeless veterans
    - The Alaska Veterans Foundation, Inc. in partnership with VetCity, Inc **is the only proposal on the table** and has been the only one on the table for 2 years. The State of Alaska should support this proposal for the $300,000 in predevelopment funds to advance both the Housing First and Long Term Supportive Housing projects they have developed.
        - This then sets up a review of all plans, facility designs, etc in the next legislative session for the purpose of considering additional support for:
            - The professional development of a five year financial sustainability plan consistent with the VA and HUD programs on homelessness
            - The acquisition of land (two tracks = 10 acres/under lease/purchase agreement now)
            - Site preparation and development for both facilities
            - Construction of the Housing First (25 unit) facility
            - Construction of the first 20 Long Term Supportive Housing cabins
            - Support for VA and HUD grants that will provide
                - Vouchers for homeless veterans that will help cover the cost of facility operations
                - VA grants for "Grants and Per Diem" that can cover up to 65% of the cost of construction of these facilities and help pay for the day-to-day operation of these facilities
                - VA/HUD grants that will cover the cost of acquisition and operation of two 20 passenger busses to move veterans from the facilities in Eklutna to the VA Clinic/hospital, educational facilities such as trade union halls, etc.

So the question today is, what should the role of the State of Alaska be in helping end veteran homelessness?

We hope we have provided you some context around which you can discern an appropriate and immediate state effort to end veteran homelessness.

- Ric Davidge — Homelessness
- Trevor Brandeshu, Trevor Storrs - Co-Chair, ANC Coalition
- 600 homeless vets in AK

- What is State's Role in dealing w/ Vets' Homelessness

Trevor → "Need to make $19/hr for 40 hrs to pay for 2 bR Apt."

- 524 Vets at Brother Francis.
- 259 homeless vets in ANC

- 3,053 Vets below poverty line.
  - ✱ Total Vet homeless + in region

  Anc. - 145 ; ~~State~~ 259

- Cost of Homeless in ANC
  - Seattle - $100K - $150K / person - chronic homeless
  - Project Homeless - $20K - $25K

- Beacon Hill -- City Council

✱ Top 2 or 3 things we could do:
1. Ric - $300K from budget to leverage
2. Utilize AHFC -- create Housing Trust.
3. Supportive Services

What should be the role of the State of Alaska in ending veteran homelessness?

The US Secretary of Veterans Affairs and this federal administration have made this a top, secretarial and White House priority. They have announced a five year plan, a PowerPoint presentation of which is included in this packet. This sets up an opportunity for the State of Alaska to leverage federal interest and funds into addressing this national embarrassment.

Why veterans? Because they've earned it!

In addressing this challenge there are a number of up front questions the state needs to address:

- **How many homeless veterans are there in Alaska?**
  - This is a very interesting question, but honestly, we don't know
  - We do know that the US Dept of VA has been claiming in their annual report to Congress that there are an estimated 600 homeless veterans in Alaska.
  - We have not been able to verify this number on the ground in Anchorage
  - We think the number is much closer to about 100 at any time, based on
    - Twice annual Point-In-Time Counts (2011 report enclosed)
    - VA reports on actual veterans in their Domiciliary facility in Anchorage
    - Annual Stand Downs (for homeless veterans) in Anchorage

- **Where is the best place in Alaska for us to start addressing this challenge?**
  - One thing we do know is that Anchorage is the homeless capital of Alaska
    - This has been confirmed annually by the twice annual Point-In-Time Counts across the state
    - The Municipality of Anchorage has a very good plan to end homelessness
      - The Mayor's Leadership Team reviewed all issues, plans, and programs and provided the mayor a series of recommendations that will help end veteran homelessness
    - The Anchorage Coalition on Homelessness is a very active and functional organization of over 40 entities involved in providing some type of service for homeless Alaskan's
    - The Alaska Veterans Foundation, Inc. (well known 501c3) in partnership with VetCity, Inc. (a new 501c3) has developed and presented a proposal for the purposes of developing two facilities w/programs to end veteran homelessness in 5 years. This plan has been supported by dozens of local, state, and national organizations.

- **What should the state really do in addressing this challenge?**
  - Understand the challenge
  - Craft solutions that are responsive to the need and responsible in cost
  - Provide structural support for identified solutions
    - Enable the direction of "profits" from the AHFC back into low income housing consistent with the mission of that agency.
      - Give priority of ending veteran homelessness

- **What is the US Dept of Veterans Affairs doing about this challenge in Anchorage now?**
  - One of the oldest programs of the federal government is the Domiciliary. This facility, on C and Northern lights in Anchorage, provides a safe warm place for homeless veterans who are addicted to work through a X month program to get clean/sober and ready for reintegration.

- But often the rules of the "Dom" as it is called, cause many to fail and go back on the street.
- The recidivism rate of our Dom is %. Many come back in a few months and go though the program again and again. So what is needed?

- **Why are so many veterans homeless?**
  - We are the 8% That is the percentage of Americans who have stood guard for America and advanced the notion of human freedom
  - 25% of those homeless who died in Anchorage these past two years, were veterans
  - The Point-In-Time Count suggests that veterans make up about 15% to 20% of the homeless in Anchorage
  - Well over 65% of all homeless veterans suffer from some level of mental disorder
  - Almost all suffer from both mental disorders and alcohol or drug additions. There way of self medicating

- **What do we need in facilities and/or services that are not now available?**
  - The VA Dom is working well within its structural limits, but
  - We need **long term supportive housing**, a need annually mentioned in the VA annual report on their efforts to end homelessness in Anchorage, and
  - **Housing First for veterans**
    - The Alaska Veterans Foundation, Inc. and VetCity, Inc. have prepared a proposal that is supported by dozens of local, state, and national organizations toward providing just these two facilities. Copy provided.

- **What are some suggestions on what the State of Alaska should do to help end veteran homelessness in the next five years?**
  - Initiate a statewide plan towards ending veteran homelessness in five years that is complementary to the federal plan. This should allow Alaska to leverage federal dollars that can support components of the state's effort.
    - The Alaska Housing Finance Corporation is the appropriate entity to head this up in partnership with the Municipality of Anchorage and the Alaska Veterans Foundation, Inc and the US Dept of Veterans Affairs.
    - Once a proven pilot is up and running, it would make sense to provide the designs, financial sustainability plan, etc to other communities such as Fairbanks who have homeless veterans
  - Support the proposal from the Alaska Veterans Foundation, Inc. in partnership with VetCity, Inc. for the $300,000 in predevelopment funds to advance both the Housing First and Long Term Supportive Housing projects they have developed.
    - This then sets up a review of all plans, facility designs, etc in the next legislative session for the purpose of considering additional support for:
      - The professional development of a five year financial sustainability plan consistent with the US VA and HUD programs on homelessness
      - The acquisition of land (two tracks = 10 acres/under lease/purchase agreement now)
      - Site preparation and development for both facilities
      - Construction of the Housing First (25 unit) facility
      - Construction of the first 20 Long Term Supportive Housing cabins
      - Support for VA and HUD grants that will provide

- Vouchers for homeless veterans that will help cover the cost of facility operations
- VA grants for "Grants and Per Diem" that can cover up to 65% of the cost of construction of these facilities and help pay for the day-to-day operation of these facilities
- VA/HUD grants that will cover the cost of acquisition and operation of two 20 passenger busses to move veterans from the facilities in Eklutna to the VA Clinic/hospital, educational facilities such as trade union halls, etc.

FOOD FOR THOUGHT

- In 2009, at any given time,1,275 at-risk households in Anchorage were on AHFC's waiting list for housing
- In 2009, 1,765 households were homeless on any given night in Anchorage; 468 of these households included children
- At an August 19, 2010 Legislative Health Caucus, every presenter stressed the need for more affordable housing in Anchorage, including transitional, supportive & low-barrier
- Between 1982 & 2010 in Anchorage:
    1. Medical costs rose 418.6%
    2. Energy costs 258.8%
    3. Housing costs 174.4%
    4. All other costs 194.4%
    5. Minimum Wage rose 101.36% ($3.85 vs. $7.75)
    6. Average Monthly Wage rose 86.65% ($2,209 vs. $4,121-2009 number)
- In order to adequately address homelessness in our community, Anchorage needs an adequate, sustainable inventory of affordable housing, including permanent, transitional, supportive and low-barrier, encompassing rental and home ownership opportunities (Mayor's Homeless Leadership Team May 2010)

What Can You Do?

- Educate: Yourself and others regarding Homelessness in our community & state
- Advocate: For programs & funding with local, state & federal policy makers & elected officials
- Volunteer: At a shelter, food bank, or with a non-profit or faith based organization

VETERAN HOMELESSNESS PREVENTION PLATFORM

In October 2006, the National Coalition for Homeless Veterans (NCHV) participated in the National Symposium on the Needs of Young Veterans hosted by AMVETS in Chicago. As a subject matter expert on veterans at risk of homelessness, NCHV engaged in discussions with community-based service providers to identify the most critical needs of veterans returning from Operations Iraqi Freedom and Enduring Freedom (Afghanistan), and their recommendations on government and community interventions that would reduce those veterans' risks of becoming homeless.

The U.S. Department of Veterans Affairs, Department of Labor and their community-based service partners represented by NCHV have developed a nationwide network of assistance programs that has reduced the number of homeless veterans on the streets of America by more than 40% since 2005. The Chicago symposium, however, was one of the earliest national assemblies convened to explore strategies to prevent homelessness among combat veterans returning from war. The insights, client challenges and recommendations of those service providers still serve as the foundation of a comprehensive Veteran Homelessness Prevention Platform.

The recommendations in this document do not necessarily represent NCHV's position on specific legislative initiatives, but are presented to help frame the discussion and development of an effective veteran homelessness prevention strategy.

Causes of Homelessness

Homelessness is the end result of problems that an individual cannot resolve without assistance. Generally, these problems can be grouped into three categories – health issues, economic hardships and lack of affordable housing.

These issues impact all homeless individuals, but veterans face additional challenges when trying to overcome these obstacles: prolonged separation from traditional supports such as family and close friends; highly stressful training and occupational demands that can affect their personality, self esteem and ability to communicate with people in the civilian sector after their separation from military service; and non-transferability of some military occupational specialties into the civilian work force.

NCHV believes the key to veteran homelessness prevention is to help service members plan for their separation from the military – accounting for their health, employment and housing needs – well before their discharge. Just as critical is providing access to assistance to veterans who need help before they lose control of their lives and, ultimately, their homes and families.

Health Care Initiatives

Mental Health – The VA reports that nearly 30% of the veterans of Iraq and Afghanistan who have sought VA medical care since separating from the military have exhibited potential symptoms of mental and emotional stress. Close to one-half of those have a possible diagnosis of post-traumatic stress disorder (PTSD).

Of equal concern was the Government Accountability Office (GAO) report that a large percentage of Iraq War veterans whose Post-Deployment Survey responses indicated they were at risk of developing PTSD were not referred to Department of Defense or VA facilities for mental health screening and counseling *(GAO Report, May 16, 2006)*.

Primary and Long-term Rehabilitative Care – While the VA has greatly increased the capacity and services of its nationwide health care system, many communities are under-served by VA programs.

Many low-income veterans cannot afford health insurance, and many small and independent businesses do not offer health insurance coverage. These veterans and their families are one major medical problem removed from severe economic hardship that may, and often does, result in an increased risk of homelessness.

Recommendations:

- There should be a national "open door" policy that ensures access to immediate primary and mental health services to OIF/OEF veterans for five years after discharge in (1) areas that are under-served by VA facilities, (2) for immediate family members of OIF/OEF veterans, and (3) for long-term rehabilitative care. Fee-for-service policies, contracts with approved community and private health care providers in under-served areas or those with insufficient VA capacity to meet demand, and reimbursement by VA to those care providers must not place additional burdens on OIE/OEF veterans and their families.

- All VA medical centers and community-based outpatient clinics (CBOC) should have access to emergency mental health services on a 24/7 basis, whether on site or through approved community mental health programs. This critical support must be real-time, face-to-face.

- Implement universal enrollment in the VA Health Care System ***before*** discharge from active duty status, including eligible National Guard and Reserve personnel deployed to Iraq and Afghanistan. Ensure that a copy of a service member's medical records be transmitted to the VA Medical Center serving that veteran's home of record.

- All service members separating from active duty after deployment to Iraq, Afghanistan, or any combat theater, should receive mandatory mental health assessments and be screened for possible traumatic brain injury (TBI), Hepatitis-C, TB, HIV and other illnesses ***before*** discharge. Follow-up mental health assessments should be mandatory at six-month and one-year intervals after discharge. The VA medical center serving the veteran's home of record should be responsible for ensuring these follow-up assessments are scheduled, and recording the veteran's response.

- Service members who, on their Post-Deployment Assessment surveys, are identified as exhibiting signs of emotional or mental strains that could increase their risk of developing PTSD should be advised of that fact so they may ask for and receive proper supports to reduce that likelihood.

- National Veteran Health Insurance Program – Create a program based on a premium sliding scale to make health insurance available and affordable to all veterans and their families regardless of income status.

- Require the VA and Department of Defense to produce public service announcements (PSA) for television, radio, newspapers and magazines informing veterans where they can find assistance, coined as a benefit earned through their military service. Many veterans have no idea what benefits or assistance they are eligible for after their discharge; some are unsure of their veteran status.

- Congress should ensure funding of the VA "Resource Call Center" so that veterans – and their family members – who need assistance receive accurate, helpful information and referrals to VA and community resources in their area on a 24/7 basis.

Income Supports

For young veterans, economic hardships usually involve employment issues and mounting debt. The cost of housing in most communities makes it unlikely that a single wage earner will be able to afford a comfortable and safe rental unit. The recent housing crisis and economic downturn conspire against younger veterans in terms of both housing cost burden and employment security. Though many military occupations prepare veterans for the workforce, many combat arms specialties do not, and this affects younger OIF-OEF veterans more than other age cohorts.

According to an analysis of 2000 Census data performed by Rep. Robert Andrews (D-NJ) in 2005, about 1.5 million veterans – nearly 6.3% of the nation's veteran population – have incomes that fall below the federal poverty level, including 634,000 with incomes below 50 percent of the poverty threshold. Many of these veterans have no health insurance or access to education or training programs to increase their earnings potential.

OIF/OEF veterans are entitled to return to their pre-deployment jobs and pay scale under USERRA protection after their discharge, but increasingly many jobs are disappearing because of layoffs and business failures. Veterans who cannot find other employment quickly are in imminent danger of becoming dependent on shared living arrangements or becoming homeless.

Recommendations:

- Expand and Increase Funding for the Jobs for Veterans Act – The Jobs for Veterans Act enables the Department of Labor to provide veterans with employment preparation assistance and job placement services. There are nearly 2,500 employment specialists working with veterans through the Veterans Employment and Training Service (DOL-VETS). Disabled Veteran Outreach Program (DVOP) specialists help homeless veterans and those at-risk of becoming homeless find gainful employment; and Local Veteran Employment Representatives (LVERs) identify employers who are willing to hire veterans. The Act requires that federal contractors and government agencies give veterans a preference in their hiring policies. Additional funding would increase the number of DOL-VETS employment specialists in the field, create more job opportunities for veterans returning from Iraq and Afghanistan, and enhance the program's oversight and enforcement capabilities with respect to veteran preferences.

- Expand the Veterans Workforce Investment Program (VWIP) to all 50 states. Currently less than $8 million is distributed by the Department of Labor to 12 grant programs in select states to provide unemployed and under-employed veterans with job training and placement assistance. In view of the re-employment needs of OIF/OEF veterans during the current economic downturn, and considering young combat veterans are most impacted by that downturn, funds from the Recovery Act should be made available to VWIP programs in every state proportionate to the number of work-age unemployed OIF/OEF veterans in each state.

- Pass emergency legislation to provide unemployment compensation to OIF/OEF veterans who are not protected by USERRA (due to business failures and layoffs) at a percentage of their base military pay for a period of up to 12 months, rather than the current prevailing local rates. Employment protection is one of the guarantees that men and women consider when volunteering to serve in this nation's military – they should not be penalized for making that sacrifice.

- Implement a program through the Department of Veterans Affairs to provide grants to community organizations providing services to low-income veterans –and their families – in supportive housing. Eligible uses could include child care assistance, counseling and case

management, employment supports such as uniforms and training fees, transportation for VA appointments, emergency aid with utility bills, etc.

- Develop a federal certification project for certain trades and occupations that are readily accepted in the states, and DoD and VA should share the cost of certification for OIF/OEF veterans within one year after their discharge.

Access to Housing

According to the 2007 VA Community Homelessness Assessment and Local Education Networking Groups (CHALENG) Report, one of the highest-rated unmet needs among veterans in every region of the country is access to safe, affordable housing. This has been identified as a chronic community problem by many research and public interest groups, as well as government agencies and service providers.

Because of limited public assistance resources, access to public housing is usually subject to a priority system that favors single parents with dependent children, the elderly and persons with disabilities over veterans without an obvious substance abuse, mental illness or other disability. The reality is that in virtually every community in America there is a critical shortage of safe, decent affordable housing for individuals and families with low and extremely low incomes *(National Law Center on Homelessness & Poverty, National Alliance to End Homelessness, the council of Mayors, Harvard University, 2006)*. This becomes an even greater challenge in light of the more than 1.5 million veterans who live below the federal poverty level – about 6.3% of the men and women who have served in the military *(2000 U.S. Census)*.

Recommendations:

- Continue to increase the HUD-VA Supportive Housing Program (HUD-VASH) with another 20,000 Section 8 vouchers beyond the 20,000 funded since Fiscal Year 2008. The National Alliance to End Homelessness (NAEH) released an analysis of available data that showed up to 65,000 veterans could be classified as "chronically homeless." Those are veterans with serious mental illness, chronic substance abuse issues and other disabilities; and they will need supportive housing over a long period, many for the rest of their lives. At a 40,000 voucher level, only two-thirds of this special population would be served. Due to the time it would take to implement program expansion of this scale, reassessment of the need and the program's success would be ongoing and policy could be revised to reflect that data.
-
- Pass the Homes For Heroes Act – Originally introduced in the 110th Congress, in the House by Rep. Al Green (D-TX) and the Senate by Sen. Barack Obama (D-IL), this measure would make available to low- and extremely low-income veterans and their families 20,000 housing vouchers; fund grants to organizations providing services to low-income veterans in supportive housing; and create the position of Veterans Liaison within the Department of Housing and Urban Development to ensure the needs of low-income and homeless veterans are considered in HUD programs. The measure has been reintroduced in the House this year; a companion bill in the Senate has not yet been filed.

- Full implementation of the VA Enhanced Use Lease (EUL) "Mission Driven Housing" initiative – A critical piece of the strategy to develop supportive housing for homeless veterans and those at risk of becoming homeless. The VA has identified surplus or under-utilized properties at 49 sites that will be made available for project development and lease through a streamlined approval process. Thirty-four of those sites are for homeless housing projects only; the 15 others may include homeless housing and services in development proposals. Eight sites have been announced through the RFP process, the others will be announced as the VA is ready to proceed.

This is a historic initiative, and one NCHV believes will have a profound impact on reducing and preventing veteran homelessness.

- Create a national prime rate interest home loan program for OIF/OEF veterans – The VA home loan guarantee program has made home ownership a reality for millions of veterans. However, this program does little for young veterans with modest incomes. A special loan account, administered by a corporate partnership, to provide home loans at well-below market rate for OIF/OEF veterans would help these young veterans qualify for home ownership, allow them to build equity to strengthen their financial stability, and effectively reduce their risk of homelessness by reducing their mortgage payments. Funding institutions could be offered federal tax incentives to offset income loss due to the lower interest rates.

- Develop affordable housing programs for low-income veterans – Every community in the nation should incorporate into their 10-year plans a strategy to develop affordable housing stock to prevent homelessness among its low-income and extremely low-income individuals and families, with a set-aside for veterans in proportion to their representation in the homeless and low-income population estimates. Federal, state and local governments should develop incentives to drive this vital component of homelessness prevention through low-income housing tax credits; awarding of project-based Section 8 vouchers for approved developments; project funding support through the National Housing Trust Fund; formation of local and regional community land trusts; infusion of supportive services dollars through Community Development Block Grants and other funding streams; and tax credits for builders and contractors who work on these projects.

Municipal Department of Health Human Services
Human Services Division - Safety Links Program (907-343-6592)
8th Anchorage Project Homeless Connect - January 26, 2011

		Count	Percent
Attendee Count		**847**	—
Gender	Female	308	36.4%
	Male	535	63.2%
	Transgendered Female to Male	1	0.1%
	No Response	3	0.4%
Age Groups	Less than 18	3	0.4%
	18 - 21	48	5.7%
	22 - 30	122	14.4%
	31 - 40	140	16.5%
	41 - 50	247	29.2%
	51 - 61	220	26.0%
	62 and over	55	6.5%
	No Response	12	1.4%
Household Type	Single Adult Household	567	66.9%
	Household with 2+ Adults	150	17.7%
	Family with Children Under the Age of 18	113	13.3%
	Unaccompanied Minor (Under 18)	1	0.1%
	No Response	16	1.9%
Household Member Information	# of Adults in Household	1,129	—
	# of Adults with Disability	99	9.1%
	# of Children Under 18 in Household	262	—
	# of Children with Disability	9	3.4%
	# of Attendees plus Household Members	**1,391**	—
	Average Children per Household	2.32	—
Where Did You Sleep Last Night	Domestic Violence Shelter (i.e. AWAIC)	9	1.1%
	Emergency Shelter (i.e. Brother Francis / Rescue Mission)	238	28.1%
	Foster Care / Group Home	2	0.2%
	Hospital (including Emergency Room)	4	0.5%
	Hotel / Motel (Due to Displacement)	86	10.2%
	Jail, Prison or Juvenile Facility	8	0.9%
	Own House	17	2.0%
	Permanent Housing for Formerly Homeless	1	0.1%
	Place Not Meant for Habitation (i.e. Tent / Car)	79	9.3%
	Rent Apartment / House	83	9.8%
	Stayed With Family	92	10.9%
	Stayed With Friends	150	17.7%
	Subsidized Housing (i.e. Public Housing)	5	0.6%
	Substance Abuse Treatment Center	1	0.1%
	Transitional Housing for Homeless	45	5.3%
	Does Not Know or Remember	1	0.1%
	Refused	1	0.1%
	No Reponse	25	3.0%
	Homeless - Based on HUD Criteria	**371**	**43.8%**
	Homeless - Additional Alaska Criteria	**328**	**38.7%**
	Homeless - Based on HUD + Alaska Criteria	**699**	**82.5%**
	Housed - Based on HUD + Alaska Criteria	**121**	**14.3%**

Municipal Department of Health Human Services
Human Services Division - Safety Links Program (907-343-6592)
8th Anchorage Project Homeless Connect - January 26, 2011

		Count	Percent
Duration of Homelessness	**Not Homeless**	**22**	**2.6%**
	1 Month or Less	64	7.6%
	More than 1 Month to 6 Months	172	20.3%
	More than 6 Month to 1 Year	114	13.5%
	More than 1 Year to 2 Years	124	14.6%
	More than 2 Years to 3 Years	75	8.9%
	More than 3 Years to 4 Years	33	3.9%
	More than 4 Years to 5 Years	33	3.9%
	More than 5 Years to 6 Years	24	2.8%
	More than 6 Years to 7 Years	9	1.1%
	More than 7 Years to 8 Years	4	0.5%
	More than 8 Years to 9 Years	3	0.4%
	More than 9 Years to 10 Years	23	2.7%
	More than 10 Years to 15 Years	19	2.2%
	More than 15 Years to 20 Years	16	1.9%
	More than 20 Years to 25 Years	7	0.8%
	More than 25 Years to 30 Years	3	0.4%
	More than 30 Years to 40 Years	6	0.7%
	More than 40 Years	2	0.2%
	Homeless Based on Duration of Homelessness	**731**	**86.3%**
	No Response	94	11.1%
Times Homeless in Last 3 Years	0 times	12	1.4%
	1 to 3 times	456	53.8%
	4+ times	180	21.3%
	Homeless in the Last 3 Years	**636**	**75.1%**
	No Response	199	23.5%
Primary Reason for Becoming Homeless	Domestic Violence	47	5.5%
	Hours of Work Cut	11	1.3%
	Illness / Injury	52	6.1%
	Loss of Job	211	24.9%
	Loss of Partner / Roommate	46	5.4%
	Moved Here from Another Community	73	8.6%
	Release from Jail or Prison	67	7.9%
	Release from Mental Health Facility	5	0.6%
	Rent / Utility Rate Hike after Move-in	30	3.5%
	Substance Abuse / Mental Health Incident	110	13.0%
	Other	139	16.4%
	No Response	56	6.6%
Employed	Yes	65	7.7%
	No	782	92.3%

Municipal Department of Health Human Services
Human Services Division - Safety Links Program (907-343-6592)
8th Anchorage Project Homeless Connect - January 26, 2011

		Count	Percent
Primary Sources of Support in Last 30 Days	Adult Public Assistance	134	15.8%
	ATAP / TANF	49	5.8%
	Child Support	7	0.8%
	Family / Friend Gifts	63	7.4%
	Native Dividends	108	12.8%
	Panhandling	35	4.1%
	Social Security (SSI / SSDI / SSA)	192	22.7%
	Unemployment	83	9.8%
	Wages	76	9.0%
	Other Sources	174	20.5%
	No Income	44	5.2%
Has Health Care (e.g. Indian Health Care, Denali Kid Care, etc.)	Yes	617	72.8%
	No	230	27.2%
U.S. Military Veteran	Yes	127	15.0%
	No	719	84.9%
	Does Not Know	1	0.1%
Received Eviction Notice this Month	Yes	39	4.6%
	No	808	95.4%
Conditions Affecting Ability to Retain Housing			
• Chronic Substance Abuse	Yes	165	19.5%
	No	682	80.5%
• Domestic Violence	Yes (Women)	76	9.0%
	Yes (Men)	31	3.7%
	Yes (Total)	107	12.6%
	No (Total)	740	87.4%
• HIV / AIDS	Yes	9	1.1%
	No	838	98.9%
• Mental Illness	Yes	123	14.5%
	No	724	85.5%
• Physical Disability	Yes	185	21.8%
	No	662	78.2%

Municipal Department of Health Human Services
Human Services Division - Safety Links Program (907-343-6592)
8th Anchorage Project Homeless Connect - January 26, 2011

		Count	Percent
Primary Race	Alaska Native or American Indian	444	52.4%
	Asian	11	1.3%
	Black or African American	57	6.7%
	Native Hawaiian or Other Pacific Islander	9	1.1%
	White	262	30.9%
	Don't Know	1	0.1%
	Refused	2	0.2%
	Other	54	6.4%
	No Response	7	0.8%
Alaska Native Regional Corporation	Ahtna Corp.	10	2.3%
	Aleut Corp.	14	3.2%
	Arctic Slope Regional Corp.	17	3.8%
	Bering Straits Native Corp.	51	11.5%
	Bristol Bay Native Corp.	32	7.2%
	Calista Corp.	95	21.4%
	Chugach Alaska Corp.	6	1.4%
	Cook Inlet Regional Corp.	45	10.1%
	Doyon Limited Corp.	38	8.6%
	Koniag Incorp.	3	0.7%
	NANA Regional Corp.	43	9.7%
	Sealaska	41	9.2%
	13th Regional Corp.	3	0.7%
	No Response	64	14.4%
Number of PHC Events Attended Prior to this Event	0	342	40.4%
	1	249	29.4%
	2	110	13.0%
	3	42	5.0%
	4	15	1.8%
	5	5	0.6%
	6	1	0.1%
	7	3	0.4%
	No Response	80	9.4%

Anchorage Homeless Chronic Public Inebriate: An Overview

Homeless versus Homeless Chronic Public Inebriate

The issues of chronic public inebriation and homelessness are often perceived by the public as one in the same, but while they may have related issues, overall they include different demographics with distinct needs and different solutions.

According to the Alaska Homeless Management Information System and Alaska Housing Finance Corporation, the overall estimated homeless population (homeless - according to HUD definitions*) was 2,962 individuals as of January, 2009 (based on a single-night count). The Anchorage School District calculates that nearly 1,176 of those homeless are children[1].

Out of the single-night count 399 of the 2,962 homeless individuals claimed to be chronic alcoholics or substance abusers. This is a 38% increase from homeless chronic inebriate population estimates by UAA/BHRS in 2005[2].

Homeless Chronic Public Inebriate Activity Trends

The Anchorage Fire Department has collected data from the Community Service Patrol & Transfer Station (CSP&TS) and published the results in a *Summary and Analysis Report*[3]. This report is the most accurate source of information that the Municipality Of Anchorage has for assessing trends related to homeless chronic public inebriates.

This analysis shows that the activity at the CSP&TS has risen significantly in the past year.

Activity	2007	2008	Change 2007 - 2008
# CSP dispatch calls responded to	20,703	23,396	>13%
# Sleep-Off client intakes	20,463	23,104	>13%
# Unduplicated clients served	3,308	3,451	>4%
Average intake breath alcohol measure	.217	.277	>3%

Data reported by CSP&TS, also reveal a change in individual frequency of use between 2007 and 2008 at the Transfer Station.

Individual's Frequency Of Use	# Of Clients 2007	# Of Clients 2008		# Intakes 2007	# Intakes 2008
1 Intake	1,955	1,867		1,955	1,867
2-4 Intakes	672	778		1,738	2,028
5-10 Intakes	286	332		1,973	2,284
11-29 Intakes	193	277		3,243	5,082
30-72 Intakes	151	146		6,346	6,475
73-197 Intakes	51	51		5,208	5,368
Totals	**3,308**	**3,451**		**20,463**	**23,104**

*The US Department of Housing and Urban Development (HUD) defines "homeless" as "those who lack a fixed, regular, adequate nighttime residence, including persons whose nighttime residence is a supervised public or private shelter designed to provide temporary living accommodations."

Anchorage Homeless Chronic Public Inebriate: An Overview

Homeless Chronic Public Inebriate Demographics

Overall, the gender of those served at CSP&TS in 2008 was: 78% male and 22% female. The ethnicities served at CSP&TS in 2008 were: 85% Alaska Native/American Indian; 12% Caucasian/White; 0.1% Black; 0.1% Hispanic; 2.8% Asian/Other/Unknown.

The Cost

Individuals who are homeless chronic alcoholics/substance abusers cost citizens of the Municipality of Anchorage and the community at large an increasingly high amount in money and resources each year. A breakdown of some of the costs for an individual is as follows:

One meal at Downtown Soup Kitchen[11] - $2.00
A day at Bean's Café[12] - $10.00
A night at Catholic Social Services Brother Francis Shelter[4] - $17.49
An intake at the CSP-Transfer Station[5] - $65.00
A day in an emergency room bed[7] - $101
A night in Jail or Prison[6] - $126.04
A day with a case manager[10] - $180.00
A day in a residential treatment bed[8] - $250.00 - $375.00
A day in a detox bed[9] - $400.00 - $500.00

Exact costs to society are challenging to calculate, such as the cost for APD to respond whenever they get a "man down" call, which may be an individual sleeping on the ground and supersedes all other dispatches, including suspected robberies, rapes, etc. Or, businesses that may be affected in ways such as, having to use company time to clean up the parking lot littered with empty liquor bottles.

Increased Crime Rates

In addition to the escalating trend that Anchorage has seen year-after-year with the homeless chronic public inebriate population, the APD Special Victims Unit (SVU) has seen an increase within the past year of reported sex crimes. Most sexual assaults have involved individuals (both victim and suspect) who are extremely intoxicated from alcohol and who are often homeless.

Conclusion

The issues of homeless chronic public inebriates, is not new to Anchorage. Rather than managing or simply reacting to these issues, the goal needs to be to end chronic alcohol/substance abuse and homelessness in our city and our community. To accomplish those ends requires working to: 1) Reduce deaths amongst chronically homeless inebriates 2) Reduce violence to and among the chronically homeless inebriates and 3) Reduce neighborhood impact from chronically homeless inebriates[13].

Index

[1]2008 estimate from Anchorage School District.
[2]The Chronic Inebriate Problem in Anchorage Brief Overview, July 2, 2007, MOA/DHHS, CW Floyd.
[3]http://www.muni.org/departments/fire/operations/documents/2007%20csp%20report.pdf
http://www.muni.org/departments/fire/operations/documents/csp%20data%20draft%202008.pdf
[4]2009 estimate from Catholic Social Services, Brother Francis Shelter.
[5]2008 estimate from Anchorage Fire Department, Community Service Patrol &Transfer Station.
[6]2008 estimate from the State of Alaska Department of Corrections.
[7]2007 estimate from Providence Hospital.
[8]2008 estimate from Cook Inlet Tribal Council, Ernie Turner Treatment Center.
[9]2008 estimate from Cook Inlet Tribal Council, Ernie Turner Treatment Center.
[10]Need for Change: Cost-Effective Solutions to Homelessness, September 2008, Anchorage Coalition on Homelessness.
[11]2008 estimate from Downtown Soup Kitchen.
[12]2009 estimate from Bean's Café.
[13]Chronic Public Inebriates and Related Issues of Homelessness, The Mayor's Strategic Action Plan, 2008.

The Cost of Housing in Anchorage

Alaska Coalition on Housing & Homelessness Housing facts for Alaska

Rent Wage Disparity

Community	Affordable Rent*	SSI Affordable Rent	2-BR FMR	Wage Needed to Afford FMR	HRS per Week @ Min Wage**
Anchorage	$633	$174	$921	$17.71	99

Source: National Low Income Housing Coalition www.nlihc.org

Anchorage HUD Fair Market Rents for Existing Housing

0 BR	1 BR	2 BR	3BR	4 BR	5BR	6BR
$646	$734	$921	$1326	$1615	$1857	$2099

* Affordable rent means monthly rent affordable at mean renter wage, applying the generally accepted standard of spending not more than 30% of income on housing costs

**Minimum wage of $7.15/hr, effective 1/1/03
FMR as issued by HUD 10/3/2005

Services Provided

- Screening and early intervention
- Comprehensive assessment, treatment and continuing care by experienced staff
- Complete medical evaluation and primary and specialty medical care
- Mental health services, including PTSD treatment
- Problem solving group therapy
- Relapse prevention and substance refusal skills training
- Motivational enhancement
- Individual counseling
- Vocational Rehabilitation and employment services
- Big Book and Step Study groups
- Spiritual counseling
- AA, NA and AlAnon meetings
- Educational videos and discussion
- Family recovery interventions
- Consultation from professional medical center staff to address individual needs
- HUD/VASH Program assistance
- Grant Per Diem Program assistance
- Community network and housing re-integration services
- Homeless Veteran Outreach
- Veterans Justice Outreach
- Health Care for Re entry Veterans
- Supported Employment Program
- Homeless Veteran Supported Employment Program
- Programs are currently staffed in Anchorage and Fairbanks

Homeless Veterans Programs
Alaska VA Healthcare System
3001 'C' Street
Anchorage, AK 99503
(907) 273-4000
Toll-free (800) 764-2995
FAX: (907) 273-4085
FAX: (907) 273-4049

The Homeless Program are accredited by the Joint Commission and CARF.

Homeless Veterans Programs

The homeless program offers comprehensive psychosocial rehabilitation and healthcare services to eligible veterans who are homeless or whose mental health and/or substance abuse problems place them at risk for homelessness.

Referrals

Referrals may be made by physicians, employers, and other professionals as well as family members or patients themselves.

How to Contact Us

Call locally (907) 273-4000 . . . . or
Toll-free (800) 764-2995

Our Programs

Outreach Program provides a variety of community-based services with an emphasis on identifying and motivationally engaging veterans who may benefit from the services and programs of the HVS.

Domiciliary Care for Homeless Veterans provides a comprehensive biopsychosocial assessment and individualized solution-focused treatment plan that the resident actively pursues with the support and guidance of his/her case manager, the interdisciplinary treatment team, and other residents who function in the context of a therapeutic community.

Compensated Work Therapy Transitional Housing Program provides structured and supervised therapeutic housing in the community for at-risk and homeless veterans.

Compensated Work Therapy provides psychosocial rehabilitation services with a primary focus on vocational rehabilitation and employment services. Services include compensated work therapy, transitional work experience, and supported employment.

HUD/VA Supported Housing is a joint initiative between the Department of Housing and Urban Development and the Department of Veterans Affairs. This program provides housing vouchers to supplement the veteran's income to make it possible to afford adequate housing. A case manager also assists clients in establishing and maintaining successful independent living.

Grant and Per Diem Program is a partnership in which the VA pays a per diem rate for Veterans engaging in treatment with partner agencies in the community.

Health Care for Reentry Veterans/Veterans Justice Outreach is a new initiative engaging Veteran involved with the corrections system to prevent legal issues from escalating into homelessness.

Compensated Work Therapy Supported Employment works with Veterans with serious mental illness for rapid job placement and on-going support.

Homeless Veterans Supported Employment Program works with currently homeless Veterans for rapid job placement and on-going support.

Ric Davidge 907 229 5328 cell rdavidge@cvalaska.com

Veteran related positions currently held

Chairman, Alaska Veterans Foundation, Inc.

Chairman, Alaska Veterans Political Action Committee AK VET PAC

Chairman/Commissioner, Municipality of Anchorage, Military and Veterans Affairs Commission former Vice Chair/Commissioner since July 2003

Board of Directors, Alaska Veterans Business Alliance AK VET BIZ Chairman, Legislative Affairs Cmte

Chairman, National Committee on Economic Opportunities, Vietnam Veterans of America (VVA)

Chairman, VetCity, Inc. (ending veteran homelessness in Alaska)

Member, National Committee to End Veteran Homelessness, VVA
Member, National Government Affairs Committee, VVA

Formerly:

State President, Alaska State Council, Vietnam Veterans of America (2006-2010) (4 chapters)
Member, National Conference of State Council Presidents (NCSCP), Vietnam Veterans of America
Chairman, Ending Homelessness for Veterans, NCSCP, Vietnam Veterans of America
Chairman, Political Action Committee, NCSCP, Vietnam Veterans of America

Congressional Liaison, National Government Affairs Committee, Vietnam Veterans of America

7/19/11 GOVERNMENT EFFICIENCY REVIEW

<TARGET><BILL></BILL><SUBJECT>7-19-11 GOVERNMENT EFFICIENCY REVIEW</SUBJECT><COMM>SSTA27</COMM></TARGET>

July 19, 2011

Senate State Affairs Committee

Government Efficiency Review

Department of Commerce & Economic Development

Key Performance Indicators

Department of Commerce, Community, & Economic Development

- Viewing Performance Indicators
- **See Results Summary »**
- **See Performance Details »**
- **See Questions/Comments »**

Mission

Promote a healthy economy, strong communities, and protect consumers in Alaska.

Key Program Performance Indicators

Arrow indicates trend: ⬆=Improving ⬇=Worsening ➡=Maintaining

FY11 Authorized as of 9/30/2010 (in thousands)

	Funding					Positions		
Department of Commerce, Community, & Economic Development Totals	UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
	$43,592.3	$73,490.1	$30,208.3	$65,828.5	$213,119.2	534	3	16

1. **Economic Growth**
Includes resources for Office of Economic Growth, Qualified Trade Association Contract, Investments, Alaska Aerospace Corporation, Alaska Industrial Development and Export Authority, Alaska Seafood Marketing Institute and Community Development Quota Program.

Funding					Positions		
UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
$19,162.1	$19,779.1	$9,697.2	$31,626.6	$80,265.0	174	2	4

- **38 jobs in rural Alaska were created or maintained utilizing the Rural Development Initiative and Small Business Economic Development loan funds in FY2010, 52 fewer jobs than targeted.**
- **652 jobs were created or maintained in the Alaska commercial fishing industry by utilizing the Commercial Fishing Revolving Loan Fund, exceeding the FY2010 goal of 450.**
- **963 permanent jobs were created or retained in Alaska by Alaska Industrial Development and Export Authority financing in FY10, exceeding the target of 500.**
- **The value of Alaska seafood exports to Alaska Seafood Marketing Institute program destination countries decreased by 5.9% from 2008 to 2009, not meeting the target of a 0.5% increase.**
- **Tourism's five-year, 30% growth to over 1.7 million summer visitors showed a slight 0.4% decrease in 2008, followed by another 7.27% decrease in 2009.**
- **In-state spending by Alaska Aerospace Corporation totaled $15.2 million in FY10; this is an 11% increase of in-state spending from FY09.**

2. **Sustainable Energy**
Includes resources for Alaska Industrial Development and Export Authority and Alaska Energy Authority.

Funding					Positions		
UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
$16,811.3	$24,780.4	$12,639.1	$571.9	$54,802.7	61	0	2

- **As of August 2010, the proportion of electricity generated from renewable sources continues to be estimated at 24%. An updated estimate is expected in December 2010.**

Performance Details

Department of Commerce, Community, & Economic Development

- **See Key Program Indicators »**
- **See Results Summary »**
- Viewing Performance Details
- **See Questions/Comments »**

Mission

Promote a healthy economy, strong communities, and protect consumers in Alaska.

Core Services

- Coordinate, develop and promote programs for sustainable economic growth.
- Regulate and enforce to protect the consumer and to provide a stable business climate.
- Assist in the development of sustainable energy systems and reduce the cost of energy in rural Alaska.
- Assist communities to achieve maximum local self-government and foster volunteerism statewide.

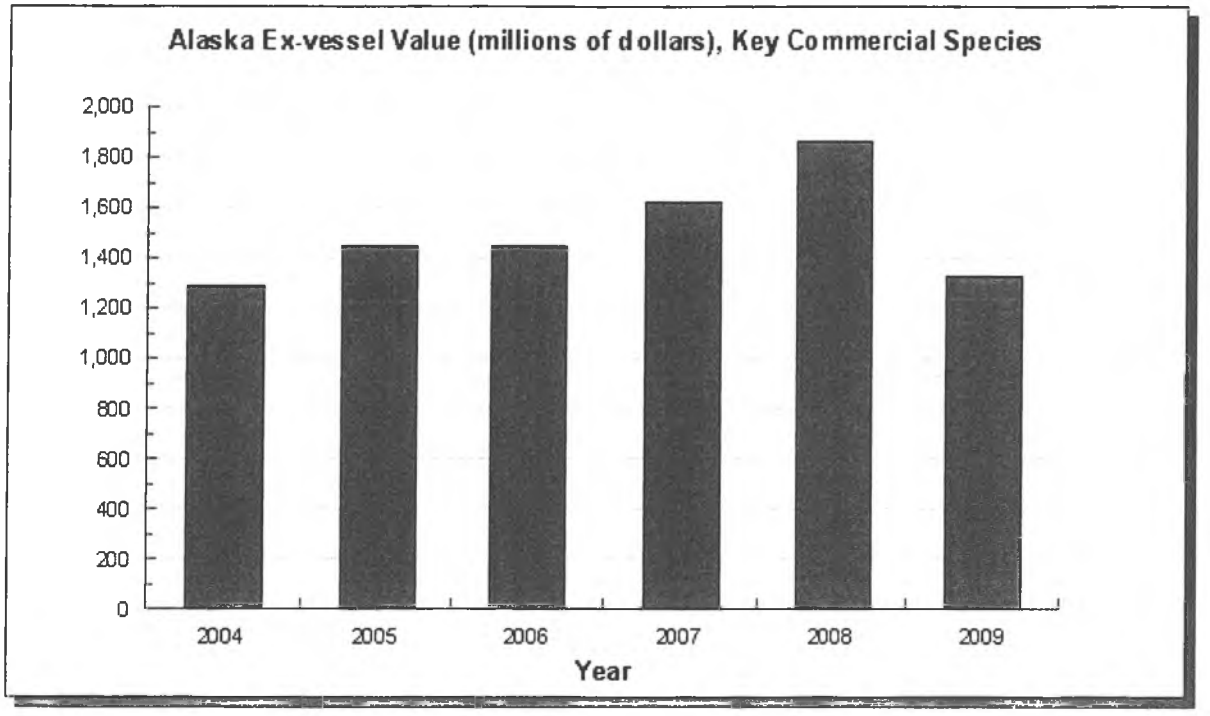
End Result:	Strategies to Achieve End Result
A: Sustainable economic growth. **Details >** • **TARGET #1: Increase by 0.5% the ex-vessel value of key commercial species in Alaska's commercial harvest.** • **STATUS #1: Ex-vessel value of key commercial species in Alaska's commercial harvest decreased 27% from CY2008-2009, target of a 0.5% increase was not met.** • **TARGET #2: One or more successful tourism development projects or new businesses developed in four to six rural Alaska community clusters each year.** • **STATUS #2: Met objective of assisting development of four to six new tourism projects or businesses by assisting in start-up of four new businesses and working with communities in**	A1: Implement economic development programs and projects. **Details >** • **TARGET #1: Restore advertising and public relations campaign supporting core U.S. marketing programs. Build consumer print and online media campaign that generates awareness among the target audience that Alaska seafood is a delicious, wild and sustainable choice.** • **STATUS #1: FY11 U.S. advertising and public relations campaign funded at one third lower level than FY08. Resulting in loss of certainty of key messages being delivered timely to millions of Americans.** • **TARGET #2: Provide technical assistance through mentorship in four to six rural community clusters each year through**

southeast and western Alaska on four new projects. • **TARGET #3: 2% increase per year in visitors between May 1 and September 30 annually.** • **STATUS #3: Tourism's five-year, 30% growth to over 1.7 million summer visitors showed a slight 0.4% decrease in 2008, followed by another 7.27% decrease in 2009.** • **TARGET #4: 19,000 jobs created and maintained in four years.** • **STATUS #4: Met the target of creating and maintaining 19,000 jobs in four years with 20,339 new jobs in the four years of 2005 – 2008.**	**Developing Alaska Rural Tourism program.** • **STATUS #2: Exceeded goal of providing mentorship services in four to six rural community clusters by assisting 11 tourism entrepreneurs in 11 communities.** • **TARGET #3: 500,000 brochures distributed to potential Alaska visitors annually.** • **STATUS #3: Exceeded target of distributing 500,000 brochures to potential Alaska visitors by distributing 610,760 brochures in FY10.**
End Result:	**Strategies to Achieve End Result**
B: Increase number of Alaska citizens who have access to local government services. **Details >** • **TARGET #1: 100% of municipal governments provide essential public services (i.e. elections, legal, health, financial/contracting, fuel).** • **STATUS #1: In FY10, 96% of municipal governments were estimated to have provided essential public services, an increase of 5% over the prior year.**	B1: Improve quality of department's available resources to the public. **Details >** • **TARGET #1: 5% increase per year in successful interventions in communities due to monitoring of key indicators.** • **STATUS #1: 38.46% increase in the number of successful interventions in communities due to monitoring of key indicators from FY09, significantly exceeding the target of 5%.**

Performance Detail

A: Result - Sustainable economic growth.

Target #1: Increase by 0.5% the ex-vessel value of key commercial species in Alaska's commercial harvest.
Status #1: Ex-vessel value of key commercial species in Alaska's commercial harvest decreased 27% from CY2008-2009, target of a 0.5% increase was not met.



Methodology: ADF&G, NOAA-NMFS, SMIS estimates, ASMI estimates

Table contains no rows.

Analysis of results and challenges: Over the past several years, Alaska has succeeded in raising the value of the seafood harvest; however, reduced harvest quotas and the global recession led to a decline in overall value of the resource in 2009. Value (ex-vessel) of key commercial species totaled nearly $1.3 billion in 2009, falling short of the 0.5% growth target for the year (-27 % growth from 2008 to 2009).

2009 Highlights: The ex-vessel value of Alaska pollock and Pacific cod fell by 34% ($249 million), accounting for most of the decline in total ex-vessel value across all fisheries. Alaska pollock and Pacific cod account for 55-to-65% of Alaska fisheries, by volume and roughly a third of their overall value. The North Pacific Fishery Management Council (NPFMC) lowered TAC's (Total Allowable Catch) for Alaska pollock by 18% in 2009, and while Pacific cod harvests were similar to 2008 the price of cod fell due, in part, to the rebound of wild cod stocks especially in the North Atlantic and the current crisis in Iceland.* Salmon values fell 12% to $398 million; sockeye were the only salmon species that didn't see lower ex-vessel prices. Halibut and sablefish values fell by 18% in 2009. The decline in ex-vessel value stems from lower quotas assigned to each species as well as recession-related problems in the restaurant industry. Shellfish values were essentially unchanged although the ex-vessel price for Bristol Bay red king crab and snow crab went up. For the second time in the past 10 years, the seafood industry paid over $100 million to federal, state, and local governments in the form of taxes, fees, and self-assessments (not including income taxes). Alaska seafood was far from the only protein source to be affected by the economic downturn; producer prices of pork, beef and chicken declined 13%, 10% and 4% in 2009. Collectively, the ex-vessel price per pound of Alaska seafood declined 11% in 2009.

Continuing support for marketing efforts will be needed to return ex-vessel values to those seen in 2008 and continue the upward growth trend. The outlook for 2010 is much improved as markets for Alaska seafood around the globe are rebounding from the poor economic conditions that plagued businesses in 2009. According to preliminary information from Alaska

Department of Fish & Game and trade press reports, early season prices for salmon, halibut and sablefish have generally increased. Through May 2010, export values are up for salmon, Alaska pollock and Pacific cod compared to last year. Future threats to the value of Alaska's fishery resource include foreign competition from Russia which harvests many of the same species, a possible resurgence of Chilean salmon farming, aggressive targeting of U.S. salmon market by Norwegian farmed salmon producers, incorporating Alaska seafood into changing palates, and the ever-present competition from other protein sources which fund their own expansive marketing campaigns.

*Iceland is the second largest cod producer in Europe behind Norway. The 2008/2009 financial crisis hit Iceland extremely hard, causing their currency to lose over half of its value relative to the dollar. As a result, it made their cod much cheaper from the European and American buyer's point of view. Cod imports into the U.S. from Iceland increased 44% in 2009 and contributed to a lower global price for cod.

Target #2: One or more successful tourism development projects or new businesses developed in four to six rural Alaska community clusters each year.
Status #2: Met objective of assisting development of four to six new tourism projects or businesses by assisting in start-up of four new businesses and working with communities in southeast and western Alaska on four new projects.

New Tourism Projects in Rural Alaska

Fiscal Year	YTD Total
FY 2010	7 -12.5%
FY 2009	8 +100%
FY 2008	4 +33.33%
FY 2007	3 -57.14%
FY 2006	7 0%
FY 2005	0

Methodology: Count of new projects in rural Alaska.

Analysis of results and challenges: The Developing Alaska Rural Tourism (DART) program was started in FY09 with a grant from the U.S. Economic Development Administration (EDA) and funding from the Alaska Department of Commerce Community and Economic Development. EDA funding was in place during FY10.

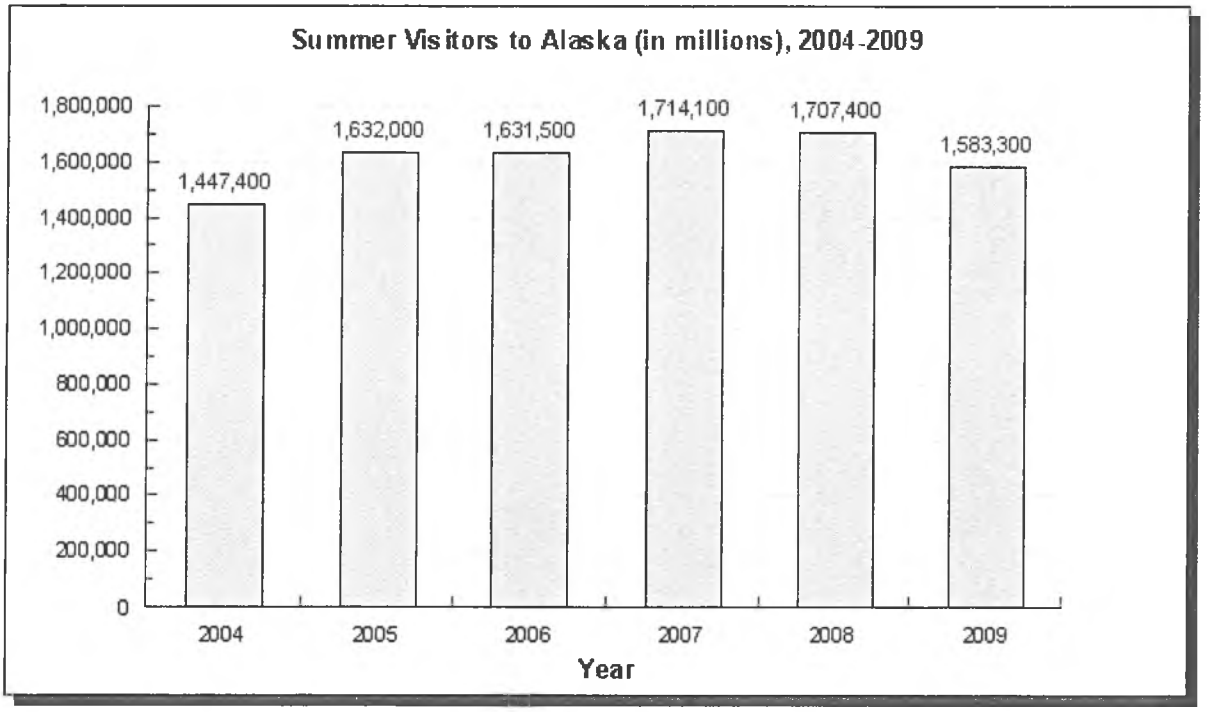
The FY10 Tourism Mentorship Assistance program was instrumental in the start-up or expansion of at least four new businesses in rural communities. The DART program also expanded opportunities for regional projects. These businesses and regional products include the following:
(1) Mentorship of business start-ups in Klukwan (Klukwan Cultural and Heritage Center),

Ouzinkie, Admiralty Island and Ruby;
(2) Guide training and 6-Pack training for polar bear viewing guides in Kaktovik;
(3) Tour itineraries in southwest Alaska and expanded tour products on Prince of Wales Island.

Related links:

- **Developing Alaska Rural Tourism Program**
- **Tourism Mentorship Assistance Program**

Target #3: 2% increase per year in visitors between May 1 and September 30 annually.
Status #3: Tourism's five-year, 30% growth to over 1.7 million summer visitors showed a slight 0.4% decrease in 2008, followed by another 7.27% decrease in 2009.



Methodology: Source: Alaska Visitor Statistics Program V, Interim Visitor Volume Report, Summer 2009, Prepared by the McDowell Group, Inc., for Alaska Office of Economic Development, December 2009.

The Interim Visitor Volume Report provides visitor volume estimates for Alaska between May 1 and September 30, 2009. Volume estimates are based on data collected for Alaska Visitor Statistics Program V, a study administered by the Alaska Department of Commerce, Community and Economic Development. The estimates are compiled using two sets of data: exiting traffic data (ferry embarkations, airplane enplanements, cruise passenger traffic, and highway border crossings) and visitor/resident ratio data (the ratio of out-of-state visitors to Alaska residents exiting Alaska, by traffic mode, location, and month). Summer ratio data was collected during the AVSP V summer study period, between May 1 and September 30, 2006. Nearly 50,000 travelers were tallied by survey field staff during this period. Ratios collected during 2006 were applied to 2009 traffic data to arrive at the estimates in this report.

Summer Visitors to Alaska (in millions), 2004-2009

Year	YTD Total
2009	1,583,300 -7.27%
2008	1,707,400 -0.39%
2007	1,714,100 +5.06%
2006	1,631,500 -0.03%
2005	1,632,000 +12.75%
2004	1,447,400

Analysis of results and challenges: The 2009 Alaska Visitor Statistics program (AVSP) estimates that 1.58 million out-of-state visitors came to Alaska between May and September 2009, a 7.27% decrease from 2008. Primarily responsible for the decline was the decrease in visitors exiting by air (15% drop in passengers), the state's second largest visitor segment. Visitors exiting by highway and ferry continued a pattern of decline. Cruise exits remained essentially the same.

Of the total visitors, 1,026,600 were cruise ship passengers; an estimated 482,800 entered and exited the state by air; and an estimated 63,900 entered or exited the state by highway or ferry.

Target #4: 19,000 jobs created and maintained in four years.

Status #4: Met the target of creating and maintaining 19,000 jobs in four years with 20,339 new jobs in the four years of 2005 – 2008.

Number of Jobs Created and Maintained

Year	YTD Total
2008	4,536 +48.77%
2007	3,049 -52.23%
2006	6,382 +0.16%
2005	6,372 +41.32%

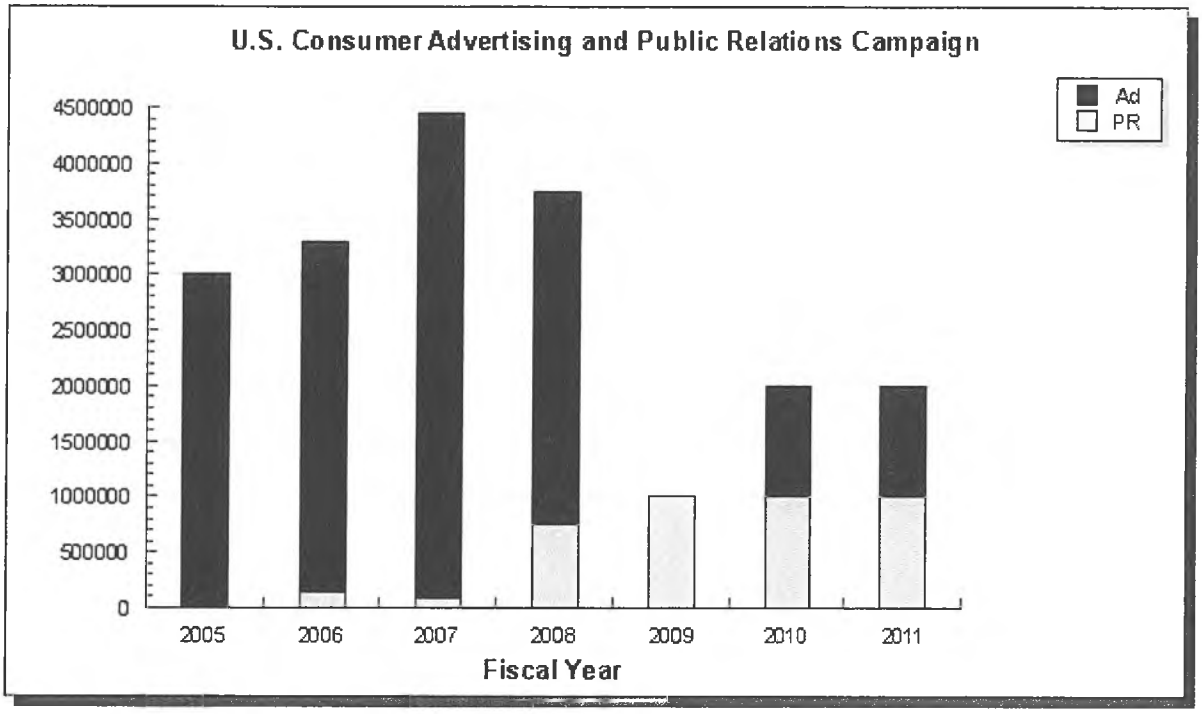
2004	4,509 -1.76%
2003	4,590

Methodology: This data is reported from the State of Alaska Department of Labor.

Analysis of results and challenges: This data represents all jobs created or maintained in Alaska from all sources including those from continued state investment in different programs that help to stimulate the economy and create jobs.

A1: Strategy - Implement economic development programs and projects.

Target #1: Restore advertising and public relations campaign supporting core U.S. marketing programs. Build consumer print and online media campaign that generates awareness among the target audience that Alaska seafood is a delicious, wild and sustainable choice.
Status #1: FY11 U.S. advertising and public relations campaign funded at one third lower level than FY08. Resulting in loss of certainty of key messages being delivered timely to millions of Americans.



Methodology: Alaska Seafood Marketing Institute; Schiedermayer & Associates

U.S. Consumer Advertising and Public Relations Campaign

Fiscal Year	PR	Ad
FY 2011	1000000 0%	1000000 0%
FY 2010	1000000 0%	1000000 0%

FY 2009	1000000 +33.33%	0 -100%
FY 2008	750000 +812.41%	2998000 -31.44%
FY 2007	82200 -46.2%	4372800 +38.94%
FY 2006	152800 0%	3147200 +4.91%
FY 2005	0	3000000

Analysis of results and challenges: ASMI was forced to curtail its overall promotional effort in FY10. The level of resources allocated to the effort in FY09 and FY10 did not allow for advertising placements that offer guaranteed delivery of key messages to the target audience according to a schedule. The resources allocated to consumer advertising and public relations are currently designed to obtain media exposure for Alaska Seafood, however this approach with less funds allocated than FY08 lacks the certainty of guaranteed, timely delivery of key messages to the target demographic, and awareness over time erodes. The goal is to regain the ability to reach as many people with key Alaska Seafood messages delivered via advertising as were reached through that means in FY08. Through consumer advertising in FY08, key messages were delivered according to schedule to more than 213 million U.S. households via cable TV, and to the readers of magazines with circulation totaling more than seven million.

Target #2: Provide technical assistance through mentorship in four to six rural community clusters each year through Developing Alaska Rural Tourism program.
Status #2: Exceeded goal of providing mentorship services in four to six rural community clusters by assisting 11 tourism entrepreneurs in 11 communities.

Number of Community Clusters Receiving Technical Assistance

Fiscal Year	YTD Total
FY 2010	11 +22.22%
FY 2009	9 0%
FY 2008	9 0%
FY 2007	9

Analysis of results and challenges: The Tourism Mentorship Assistance program (TMAP) was started in FY07 with a grant from the U.S. Department of Agriculture (USDA), Rural Development agency. The FY10 TMAP program is currently funded through a matching grant from the U.S. Economic Development Administration (EDA). The program is designed to provide 12-18 months of technical advice and assistance to potential entrepreneurs in rural Alaska.

The 11 entrepreneurs are located in Kaktovik, Perryville, Gambell, Nome, Bethel, Ruby, Tanana, Glennallen, Admiralty Island, Kodiak Island, and Klukwan.

Related links:

- **Developing Alaska Rural Tourism**

Target #3: 500,000 brochures distributed to potential Alaska visitors annually.
Status #3: Exceeded target of distributing 500,000 brochures to potential Alaska visitors by distributing 610,760 brochures in FY10.

Number of Alaska Marketing Brochures Distributed

Fiscal Year	YTD Total
FY 2010	610,760 +4.73%
FY 2009	583,156 +9.04%
FY 2008	534,816 -4.99%
FY 2007	562,904 -4.44%
FY 2006	589,082 +18.94%
FY 2005	495,277 -4.51%
FY 2004	518,693

Methodology: Source: July 20, 2010 Advertising Response Report.

Analysis of results and challenges: The role of the Alaska Travel Industry Association (ATIA) consumer marketing programs is to find potential visitors throughout North America and provide them with compelling information about Alaska in an effort to convert their interest in Alaska to actual travel to the state. Aggressive direct response programs in FY10 allowed ATIA to reach millions of potential visitors and resulted in 610,760 qualified requests for Alaska travel information. The goal for the year was exceeded and the total number of brochures distributed to consumers responding to the marketing increased over the prior year.

Each year, ATIA establishes a goal in regards to the number of marketing brochures distributed to potential visitors. ATIA also prints additional brochures for distribution to travel agents and Alaska residents.

Due to the high demand for Alaska travel information in FY10, ATIA printed additional copies of the State Vacation Planner mid-year so fulfillment of requests could be continued. When that supply was exhausted, Alaska postcards were sent to consumers directing them to the

official Alaska Travel website. They were also advised they would be among the first to receive the 2011 Vacation Planner in September.

ATIA will continue to measure the number of brochures being sent each week, along with the total for the year, and share this information with the state and ATIA's member businesses. This is important data because it substantiates how effectively ATIA marketing programs deliver Alaska's message.

B: Result - Increase number of Alaska citizens who have access to local government services.

Target #1: 100% of municipal governments provide essential public services (i.e. elections, legal, health, financial/contracting, fuel).
Status #1: In FY10, 96% of municipal governments were estimated to have provided essential public services, an increase of 5% over the prior year.

Percentage of Governments Providing Essential Public Services

Fiscal Year	YTD Total
FY 2010	96%
FY 2009	91%
FY 2008	83%
FY 2007	82%
FY 2006	83%
FY 2005	80%
FY 2004	85%

Analysis of results and challenges: There is no requirement for communities to report inadequate provision of public services, such as interruption of public utilities, reduction or elimination of police or public safety, not holding required public meetings or elections, or inadequate financial disclosure of public finances. DCRA is collecting this information through a new system called Community Status Report. Information for this data system is collected from other agencies that collect issue specific data. The challenge is to identify agencies that are collecting data on an ongoing basis and being able to incorporate these various systems into one comprehensive system.

B1: Strategy - Improve quality of department's available resources to the public.

Target #1: 5% increase per year in successful interventions in communities due to monitoring of key indicators.
Status #1: 38.46% increase in the number of successful interventions in communities due to monitoring of key indicators from FY09, significantly exceeding the target of 5%.

Number of Successful Interventions

Year	# of Interventions
2010	54 +38.46%
2009	39 +62.5%
2008	24 +14.29%
2007	21 +10.53%
2006	19

Analysis of results and challenges: This increase in successful interventions has been accomplished through reassignment of staff from other duties within the division to provide monitoring of tax reporting, fuel ordering, Power Cost Equalization reporting, and liens filed. Additional allocated resources both in staffing and travel allow the division to proactively contact communities prior to a financial crisis which may cause interruptions to electrical, sanitation, or governmental services.

Current as of November 30, 2010

© Copyright 2011, State of Alaska, all rights reserved

Department Of Natural Resources

Key Performance Indicators

Department of Natural Resources

- Viewing Performance Indicators
- **See Results Summary »**
- **See Performance Details »**
- **See Questions/Comments »**

Mission

Develop, conserve and enhance natural resources for present and future Alaskans.

Key Program Performance Indicators

Arrow indicates trend: ⬆ =Improving ⬇ =Worsening ➡ =Maintaining

FY11 Authorized as of 9/30/2010 (in thousands)

	Funding					Positions		
Department of Natural Resources Totals	UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
	$72,011.3	$25,513.6	$35,185.3	$19,782.7	$152,492.9	777	248	82

1. **Development and Use of State Land and Natural Resources**
Provide economic and recreational opportunities by facilitating responsible use and development of state land and water resources, which generate approx. 90% of the state's revenue. Acquire, dispose, and transfer state land. Defend title/rights to state land, navigable and public waters, trails.

Funding					Positions		
UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
$46,483.3	$25,448.1	$31,398.4	$10,079.3	$113,409.1	700	62	82

- **In FY10, five area wide oil and gas lease sales were held in the North Slope, North Slope Foothills, Beaufort Sea, Cook Inlet and Alaska Peninsula areas. A total of $11.8 million was received in valid bids, an estimated 482,594 new acres leased, and a potential 134 new leases awarded to-date. This is in line with FY09 when five lease sales were held in the same areas, with $12.8 million received in valid bids, an estimated 355,000 new acres leased and a potential 112 new leases were awarded.**
- **In FY10, 100 percent of pipeline right-of-way amendments and operational permits were processed within prescribed or negotiated timelines, consistent with FY09.**
- **In FY10, the state acquired 1.6 million acres of land from the federal government under the Statehood entitlement authority with another 6 million left to receive. Division of Mining, Land & Water project staff processed 100 percent of the Statehood entitlement conveyances that came in from the Bureau of Land Management; conveyance acreage received was 254,536 acres less than the previous year. Acreage added the last five years totals 8.3 million, which considerably increases the land management responsibilities of the department.**
- **In FY10, 87 percent of new applications from industry and individuals for use and development of state land were processed by the Division of Mining, Land & Water (575 processed of 662 received), an increase from 72 percent in FY09, when 473 of 655 were processed. Although this is an improvement in percentage processed over FY09, the backlog of unprocessed applications continues to increase, and stands at 2,376 at the end of FY10. Although we continue to try and improve processes, backlogs are increasing in part due to population and business growth, increased complexity and scrutiny, and litigation slows down the process time for permit issuance. These applications for land use permits and**

leases are fundamental to Alaska's development of jobs, businesses, new homes and recreational opportunities.

- In FY10, the Division of Mining, Land & Water sold 286 parcels of land, putting a total of 2,539 acres into private ownership, a decline from FY09 when 400 parcels of land were sold for a total of 3,583 acres.
- In FY10, the Division of Mining, Land & Water processed 69 percent (49 of 71) of new water right applications received, a slight increase from FY09 when 63 percent (78 of 124) of new applications received were processed, but both far below the 100 percent target. Although we continue to try and improve processes, water permit backlogs are increasing in part due to population and business growth, increased complexity and scrutiny, and litigation slows down the process time for permit issuance. Almost all development activities require water use permits and these activities positively impact Alaska businesses and families.
- In FY10, 94 percent of the 53 requests for title navigability determinations were responded to by the Division of Mining, Land & Water. This was an increase over FY09, when 86 percent of 42 requests were responded to. While this is an improvement in the percent responded to, and we continue to try and improve processes, the backlog continues to grow and stands at 9 at the end of FY10, up from 6 at the end of FY09.
- Forest management practice compliance was below standards in CY09, declining from 92 percent to 70 percent in the Interior because forest roads on State lands were not adequately maintained.
- Timber was sold to 52 Alaskan businesses in FY10, exceeding the target but down from 64 businesses in FY09. To compensate for the lack of available federal timber, the Division of Forestry is encouraging increased use of state forest land for Alaskan businesses by allowing uses that are pushing the state's maximum allowable yield for sustainable forests.
- In FY10, annual visits to Alaska state park units were 5.39 million with 72 percent of visits made by resident Alaskans, as compared to 5.22 million and 75 percent resident Alaskans visiting in FY09.
- The Division of Parks and Outdoor Recreation received $6.0 million in deferred maintenance funding in FY10. The cost of identified maintenance needs in state park units decreased to an estimated $65.8 million in FY10, a decrease of $1.4 million over FY09. Deferred maintenance needs grow an average of $5,000,000 per year; to make progress reducing the inventory of deferred projects, funding of more than $5,000,000 is needed annually.
- Since the Alaska Boating Safety program began, at least 19 Alaskan children have survived a water emergency thanks to a Kids Don't Float loaner life jacket, and Alaska's recreational boating fatality rate has declined. This summer (2010) saw 2 additional children saved in a rafting accident with loaner life jackets, bringing the lives saved count from 17 to 19. Life jacket wear rates in Alaska among adults have doubled, and wear rates among all age groups are now higher than the national average.
- In FY10, the Division of Geological and Geophysical Surveys published 480 square miles of new energy-related geologic mapping, down from 1,020 square miles in FY09. Geologic maps for three areas totaling 2,256 square miles are nearly completed and will be published in FY11, a significant increase over FY10. These publications are used by industry in making resource development decisions.
- In FY10, the Division of Geological and Geophysical Surveys published new airborne geophysical survey data for 653 square miles of high mineral-resource potential lands, exceeding the FY10 target of 640 and up from 442 square miles published in FY09. These publications are used by industry in making resource development decisions.
- At the end of FY10, the department had 20 online business services, out of an estimated total of 200, which is up from 19 in FY09 and 16 in FY08. The department continues the effort to streamline permit processes through the capital project for Unified Permitting; every improvement made in this area results in better services for our customers and improved efficiency for our staff.
- In FY10, 428 USDA-related inspections were requested and 100 percent were completed by the Division of Agriculture to meet statutory, federal, and international contract requirements related to commercial sales activity. These inspections represent approximately $66.4 million realized primarily from timber exports and domestic produce. This compares to 401 inspections requested and completed in FY09, representing approximately $43.1 million primarily from timber exports and domestic produce.

- **The Department of Natural Resources maintains Public Information Centers in Anchorage, Fairbanks, and Juneau, with staff available to respond to customer needs in person or via phone. In addition, many of our services are available electronically, including land status and mapping information, geological and geophysical information, recorded documents, and park cabin reservations.**

2. **Natural Resource Conservation and Protection**
Protect and enhance the value of state land and water resources and Alaska's coastal areas.

Funding					Positions		
UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
$1,887.2	$9.6	$1,218.0	$2,883.7	$5,998.5	34	5	0

- **In FY10, those projects requiring a 50-day individual consistency review were completed by the Division of Coastal and Ocean Management, on average, in 42 days, the same as in FY09.**

- **As of August 2010, there was no change to the number of Coastal District Plans approved since November 2009, when 25 of 28 Coastal Districts had approved plans in place. During FY10, one Coastal District completed a minor plan amendment, and four others are in the process of updating and amending their plans.**

3. **Wildland Fire Management**
Provide wildland fire protection on state, private and municipal lands.

Funding					Positions		
UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
$23,640.8	$55.9	$2,568.9	$6,819.7	$33,085.3	43	181	0

- **Calendar Year (CY) 2010 to date was an average fire season in both number of fire starts (648) and acres burned (1.1 million). However, due to low precipitation, the month of May had 230 fire starts which is nearly 50 percent more than the 10 year average for May. The 250,475 acres burned in May of 2010 is significantly higher than the 10 year average of 113,000 acres. These fire starts were due to an increase in human caused fires and lightning ignitions. Six of these fires were due to fires from the fall of 2010 burning through the winter. This early fire season threatened communities across the interior of Alaska. No structures were lost during this fire season but several interior communities were impacted by smoke. For comparison, the record fire year was CY2004 when 6.6 million acres burned, and CY2009 saw 3.0 million acres burned. For CY2009, the Division of Forestry safely managed the 9th largest fire season on record, by suppressing 93.2 percent of fires in critical/full protection at <10 acres, exceeding the target of 90 percent (but a slight decrease from 94.9 percent in CY2008). Kept significantly under the 5-year average loss of structures with 22 lost in CY2009 compared to a 5-year average of 49. Experienced a 7 percent decrease in human caused wildfire starts, with 241 in CY2009 compared to 259 in CY2008.**

- **Although in calendar year 2009 the number of firefighters qualified by the State of Alaska increased by 7 percent, in FY10, the number of firefighting resources delivered from the Lower 48 increased for the third consecutive year at a cost of more than $9 million.**

Current as of October 22, 2010

© Copyright 2011, State of Alaska, all rights reserved

Performance Details

Department of Natural Resources

- **See Key Program Indicators »**
- **See Results Summary »**
- Viewing Performance Details
- **See Questions/Comments »**

Mission

Develop, conserve and enhance natural resources for present and future Alaskans.

Core Services

- Meet our mission through both resource management (land, water, forest, subsurface) and regulatory activities
- Manage the human and commercial uses of state resources to ensure we provide maximum value to Alaskans
- Provide opportunities to utilize state land and water resources
- Acquire and provide hydrologic, geologic, geographic, historical site, and other land record and natural resource information
- Acquire land for public purposes and to fulfill statehood land entitlements.
- Make land available for sale to the public, and transfer land to municipalities
- Preserve and enhance the value of state land and water resources and Alaska's coastal areas
- Mitigate potential disasters and hazards
- Implement federal regulations and programs related to natural resources.

End Result: ▶▶	Strategies to Achieve End Result
A: Economic and recreational opportunities are provided, and state revenue is generated, by making land available for private, commercial and recreational use. **Details >** • **TARGET #1: Hold five area wide oil and gas lease sales to promote exploration and development of resources.** • **STATUS #1: In FY10, five area wide oil and gas lease sales were held in the North Slope, North Slope Foothills, Beaufort Sea, Cook Inlet and Alaska Peninsula areas. A total of $11.8 million was received in valid bids, an estimated**	A1: Process applications for land, subsurface, and water use in a timely manner. **Details >** • **TARGET #1: Process 90 percent of new applications received for permits and leases in a fiscal year.** • **STATUS #1: In FY10, 87 percent of new applications from industry and individuals for use and development of state land were processed by the Division of Mining, Land & Water (575 processed of 662 received), an increase from 72 percent in FY09, when 473 of 655 were processed. Although this is an improvement in**

482,594 new acres leased, and a potential 134 new leases awarded to-date. This is in line with FY09 when five lease sales were held in the same areas, with $12.8 million received in valid bids, an estimated 355,000 new acres leased and a potential 112 new leases were awarded.

- TARGET #2: Process 100 percent of pipeline right-of-way amendments and operational permits within prescribed or negotiated timelines.
- STATUS #2: In FY10, 100 percent of pipeline right-of-way amendments and operational permits were processed within prescribed or negotiated timelines, consistent with FY09.

- TARGET #3: Issue permits and leases for state land and water uses in a timely manner.
- STATUS #3: In FY10, the backlog of applications for land use permits and leases increased by 87 to a total of 2,376; and the backlog of applications for water rights applications increased by 22 to a total of 742.

- TARGET #4: Increase the amount of state land transferred into private ownership and to municipalities.
- STATUS #4: In FY10, the Department of Natural Resources sold 286 parcels, putting 2,539 acres into private ownership, a decline from FY09 when 400 parcels for 3,583 acres were sold. In FY10, no acreage was transferred to municipalities, down from 28,266 acres in FY09.

- TARGET #5: Increase number of visits to Alaska state park units.
- STATUS #5: In FY10, annual visits to Alaska state park units were 5.39 million with 72 percent of visits made by resident Alaskans,

percentage processed over FY09, the backlog of unprocessed applications continues to increase, and stands at 2,376 at the end of FY10. Although we continue to try and improve processes, backlogs are increasing in part due to population and business growth, increased complexity and scrutiny, and litigation slows down the process time for permit issuance. These applications for land use permits and leases are fundamental to Alaska's development of jobs, businesses, new homes and recreational opportunities.

- TARGET #2: Process 100 percent of new water right applications received.
- STATUS #2: In FY10, the Division of Mining, Land & Water processed 69 percent (49 of 71) of new water right applications received, a slight increase from FY09 when 63 percent (78 of 124) of new applications received were processed, but both far below the 100 percent target. Although we continue to try and improve processes, water permit backlogs are increasing in part due to population and business growth, increased complexity and scrutiny, and litigation slows down the process time for permit issuance. Almost all development activities require water use permits and these activities positively impact Alaska businesses and families.

- TARGET #3: Award oil, gas, and geothermal leases within nine months of sale.
- STATUS #3: In FY10, 100 percent of leases were awarded within nine months of sale. Average award time was six months, one month less than FY09.

- TARGET #4: Provide stable or increasing economic benefit from use of trees and forests on state

as compared to 5.22 million and 75 percent resident Alaskans visiting in FY09.

land by selling state timber to 40 or more Alaskan businesses.

- **STATUS #4: Timber was sold to 52 Alaskan businesses in FY10, exceeding the target but down from 64 businesses in FY09. To compensate for the lack of available federal timber, the Division of Forestry is encouraging increased use of state forest land for Alaskan businesses by allowing uses that are pushing the state's maximum allowable yield for sustainable forests.**

A2: Sell land to the public. **Details >**

- **TARGET #1: Sell 300 parcels of land (approximately 3,000 acres) per year.**
- **STATUS #1: In FY10, the Division of Mining, Land & Water sold 286 parcels of land, putting a total of 2,539 acres into private ownership, a decline from FY09 when 400 parcels of land were sold for a total of 3,583 acres.**

A3: Defend and maintain clear title to land. **Details >**

- **TARGET #1: Respond to 100 percent of requests for navigability determinations.**
- **STATUS #1: In FY10, 94 percent of the 53 requests for title navigability determinations were responded to by the Division of Mining, Land & Water. This was an increase over FY09, when 86 percent of 42 requests were responded to. While this is an improvement in the percent responded to, and we continue to try and improve processes, the backlog continues to grow and stands at 9 at the end of FY10, up from 6 at the end of FY09.**

A4: Acquire land from the federal government under the Statehood entitlement authority. **Details >**

- **TARGET #1: Each year, receive an additional 2,000,000 acres of the remaining entitlement of state land.**
- **STATUS #1: In FY10, the state acquired 1.6 million acres of land from the federal government under the Statehood entitlement authority with another 6 million left to receive. Division of Mining, Land & Water project staff processed 100 percent of the Statehood entitlement conveyances that came in from the Bureau of Land Management; conveyance acreage received was 254,536 acres less than the previous year. Acreage added the last five years totals 8.3 million, which considerably increases the land management responsibilities of the department.**

A5: Acquire and provide adequate information to support natural resource use and development decisions. **Details >**

- **TARGET #1: Publish 1,625 square miles of energy-related new geologic mapping in FY11.**
- **STATUS #1: In FY10, the Division of Geological and Geophysical Surveys published 480 square miles of new energy-related geologic mapping, down from 1,020 square miles in FY09. Geologic maps for three areas totaling 2,256 square miles are nearly completed and will be published in FY11, a significant increase over FY10. These publications are used by industry in making resource development decisions.**
- **TARGET #2: Publish 700 square miles of airborne geophysical survey data of minerals-interest lands in FY11.**
- **STATUS #2: In FY10, the Division of Geological and Geophysical Surveys published new airborne geophysical survey data for 653 square miles of high mineral-**

resource potential lands, exceeding the FY10 target of 640 and up from 442 square miles published in FY09. These publications are used by industry in making resource development decisions.

- **TARGET #3: Ail Department of Natural Resources business transactions and permit applications can be conducted electronically.**
- **STATUS #3: At the end of FY10, the department had 20 online business services, out of an estimated total of 200, which is up from 19 in FY09 and 16 in FY08. The department continues the effort to streamline permit processes through the capital project for Unified Permitting; every improvement made in this area results in better services for our customers and improved efficiency for our staff.**

- **TARGET #4: Customers receive accurate and timely assistance.**
- **STATUS #4: The Department of Natural Resources maintains Public Information Centers in Anchorage, Fairbanks, and Juneau, with staff available to respond to customer needs in person or via phone. In addition, many of our services are available electronically, including land status and mapping information, geological and geophysical information, recorded documents, and park cabin reservations.**

A6: Ensure compliance with statutory requirements and best practices. **Details >**

- **TARGET #1: 100 percent compliance with FRPA (Forest Resources and Practices Act) best management practices. Compliance is measured as the percentage of best management practices rated 4 or higher out of a**

perfect score of 5 in field inspections of forest operations.

- **STATUS #1: Forest management practice compliance was below standards in CY09, declining from 92 percent to 70 percent in the Interior because forest roads on State lands were not adequately maintained.**

- **TARGET #2: Inspect for compliance with USDA grade, USDA label laws and buyer specifications.**
- **STATUS #2: In FY10, 428 USDA-related inspections were requested and 100 percent were completed by the Division of Agriculture to meet statutory, federal, and international contract requirements related to commercial sales activity. These inspections represent approximately $66.4 million realized primarily from timber exports and domestic produce. This compares to 401 inspections requested and completed in FY09, representing approximately $43.1 million primarily from timber exports and domestic produce.**

A7: Improve safety of recreational boaters through effective implementation of the Division of Parks Boating Safety program.
Details >

- **TARGET #1: Boating Safety program actions result in lives saved.**
- **STATUS #1: Since the Alaska Boating Safety program began, at least 19 Alaskan children have survived a water emergency thanks to a Kids Don't Float loaner life jacket, and Alaska's recreational boating fatality rate has declined. This summer (2010) saw 2 additional children saved in a rafting accident with loaner life jackets, bringing the lives saved count from 17 to 19. Life jacket wear rates in Alaska among adults have doubled, and wear rates**

	among all age groups are now higher than the national average.
End Result:	**Strategies to Achieve End Result**
B: Alaska's coastal resources are managed to ensure a healthy and vibrant Alaskan coast that efficiently sustains long-term economic and environmental productivity. **Details >** • **TARGET #1: Review 100 percent of the resource development projects for compliance with the Alaska Coastal Management Program requirements.** • **STATUS #1: In FY10, the Division of Coastal and Ocean Management reviewed 100 percent of the resource development projects for compliance with the Alaska Coastal Management Program requirements, consistent with FY09.**	B1: Provide efficient delivery of project management and review services. **Details >** • **TARGET #1: Maintain a 50-day average consistency review timeframe for individual consistency reviews.** • **STATUS #1: In FY10, those projects requiring a 50-day individual consistency review were completed by the Division of Coastal and Ocean Management, on average, in 42 days, the same as in FY09.** • **TARGET #2: 100 percent of 28 active coastal districts develop approvable Coastal District Plans.** • **STATUS #2: As of August 2010, there was no change to the number of Coastal District Plans approved since November 2009, when 25 of 28 Coastal Districts had approved plans in place. During FY10, one Coastal District completed a minor plan amendment, and four others are in the process of updating and amending their plans.**
End Result:	**Strategies to Achieve End Result**
C: The state wildland fire protection program preserves the value of land and resources under protection, commensurate with the values at risk. **Details >** • **TARGET #1: Wildland fire protection on State, private and municipal land is commensurate with the values at risk.** • **STATUS #1: Calendar Year (CY) 2010 to date was an average fire season in both number of fire starts (648) and acres burned (1.1 million). However, due to low**	C1: Maintain and position adequate firefighting resources to contain most wildland fires through initial attack. **Details >** • **TARGET #1: Firefighting resources are available for response to wildland fires that pose a threat to life and property.** • **STATUS #1: Although in calendar year 2009 the number of firefighters qualified by the State of Alaska increased by 7 percent, in FY10, the number of firefighting resources delivered from the**

precipitation, the month of May had 230 fire starts which is nearly 50 percent more than the 10 year average for May. The 250,475 acres burned in May of 2010 is significantly higher than the 10 year average of 113,000 acres. These fire starts were due to an increase in human caused fires and lightning ignitions. Six of these fires were due to fires from the fall of 2010 burning through the winter. This early fire season threatened communities across the interior of Alaska. No structures were lost during this fire season but several interior communities were impacted by smoke. For comparison, the record fire year was CY2004 when 6.6 million acres burned, and CY2009 saw 3.0 million acres burned. For CY2009, the Division of Forestry safely managed the 9th largest fire season on record, by suppressing 93.2 percent of fires in critical/full protection at <10 acres, exceeding the target of 90 percent (but a slight decrease from 94.9 percent in CY2008). Kept significantly under the 5-year average loss of structures with 22 lost in CY2009 compared to a 5-year average of 49. Experienced a 7 percent decrease in human caused wildfire starts, with 241 in CY2009 compared to 259 in CY2008.	**Lower 48 increased for the third consecutive year at a cost of more than $9 million.**
End Result: ▶▶	**Strategies to Achieve End Result**
D: Adequate facilities, equipment, infrastructure and support services are available for programs and projects. **Details >**	D1: Increase maintenance efforts in state forestry facilities and equipment to provide clean, safe, and well-maintained facilities and equipment. **Details >** • **TARGET #1: Eliminate the deferred maintenance inventory of projects in Forestry and Firefighting facilities.** • **STATUS #1: The Division of Forestry has an inventory of identified deferred maintenance of $11 million in FY11. No targeted**

deferred maintenance funding was received in FY11.

D2: Increase maintenance efforts in state park units to provide clean, safe, and well-maintained park and recreational areas.
Details >

- **TARGET #1: Decrease the amount of deferred maintenance in state park units by $10 million per year.**
- **STATUS #1: The Division of Parks and Outdoor Recreation received $6.0 million in deferred maintenance funding in FY10. The cost of identified maintenance needs in state park units decreased to an estimated $65.8 million in FY10, a decrease of $1.4 million over FY09. Deferred maintenance needs grow an average of $5,000,000 per year; to make progress reducing the inventory of deferred projects, funding of more than $5,000,000 is needed annually.**

Performance Detail

A: Result - Economic and recreational opportunities are provided, and state revenue is generated, by making land available for private, commercial and recreational use.

Target #1: Hold five area wide oil and gas lease sales to promote exploration and development of resources.
Status #1: In FY10, five area wide oil and gas lease sales were held in the North Slope, North Slope Foothills, Beaufort Sea, Cook Inlet and Alaska Peninsula areas. A total of $11.8 million was received in valid bids, an estimated 482,594 new acres leased, and a potential 134 new leases awarded to-date. This is in line with FY09 when five lease sales were held in the same areas, with $12.8 million received in valid bids, an estimated 355,000 new acres leased and a potential 112 new leases were awarded.

Target #2: Process 100 percent of pipeline right-of-way amendments and operational permits within prescribed or negotiated timelines.
Status #2: In FY10, 100 percent of pipeline right-of-way amendments and operational permits were processed within prescribed or negotiated timelines, consistent with FY09.

Target #3: Issue permits and leases for state land and water uses in a timely manner.
Status #3: In FY10, the backlog of applications for land use permits and leases increased by

87 to a total of 2,376; and the backlog of applications for water rights applications increased by 22 to a total of 742.

Target #4: Increase the amount of state land transferred into private ownership and to municipalities.
Status #4: In FY10, the Department of Natural Resources sold 286 parcels, putting 2,539 acres into private ownership, a decline from FY09 when 400 parcels for 3,583 acres were sold. In FY10, no acreage was transferred to municipalities, down from 28,266 acres in FY09.

Target #5: Increase number of visits to Alaska state park units.
Status #5: In FY10, annual visits to Alaska state park units were 5.39 million with 72 percent of visits made by resident Alaskans, as compared to 5.22 million and 75 percent resident Alaskans visiting in FY09.

Annual Visits to Alaska State Park Units

Year	YTD Total
2010	5,396,037 +3.28%
2009	5,224,650 +4.99%
2008	4,976,545 +2.09%
2007	4,874,635 +4.44%
2006	4,667,601 +5.72%
2005	4,414,994 +4.17%
2004	4,238,417

A1: Strategy - Process applications for land, subsurface, and water use in a timely manner.

Target #1: Process 90 percent of new applications received for permits and leases in a fiscal year.
Status #1: In FY10, 87 percent of new applications from industry and individuals for use and development of state land were processed by the Division of Mining, Land & Water (575 processed of 662 received), an increase from 72 percent in FY09, when 473 of 655 were processed. Although this is an improvement in percentage processed over FY09, the backlog of unprocessed applications continues to increase, and stands at 2,376 at the end of FY10. Although we continue to try and improve processes, backlogs are increasing in part due to population and business growth, increased complexity and scrutiny, and litigation slows down the process time for permit issuance. These applications for land use permits and leases are

fundamental to Alaska's development of jobs, businesses, new homes and recreational opportunities.

Target #2: Process 100 percent of new water right applications received.
Status #2: In FY10, the Division of Mining, Land & Water processed 69 percent (49 of 71) of new water right applications received, a slight increase from FY09 when 63 percent (78 of 124) of new applications received were processed, but both far below the 100 percent target. Although we continue to try and improve processes, water permit backlogs are increasing in part due to population and business growth, increased complexity and scrutiny, and litigation slows down the process time for permit issuance. Almost all development activities require water use permits and these activities positively impact Alaska businesses and families.

Target #3: Award oil, gas, and geothermal leases within nine months of sale.
Status #3: In FY10, 100 percent of leases were awarded within nine months of sale. Average award time was six months, one month less than FY09.

Target #4: Provide stable or increasing economic benefit from use of trees and forests on state land by selling state timber to 40 or more Alaskan businesses.
Status #4: Timber was sold to 52 Alaskan businesses in FY10, exceeding the target but down from 64 businesses in FY09. To compensate for the lack of available federal timber, the Division of Forestry is encouraging increased use of state forest land for Alaskan businesses by allowing uses that are pushing the state's maximum allowable yield for sustainable forests.

A2: Strategy - Sell land to the public.

Target #1: Sell 300 parcels of land (approximately 3,000 acres) per year.
Status #1: In FY10, the Division of Mining, Land & Water sold 286 parcels of land, putting a total of 2,539 acres into private ownership, a decline from FY09 when 400 parcels of land were sold for a total of 3,583 acres.

A3: Strategy - Defend and maintain clear title to land.

Target #1: Respond to 100 percent of requests for navigability determinations.
Status #1: In FY10, 94 percent of the 53 requests for title navigability determinations were responded to by the Division of Mining, Land & Water. This was an increase over FY09, when 86 percent of 42 requests were responded to. While this is an improvement in the percent responded to, and we continue to try and improve processes, the backlog continues to grow and stands at 9 at the end of FY10, up from 6 at the end of FY09.

A4: Strategy - Acquire land from the federal government under the Statehood entitlement authority.

Target #1: Each year, receive an additional 2,000,000 acres of the remaining entitlement of

state land.
Status #1: In FY10, the state acquired 1.6 million acres of land from the federal government under the Statehood entitlement authority with another 6 million left to receive. Division of Mining, Land & Water project staff processed 100 percent of the Statehood entitlement conveyances that came in from the Bureau of Land Management; conveyance acreage received was 254,536 acres less than the previous year. Acreage added the last five years totals 8.3 million, which considerably increases the land management responsibilities of the department.

Number of Acres Acquired as per Statehood Entitlement

Fiscal Year	YTD Total
FY 2010	1,646,962 -13.39%
FY 2009	1,901,498 -21.81%
FY 2008	2,431,887 +863.31%
FY 2007	252,451 -87.4%
FY 2006	2,003,879 +34.52%
FY 2005	1,489,618 +5035.02%
FY 2004	29,009

A5: Strategy - Acquire and provide adequate information to support natural resource use and development decisions.

Target #1: Publish 1,625 square miles of energy-related new geologic mapping in FY11.
Status #1: In FY10, the Division of Geological and Geophysical Surveys published 480 square miles of new energy-related geologic mapping, down from 1,020 square miles in FY09. Geologic maps for three areas totaling 2,256 square miles are nearly completed and will be published in FY11, a significant increase over FY10. These publications are used by industry in making resource development decisions.

Target #2: Publish 700 square miles of airborne geophysical survey data of minerals-interest lands in FY11.
Status #2: In FY10, the Division of Geological and Geophysical Surveys published new airborne geophysical survey data for 653 square miles of high mineral-resource potential lands, exceeding the FY10 target of 640 and up from 442 square miles published in FY09. These publications are used by industry in making resource development decisions.

Target #3: All Department of Natural Resources business transactions and permit applications can be conducted electronically.
Status #3: At the end of FY10, the department had 20 online business services, out of an estimated total of 200, which is up from 19 in FY09 and 16 in FY08. The department continues the effort to streamline permit processes through the capital project for Unified Permitting; every improvement made in this area results in better services for our customers and improved efficiency for our staff.

Target #4: Customers receive accurate and timely assistance.
Status #4: The Department of Natural Resources maintains Public Information Centers in Anchorage, Fairbanks, and Juneau, with staff available to respond to customer needs in person or via phone. In addition, many of our services are available electronically, including land status and mapping information, geological and geophysical information, recorded documents, and park cabin reservations.

A6: Strategy - Ensure compliance with statutory requirements and best practices.

Target #1: 100 percent compliance with FRPA (Forest Resources and Practices Act) best management practices. Compliance is measured as the percentage of best management practices rated 4 or higher out of a perfect score of 5 in field inspections of forest operations.
Status #1: Forest management practice compliance was below standards in CY09, declining from 92 percent to 70 percent in the Interior because forest roads on State lands were not adequately maintained.

Target #2: Inspect for compliance with USDA grade, USDA label laws and buyer specifications.
Status #2: In FY10, 428 USDA-related inspections were requested and 100 percent were completed by the Division of Agriculture to meet statutory, federal, and international contract requirements related to commercial sales activity. These inspections represent approximately $66.4 million realized primarily from timber exports and domestic produce. This compares to 401 inspections requested and completed in FY09, representing approximately $43.1 million primarily from timber exports and domestic produce.

A7: Strategy - Improve safety of recreational boaters through effective implementation of the Division of Parks Boating Safety program.

Target #1: Boating Safety program actions result in lives saved.
Status #1: Since the Alaska Boating Safety program began, at least 19 Alaskan children have survived a water emergency thanks to a Kids Don't Float loaner life jacket, and Alaska's recreational boating fatality rate has declined. This summer (2010) saw 2 additional children saved in a rafting accident with loaner life jackets, bringing the lives saved count from 17 to 19. Life jacket wear rates in Alaska among adults have doubled, and wear rates among all age groups are now higher than the national average.

B: Result - Alaska's coastal resources are managed to ensure a healthy and vibrant Alaskan coast that efficiently sustains long-term economic and environmental productivity.

Target #1: Review 100 percent of the resource development projects for compliance with the Alaska Coastal Management Program requirements.
Status #1: In FY10, the Division of Coastal and Ocean Management reviewed 100 percent of the resource development projects for compliance with the Alaska Coastal Management Program requirements, consistent with FY09.

B1: Strategy - Provide efficient delivery of project management and review services.

Target #1: Maintain a 50-day average consistency review timeframe for individual consistency reviews.
Status #1: In FY10, those projects requiring a 50-day individual consistency review were completed by the Division of Coastal and Ocean Management, on average, in 42 days, the same as in FY09.

Target #2: 100 percent of 28 active coastal districts develop approvable Coastal District Plans.
Status #2: As of August 2010, there was no change to the number of Coastal District Plans approved since November 2009, when 25 of 28 Coastal Districts had approved plans in place. During FY10, one Coastal District completed a minor plan amendment, and four others are in the process of updating and amending their plans.

C: Result - The state wildland fire protection program preserves the value of land and resources under protection, commensurate with the values at risk.

Target #1: Wildland fire protection on State, private and municipal land is commensurate with the values at risk.
Status #1: Calendar Year (CY) 2010 to date was an average fire season in both number of fire starts (648) and acres burned (1.1 million). However, due to low precipitation, the month of May had 230 fire starts which is nearly 50 percent more than the 10 year average for May. The 250,475 acres burned in May of 2010 is significantly higher than the 10 year average of 113,000 acres. These fire starts were due to an increase in human caused fires and lightning ignitions. Six of these fires were due to fires from the fall of 2010 burning through the winter. This early fire season threatened communities across the interior of Alaska. No structures were lost during this fire season but several interior communities were impacted by smoke. For comparison, the record fire year was CY2004 when 6.6 million acres burned, and CY2009 saw 3.0 million acres burned.

For CY2009, the Division of Forestry safely managed the 9th largest fire season on record, by suppressing 93.2 percent of fires in critical/full protection at <10 acres, exceeding the target of 90 percent (but a slight decrease from 94.9 percent in CY2008). Kept significantly under the 5-year average loss of structures with 22 lost in CY2009 compared to a 5-year average of 49. Experienced a 7 percent decrease in human caused wildfire starts, with 241 in CY2009 compared to 259 in CY2008.

C1: Strategy - Maintain and position adequate firefighting resources to contain most wildland fires through initial attack.

Target #1: Firefighting resources are available for response to wildland fires that pose a threat to life and property.
Status #1: Although in calendar year 2009 the number of firefighters qualified by the State of Alaska increased by 7 percent, in FY10, the number of firefighting resources delivered from the Lower 48 increased for the third consecutive year at a cost of more than $9 million.

D: Result - Adequate facilities, equipment, infrastructure and support services are available for programs and projects.

D1: Strategy - Increase maintenance efforts in state forestry facilities and equipment to provide clean, safe, and well-maintained facilities and equipment.

Target #1: Eliminate the deferred maintenance inventory of projects in Forestry and Firefighting facilities.
Status #1: The Division of Forestry has an inventory of identified deferred maintenance of $11 million in FY11. No targeted deferred maintenance funding was received in FY11.

D2: Strategy - Increase maintenance efforts in state park units to provide clean, safe, and well-maintained park and recreational areas.

Target #1: Decrease the amount of deferred maintenance in state park units by $10 million per year.
Status #1: The Division of Parks and Outdoor Recreation received $6.0 million in deferred maintenance funding in FY10. The cost of identified maintenance needs in state park units decreased to an estimated $65.8 million in FY10, a decrease of $1.4 million over FY09. Deferred maintenance needs grow an average of $5,000,000 per year; to make progress reducing the inventory of deferred projects, funding of more than $5,000,000 is needed annually.

Year	YTD Total
2010	65,800,000 -2.08%
2009	67,200,000 +4.19%
2008	64,500,000 +25.73%
2007	51,300,000 +4.69%

2006	49,000,000 +13.16%
2005	43,300,000 0%
2004	43,300,000

Current as of October 22, 2010

© Copyright 2011, State of Alaska, all rights reserved

Department Of Transportation and Public Facilities

Key Performance Indicators

Department of Transportation & Public Facilities

- Viewing Performance Indicators
- **See Results Summary »**
- **See Performance Details »**
- **See Questions/Comments »**

Mission

Provide for the safe movement of people and goods and the delivery of State services.

Key Program Performance Indicators

Arrow indicates trend: ↑=Improving ↓=Worsening →=Maintaining

FY11 Authorized as of 9/30/2010 (in thousands)

	Funding					Positions		
Department of Transportation & Public Facilities Totals	UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
	$255,305.2	$62,583.9	$247,459.1	$3,957.2	$569,305.4	3,191	437	220

1. **Maintenance & Operations of State Transportation Systems**
Important to the safety of public use of the state's transportation systems; supports economic development in terms of travel industry, general public, and commercial vehicle transportation, etc.

	Funding					Positions		
	UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
	$245,944.0	$52,507.7	$126,540.2	$3,957.2	$428,949.1	2,160	216	129

- **The department's target of increasing by 15 centerline miles per year the national highway system (NHS) non-intermodal roads that meet current standards was exceeded this past year. In FFY2009, 1,521 miles of the State's NHS routes meet national standards, which is an increase of 75 miles over FFY2008.**
- **The department uses a 3-year moving average to track highway transportation safety through traffic fatalities. In 2009, this average was 4.41%, lower than the previous 3-year moving average. Alaska experienced 1.30 traffic fatalities per 100 million VMT in 2009. This compares to the early national estimate of 1.16 fatalities per 100 million VMT, which is the lowest on record at the national level.**
- **The department strives to reduce the number of occupational injuries and illnesses in the department to less than the national average. For 2008 the department's overall incident rate was 3.5, which is slightly higher than the 2008 national average of 3.4.**
- **The number of airports that were closed due to seasonally soft runway conditions or other issues decreased by three (3) from FFY2009 to FFY2010. This exceeded the target of reducing seasonally closed airports by one per year. Additionally from FFY2004 to FFY2010 there has been a reduction of closures from 23 to 8.**
- **Decreasing the deck area of bridges classified by the Federal Highway Administration (FHWA) as structurally deficient or functionally obsolete is calculated using a five year average. In 2009, the five year average for the deck area of all bridges classified as structurally deficient or functionally obsolete decreased by 1.9%, compared to a decrease of 1.7% for the five year average reported in the prior year.**
- **On-time Alaska Marine Highway System vessel departures in 2009 were 92% which is an improvement over the 88% previous 3-year average and well above the industry standard of 75.1%.**

- **In FY2009, Alaska Marine Highway System Vessel Car Deck Capacity Utilization rose by 1%, from 57% to 58%, and for the 4th year in a row, meeting the target of a 1% increase per year.**
- **The rural airport revenues collected in FY2010 increased by 4.45% from the prior fiscal year.**
- **During FFY2010, one runway lighting project was significantly completed, which meets the goal of increasing the number of runways with permanent lighting in remote communities by one per year. In addition, in 2010, the department received Airport Improvement Project funding for two (2) runway lighting projects.**

2. **Measurement Standards & Commercial Vehicle Enforcement**
Reduce risk of accidents or road damage from unsafe commercial vehicles and/or loads.

Funding					Positions		
UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
$2,003.0	$2,596.8	$2,585.2	$0.0	$7,185.0	75	0	0

- **99.3% of the commercial motor vehicles weighed at fixed and mobile inspection sites in FFY 2010 to date, were weight compliant, meeting the department's goal of 99%.**

3. **Transportation & Facilities Construction Program**
Provides the planning and management of construction projects across the department. This includes major repair and rehabilitation of all transportation modes, and state owned facilities, operated and maintained by the State of Alaska.

Funding					Positions		
UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
$7,358.2	$7,479.4	$118,333.7	$0.0	$133,171.3	956	221	91

- **The percentage of administrative and engineering costs compared to total project costs was 19.6% in FFY2010; it remains the same as in FFY2009, and is well within the department's target of 30%.**

Current as of May 5, 2011

© Copyright 2011, State of Alaska, all rights reserved

Performance Details

Department of Transportation & Public Facilities

- **See Key Program Indicators »**
- **See Results Summary »**
- Viewing Performance Details
- **See Questions/Comments »**

Mission

Provide for the safe movement of people and goods and the delivery of State services.

Core Services

- The department is statutorily responsible for the planning, design, construction, maintenance, and operations of transportation facilities and buildings.
- Maintenance and Operations of State Transportation Systems: Highways, Airports, Alaska Marine Highway System, Public Facilities, Ports and Harbors and State Equipment Fleet.
- Measurement Standards & Commercial Vehicle Enforcement
- Transportation and Facilities Construction Program
- Program and Administrative Support

End Result:	Strategies to Achieve End Result
A: Provide a safe transportation system; eliminate injuries, fatalities and property damage. **Details >** • **TARGET #1: By 2020, reduce the 3-year moving average of traffic fatalities per 100 million vehicle miles traveled (VMT) by 3% per year.** • **STATUS #1: The department uses a 3-year moving average to track highway transportation safety through traffic fatalities. In 2009, this average was 4.41%, lower than the previous 3-year moving average. Alaska experienced 1.30 traffic fatalities per 100 million VMT in 2009. This compares to the early national estimate of 1.16 fatalities per 100 million VMT, which is the lowest on record at the national level.**	A1: Build and improve state-owned roads and highways to appropriate department standards. **Details >** • **TARGET #1: Increase by 15 centerline miles per year the national highway system (NHS) non-intermodal routes that meet current department standards.** • **STATUS #1: The department's target of increasing by 15 centerline miles per year the national highway system (NHS) non-intermodal roads that meet current standards was exceeded this past year. In FFY2009, 1,521 miles of the State's NHS routes meet national standards, which is an increase of 75 miles over FFY2008.** • **TARGET #2: Decrease by 3% on a five year average the deck area of all bridges (regardless of**

	ownership) classified by the Federal Highway Administration (FHWA) as structurally deficient or functionally obsolete. • **STATUS #2: Decreasing the deck area of bridges classified by the Federal Highway Administration (FHWA) as structurally deficient or functionally obsolete is calculated using a five year average. In 2009, the five year average for the deck area of all bridges classified as structurally deficient or functionally obsolete decreased by 1.9%, compared to a decrease of 1.7% for the five year average reported in the prior year.** A2: Preserve or improve condition of highway infrastructure. **Details >** • **TARGET #1: Increase Pavement Serviceability Rating (PSR) to 3.3 by October 2012.** • **STATUS #1: Pavement Serviceability Rating (PSR) is a national standard for reporting surface transportation condition and performance using a 0-5 rating, where 5 is perfect and 0 is failed. The average PSR for 2006 – 2010 was 3.1 (Fair), compared to last year's average of 3.2.**
End Result: ▶▶▶	**Strategies to Achieve End Result**
B: Provide a transportation infrastructure that supports and promotes economic growth. **Details >** • **TARGET #1: 80% of strategy targets are met or exceeded in the fiscal year towards the end result of providing a transportation infrastructure that supports and promotes economic growth.** • **STATUS #1: 83% of strategies met or exceeded targets in this area, providing a transportation infrastructure that supports and promotes economic growth.**	B1: Enhance economic activities through key transportation services. **Details >** • **TARGET #1: Alaska Marine Highway System meets or exceeds industry standard for on-time departures.** • **STATUS #1: On-time Alaska Marine Highway System vessel departures in 2009 were 92% which is an improvement over the 88% previous 3-year average and well above the industry standard of 75.1%.**

- **TARGET #2: Reduce the number of airports that are closed due to seasonally soft runway conditions or other issues by one (1) per federal fiscal year.**
- **STATUS #2: The number of airports that were closed due to seasonally soft runway conditions or other issues decreased by three (3) from FFY2009 to FFY2010. This exceeded the target of reducing seasonally closed airports by one per year. Additionally from FFY2004 to FFY2010 there has been a reduction of closures from 23 to 8.**

- **TARGET #3: Increase the number of runways in remote communities with permanent runway lighting by one (1) per federal fiscal year through FFY12.**
- **STATUS #3: During FFY2010, one runway lighting project was significantly completed, which meets the goal of increasing the number of runways with permanent lighting in remote communities by one per year. In addition, in 2010, the department received Airport Improvement Project funding for two (2) runway lighting projects.**

B2: Enhance economic activities through increased State revenue. **Details >**

- **TARGET #1: Increase AMHS Vessel Car Deck Utilization by at least 1% over the previous year.**
- **STATUS #1: In FY2009, Alaska Marine Highway System Vessel Car Deck Capacity Utilization rose by 1%, from 57% to 58%, and for the 4th year in a row, meeting the target of a 1% increase per year.**

- **TARGET #2: Increase revenue collected at rural airports by 5% over prior state fiscal year.**
- **STATUS #2: The rural airport revenues collected in FY2010**

	increased by 4.45% from the prior fiscal year. B3: Improve efficiency. **Details >** • **TARGET #1: 80% or above in customer service satisfaction with department services.** • **STATUS #1: In 2010 public satisfaction with the department's services resulted in a total satisfaction rating of 74% (combining very satisfied with somewhat satisfied). This is a decrease from the 2008 rating of 79.9%. Those reporting they were very satisfied, however, increased from 16.5% in 2008 to 26% in 2010.**
End Result:	**Strategies to Achieve End Result**
C: Carry out safe operations. **Details >** • **TARGET #1: Reduce the number of occupational injuries and illnesses in the department to less than the national average.** • **STATUS #1: The department strives to reduce the number of occupational injuries and illnesses in the department to less than the national average. For 2008 the department's overall incident rate was 3.5, which is slightly higher than the 2008 national average of 3.4.**	C1: Improve employees' awareness of workplace safety requirements. **Details >** • **TARGET #1: Reduce the number of occupational injuries and illnesses to less than the national average in the Alaska International Airport System (AIAS).** • **STATUS #1: For 2008 the overall incident rate for the Anchorage and Fairbanks Int. Airports was 5.2, which is lower than the 2008 national average of 5.8.** • **TARGET #2: Reduce the number of occupational injuries and illnesses to less than the national average within each of the three Regions and the MS/CVE Division.** • **STATUS #2: For 2008, the Incident rate for all (3) regions and MS/CVE was 4.05, which is lower than the 2008 national average of 4.4.** • **TARGET #3: Reduce the number of occupational injuries and illnesses to less than the national average in Statewide Operations.**

	• **STATUS #3: For 2008, the Incident Rate for Statewide Functions was 2.9, which is higher than the 2008 national average of 2.3.** • **TARGET #4: Reduce the number of occupational injuries and illnesses to less than the national average for Facilities functions.** • **STATUS #4: In 2008, the Incident rate for Facilities was 0, which is significantly lower than the 2008 national average of 1.2.**
End Result: ➤➤➤	**Strategies to Achieve End Result**
D: Reduce the risk of accidents or road damage from unsafe commercial vehicles and/or loads. **Details >** • **TARGET #1: 99% commercial motor vehicle weight compliance at fixed and mobile inspection sites.** • **STATUS #1: 99.3% of the commercial motor vehicles weighed at fixed and mobile inspection sites in FFY 2010 to date, were weight compliant, meeting the department's goal of 99%.**	D1: Reduce number of illegal oversize/overweight Commercial Motor Vehicles (CMVs) on highways. **Details >** • **TARGET #1: Increase the number of roadside (mobile enforcement) commercial truck inspections by 2% over the previous year.** • **STATUS #1: The number of roadside commercial truck inspections decreased in 2009 by 23.72%, bringing total inspections to 3,929.**
End Result: ➤➤➤	**Strategies to Achieve End Result**
E: Reduce design and construction project management costs. **Details >** • **TARGET #1: Maintain the percentage of administrative and engineering costs below 30% of total project costs.** • **STATUS #1: The percentage of administrative and engineering costs compared to total project costs was 19.6% in FFY2010; it remains the same as in FFY2009, and is well within the department's target of 30%.**	E1: Minimize administrative and engineering costs associated with projects. **Details >** • **TARGET #1: Maintain the percentage of administrative and engineering costs below 30% of total project costs for Central Region.** • **STATUS #1: The percent of administrative and engineering costs compared to total project costs for Central Region decreased by 5% to 18% in FFY2010, well within the department's target of 30%.**

- **TARGET #2: Maintain the percentage of administrative and engineering costs below 30% of total project costs for Northern Region.**
- **STATUS #2: The percent of administrative and engineering costs compared to total project costs for Northern Region increased by 1% to 21% in FFY2010, well within the department's target of 30%.**
- **TARGET #3: Maintain the percentage of administrative and engineering costs below 30% of total project costs for Southeast Region.**
- **STATUS #3: The percent of administrative and engineering costs compared to total project costs for Southeast Region increased by 11% to 21% in FFY2010, well within the department's target of 30%.**

Performance Detail

A: Result - Provide a safe transportation system; eliminate injuries, fatalities and property damage.

Target #1: By 2020, reduce the 3-year moving average of traffic fatalities per 100 million vehicle miles traveled (VMT) by 3% per year.
Status #1: The department uses a 3-year moving average to track highway transportation safety through traffic fatalities. In 2009, this average was 4.41%, lower than the previous 3-year moving average. Alaska experienced 1.30 traffic fatalities per 100 million VMT in 2009. This compares to the early national estimate of 1.16 fatalities per 100 million VMT, which is the lowest on record at the national level.

Year	3 Year Average % Change
2009	-4.41%
2008	- 3.87%
2007	- 8.72%
2006	- 9.04%
2005	- 6.26%
2004	3.09%

2003	- 4.59%

Analysis of results and challenges: The department's 3-year trend line showed a greater than 3% reduction for all years except 2004. Between 2007-2009 Alaska averaged 69 traffic fatalities, a decrease of 14 fatalities in comparison to the pre-Strategic Highway Safety Plan years of 2004-2006, which had an average of 83 traffic fatalities.

The U.S. national fatality rate decreased annually between 1994 and 2004, from 1.73 fatalities per 100 million vehicle miles traveled (VMT) in 1994, to 1.44 fatalities/100 million VMT in 2004, before again dropping to 1.27 fatalities per 100 million VMT in 2008. 2009 data will be available at the end of the 2010 calendar year. The final national VMT and fatalities for the previous year are typically reported late in the succeeding year. However, the early national estimate (http://www-nrd.nhtsa.dot.gov/pubs/811291.pdf) is 1.16 fatalities per 100 million VMT, which is the lowest on record. The 2008 national fatality rate was 1.25 fatalities per 100 million VMT. The 2009 final national rate will posted when available.

Reducing fatalities is an important indicator of the overall safety of the highway system, but fatality crashes are also a relatively rare outcome and thus the data can be subject to significant changes year-to-year. For example, a single crash event involving a large number of fatalities (such as a crash event involving many passengers in a van or bus) would skew the year's outcome significantly. For this reason, the data is smoothed by using a moving average of three or more years. Currently, the FHWA national practice is considering a three-year average.

The seasonal number of fatalities per month peaks each summer, when there is more economic and recreational activity thus more driving. A second peak occurs in winter, with long periods of darkness and poor driving conditions. Both spring and fall experience a lower level of fatalities, reflecting generally better weather conditions, but traffic is not yet at the peak of total driving.

Historically, the most frequently cited behavioral contributors to fatal and serious injury crashes in Alaska are impaired driving, unsafe speed, and failure to heed traffic control devices. Crash types resulting in the greatest number of fatalities include run-off-road, head-on, and intersection crashes.

The overall number of fatalities has been dropping since 2004 when it was at 101. The second highest year since then was 2007 with 82 and the lowest year was 2008 with 62 fatalities. The causes and effects of this decline are hard to link, but the increase in seatbelt usage, the higher enforcement in highway safety corridors and the new Bureau of Highway Patrol funded from the Alaska Highway Safety Office are all thought to be contributing factors. A countervailing factor at this time would be the increase in distracted driving from smart phones, including texting, email and internet use while driving.

A1: Strategy - Build and improve state-owned roads and highways to appropriate department standards.

Target #1: Increase by 15 centerline miles per year the national highway system (NHS) non-intermodal routes that meet current department standards.
Status #1: The department's target of increasing by 15 centerline miles per year the national

highway system (NHS) non-intermodal roads that meet current standards was exceeded this past year. In FFY2009, 1,521 miles of the State's NHS routes meet national standards, which is an increase of 75 miles over FFY2008.

National Highway System (NHS) Miles

Fiscal Year	Miles	Meeting National Stds	Improved Centerline
FFY 2009	2151	1521	75
FFY 2008	2148	1446	15
FFY 2007	2147	1431	11
FFY 2006	2147	1420	35
FFY 2005	2123	1385	41
FFY 2004	2113	1344	41
FFY 2003	2113	1303	82

*Methodology: Methodology: *Based on centerline miles that are not intermodal connectors, ramps, or wyes. Source: http://www.dot.state.ak.us/stwdplng/highwaydata/routelists.shtml#nhs_routes.*

Analysis of results and challenges: As of 2009, of the 2,151 NHS centerline miles there are 1,521 miles (70.7%) that meet national standards and 630 miles (29.3%), including much of the Dalton Highway, which do not meet these standards.

Target #2: Decrease by 3% on a five year average the deck area of all bridges (regardless of ownership) classified by the Federal Highway Administration (FHWA) as structurally deficient or functionally obsolete.
Status #2: Decreasing the deck area of bridges classified by the Federal Highway Administration (FHWA) as structurally deficient or functionally obsolete is calculated using a five year average. In 2009, the five year average for the deck area of all bridges classified as structurally deficient or functionally obsolete decreased by 1.9%, compared to a decrease of 1.7% for the five year average reported in the prior year.

Square Feet of Structurally Deficient & Functionally Obsolete Bridge Deck

Year	YTD Total	% Change (5 yr Avg)
2009	1,498,700	-1.9%
2008	1,471,400	-1.7%
2007	1,549,600	.6%
2006	1,581,800	1.6%
2005	1,803,300	4.6%
2004	1,649,800	n/a
2003	1,614,200	n/a

2002	1,503,000	n/a
2001	1,455,800	n/a

Analysis of results and challenges: Because the deficient bridge list is so dynamic a five year average comprised of the reporting year and four previous years is used as the metric.

It is important to note that the deficient bridge list is dynamic. Factors affecting bridge condition include:

•Age. Alaska's bridge population continues to age and currently 13% of the publically owned bridges are older than 50 years, which is nearing the end of their 50 to 75 year design life.

•Damage. Bridges may be damaged by a variety of means including: Overstressing primary members, steel corrosion, timber deterioration and rot, collision, scour, and earthquakes.

•Functionally obsolete by definition. New marine transfer structures designed for low speed, one way traffic may be considered functionally obsolete based on federal definition yet are adequate for their intended service.

•Rehabilitation and replacement. Structurally deficient bridges are typically removed from the list following rehabilitation or replacement. Replacement bridges are typically longer and wider than the bridge being replaced.

•Changes in annual daily traffic (ADT) and functional classification. Changes in ADT and functional classification may affect the determination if a bridge is deficient.

The deck area of structurally deficient and functionally obsolete (deficient) bridges, as defined by the FHWA, is used to distribute federal funds to state transportation departments. A reduction in the deck area of deficient bridges is believed to be a reasonable metric to evaluate how well the Department is addressing deficient bridge needs. Local Agency bridges are an important component of the state's transportation system and are included in this metric. However, the Department's ability to remedy deficiencies on non-state owned bridges is limited.

Biennial bridge inspections are required by Federal regulations to assure the safety of the traveling public. Using information from these inspections staff complete the following:

•Load rate bridges to determine their vehicle live load capacity. These calculations are used to permit overweight vehicles across bridges.

•Load post and close bridges as necessary.

•Develop repair recommendations to address maintenance and structural needs.

•Design repairs to address bridge needs.

•Because many of Alaska's roads do not have reasonable or, in many locations, any available detour routes recent bridge projects have focused on maintaining road access by rehabilitating or replacing structurally deficient bridges.

A2: Strategy - Preserve or improve condition of highway infrastructure.

Target #1: Increase Pavement Serviceability Rating (PSR) to 3.3 by October 2012.
Status #1: Pavement Serviceability Rating (PSR) is a national standard for reporting surface transportation condition and performance using a 0-5 rating, where 5 is perfect and 0 is failed. The average PSR for 2006 – 2010 was 3.1 (Fair), compared to last year's average of 3.2.

Yearly Statewide PSR Average

Year	Stwd Average PSR
2010	3.1
2009	3.2
2008	3.1
2007	3.0
2006	3.0

Methodology: Statewide PSR Average by Year

Analysis of results and challenges: The Pavement Serviceability Rating (PSR) was established as a National Standard in the "1995 Status of the Nation's Surface Transportation System: Condition and Performance – Report to Congress". It is a rating system from 0 to 5, where 5 is perfect and 0 is failed.

The rating system is broken down as:

Rating-PSR Value
Very Good - > 4.0
Good - >3.5 to 3.9
Fair - 3.1 to 3.4
Mediocre - 2.6 to 3.0
Poor - < 2.5

The ratings for Alaska were conducted for Class 1-4 which are all paved DOT-owned roadways and do not include local streets. They do include arterials and collectors (e.g. College Road in Fairbanks, C Street in Anchorage, and North Douglas Highway in Juneau).

The PSR value is determined from a mathematical formula using the International Roughness Index (IRI) and the rut depth measurements collected annually. The formula is slightly modified for the different classes of roadway equalizing the ratings.

The challenges in reaching the target rating of 3.3 are primarily due to rutting and smoothness factors:

•Rutting is mostly caused by studded tire usage for much of the year.

•Smoothness is affected by surface irregularities such as potholes, unevenness due to heaving of the surface from ice accumulation, depressions caused from thawing, and cracks.

•Permafrost prone areas are a special challenge requiring engineers to design for the delicate

balance to keep frozen ground frozen.

•Thermal cracking also seems to be a standard for Alaska at a rate of 50 cracks per mile. This results from a thermal material property of the long "ribbon" of asphalt. It will shrink in cold temperatures in all directions and break in a fairly uniform manner.

B: Result - Provide a transportation infrastructure that supports and promotes economic growth.

Target #1: 80% of strategy targets are met or exceeded in the fiscal year towards the end result of providing a transportation infrastructure that supports and promotes economic growth.
Status #1: 83% of strategies met or exceeded targets in this area, providing a transportation infrastructure that supports and promotes economic growth.

Analysis of results and challenges: The department uses a wide variety of strategies to provide a safe transportation infrastructure that supports and promotes economic growth. The infrastructure includes surface, air, and water transportation systems. These strategies range from providing timely, reliable AMHS vessel departures and increased rural airport availability to increasing revenue received by the department. In addition, the department reaches out to public users of the transportation systems to ascertain customer satisfaction with services and gain insight into areas within the department that require additional or special attention. As a result of these myriad strategies, the department has an overall positive economic impact on the state.

B1: Strategy - Enhance economic activities through key transportation services.

Target #1: Alaska Marine Highway System meets or exceeds industry standard for on-time departures.
Status #1: On-time Alaska Marine Highway System vessel departures in 2009 were 92% which is an improvement over the 88% previous 3-year average and well above the industry standard of 75.1%.

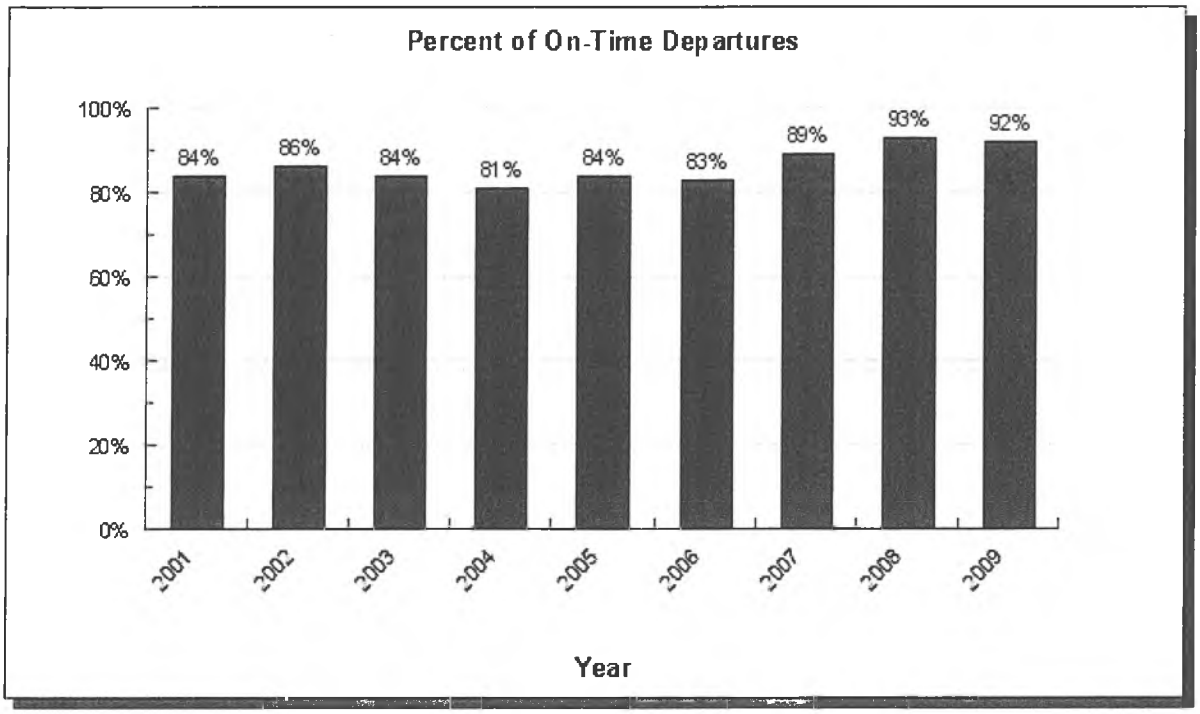


Table contains no rows.

Analysis of results and challenges: The target is for the Alaska Marine Highway System (AMHS) to consistently exceed the on-time departure benchmark of 75.1%. An on-time ferry departure is within 30 minutes of the scheduled departure time.

Numerous events can cause delays in ferry departure times, especially weather and tides. An additional relevant factor is the time it takes to load/unload large and/or low slung vehicles (RV's, trucks w/trailers, heavy equipment) during busy periods. Most of these factors are out of the control of AMHS. Nevertheless, making schedule modifications in the event of continual and systematic delays are within the department's control.

Target #2: Reduce the number of airports that are closed due to seasonally soft runway conditions or other issues by one (1) per federal fiscal year.

Status #2: The number of airports that were closed due to seasonally soft runway conditions or other issues decreased by three (3) from FFY2009 to FFY2010. This exceeded the target of reducing seasonally closed airports by one per year. Additionally from FFY2004 to FFY2010 there has been a reduction of closures from 23 to 8.

Change in Number of Airports that are Closed Seasonally

Fiscal Year	YTD Seasonal Closures	Change
FFY 2010	8	Reduction of 3
FFY 2009	11	Reduction of 2
FFY 2008	13	Reduction of 2
FFY 2007	15	Reduction of 2
FFY 2006	17	Reduction of 4

FFY 2005	21	Reduction of 2
FFY 2004	23	

Analysis of results and challenges: At the beginning of FFY2010 there were 11 airports (out of 253 total rural airports with which the department is involved) on the seasonal closure list with a target of improving by one (1) per year. By the end of FFY2010 only eight (8) airports experienced seasonal closure due to soft runway conditions or other issues. The Huslia and Kongiganak airports were improved during FFY2010. The Savoonga Airport was removed from the Temporary Seasonal Closure list in FFY2010, based on information from the airport manager that it was only closed briefly during heavy snow events which should not be considered as a temporary seasonal closure. The remaining eight (8) airports are: Akiachak; Ambler; Golovin; Koyuk; Kwigillingok; Nanwalek; Portage Creek; and Red Devil.

The department expects to meet the target of reducing the Temporary Seasonal Closure list by a minimum of one (1) airport annually for FFY2010 and FFY2011. After FFY2011 the delivery of improvements to the seasonal closure list is not expected on an annual basis; rather, it is expected to be one (1) airport every three (3) years. The challenges to addressing the Seasonal Closure on a continued accelerated basis are: 1) other competing priorities; 2) some airports are not eligible for federal funding; 3) extended project development times to acquire Native Allotments; and 4) very high cost for the benefit achieved.

Target #3: Increase the number of runways in remote communities with permanent runway lighting by one (1) per federal fiscal year through FFY12.
Status #3: During FFY2010, one runway lighting project was significantly completed, which meets the goal of increasing the number of runways with permanent lighting in remote communities by one per year. In addition, in 2010, the department received Airport Improvement Project funding for two (2) runway lighting projects.

Fiscal Year	Lighting Completed
FFY 2010	1 -50%
FFY 2009	2 +100%
FFY 2008	1 0%
FFY 2007	1

Analysis of results and challenges: Not all communities in Alaska have adequate runway surfaces and lighting to allow night time aircraft operations. The department's goal is to make rural communities accessible for medivac and other emergency aircraft on a 24 hour per day basis. A concerted effort has been taken to provide permanent lighting, portable runway edge lights or portable helicopter landing zone lighting in rural communities. There are still communities where permanent improvements are feasible and those airports are the focus of this measure.

The department's goal is to increase the number of lighted runways in remote communities by a minimum of one each federal fiscal year. In addition, the department intends to acquire

enough grant funding to construct permanent improvements at a minimum of one remote community each year through FFY12. The difference between funding and project completion targets is due to the complexity of projects in remote villages. It is not unusual for a project to take two to four years to complete.

The Department has achieved the funding goal for 2010 through a runway lighting system that was completed at Kongiganak Airport.

B2: Strategy - Enhance economic activities through increased State revenue.

Target #1: Increase AMHS Vessel Car Deck Utilization by at least 1% over the previous year.
Status #1: In FY2009, Alaska Marine Highway System Vessel Car Deck Capacity Utilization rose by 1%, from 57% to 58%, and for the 4th year in a row, meeting the target of a 1% increase per year.

Car Deck Capacity Utilization

Fiscal Year	YTD Total	Variance
FY 2009	58%	+1%
FY 2008	57%	+5%
FY 2007	52%	+5%
FY 2006	47%	

Methodology: The analysis converts capacity data into vehicle miles by taking the sum of each trip's vehicle capacity and multiplying it by the distance the ship travels. This produces the capacity number. Next, the analysis considers the actual sum of lineal feet of vehicle that were on board and multiplies that number by the distance they traveled. This produces the utilized number. Finally, the utilized number is divided by the capacity number to produce the utilization percentage.

Analysis of results and challenges: In FY2010, the Alaska Marine Highway System (AMHS) saw increased vehicle utilization for the 5th year in a row. This is a direct result of providing a consistent schedule and ever increasing marketing strategies as well as appropriate asset deployment.

AMHS remains committed to the current schedule and will strive for the earliest possible schedule releases. It is anticipated that car deck utilization will continue to increase.

Target #2: Increase revenue collected at rural airports by 5% over prior state fiscal year.
Status #2: The rural airport revenues collected in FY2010 increased by 4.45% from the prior fiscal year.

Fiscal Year	Revenue	% Change
FY 2010	$4,090.7	4.45%
FY 2009	$3,897.7	6.3%

FY 2008	$3,666.6	-1.84%
FY 2007	$3,735.2	12.96%
FY 2006	$3,306.7	-1.46%
FY 2005	$3,355.6	not available

Analysis of results and challenges: Statewide Aviation fell short of this target for FY2010; the aviation industry in our state continues to experience the effects of the current nationwide economic downturn. We work to meet our goal by responding to land-use inquiries promptly, processing applications quickly, using a web-based application process, and improving collection methods; as well as pursuing revenue opportunities through development of lease lots and lease lot access and amenities.

In addition, a 2006 market survey indicated that many rural land lease rental rates are well below market. Through 2015, statewide leasing regulations gradually increase rural airport land lease rental rates. Increasing rates is required to: 1) offset the rising costs of maintenance, management and operating costs of the rural airports; and 2) meet Federal Aviation Administration (FAA) requirements to: a) charge fair market rent for interim, non-aviation land use; and b) develop airports that are self sustaining. It is important to note that the phased in implementation of rate increases at the rural airports over several years provides airport businesses the opportunity to plan ahead and develop budgets accordingly.

B3: Strategy - Improve efficiency.

Target #1: 80% or above in customer service satisfaction with department services.
Status #1: In 2010 public satisfaction with the department's services resulted in a total satisfaction rating of 74% (combining very satisfied with somewhat satisfied). This is a decrease from the 2008 rating of 79.9%. Those reporting they were very satisfied, however, increased from 16.5% in 2008 to 26% in 2010.

Customer Satisfaction (very satisfied & somewhat satisfied)

Year	YTD Total	Very Satisfied	Somewhat Satisfied
2010	74.0%	26.0%	48.0%
2008	79.9%	16.5%	63.4%
2005	80.3%	not available	not available

Analysis of results and challenges: In January 2010, the department contracted with a private firm to conduct a survey to find out how the department does providing transportation services in Alaska, including roads, airports and ferry service. 1,239 people across the state participated in this survey. Even though the department has done well, resources are being directed to mitigate those problem areas identified in the survey (e.g., congestion relief, road smoothness, durable materials and rut repair). Areas of highest strength included directional signs, warning signs, road design, brush cutting and guardrails.

The department customer service satisfaction survey is conducted every other year. 1,200

people across the state participated in the January 2008 survey.

This measure will continue to gauge the department's success in addressing the survey issues.

C: Result - Carry out safe operations.

Target #1: Reduce the number of occupational injuries and illnesses in the department to less than the national average.

Status #1: The department strives to reduce the number of occupational injuries and illnesses in the department to less than the national average. For 2008 the department's overall incident rate was 3.5, which is slightly higher than the 2008 national average of 3.4.

Year	Region/MSCVE	Aviation	Facilities	Statewide	Department Total
Average	4.4	5.8	1.2	2.3	3.4
2008	4.05	5.2	0	2.9	3.5

Methodology: Average=National Average

Analysis of results and challenges: At present the department incident rate uses an average of recorded injuries over the 2008 calendar year and covers four Industry classification codes (NAICS). Each of these Industry classification codes are assigned nationally to a specific employee class, based on typical job functions for that class. It is important to note, typical job functions will vary across the classification index. The codes used in this analysis are as follows:

Support activities for road transportation in three regional elements and the Measurement Standards and Commercial Vehicle Enforcement (MS/CVE) Division (NAICS 488490).

Aviation functions (NAICS 488119).

Facilities support functions (NAICS 561210).

All other statewide functions, i.e.,Highway, Street & Bridge Construction (NAICS 237310).

The department began tracking and recording data in this fashion in 2008; previous data is not available. The national averages for Calendar year 2009 will be available within the next six months. State data for 2009 is being compiled and was not readily available due to this being a new measure.

The challenges for this Department are the inhospitable weather and terrain that employees work in with some employees working alone in areas. Other challenges include the diversity of jobs within the Department being maintenance and operations, construction, aviation, and marine operations where each has their own set of work practices. Each of the above mentioned operations are measured nationally under separate North American Index Coding System (NAICS) criteria because of the differences in operations and work practices. Because of the differences it is important that all aspects of safety and health are managed and monitored to reduce risk to lower our Incidence Rate.

To achieve the desired results all employees need to be trained and monitored to ensure this goal is met. Currently the Department has three actual safety professionals: one in Northern Region, one as the State-wide Program Coordinator for Safety and Health, and one in the Alaska Marine Highway System. The safety professional positions are important to ensure that training, facility inspections, and advice and consultation are provided to all employees to help mitigate/abate hazards, thus reducing injuries and illnesses.

C1: Strategy - Improve employees' awareness of workplace safety requirements.

Target #1: Reduce the number of occupational injuries and illnesses to less than the national average in the Alaska International Airport System (AIAS).

Status #1: For 2008 the overall incident rate for the Anchorage and Fairbanks Int. Airports was 5.2, which is lower than the 2008 national average of 5.8.

Analysis of results and challenges: AIAS safety management had included a full time safety employee as well as an active management role in targeting and eliminating hazards. This is a new target for this year, comparing injuries and illnesses to a national average benchmark. There are no comparisons compiled yet for current or previous years.

Target #2: Reduce the number of occupational injuries and illnesses to less than the national average within each of the three Regions and the MS/CVE Division.
Status #2: For 2008, the Incident rate for all (3) regions and MS/CVE was 4.05, which is lower than the 2008 national average of 4.4.

Analysis of results and challenges: Specific job functions are varied but include some similar tasks to those nationally. We are seeing a significant turnover in the workforce that brings with it an infusion of younger employees with high level of motivation to succeed. Challenges will include a continued forward progression to maintain and improve safe operations. This is a new target for this year, comparing injuries and illnesses to a national average benchmark. There are no comparisons compiled yet for current or previous years.

Target #3: Reduce the number of occupational injuries and illnesses to less than the national average in Statewide Operations.

Status #3: For 2008, the Incident Rate for Statewide Functions was 2.9, which is higher than the 2008 national average of 2.3.

Analysis of results and challenges: Much of the department's functions are unlike those of any other transportation element nationally. Inclement weather conditions, isolated and remote operational elements as well as diverse system, division and regional elements add to this dynamic. Each of these areas is consistently reviewed, monitored and adjusted as conditions warrant preserving the highest level of safety to all employees. An increased effort will be targeted to lower the overall rate in all future undertakings. Challenges include a decreased number of dedicated safety personnel within the department responsible for finding and

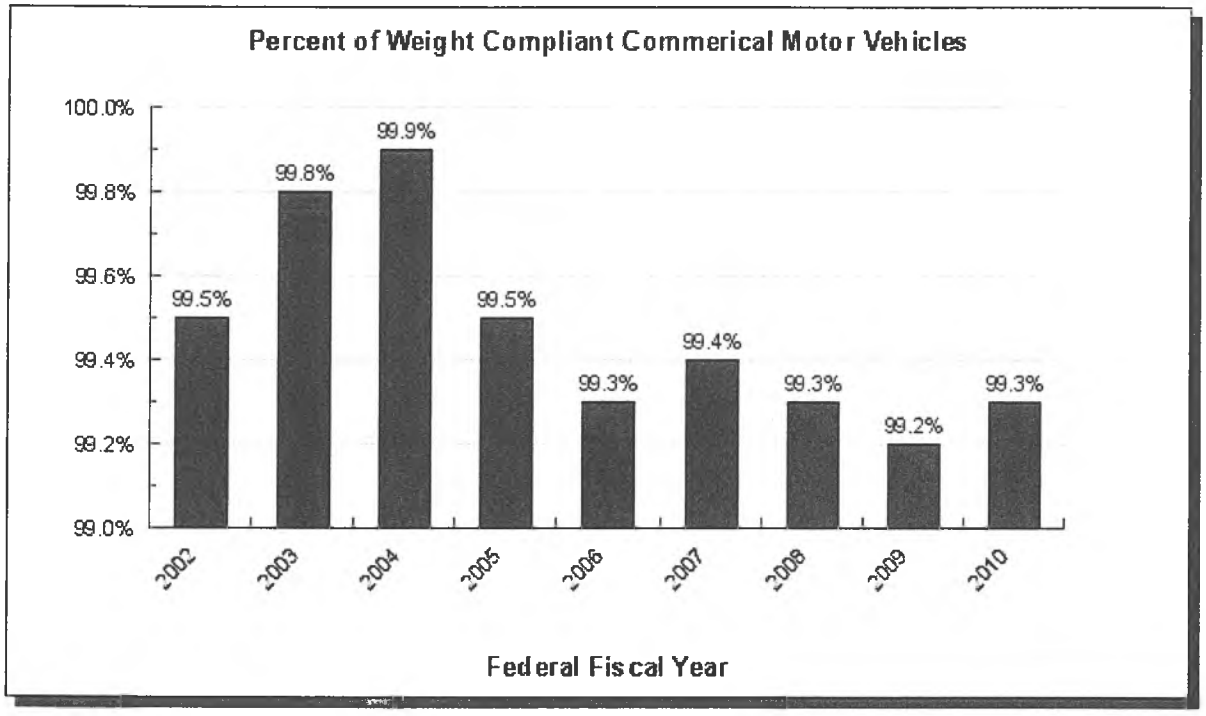
correcting discrepancies before they escalate into incidents. This is a new target for this year, comparing injuries and illnesses to a national average benchmark. There are no comparisons compiled yet for current or previous years.

Target #4: Reduce the number of occupational injuries and illnesses to less than the national average for Facilities functions.
Status #4: In 2008, the Incident rate for Facilities was 0, which is significantly lower than the 2008 national average of 1.2.

Analysis of results and challenges: In recent years Statewide Facilities functions have focused on improving the overall safety of employees by increasing safety awareness at all levels of operations. Challenges include continuing to provide essential functions within limited budget, time constraints as well as a shrinking workforce. To achieve a sustained superior incident rate facilities management will maintain its focus on excellence. This is a new target for this year, comparing injuries and illnesses to a national average benchmark. There are no comparisons compiled yet for current or previous years.

D: Result - Reduce the risk of accidents or road damage from unsafe commercial vehicles and/or loads.

Target #1: 99% commercial motor vehicle weight compliance at fixed and mobile inspection sites.
Status #1: 99.3% of the commercial motor vehicles weighed at fixed and mobile inspection sites in FFY 2010 to date, were weight compliant, meeting the department's goal of 99%.



Methodology: Data is reported on a federal fiscal year basis.

Table contains no rows.
Analysis of results and challenges: Division inspection efforts focus on maintaining the high level of compliance at weigh stations and improving compliance at the roadside inspection

locations. Weight compliant commercial motor vehicles do not contribute to premature deterioration of Alaska's roads and bridges.

The department continues to place emphasis on inspections through expanded mobile enforcement coverage, authorized traffic stops by selected and trained Commercial Vehicle Enforcement Officers, and conducting joint operations with the Alaska State Troopers and local police departments. Measurement Standards & Commercial Vehicle Enforcement (MS&CVE) does not interact with privately owned vehicles or their drivers; however the division is authorized by the Federal Motor Carrier Safety Administration (FMCSA) to use up to 5% of the Motor Carrier Safety Assistance Program (MCSAP) budget to fund other agencies to assist in these mandated efforts. MS&CVE routinely enters into contracts with local law enforcement agencies throughout the State to supplement enforcement efforts and to increase and encourage safe operations of commercial vehicles. Additionally this past year, MS&CVE funded the Alaska State Troopers to enhance enforcement efforts on unsafe practices involving CMVs on the Elliot and Dalton Highway (Haul Road), from Fairbanks to the end of the road.

D1: Strategy - Reduce number of illegal oversize/overweight Commercial Motor Vehicles (CMVs) on highways.

Target #1: Increase the number of roadside (mobile enforcement) commercial truck inspections by 2% over the previous year.
Status #1: The number of roadside commercial truck inspections decreased in 2009 by 23.72%, bringing total inspections to 3,929.

Fiscal Year	Total Inspections	% Change
FFY 2009	3,929	-23.72%
FFY 2008	5,151	-9.82%
FFY 2007	5,712	+5.36%
FFY 2006	5,421	+3.85%
FFY 2005	5,220	+66.4%
FFY 2004	3,137	+20.36%

Methodology: Data is reported on a federal fiscal year basis.

Analysis of results and challenges: Commercial Motor Vehicles (CMVs) that do not routinely pass through a fixed weigh station location for inspection are more likely to be non-compliant in both size and weight. Division inspection efforts focus on identifying and correcting non-compliant oversize and overweight vehicles as both pose serious threats to highway safety and premature deterioration of Alaska's roads and bridges. The frequency of roadside commercial vehicle inspections will be monitored to ensure that non-compliant CMVs operating on the public roadways are found and inspected.

Measurement Standards & Commercial Vehicle Enforcement (MS&CVE) did not achieve the target of increasing roadside (mobile enforcement) inspections by 5% over the previous year. The main reason for the decrease in the number of roadside inspections is due to position vacancies that, for budgetary purposes, were left unfilled longer than normal. Four Commercial

Vehicle Enforcement Officers were recently hired and are in the process of being trained. While MS&CVE has continued to conduct roadside inspections, these are now being done by a number of less experienced officers, thereby decreasing the number of overall inspections. As these officers become more experienced, we anticipate the number of roadside inspections to increase to previous levels. The time that it takes to train an officer to MS&CVE standards is lengthy and is continuous throughout their career.

E: Result - Reduce design and construction project management costs.

Target #1: Maintain the percentage of administrative and engineering costs below 30% of total project costs.
Status #1: The percentage of administrative and engineering costs compared to total project costs was 19.6% in FFY2010; it remains the same as in FFY2009, and is well within the department's target of 30%.

Fiscal Year	Central Region	Northern Region	Southeast Region	Department Total
FFY 2010	18%	21%	21%	20%
FFY 2009	23%	20%	10%	20%
FFY 2008	24%	19%	10%	20%
FFY 2007	22%	24%	26%	24%
FFY 2006	21%	23%	13%	18%
FFY 2005	20%	22%	23%	21%
FFY 2004	21%	26%	23%	22%

Analysis of results and challenges: The aim of this measure is to get more capital dollars into construction or into other related fieldwork by maintaining overhead costs at an acceptable level. This will benefit the private sector and the travelling public. Percentages are calculated by summing up all administrative and engineering costs, i.e. all costs that are not direct construction payments, right-of-way acquisition/relocation payments, or utility relocation payments, and dividing those administrative and engineering costs by the total of all project costs.

It is anticipated that this measure will undergo cost increases during FY2011 and into the future to account for increased storm water compliance during the design and construction of our projects due to new regulations. Nationally, erosion and sediment control allowances vary from about 1% to 10% of construction costs. The department is anticipating an overall 2% increase in administrative and engineering costs to account for storm water compliance.

E1: Strategy - Minimize administrative and engineering costs associated with projects.

Target #1: Maintain the percentage of administrative and engineering costs below 30% of total project costs for Central Region.

Status #1: The percent of administrative and engineering costs compared to total project costs for Central Region decreased by 5% to 18% in FFY2010, well within the department's target of 30%.

Analysis of results and challenges: Central Region has maintained a highly consistent percentage of administrative and engineering costs compared to total project costs and has met the target for six years in a row.

Challenges in continuing to meet this target include an increase in the number of employee retirements coupled with increased federal regulatory requirements.

Target #2: Maintain the percentage of administrative and engineering costs below 30% of total project costs for Northern Region.
Status #2: The percent of administrative and engineering costs compared to total project costs for Northern Region increased by 1% to 21% in FFY2010, well within the department's target of 30%.

Analysis of results and challenges: Northern Region has consistently met the target percentage of administrative and engineering costs compared to total project costs and for six years in a row.

Challenges in continuing to meet this target include an increase in the number of employee retirements coupled with increased federal regulatory requirements.

Target #3: Maintain the percentage of administrative and engineering costs below 30% of total project costs for Southeast Region.
Status #3: The percent of administrative and engineering costs compared to total project costs for Southeast Region increased by 11% to 21% in FFY2010, well within the department's target of 30%.

Analysis of results and challenges: Southeast Region met the target percentage of administrative and engineering costs compared to total project costs six years in a row.

Challenges in continuing to meet this target include an increase in the number of employee retirements coupled with increased federal regulatory requirements.

Current as of May 5, 2011

© Copyright 2011, State of Alaska, all rights reserved

Department Of Revenue

Key Performance Indicators

Department of Revenue

- Viewing Performance Indicators
- **See Results Summary »**
- **See Performance Details »**
- **See Questions/Comments »**

Mission

The mission of the Department of Revenue is to collect, distribute and invest funds for public purposes.

Key Program Performance Indicators

Arrow indicates trend: ↑=Improving ↓=Worsening →=Maintaining

FY11 Authorized as of 9/30/2010 (in thousands)

Department of Revenue Totals	Funding					Positions		
	UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
	$51,673.3	$9,074.7	$171,708.7	$77,748.5	$310,205.2	877	40	20

1. **Funds Collection**
Collection activities for the Department of Revenue include but are not limited to: Child Support Services collecting from obligors, AHFC collecting rents and mortgage payments, and the Tax Division collecting state taxes owed.

Funding					Positions		
UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
$18,626.4	$1,098.3	$8,464.1	$36,186.8	$64,375.6	442	27	17

- **The Criminal Investigation Unit is gaining authorization to access state and national criminal records for criminals. By accessing a name, all criminal activity associated with the person would be displayed so that the investigator can coordinate his/her investigation with any other enforcement activity deemed necessary.**
- **Currently, department investigators are entering situations where unknown dangers are present. By sharing information between divisions and by using the criminal database, dangerous situations can be better managed or avoided.**
- **In FY2010, 95% of known taxpayers filed their tax returns and made their tax payments timely. This is a slight decrease from FY2009, but above the goal of 90%.**
- **The decrease in child support collections from the Permanent Fund Dividend and from other states resulted in decreased disbursements to custodial parents and children by Child Support Services of $12.4 million during FY2010, or -10.03% less than in FY2009.**

2. **Funds Distribution**
Distribution activities for the Department of Revenue include but are not limited to: Permanent Fund Dividend Division distribution of PFDs to eligible Alaskans, Child Support Services distributing payments to the custodial parent, and Tax Division distributing shared taxes to communities.

Funding					Positions		
UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
$9,085.5	$7,735.9	$29,312.9	$41,311.1	$87,445.4	307	13	1

- **The number of cases worked by the Permanent Fund Dividend Division's fraud unit in 2010 decreased compared to the previous year. Of the 442 cases open in 2010, 245 received criminal or other penalties, and 183 were denied payment of the PFD due to ineligibility.**

- **During FY2009, The Alaska Mental Health Trust Authority provided services to 20,569 beneficiaries (duplicated and unduplicated) in all areas of funding. The Trust also trained 6,216 professionals who work with beneficiaries to improve or create new skills and knowledge. This is an increase over the prior fiscal year in both categories.**

- **AHFC's Multi-Family unit production increased by 0.6% due to the availability of federal and state grants that cover the monetary gap between development costs and appraised value. AHFC has not met its 10% target and cannot compete with other financing options to pursue that level of originations.**

- **There are a total of 30 new Senior Housing units that will be available to seniors as a result of the AHFC 2010 funding cycle, an increase of 3.3%. AHFC is working to increase senior housing units by 10%.**

3. **Funds Investment**
Funds Investment activities for the Department of Revenue include but are not limited to: Permanent Fund Corporation investment of the fund, Treasury and ARMB investment of the state's funds and retirement systems, and AMHTA and AHFC corporate investments.

Funding					Positions		
UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
$23,740.5	$240.5	$133,513.6	$250.6	$157,745.2	123	0	2

- **During FY2010, returns for 9 of the 10 funds under the fiduciary responsibility of the Commissioner of Revenue exceeded the applicable 1-year target returns.**

- **The Permanent Fund FY2010 year end value was $33.3 billion, up $3.4 billion from the prior year. The 10-year rolling real rate of return was 1.1%, falling short of the 5% target**

- **Savings were achieved in each of the four issues of the Alaska Municipal Bond Bank and each one of the 12 loans made with those funds and one additional loan made directly from the bond bank. Savings aggregated $9.6 million. AMBBA has achieved its target of 100% for the past five years.**

- **As of the end of FY2010, five members of the Treasury Portfolio Investment staff have their Chartered Financial Analyst designation. This is consistent with the prior fiscal year and exceeds the Treasury Division's target of four.**

- **For FY2010 the Trust Land Office projected principal revenue was $2.5 million with $3.1 million received.**

4. **Safety for Alaskans**
The Long Term Care Ombudsman is located with the Alaska Mental Health Trust Authority and performs investigations on Alaskans in long term care who may be experiencing a negative care situation.

Funding					Positions		
UGF Funds	DGF Funds	Other Funds	Federal Funds	Total Funds	Full Time	Part Time	Non Perm
$220.9	$0.0	$418.1	$0.0	$639.0	5	0	0

- **There were a total of 486 different complaints received from complainants in FY2010 by the Long Term Care Ombudsman. Of these, 305 required action on the part of the LTCO, and 167 (54%) were partially or fully resolved to the satisfaction of the complainant.**

- **The Long Term Care Ombudsman conducted one formal training course for volunteers during FY2010. Training was also made available at 29 community education events.**

Current as of September 2, 2010

© Copyright 2011, State of Alaska, all rights reserved

Performance Details

Department of Revenue

- **See Key Program Indicators »**
- **See Results Summary »**
- Viewing Performance Details
- **See Questions/Comments »**

Mission

The mission of the Department of Revenue is to collect, distribute and invest funds for public purposes.

Core Services

- Coordinate, develop and promote programs for collection and investment of public funds
- Provide controls and enforcement for the collection, investment and payment of funds for the Tax Division, Treasury Division, Permanent Fund Dividend Division, and Child Support Services Division
- Provide administrative support for the following authorities, boards, and corporations: Alaska Retirement Management Board; Alaska Mental Health Trust Authority; Office of the Long-term Care Ombudsman; Alaska Municipal Bond Bank Authority; Alaska Natural Gas Development Authority; Alaska Housing Finance Corporation; and Alaska Permanent Fund Corporation

End Result:	Strategies to Achieve End Result
A: Maximize compliance with current tax and gaming statutes. **Details >**	A1: Increase audit coverage (audit activities improve compliance and revenue). **Details >** • **TARGET #1: Open 20 new audit cases (taxpayers that have not been audited by the Tax Division in the prior five years).** • **STATUS #1: The Tax Division opened 36 new audit cases in FY2010 due to an increase in audit staff and focusing on auditing new taxpayers discovered in previous years through compliance activities. These audits will be worked throughout FY2011 in addition to maintaining a target of 20 new audits for that year.**

End Result:	Strategies to Achieve End Result
B: Maximize the value of the funds under the stewardship of the Treasury Division. **Details >** • **TARGET #1: For the funds under the fiduciary responsibility of the Commissioner of Revenue, exceed the applicable 1-year target returns.** • **STATUS #1: During FY2010, returns for 9 of the 10 funds under the fiduciary responsibility of the Commissioner of Revenue exceeded the applicable 1-year target returns.**	B1: Portfolio Investment Officer staff is continually upgraded in experience and education. **Details >** • **TARGET #1: Increase average longevity of the investment officers to five years.** • **STATUS #1: The average longevity of the Treasury investment officers during FY2010 was 4.8 years, an increase over the prior year.** • **TARGET #2: At least four investment staff will have their Chartered Financial Analyst (CFA) designation.** • **STATUS #2: As of the end of FY2010, five members of the Treasury Portfolio Investment staff have their Chartered Financial Analyst designation. This is consistent with the prior fiscal year and exceeds the Treasury Division's target of four.**

End Result:	Strategies to Achieve End Result
C: Collection and disbursement of child support due to the children served by Child Support Services Division. **Details >** • **TARGET #1: Increase collections by 0.75%, net of Permanent Fund Dividend collections.** • **STATUS #1: FY2010 collections net of Permanent Fund Dividends decreased 0.08% over FY2009. The division saw a $2.3 million increase in unemployment benefit collections and a $0.5 million reduction in child support collections by other states. This continues to show the downturn in the economy as more CSSD clients are unemployed or underemployed which results in lower monthly child support payments.**	C1: Improve the environment necessary for increased collections. **Details >** • **TARGET #1: Ensure that paternities established are at least 95%.** • **STATUS #1: The percentage of paternities established in FFY10 was 92.4%, an increase of 2.4% from the prior year.** • **TARGET #2: Increase cases with orders to 93.5%.** • **STATUS #2: The division saw a decrease of 1.5% in the number of cases with orders when compared to the prior fiscal year.**

End Result:	Strategies to Achieve End Result
D: Improve business efficiencies and safety for Department employees investigating criminal activity related to the collection and distribution of funds for the Tax, Child Support Services and Permanent Fund Dividend Divisions. **Details >**	D1: Centralize all investigation staff from three divisions to one unit under the direction of the Commissioner to reduce duplication of efforts and combine some activities that would accommodate the needs of more than one program. **Details >**

Performance Detail

A: Result - Maximize compliance with current tax and gaming statutes.

A1: Strategy - Increase audit coverage (audit activities improve compliance and revenue).

Target #1: Open 20 new audit cases (taxpayers that have not been audited by the Tax Division in the prior five years).
Status #1: The Tax Division opened 36 new audit cases in FY2010 due to an increase in audit staff and focusing on auditing new taxpayers discovered in previous years through compliance activities. These audits will be worked throughout FY2011 in addition to maintaining a target of 20 new audits for that year.

Number of New Audit Cases Opened

Fiscal Year	# of Audit Cases
FY 2010	36
FY 2009	40
FY 2008	78
FY 2007	42
FY 2006	5
FY 2005	14

Analysis of results and challenges: The Tax Division maintains 100% coverage in oil and gas income and production taxes (and new oil and gas audit subjects are not included in this measure). An audit presence in each of the other tax types improves long-term voluntary compliance as well as generates new audit revenues. Furthermore, once established, audit generated revenues tend to recur as taxpayers modify their reporting to become consistent with the audit findings. Not included in the new audit count are audits of exploration tax credit claims by existing taxpayers. These audits do not meet our definition of "new audits" although they represent new and expanded audit efforts by the division.

The division exceeded its goal in FY2010 as a result of new and stable audit staff in the Production, Corporate and Excise tax units. As in FY2009, we limited the scope on several audits, choosing to look at several taxpayers with similar audit issues as opposed to

conducting a full audit of a few taxpayers. Limited scope audits not only allow us to audit more taxpayers, but they also allow us to focus on audit issues that have a greater return to the State. We also opened several full-scope audits with the intent of looking at all aspects of the taxpayer's business, from internal controls to record keeping to compliance which resulted in fewer new audits from the previous year, but still above our goal.

We view twenty new audit subjects annually as an appropriate target and this remains our goal for FY2011.

B: Result - Maximize the value of the funds under the stewardship of the Treasury Division.

Target #1: For the funds under the fiduciary responsibility of the Commissioner of Revenue, exceed the applicable 1-year target returns.
Status #1: During FY2010, returns for 9 of the 10 funds under the fiduciary responsibility of the Commissioner of Revenue exceeded the applicable 1-year target returns.

One-year Return Data for Funds Managed by the Treasury Division

Fiscal Year	Fund	Actual Return	Target Return
FY 2010	Gen Fund/Other Non-segregated F	3.38%	2.36%
FY 2010	AK Children's Trust Fund	12.99%	13.01%
FY 2010	Public School Trust Fund	12.58%	12.56%
FY 2010	Int'l Airports Revenue Fund	4.59%	3.53%
FY 2010	Const Budg Resv Fund-Main Acc	5.74%	4.76%
FY 2010	Const Budg Resv Fund-Sub Acc	12.33%	11.87%
FY 2010	Retirement Hlth Ins Fund-Longter	12.48%	12.03%
FY 2010	Retirement Hlth Ins Fund-Maj Med	1.17%	0.16%
FY 2010	Power Cost Equalization Fund	12.74%	11.86%
FY 2010	Int'l Airports Development Fund	4.56%	3.56%

Methodology: FY2010 one-year return data is for the period 7/1/2009 through 6/30/2010.

Analysis of results and challenges: A combination of investments that is expected to produce the highest investment return for a given amount of risk is known as a "point on the efficient frontier." Each fiduciary for a fund reviews points on the efficient frontier and selects the combination of investments consistent with their appetite for risk and return of the fund. This selection is known as the target asset allocation. Target returns assume the total rate of return of passively managed indexes invested in the same proportions as the target asset allocation. A fund's investment return will differ from its target return if its asset allocation differs from the target asset allocation or if the returns of the underlying investments differ from those of the passively managed indexes.

B1: Strategy - Portfolio Investment Officer staff is continually upgraded in experience and education.

Target #1: Increase average longevity of the investment officers to five years.
Status #1: The average longevity of the Treasury investment officers during FY2010 was 4.8 years, an increase over the prior year.

Average Longevity of Investment Staff

Fiscal Year	Number of Years
FY 2010	4.8 years
FY 2009	4.4 years
FY 2008	4.2 years
FY 2007	4.6 years
FY 2006	3.8 years

Analysis of results and challenges: A seasoned investment staff contributes to improved investment performance. Turnover of the investment officers has been minimal in the recent few years, resulting in increased longevity of investment staff.

Target #2: At least four investment staff will have their Chartered Financial Analyst (CFA) designation.
Status #2: As of the end of FY2010, five members of the Treasury Portfolio Investment staff have their Chartered Financial Analyst designation. This is consistent with the prior fiscal year and exceeds the Treasury Division's target of four.

Number of Staff Holding CFA Designation

Fiscal Year	Number of Staff
FY 2010	5
FY 2009	5
FY 2008	5
FY 2007	5
FY 2006	4

Analysis of results and challenges: The Chartered Financial Analyst (CFA) designation takes a minimum of three years to obtain. No investment staff achieved the charter during FY2010.

C: Result - Collection and disbursement of child support due to the children served by Child Support Services Division.

Target #1: Increase collections by 0.75%, net of Permanent Fund Dividend collections.
Status #1: FY2010 collections net of Permanent Fund Dividends decreased 0.08% over FY2009. The division saw a $2.3 million increase in unemployment benefit collections and a $0.5 million reduction in child support collections by other states. This continues to show the downturn in the economy as more CSSD clients are unemployed or underemployed which results in lower monthly child support payments.

Percent Change in Total Collections for a Fiscal Year

Fiscal Year	% Change
FY 2010	-0.08%
FY 2009	-0.08%
FY 2008	3.25%
FY 2007	3.66%
FY 2006	3.72%
FY 2005	1.92%

Analysis of results and challenges: FY2010 collections net of Permanent Fund Dividends (PFDs) decreased by 0.08% over FY2009. Collections overall (including PFDs) were down 9.7%. $11.8 million less was received in PFD payments, a 53% decrease compared to the prior year. In addition, $0.5 million less was collected in child support payments received from other states. In contrast, collections from unemployment benefits continue to increase, a trend that began in FY2009. In FY2010, there was an increase of $2.3 million collected from unemployment benefits over FY2009. This continues to be an indication of the downturn in the economy as more CSSD clients are unemployed or underemployed, resulting in lower monthly child support payments.

The division is concerned about the economy and how this downturn will continue to impact child support collections in the coming year(s). Increased unemployment collections and less money coming in from other states are significant indicators of the struggling economy. The division anticipates that collections will continue to decrease in FY11, which is reflected in the lower target of 0.75% for the current year.

C1: Strategy - Improve the environment necessary for increased collections.

Target #1: Ensure that paternities established are at least 95%.
Status #1: The percentage of paternities established in FFY10 was 92.4%, an increase of 2.4% from the prior year.

Percentage of Paternities Established

Fiscal Year	% Established
FFY 2010	92.4%

FFY 2009	90%
FFY 2008	95%
FFY 2007	91%
FFY 2006	98%
FFY 2005	105%

Analysis of results and challenges: Percentage of paternities established is measured by the federal government by taking the number of children statewide with paternity established or acknowledged in the current fiscal year (3,951 in FFY10) divided by the number of children born out of wedlock statewide for the prior fiscal year (4,277 in FFY09), which is 92.4%.

The number of paternities established since FFY 2005 continues to fluctuate, however the number of cases in the division needing paternity established also fluctuates. This percentage has gone up and down over the years and is due to contingent factors that are out of the division's control such as cases that are still working their way through the court system, increases in the number of unwed births, or cases where no attempt is made by the family to establish paternity.

Target #2: Increase cases with orders to 93.5%.
Status #2: The division saw a decrease of 1.5% in the number of cases with orders when compared to the prior fiscal year.

Percentage of Cases with Orders

Fiscal Year	Cases with Orders	Change from Prior Year
FY 2010	91.5%	-1.5%
FY 2009	93.0%	-0.9%
FY 2008	93.9%	0.2%
FY 2007	93.7%	0.5%
FY 2006	93.2%	0.9%
FY 2005	92.3%	7.6%

Analysis of results and challenges: A case is eligible for collection when a court or administrative order has been established. Collections cannot be made without a proper order in place. Establishing this quickly and effectively is one of the keys to a successful child support program. Reviewing and streamlining the division's process in establishing orders will aid in the timeliness of collecting and distributing child support.

The division was not able to meet the target in FY2010 due to staff turnover, the time that it takes to train new staff, and an increase in the number of clients that applied for our services. As a result, CSSD is assigning resources to target this area in order to bring this measure more in line with the target of 93.5%.

D: Result - Improve business efficiencies and safety for Department employees investigating criminal activity related to the collection and distribution of funds for the Tax, Child Support Services and Permanent Fund Dividend Divisions.

D1: Strategy - Centralize all investigation staff from three divisions to one unit under the direction of the Commissioner to reduce duplication of efforts and combine some activities that would accommodate the needs of more than one program.

Current as of September 2, 2010

© Copyright 2011, State of Alaska, all rights reserved

register | log in | e-mail news

ALASKA'S NEWSPAPER

Anchorage Daily News
adn.com

adn.com Web Search powered by YAHOO! SEARCH find

News Sports Outdoors Features Money Entertainment Opinion Blogs Photos

Home | Alaska politics blog | Obituaries | Archives TV Listings | Movies | Music | Restaurants | Submit Event

Legislators hear constituents on saving government money

MOVE: Surreptitious move to Anchorage among suggestions.

By SEAN COCKERHAM
scockerham@adn.com
Published: July 20th, 2011 03:48 PM
Last Modified: July 20th, 2011 03:48 PM

The public has never been shy to complain about government spending, so on Tuesday, some legislators seeking to make state government more efficient opened the microphone for anyone with an idea.

Story tools
52 Comments
E-mail a friend
Print
Share on Facebook
Digg this
Seed Newsvine
Send link via AIM
Tweet this
MY YAHOO!
Font size : A | A | A

This is what they heard:

• There are too many phone books.

• They should refuse to attend legislative sessions in Juneau, effectively moving the capital.

• They shouldn't spend so much money on special sessions or state travel.

Those were some of the suggestions at a Senate State Affairs Committee hearing in Anchorage. About 10 people took the Senate committee up on its invitation for the public to offer ideas.

While the state doesn't produce any of the phone books, one person thought that government might have been wasting money advertising telephone numbers in each book.

John Spalding of Anchorage said legislators should drop their quest to construct a new office building in downtown Anchorage for themselves, and instead use state-owned land at the mothballed Kulis Air National Guard Base on Raspberry Road.

"If you're really serious, and I hope the hell you are, that something be done to quit spending so much money. Because one of these days the pot's going to

ADVERTISEMENT

Related Links

More Alaska Legislature coverage

Legislature resources

Audio/Video: Gavel to Gavel Alaska

Listen and watch the Legislature from your computer.
Today's schedule

More Legislature stories »

Legislators hear constituents on saving government money
Government efficiency focus of legislative hearing today
Legislators want to hear citizens
Lawmakers seek independent audit of troubled Mat-Su prison
North Star borough sues over state's redistricting plan

run dry and you're going to be running around trying to figure out how to make expenses," he said.

Spalding could be right. The state has a big budget surplus because of high oil prices. But those high prices are masking the long-term effect on the state treasury of the continued decline of North Slope oil production, which provides almost 90 percent of state government's general fund revenue that pays for roads, troopers, health care and much more.

On the other hand, if the crash comes, the relatively modest suggestions that emerged from the public wouldn't make much of a dent. Education and Medicaid are the big forces in state government spending and those are huge and difficult issues for legislators to deal with.

Shocking discovery for joint relief

The secret method the FBI uses to speak new languages

Eat this, feel and look younger

Senate State Affairs Chairman Bill Wielechowski said it's still good to look for smaller efficiencies, though, while the Legislature works on the bigger costs. Wielechowski, of Anchorage, and Joe Paskvan of Fairbanks, both Democrats, were the only senators present for the public testimony taken over the lunch hour on Tuesday. Democratic Rep. Sharon Cissna of Anchorage also sat in.

One woman told lawmakers that replacing the leadership at the city-owned Port of Anchorage could save money, since the port expansion project has gone massively over budget and is sucking up state money. Another reported a state jobs center in Anchorage she said was overstaffed.

Lynn Willis of Eagle River said the Legislature should find a better way of drawing up the state budget. He mentioned that the Senate didn't unveil the capital budget until near the end of the spring legislative session, and the House claimed it was held hostage.

"I think that just breeds inefficiency and waste. So my suggestion is that during the summer, during the off months, you should be able, I would think, to get 80 percent of the vetting done in the budgeting process completed," Willis said.

Wielechowski said there's a website -- **http://savealaska.aksenate.org/** -- where the public can submit ideas. His State Affairs committee has also been hearing from commissioners of state departments about potential efficiencies. Wielechowski said he would like to see more video-conferencing instead of officials travelling in the state.

Another idea, he said, is to save money on fees to outside investment managers for the Alaska Permanent Fund and the Constitutional Budget Reserve. He said officials testified there could be millions saved if the state itself handled those parts that are "passively managed."

Reach Sean Cockerham at **scockerham@adn.com** or 257-4344.

Comments

NEW STORY COMMENTS: Learn about our upgrade | Create an avatar in the new system »

By submitting your comment, you are agreeing to adn.com's user agreement.

Like

Add New Comment Login

Type your comment here.

Real-time updating is **enabled**. (Pause)

Showing 1-10 of 52 comments Sort by newest first

WhiteDove37

The State of Alaska has a number of children in foster care and receiving Medicaid even though family members who are financially and physically qualified are available for placement. Perhaps the legislature should investigate how many children are in the custody of the State of Alaska with fraudulent Child in Need of Aid cases and medical needs. Perhaps the legislature should investigate how many families are being misrepresented by court-appointed public defense attorneys and guardian ad litems so that children are unjustly retained in the custody of the State of Alaska even though qualified family members are available and capable of caring for the child without state or federal assistance. The State of Alaska would save millions if state officials that have been entrusted with the power to protect really care about the children and families in the State of Alaska. Instead, this power is being abused to unjustly deny families their civil and human right to care for and protect their children while increasing spending on fraudulent claims for social and welfare services. These are the type of issues that the citizens need to share with the legislature!

Yesterday 10:12 PM Report Abuse Like Reply

Gee

Will the identity thief who stole a police officers position pay back every penny? No!...Phone books!...That is where we will save a fortune!

Yesterday 09:21 PM Report Abuse Like Reply

Marie99501

Here is some thoughts on saving for the SOA: Don't push out anymore printed material via mail. This is a no-brainer. Saves on postage, printing, and staff's time.
Another thought - departments that are loosing money, should be cut. Subsidies NO MORE!
State should review their benefit package.
State should hire a independent efficiency expert and determine if any cutbacks should occur or procedures be changed.
What can the SOA contract out vs. paying employees with benefits??

07/20/2011 07:48 PM Report Abuse Like Reply

Elstun W. Lauesen

Here's one way we can save $2B a year in the future: NO CORPORATE WELFARE FOR CONOCOBPEXXON!

07/20/2011 05:42 PM Report Abuse Like Reply

ywah

They don't pay attention to us when we vote on things- and now they are cashing in by working this committee during the "off" season- so they get a per diem- they get paid and we get gipped again

07/20/2011 04:41 PM 1 Like Report Abuse Like Reply

Gee

That is because they live in the most inaccessable location in the nation.

Yesterday 09:27 PM in reply to ywah Report Abuse Like Reply

sensei_ueshiba

Gee only 10 people showed up for this. Could it be because the idiot politicians didn't let the public know about it?

07/20/2011 03:22 PM 1 Like Report Abuse Like Reply

Gee

Its because everyone knows its just a dog and pony show. They pretend to listen, no one does anything about it.

Yesterday 09:28 PM in reply to sensei_ueshiba Report Abuse Like Reply

ywah

I wouldn't waste gas to go listen to these people pretend to care what any voter thinks - they tend to do as they please and make up things as they go along

07/20/2011 04:42 PM in reply to sensei_ueshiba 1 Like Report Abuse Like Reply

Jane

special sessions may not be needed if we require a time clock and an in office work day of 8 hours per day

07/20/2011 01:33 PM 1 Like Report Abuse Like Reply

Subscribe by email RSS 1 2 ... 6 Next →

register | log in | e-mail news

ALASKA'S NEWSPAPER

Anchorage Daily News
adn.com

adn.com Web Search powered by YAHOO! SEARCH find

News Sports Outdoors Features Money Entertainment Opinion Blogs Photos

Home | Alaska politics blog | Obituaries | Archives TV Listings | Movies | Music | Restaurants | Submit Event

Legislators want to hear citizens

Anchorage Daily News / adn.com
Published: July 18th, 2011 08:15 PM
Last Modified: July 18th, 2011 08:16 PM

Know how state government can save some money? Today is your chance to tell state senators what you have in mind. The Senate State Affairs Committee, chaired by Anchorage Sen. Bill Wielechowski, is asking the public to come forward with ideas "on how to make Alaska's government more efficient and effective." The committee will be taking public testimony from noon to 1 p.m. at the Anchorage Legislative Information Office, 716 W. Fourth Ave.

In the morning, the committee will hear state commissioners make recommendations on how their own departments can be more efficient. The commissioners of Revenue, Natural Resources, Transportation and Commerce will speak from 9 a.m. to noon.

Committee members said the need for the hearing is highlighted by a report published earlier this year by the University of Alaska's Institute for Social and Economic Research, which said the state can't keep spending as much as it has with declining oil production.

Story tools
13 Comments
E-mail a friend
Print
Share on Facebook
Digg this
Seed Newsvine
Send link via AIM
Tweet this
MY YAHOO!
Font size : A | A | A

Legislature resources

Audio/Video: Gavel to Gavel Alaska
Listen and watch the Legislature from your computer.
Today's schedule

More Legislature stories »
Legislators hear constituents on saving government money
Government efficiency focus of legislative hearing today
Legislators want to hear citizens
Lawmakers seek independent audit of troubled Mat-Su prison
North Star borough sues over state's redistricting plan

ADVERTISEMENT

CONFIR-
MATIONS
2011

<TARGET><BILL></BILL><SUBJECT>CONFIRMATIONS
2011</SUBJECT><COMM>SSTA27</COMM></TARGET>

Alaska State Legislature

Senate

Office of the Secretary

Official Business

State Capitol, Room 211
Juneau, Alaska 99801-1182
Phone: (907) 465-3701
Fax: (907) 465-2832
Email:senate_secretary@legis.state.ak.us

Memorandum

TO: Senator Wielechowski, Chair
State Affairs Committee

FROM: Kirsten Waid
Secretary of the Senate

DATE: February 2, 2011

SUBJECT: Confirmation of Governor's Appointments

Pursuant to AS 39.05.080, the President has referred the following names for legislative confirmation to your committee for a hearing, recommendation and report:

State Commission for Human Rights
Jerrad "Shea" Hutchings – Soldotna
Appointed: 3/1/2011 Term Expires: 3/1/2016

Alaska Public Offices Commission
Kenneth Kirk – Anchorage
Appointed: 3/1/2011 Term Expires: 3/1/2016

Resume(s) will be transmitted electronically.

KW:jcs
gl #2

Jerrad Shea Hutchings

SUMMARY:

- City Council member (manage administration)
- More than 7 years of Retail automotive experience.
- Class A CDL with all endorsements
- Alaska Insurance License (credit life & disability)
- Kenai Peninsula Housing Initiative (board member)
- GM Mark of Excellence management awards, 2006-2008

EDUCATION:
Applied Science in General Business, August 2001-May 2003
Paradise Valley Community College (PVCC)
3.2 GPA on a 4.0 Scale

Courses taken included:
Sales Management Marketing Simulation
Professional Selling Marketing Channel Management
International Marketing Public Speaking
Logistics Management Marketing and Consumer Issues

GMAC Finance and insurance certificate, Feb 2008

Content Included:
F&I lead development marketing insurance products
Menu selling State and federal regulations
Guaranteed asset protection Maximizing department profit

EXPERIENCE:
Sales and Finance Director, June 2003 to Present
Glacier GMC/ The Auto Group

- Managed Sales and Finance Department in charge of all vehicle and Equipment sales and Acquisitions. Managed and administrated all financing for retail and wholesale transactions.
- Specked and built all Vehicles and commercial apparatus for the auto group and with Class A CDL transported vehicle all over the U.S. and Canada.
- Completed and signed all loan documents with customers and complied with all lending regulations.
- Since 2003 I have been fully certified in Sales and Technical support for GM medium duty truck. Also Internet manager certified and since 2007 I have had my Alaska Insurance lisc.

- Managed all accessories parts purchase and inventory for 2 years (2003-2005)
- Had complete oversight of both hiring and training for sales department.

Marketing Partner, March 2006 to November 2008
T.O.P. Productions (amateur MMA & boxing promotions)

- Performed all public announcing.
- Performed & coordinated all media buys and layouts.
- Contracted talent for shows.
- Show and exhibit build and tear down.
- Solicited all partner and sponsorship programs.

Sales Associate, August 2000 to May 2001
Desert Motorsports

- Was #1 Indian motorcycle Dealer in the Southwest.
- Coordinated all sales and finance needs for customers.
- Oversaw all advertising and marketing for Scottsdale local.
- Participated in promotions at remote locations for sales.

ACTIVITIES

Vice mayor city of Soldotna
Soldotna City Council, Seat F
Fishing and enjoying the outdoors.
Announcer Top Productions and SOHI Basketball

Official Business

Alaska State Legislature

Senate

Office of the Secretary

State Capitol, Room 213
Juneau, Alaska 99801-1182
Phone: (907) 465-3701
Fax: (907) 465-2832
Email:senate_secretary@legis.state.ak.us

Memorandum

TO: Senator Wielechowski, Chair
State Affairs Committee

FROM: Kirsten Waid
Secretary of the Senate

DATE: March 28, 2011

SUBJECT: Withdrawn Governor's Appointment
Jerrad "Shea" Hutchings - State Commission for Human Rights

The following appointee has resigned for personal reasons and should not be considered by your committee:

State Commission for Human Rights
Jerrad "Shea" Hutchings – Soldotna
Appointed: 3/1/2011 Term Expires: 3/1/2016

President Stevens referred the appointment to the State Affairs Committee on February 2, 2011.

Attachment: Governor's 3/26/11 Withdrawal Letter

KW:bbr
gl #6

(6)

STATE CAPITOL
PO Box 110001
Juneau, Alaska 99811-0001
907-465-3500
fax: 907-465-3532

MAR 28 2011

550 West 7th Avenue # 1700
Anchorage, Alaska 99501
907-269-7450
fax 907-269-7463
www.Gov.Alaska.Gov
Governor@Alaska.Gov

Governor Sean Parnell
STATE OF ALASKA

March 26, 2011

The Honorable Gary Stevens
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Stevens,

I withdraw the appointments of Jennifer "Robin" Allen to the Board of Nursing and Jerrad "Shea" Hutchings to the State Commission for Human Rights. Since my letter dated February 1, 2011, both individuals have asked to resign from their respective boards for personal reasons.

Best regards,

Sean Parnell
Governor

cc: Kirsten Waid, Senate Secretary, Alaska State Senate

Michelle Sydeman

From: Michelle Sydeman
Sent: Tuesday, March 15, 2011 6:40 PM
To: 'Hooley, Jason M (GOV)'
Subject: RE: Shea Hutchings -- Human Rights Commission nominee

Finally got a call back, but wasn't at my desk. He asked if we could do it on Friday, but the committee only meets on Tuesdays and Thursdays. I left a message for him again. We'll see. He's certainly difficult to reach!

Are you able to give me his email address?

Thanks, Michelle

From: Hooley, Jason M (GOV) [mailto:jason.hooley@alaska.gov]
Sent: Tuesday, March 15, 2011 5:25 PM
To: Michelle Sydeman
Subject: RE: Shea Hutchings -- Human Rights Commission nominee

I've tried to reach him by phone and email, in order to contact you, but have not been successful either. I'll keep trying.

If he doesn't show, I'll be glad to speak with you about it.

Jason M Hooley
Director of Boards and Commissions
Office of Governor Sean Parnell

PO Box 110001
Juneau, AK 99811
PHONE: 907.465.3934
FAX: 907.465.8110

jason.hooley@alaska.gov
www.gov.alaska.gov/boards/
Follow the Governor on Facebook

From: Michelle Sydeman [mailto:Michelle_Sydeman@legis.state.ak.us]
Sent: Monday, March 14, 2011 5:45 PM
To: Hooley, Jason M (GOV)
Subject: Shea Hutchings -- Human Rights Commission nominee

Hi Jason,

We have Shea scheduled to appear before the State Affairs Committee on Thursday, but I have not heard back from him. Can you try to reach him? We need to talk before the meeting.

Many thanks,

Michelle
465-6881

Michelle Sydeman

From: Michelle Sydeman
Sent: Thursday, March 17, 2011 8:41 AM
To: 'sheahutchings@gmail.com'
Cc: Sen. Bill Wielechowski; 'Hooley, Jason M (GOV)'
Subject: Hearing at 9:30 this morning!

Hi Shea,

We are still hoping you will be on-line this morning for your confirmation hearing for the Human Rights Commission. Once again, the number to call is 855-463-5009. Please state that you are calling to testify before the Senate State Affairs Committee regarding your confirmation to the HRC.

Many thanks. We look forward to hearing from you,

Michelle
465-6881

Michelle Sydeman

From: Michelle Sydeman
Sent: Wednesday, March 16, 2011 9:16 PM
To: 'Hooley, Jason M (GOV)'
Cc: Sen. Bill Wielechowski
Subject: Still no word back from Shea Hutchings, nominee for Human Rights Commission

Hi Jason,

I have called Shea at least 3 times and emailed him once and still have no idea whether he will be present for his confirmation hearing tomorrow morning. The State Affairs Committee will take up a couple of bills before we begin the confirmation part of the meeting. I hope he is able to participate as we generally have a full agenda!

The call-in number for the meeting is 855-463-5009. I have provided this number to him several times already, but thought you should have it.

Anything you can do to provide assistance would be greatly appreciated.

Michelle
465-6881

Michelle Sydeman

From: Michelle Sydeman
Sent: Monday, March 14, 2011 5:45 PM
To: 'jason.hooley@alaska.gov'
Subject: Shea Hutchings -- Human Rights Commission nominee

Hi Jason,

We have Shea scheduled to appear before the State Affairs Committee on Thursday, but I have not heard back from him. Can you try to reach him? We need to talk before the meeting.

Many thanks,

Michelle
465-6881

KENNETH KIRK
Attorney at Law

March 14, 2011

Sen. Bill Wielechowski
Chairman, Senate State Affairs Committee

Via electronic transmission

Dear Sir,

I am writing in regard to my nomination to the Alaska Public Offices Commission.

APOC is a quasi-judicial body with significant authority in regard to regulation of lobbying, public official financial disclosures, and campaign finance. The method of appointment is unusual; four members must be members of the two major political parties (two members from each party), and the fifth member is a "neutral". I would be replacing one of the Republican members, so it is necessary that I be a Republican.

During the past year I have been the State Legal Counsel for my party (up until I was nominated for this position, at which point I resigned). In that capacity, I have had a number of matters before APOC. Two of those were contested matters which led to hearings before the commission; the rest involved advising party officers with regard to campaign finance matters, which required reviewing campaign finance statutes, regulations, and past APOC decisions. Beyond that, for more than 23 years I have been an attorney practicing in this state in a variety of areas of practice, and have served on many boards, commissions, and committees, including another that was quasi-judicial (the Anchorage Zoning Appeals Board).

In my time as State Legal Counsel, I came to the conclusion that they were certain beliefs to which it was absolutely critical that each APOC commissioner hold: 1) that all of the commissioners should be fair and evenhanded, regardless of their political backgrounds or affiliations, 2) that it important that the commission distinguish between people who were trying to comply but made an honest mistake, and those who blatantly violated the law, and 3) that much of what APOC does involves restrictions on free speech (as noted by the US Supreme Court in the *Citizens United* case), and therefore the commission must be careful to go no further than necessary to meet the legitimate objectives of the laws. I firmly believe in each of these points, and would keep them foremost in my mind if confirmed as an APOC Commissioner.

I look forward to the upcoming confirmation hearing, and in addressing any concerns you, or the other Senators, may have.

Sincerely,

Kenneth Kirk
KCK: jl

3401 Denali Street
Suite 203
Anchorage, AK 99503

PHONE (907) 279-1659
FAX (907) 278-4119
EMAIL Info@KirkAlaska.com

Kenneth Kirk

Resume'

Position sought: Alaska Public Offices Commission

Educational background:

University of Alaska, Anchorage: BA-History, *cum laude*, 1983. Minor in Political Science.

Cornell Law School: JD, 1987. Emphasis in Business Law and Regulation.

Professional experience:

Attorney in private practice in Anchorage, Alaska, 1987-present. Major practice areas have included family law, probate and estate planning, Medicaid and public benefit planning, child protection cases, adult guardianship/conservatorship, adoption, Native law, collections law, elections and campaign finance law, and constitutional law. Have also handled cases in many other areas of practice.

Academic articles:

The Alaska Health Care Decisions Act. Analyzed. Alaska Law Review (published by Duke University), Dec. 2005.

Major public service positions:

Appellate Rules Committee, Alaska Court System, 2002-2010
Chair, Elder Law Section, Alaska Bar Association, 2003-07
Family Rules Committee, Alaska Court System,1997-2001
Chair, Law Practice Management Section, Alaska Bar Association, 1991-92 and 1998-99
Family Law Self-Help Center Advisory Committee, 2002-07
Child Support Guidelines Review Committee, AK Court System, 1997-99 and 2007-09
Zoning Board of Examiners and Appeals, Municipality of Anchorage, 1992-95
Correctional Industries Commission, State of Alaska, 1993-94
Public Facilities Advisory Commission, Municipality of Anchorage, 1988-93

Board of Directors, Muldoon Community Assembly, 2005-present
Corporate secretary. Muldoon Community Assembly, 2006-present

Yes Commissioner (with hats off to the BBC)

By Kenneth Kirk

Good morning, is he in? Good... Hello, Humphrey. It's Jim Hacker. Do you have a moment?

Certainly, Commissioner, I always have time for you. Settling in well at the new job?

Quite, quite. But I have an issue regarding my old campaign funds, and I'm wondering if I might trouble you for some legal advice.

Absolutely not, Commissioner! I can do no such thing.

I don't understand, Humphrey. You've been my lawyer for years. You served as the legal advisor to every one of my campaign organizations when I was in the legislature. Now you won't talk to me because I'm in the executive branch?

It's not that at all, Commissioner. I'm happy to help you. I just can't help you on this phone call.

But why not? I'll pay you for your time, of course.

That's not the problem at all, Commissioner. I'm happy to help, but I can see from my caller I.D. that you're calling from your new office. That's an executive branch phone. You can't call me about a legislative campaign matter, on an executive branch phone.

But it's a local call, there's no cost to the government.

That's hardly the point, Commissioner. According to the campaign finance laws, the government can't provide "anything of value" to your campaign. And that includes a phone call.

That's rather silly. Alright, forget it, I'll send you an email.

Don't send it from your office email account. That's something of value as well, Commissioner.

Oh for heaven's sakes, I'll call you back on my personal cell phone.

. . . . . .

Humphrey? Alright, I'm on my cell phone now. Can you hear me?

Loud and clear, Senator.

I'm not a State Senator anymore, Humphrey. What happened to Commissioner?

You're calling me on a legislative campaign matter. I just wanted to keep our roles clear. No disrespect intended, of course. Now what is the problem?

I just discovered a contribution violation from the last time I ran. Completely innocent, mind you. It turns out we had a donor named Fowlds. He made one contribution of $500, the maximum allowed, then later donated another $100 at a fundraiser, but nobody caught it because the treasurer misread his name as Foulds the second time. So we had an illegal campaign contribution of $100.

You'll have to give it back to the donor, immediately.

That's a bit of a problem. After the campaign was over I held those funds for the next election, but then as soon as I was confirmed as a commissioner, I donated the remaining funds to my district political party. I don't have it, to give back.

Well, it's not too much of a problem. You can donate your own money to the campaign, then use it to refund the contribution.

Ah, thank you, Humphrey. I knew there had to be a simple, common-sense solution. I'll write out a check to the donor for $100 and be done with it.

"I just discovered a contribution violation from the last time I ran. Completely innocent, mind you."

Oh no, Senator. You can't do that. It has to go through a campaign account.

But there isn't any campaign account. We closed it.

You'll have to open another one.

For this one measly transaction?

Not just for that. You also have to pay my fee for this conversation.

Of course. Still, that's just two transactions.

And you have to file some paperwork with APOC. Your treasurer was a paid employee as I recall, so you'll presumably have to get her back on the payroll to deal with this.

Anything else, Humphrey?

I'm sure I'll think of something, Senator. I'll send you a memo. Do you still have your old P.O. Box from the campaign?

Don't tell me I have to open another post office box!

No, no. I'll send it to your home.

Good then. Although as I think about it, there might be another option to consider. Do I recall correctly that I can roll it over into a future campaign? Because you see, I've been thinking that if you-know-who doesn't run for Congress the next time around, I might want to go for that seat....

Senator! Hang up at once and call me back!

On a different phone?

It can be the same phone, just call me back right away.

Oh for heaven's....

. . . . . .

Alright, Humphrey. I'm calling you back. But why did you hav do that?

So there would be a clear dem tion on your cell phone bill. Y Jim, a congressional seat is a fe office. You have to comply with FEC regulations, not APOC. Th completely different and larg compatible.

It's Jim now, is it? So on this I take it, we can only discuss the sible congressional race?

That's the idea, yes. And a no disrespect.

None taken. But are you now g to tell me I have to report this p call to the FEC?

No, that's one of the differe between state and federal law. Al campaign finance laws, which a to everything from the Governor on down, consider even an em be a "contribution". The federal are more generous, not as intere in small things. No, you don't ha report this call. But by cutting when we did, you don't have as n to report to APOC.

So can I roll over that excess d tion to the congressional campa

Sorry, no. You'll have to refun Then, after you've filed the neces paperwork to accept contributi the donor can contribute that m back to your federal campaign.

This all seems terribly confus What's the point of all this comp ity?

It's all in the name of honest open government.

Really? All it seems to do, f what I can see, is make us all m dependent on the lawyers. We hardly support a candidate w out consulting legal counsel, a right?

Yes, commissioner.

Alaska State Legislature

Senate

Office of the Secretary

Official Business

State Capitol, Room 211
Juneau, Alaska 99801-1182
Phone: (907) 465-3701
Fax: (907) 465-2832
Email:senate_secretary@legis.state.ak.us

Memorandum

TO: Senator Wielechowski, Chair
State Affairs Committee

FROM: Kirsten Waid
Secretary of the Senate

DATE: February 2, 2011

SUBJECT: Confirmation of Governor's Appointments

Pursuant to AS 39.05.080, the President has referred the following names for legislative confirmation to your committee for a hearing, recommendation and report:

Commissioner – Department of Administration
Becky Hultberg
Appointed: 11/18/2010

Commissioner – Department of Revenue
Bryan Butcher
Appointed: 11/24/2010

Resume(s) will be transmitted electronically.

KW:jcs
gl #2

Becky Hultberg

EXPERIENCE

Regional director, communications and marketing, Dec. 2006 – present
Providence Health & Services Alaska
Anchorage, AK

Vice president, public relations and strategy, May 2006 – Dec. 2006
Bradley Reid & Associates
Anchorage, AK

Press secretary, July 2004 – May 2006
Special assistant for transportation and education, Sept. 2003 – July 2004
Director, boards & commissions, Jan. – Sept. 2003
State of Alaska, Office of Governor Frank H. Murkowski,
Juneau, AK

Special assistant, 1999- 2002
Alaska Congressional Delegation, joint delegation office
Kenai, AK

Project manager, 1995- 1999
Kenai Peninsula Economic Development District
Kenai, AK

EDUCATION

Abilene Christian University, Abilene, TX
Bachelor of Arts, history, minors in economics and public service, 1995

COMMUNITY INVOLVEMENT

Board member, Covenant House Alaska
Board member, Alaska Council on Economic Education

AWARDS & RECOGNITIONS

Named to the Alaska Journal of Commerce's Top 40 under 40 list, 2007

PERSONAL

36 years old
Born in Anchorage, AK. Raised in Kenai, AK.
Spouse: Jeff Hultberg
Three children: Sophie, age 11, Brandt, age 9 and Dane, age 2

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

BECKY HULTBERG, COMMISSIONER

SEAN PARNELL, GOVERNOR

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

April 4, 2011

The Honorable Bill Wielechowski, Chair
Senate State Affairs
State Capitol, Room 101
Juneau, AK 99801

Dear Senator Wielechowski:

Thank you for the opportunity to present to the Senate State Affairs Committee on Thursday, February 24, 2011. Below are the responses to questions that were raised during that session.

Q1: How do satellite offices function for the division of motor vehicles (DMV)? How much more do individuals pay for services? Are fees disclosed to customers? (Senators Wielechowski and Paskvan)

A1: DMV partners with various entities to provide services. Statewide the DMV has 33 full service offices and 91 business partners. Of the full service offices, 17 are state run and 16 are operated by commission agents.

Commission agents: The DMV partners with local governments, particularly in areas where there is not a large population base, to provide services. These offices do not charge more than the statutorily required fees for services, but retain a certain percentage of revenue collected.

Business partners: The DMV contracts with private businesses to provide title, registration and road skills testing services. These partnerships were established in 1998 and exist to provide residents with additional options for receiving services. These businesses are trained by the DMV to perform particular functions. In some instances, these businesses charge an additional fee on top of the statutorily required fees for conducting DMV transactions. The entities retain the additional charges and pass along full fees to the state. Additionally, these entities are contractually required to post their fee schedule for costs associated with transactions if an extra fee is charged.

Twenty-four dealerships and credit unions provide title and registration services. Sixteen cottage industries ("satellite offices") provide title, registration and driving records services. Eighteen emissions testing (I/M) businesses provide registration services, and 33 third party testers provide road skills testing services.

Q2: Provide information on the number of employees returning to state service after retiring, include: retire/rehire, retire/long-term non-permanent, and retire/contract work. (Senator Giessel)

A2: The attached spreadsheet documents the number of retirees currently employed in the executive branch by department. Please note that this data represents retirees receiving benefits through the Public Employee Retirement System (PERS), Teachers Retirement System (TRS) or the Judicial Retirement System (JRS). These individuals may have retired from any one of 160 participating employers.

Also included is the number of retirees who received payments from the state accounting system, AKSAS. It must be noted that this number represents only those retirees who use their social security number as their tax identification number. It does not include retirees who are employees of an organization doing business with the state or those who use a separate business tax identification number. The counted individuals are not employees, but contractors or other individuals who received payments unrelated to employment. It is not possible to identify contractors performing services in the state's 26-year-accounting system, so these numbers include all retirees receiving payments including contracted services, rentals, travel, and board-related payments.

Q3: Provide information on issues within state government around recruitment and retention. What are our problem areas? How many people do we have retiring on an annual basis? (Senator Paskvan)

A3: Generally speaking, recruitment difficulties exist in rural areas of the state, particularly when specialized skills and education are a requirement for the position. In urban areas recruitment is challenging for particular job classifications such as economists and health care professionals.

We are currently working to develop turnover reports by agency and job class through the Alaska Data Enterprise Reporting system. With this tool we will then work to identify and resolve problem areas.

The data provided below represents the number of state employees who retired in 2009 and 2010 and includes retirements from PERS, TRS, and JRS.

Year	Retirees
2009	647
2010	717

Q4: Has the Department of Administration weatherized buildings in the public building fund as the Department of Transportation and Public Facilities (DOT) has for other state buildings? If not, do we have plans to do so? (Senator Wielechowski)

A4: The Division of General Services has completed numerous energy efficiency and weatherization projects on buildings we manage, many of them in cooperation with DOT, using their energy performance contract.

I hope the questions raised during our presentation have been answered to your satisfaction. Please feel free to contact me at any time.

Sincerely,

Becky Hultberg
Commissioner

Attachment: retirees currently employed spreadsheet

Alaska State Legislature

Please enter into the record my testimony to the S STA committee name

committee on CONFIRMATION HEARING BECKY HULTBERG bill/subject, dated 5 APRIL 2011.

04/05/10 Public Testimony: Theresa Absher, Glennallen resident and current state employee (907) 320-1266

In this time of ever increasing costs to live in rural Alaska, the new Alaska Geographic Differentials and pay freezes for small road system and southeast communities will be crippling to our region. Our school district enrollment has been steadily decreasing due to cost of living expenses that families cannot absorb. In the past week I have spoken to several families that will be relocating to the overcrowded school districts in the rail belt area, because they can no longer afford to live here. Even with subsistence supplementing food costs, heating with firewood and other cost saving measures, the costs to remain here are too high to maintain.

The AGD had an estimated error factor of +/- 14% for the Glennallen area, which is unacceptable. Nothing in the AGD addressed the fact that if items like appliances could even be purchased in this region, the cost of shipping is extremely high and should be a factor. My daughter attends school at UAF and regularly brings groceries home during her visits, because the cost is so much less than what is available here. Fairbanks cost of living was somehow calculated to be 3% higher than Glennallen, Tok Delta, Cantwell. If it is to be believed that our cost of living is so much lower than Anchorage, why do hunters and travelers to this region from urban areas bring their own supplies rather than try to purchase things here?

Do you know that the average Glennallen household income is $52,000 compared to $84,000 for Anchorage and Juneau? As of last Sunday the cost of gasoline at the pump was $4.40 per gallon. That is NOT what is being paid in Anchorage, Fairbanks or Juneau.

Please keep the pay freezes from going into effect 1 July 2011.

Signed: THERESA ABSHER

Testifier

SELF

Representing (Optional)

Address

907-320-1266

Phone No.

Alaska State Legislature

Please enter into the record my testimony to the S STA committee name

committee on CONFIRMATION HEARING BECKY HULTBERG, dated APRIL 5TH, 2011.

Letter to the Senate State Affairs Committee

The recent geographic differential study has been a real slap in the face to those of us who will be losing out starting this July.

It seems a pity that being frugal, denying our kids opportunities growing up, forgoing vacations, not eating out – all to be able to afford a house on state wages in Glennallen has resulted in a pay freeze. Since we can be frugal, we will be forced to remain frugal. And it's not like we purchased a great house. We have poured into it as much as the original cost to make it comfortable and it is still not to code.

But since we can sacrifice we will be made to continue sacrificing. Fortunately I have a year round job with the state which was necessary to supplement my husband's seasonal job with the state. I really feel for our techs who try to survive on their seasonal incomes alone.

I hope you can help us by coming to an agreement to not implement the new pay structure until a more equitable study can be done.

Rita Stadtmiller

Thank you for your time,

Rita Stadtmiller, program tech, Glennallen Fish & Game

Signed: RITA STADTMILLER

Testifier

SELF

Representing (Optional)

HC01 Bx 1935 Glennallen

Address

Phone No.

Executive Branch
Retirees

The information provided documents the number of retirees currently employed in the executive branch who are not currently participating in the retirement system and who are receiving benefits through the PERS, TRS or the JRS. These individuals may have retired from any one of 160 participating employers.

Also included is the number of retirees who received payments as a contractor during calendar year 2010. It must be noted that this number represents only those retirees who use their social security number as their tax identification number. It does not include retirees who are employees of an organization doing business with the state or those who use a separate business tax identification number. These individuals are not employees, but contractors who were selected via a procurement process.

Department	Total Retirees Employed as of Feb. 15, 2011*	Retires by Position Type**	Retirees Who Received Payment as a Contractor during CY 2010***	Comments
Administration	6		49	
Long Term		1		
On-call		5		
Commerce, Community & Economic Development	2		24	
Short Term		2		
Corrections	4		13	
Long Term		1		
On-call		3		
Education & Early Development	13		85	
Exempt		1		
Long Term		1		
Short Term		1		
On-call		10		Includes 2 exempt substitute teachers
Environmental Conservation	4		18	
Exempt		1		
Long Term		3		

Executive Branch
Retirees

Fish & Game	19		112	
Exempt		7		
Long Term		6		
Short Term		5		
On-call		1		
Health & Social Services	33		61	
Long Term		7		
Short Term		4		
On-call		22		
Labor & Workforce Development	16		27	
Long Term		10		
On-call		6		Includes 4 exempt substitute teachers
Law	3		14	
Long Term		2		Temporary partially exempt attorneys
Short Term		1		
Military and Veterans Affairs	0		8	
Natural Resources	8		42	
Exempt		3		
Long Term		5		
Office of the Governor	70		22	
Exempt		6		
On-call		64		Temporary election workers/officials
Public Safety	14		29	
Exempt		1		
Long Term		8		
Short Term		5		
Revenue	0		8	
Transportation & Public Facilities	5		27	
Exempt		2		
Long Term		1		
Short Term		1		
On-call		1		
Total	**197**		**539**	

*Data provided represents the number of retirees currently employed who are not contributing to the retirement system.

Executive Branch
Retirees

****Position Type**

Long and short term postions are most commonly used to complete a project, substitute for an employee on leave, and to supplement the workforce for a defined period of time. **Long Term** - over 120 days, **Short Term** - under 120 days

On -call positions are scheduled to work on an as-needed basis typically due to vacancies and employee absences. For example, the Pioneer Homes have a pool of certified nurse aides, Mt. Edgecumbe High School has substitute teachers, and the Division of Personnel & Labor Relations has Human Resource Technicians which are used for payroll processing. Additionally, the Division of Elections uses election workers for the statewide primary and general election.

Exempt positions are not established under the authority of the Department of Administration. Questions specific to these positions should be addressed to the employing agency.

*****Contractors**

In the executive branch, there are 470 retirees who received payment for services provided. Some individuals provided services for more than one agency and are therefore reported in the number provided for each agency they received payment from. The numbers provided are not all inclusive. We do not have a means of identifing retirees employed by a contractor or those who do not use their social security number as their tax identification number.

Commissioner's Office

Department of Revenue > Commissioner's Office

Commissioner Bryan Butcher

Commissioner Bryan Butcher was appointed to this position beginning in January, 2011 by Governor Sean Parnell. Mr. Butcher was the Director of Governmental Relations and Public Affairs for the Alaska Housing Finance Corporation (AHFC) for the last eight years and in a dual role was also Vice President of the recently formed Alaska Gasline Development Corporation (AGDC) since 2010. In 2009 Mr. Butcher served as a Special Assistant working on Economic Development issues for Governor Parnell. Mr. Butcher also served as a member of former Governor Sarah Palin's gasline team through the AGIA process.

Before joining AHFC in 2003, Mr. Butcher previously worked for the Alaska State Legislature as a Finance Committee Aide for the House and Senate Finance Committees for 12 years.

Mr. Butcher is also currently serving as the coordinator for Governor Sean Parnell's statewide transition team.

A lifelong Alaskan born and raised in Anchorage, Mr. Butcher holds a Bachelor of Science degree in Speech Communications from the University of Oregon.

Send an email message to the Commissioner

Deputy Commissioners

Deputy Commissioner for Tax Bruce Tangeman

Bruce Tangeman- Bio to follow shortly

Send an email to Deputy Commissioner Tangeman

Deputy Commissioner for Treasury Jerry Burnett

Deputy Commissioner Jerry Burnett was appointed to this position in January 2009 after having served as the Acting Deputy Commissioner for the preceding five months and Administrative Services Director and Legislative Liaison for the Department of Revenue for the previous four years. Other state service includes two years as Administrative Services Director at the Department of Corrections and twelve years as Finance Committee and Budget and Audit Committee staff to the Legislature. Outside of state service, Mr. Burnett worked as a

BRYAN D. BUTCHER

VICE PRESIDENT — Anchorage, AK

Alaska Gasline Development Corporation — **2010**

Worked as the Vice President for the newly established Alaska Gasline Development Corporation that was tasked with developing a plan on how an in-state gas pipeline can be designed, financed, constructed and made operational by December 31, 2015. This plan is due to be submitted to the legislature by July 1, 2011. Was in charge of the Corporation's budget, as well as working on the financing and outreach aspects of the task. Worked in concert with the Commercial Manager in meeting with gas pipeline construction companies, investment banks and gas producers to gauge interest in this project as required by state statute.

LEAD COORDINATOR — Alaska

The Transition Team of Alaska Governor Sean Parnell — **2010-2011**

In charge of putting together eight policy transition teams that included over 100 Alaskans in developing a transition team report on recommendations in the policy areas of Education, Health Care, Science and Technology, Public Safety and Justice, Resources, Energy and the Environment, Infrastructure, Financial Services and Business Investment and the Military.

SPECIAL ASSISTANT — Anchorage, AK

Alaska Governor Sean Parnell — **2009-2010**

Worked on issues in the broad policy area of economic development for the Governor, including the establishment of policy teams that met to advise the Governor on issues of importance to that particular sector of the economy.

DIRECTOR OF GOVERNMENTAL RELATIONS AND PUBLIC AFFAIRS

Anchorage, AK

Alaska Housing Finance Corporation — **2005-2010**

Responsibilities include all communications with the Governor, Legislature, Congress and the federal government on issues affecting the Corporation. Accomplishments include getting more flexibility for the Public Housing Division by having Congress include Alaska in the Moving to Work program and establishment of the Weatherization and Home Energy Rebate programs in the Corporation. Responsibilities included preparing and giving presentations on the Corporation's fiscal health and outlook to the credit rating agencies on Wall Street and assisting in virtually all areas of the Corporation's policy management, including Finance, Public Housing and Mortgage Operations. Also was responsible for all marketing, press relations and public outreach, including the successful educational campaign for the 2010 Veterans mortgage loan program general election vote.

Responsible for successful legislation passed including the establishment of the Alaska Housing Capital Corporation for the funding of future capital projects, expansion of the Teachers and Nurses Housing Loan program to include all health care professionals and expanding the Corporation's statutes to allow it to do more for homeless Alaskans.

MEMBER — Alaska

Governor Sarah Palin's AGIA Gas Pipeline Team — **2007-2008**

Worked on the evaluation aspects of the team focused on the financing and bonding proposals included in the applications received during the AGIA process.

CHAIR — Alaska

Department of Revenue Transition Team — **2006**

Was in charge of developing and compiling the recommendations for the Department of Revenue transition team document for the Administration of Alaska Governor Sarah Palin.

LEGISLATIVE LIAISON — Anchorage, AK

Alaska Housing Finance Corporation — **2003-2005**

Was in charge of relationship with the Governor and the Legislature in all communications, including passing of AHFC transfer plan legislation that resulted in an upgrade in the Corporation's credit rating from Standard and Poor's. Also successfully worked to get a $25 million AHFC bond bill passed by the legislature to fund sewer and water projects.

SENATE FINANCE COMMITTEE AIDE — Anchorage and Juneau, AK

Alaska State Senator Pete Kelly, Co-Chair — **2001-2003**

Senate Finance Committee

- Worked on the development of the $227 million transportation bond bill and $237 million education bond bill for the Senate Finance Committee that passed the legislature and was approved by voters in the November 2002 election.
- Was the Finance Committee staff person responsible for the development of the $1.4 billion state capital and public works budget, including road, port, school construction and public sanitation projects.
- Fiscal analysis and oversight of $2.3 billion State of Alaska operating budget, including the preparation of State Senate versions of state agency budgets for the $151 million Department of Community and Economic Development and the $134 million Department of Fish and Game.

Policy Development

- Development of strategy resulting in the successful passage of the State's operating and capital budgets by the legislature and subsequent signature into law by the Governor.

HOUSE FINANCE COMMITTEE AIDE — Anchorage and Juneau, AK

Alaska State Representative Gene Therriault, Co-Chair — **1999-2001**

House Finance Committee

- Was the Finance Committee staff person responsible for the development of the $1 billion state capital and public works budget, including road, port, school construction and public sanitation projects.
- Fiscal analysis and oversight of $2.3 billion State of Alaska operating budget, including the preparation of the State House version of the state budget for the $1.07 billion Department of Health and Social Services.
- Developed the missions and measures for the Department of Health and Social Services for the legislature. This included better defining the missions of the divisions in the department

and generating measures that would allow for the increase in the effectiveness and the efficiency of those divisions.

CHIEF OF STAFF — **Anchorage and Juneau, AK**
Alaska State Representative Terry Martin — **1998**
House Finance Committee

- Fiscal analysis and oversight of $2.3 billion State of Alaska operating budget, including the preparation of State House versions of state agency budgets for the $140 million Department of Revenue and the $28 million Department of Law.

Policy Development

- Development of legislation in the area of public finance, intended to produce a more "honest" budgetary method of accounting for the state's general fund.

Public Affairs Management

- Development of public outreach programs targeting constituents, community councils, trade organizations and special interest advocacy groups using direct mail, contact with the press and public appearances.

MANAGER OF CLIENT DEVELOPMENT — **Los Angeles, CA**
Global Stratagem Group — **1997**

Led efforts to develop private sector clients for strategic planning consulting firm, with an emphasis in infrastructure development and public affairs advocacy. Clients included Montgomery Watson Americas, Inc., Nelson NamePlate Co. and the City of Vernon, CA.

LEGISLATIVE COORDINATOR — **Anchorage, AK**
American Cancer Society/American Heart Association — **1997**
Public Affairs Management

Worked with executive directors of the American Cancer Society, the American Heart Association and their lobbyists to develop and execute a strategic plan to pass legislation that would fund children's programs by substantially increasing the tobacco tax in the State of Alaska. A primary component in executing the plan was targeting individuals who had strong relationships with individual legislators in order to gain those legislators' support. Activities included direct contact with influential political and community leaders in order to get them to personally lobby for the legislation. After unsuccessful attempts in the prior three legislative sessions, the legislation was successfully passed and signed into law by the Governor during the 1997 legislative session.

CHIEF OF STAFF — **Anchorage and Juneau, AK**
Alaska State Senator Steve Rieger — **1993-1997**
Senate Finance Committee

- Fiscal analysis and oversight of $2.6 billion State of Alaska operating budget, including the preparation of State Senate versions of state agency budgets for the $425 million Department of Health and Social Services, the $370 million University of Alaska, the $320 million Department of Transportation and the $91 million Department of Public Safety.
- Assisted in the development of the yearly state capital budget, ranging in size from $100 million to $325 million general funds.

Policy Development

- Development of legislation in areas of health and social services and public safety, including legislation reducing the overpayment of welfare amounts, a budget cutting matter, and a bill to extend state police protection coverage to parts of Senator Rieger's district not covered at the time.
- Oversight of the development of legislation dealing with the prioritization of the investments of the Alaska Permanent Fund, the Senator's top priority, a fund of approximately $24 billion.

LEGISLATIVE ASSISTANT — **Anchorage and Juneau, AK**
Alaska State Senator Rick Uehling — **1989-1993**
Senate Finance Committee

- Fiscal analysis and oversight of the $3.1 billion State of Alaska budget, including the preparation of State Senate version of the state agency budget for the $102 million Department of Corrections budget and assisted in the development of the state senate version of the $760 million Department of Education budget.
- Assisted in the development of the yearly state capital budget, ranging in size from $100 million to $500 million general funds.

Policy Development

- Development of legislation in areas of health and social services, natural resources and revenue, including passage of legislation dealing with the protection of workers from sexual harassment in the workplace. Also worked on a resolution urging Congress to open the Arctic National Wildlife Refuge to oil and gas exploration. Worked on legislation that came through the Senate Finance Committee for the Senator.

EDUCATION

UNIVERSITY OF OREGON — **Eugene, OR**
Bachelor of Science degree, Speech: Rhetoric and Communication, 1987.

WEST ANCHORAGE HIGH SCHOOL — **Anchorage, AK**
Graduated 1982.

SENATE
CONFIRMATION COMMITTEE REPORT

Date: _____

In accordance with AS 39.05.080, the State Affairs Committee reviewed the following and recommends the appointment(s) be forwarded to a joint session for consideration:

State Commission for Human Rights

JoAnn Holmes – Kodiak
Appointed: 6/1/2011 Term Expires: 3/1/2016

This does not reflect an intent by any of the members to vote for or against the confirmation of the individual(s) during any further sessions.

Signature:	**Printed Last Name**
	Kookesh
	Paskvan
	Meyer
	Giessel
Chair:	Wielechowski

Please return to the Senate Secretary's Office (Room 211).

SENATE
CONFIRMATION COMMITTEE REPORT

Date: _____

In accordance with AS 39.05.080, the State Affairs Committee reviewed the following and recommends the appointment(s) be forwarded to a joint session for consideration:

State Commission for Human Rights
Christa Bruce – Ketchikan
Appointed: 8/1/2011 Term Expires: 3/1/2013

This does not reflect an intent by any of the members to vote for or against the confirmation of the individual(s) during any further sessions.

Signature:	**Printed Last Name**
Joe Paskvan	Paskvan
Albert Kookesh	Kookesh
Bert Meyer	Meyer
Lesil Giessel	Giessel
Chair:	Wielechowski

Please return to the Senate Secretary's Office (Room 211).

CONFIR-
MATIONS
2012

<TARGET><BILL></BILL><SUBJECT>CONFIRMATIONS
2012</SUBJECT><COMM>SSTA27</COMM></TARGET>

Vance A. Sanders – Juneau

Vance Sanders is a 28-year resident of Juneau, Alaska. He is a graduate of the University of North Carolina at Chapel Hill (Highest Honors) and UNC law school, and has been a member of the Alaska Bar since 1986. Mr. Sanders worked as a staff and supervising attorney for Alaska Legal Services Corp. from 1984 to 1992, with Council & Sanders from 1992 to 1997 and as a solo practitioner since 1998.

Mr. Sanders is currently serving on the Boards of Alaska Legal Services Corporation (President), End of Life Foundation, Inc., and Capital Community Broadcasting (KTOO, KRNN, and KXLL; Vice-Chair). He is also on the Northern Light United Church Council. He has previously served on the Boards of Disability Law Center of Alaska, and Wildflower Court (a long-term care center). He is also the recipient of the Alaska Bar Association's 2005 Professionalism award.

Bruce, Christa
Commission for Human Rights

Regents, University of Alaska Board of	Christa S Bruce

General Information

Board/Commission and seat you are seeking:
Regents, University of Alaska Board of, Public Seat

Additional Boards/Commissions of interest:
1) Humanities Forum, Alaska

State Boards/Commissions on which you have served
none

First	*Middlename*	*Last Name*
Christa	**S**	**Bruce**

Mailing Address	*City*	*State & ZIP*
	Ketchikan	

Home/Message Phone	*Business Phone*	*Cell Phone*

Email Address	*Are you a registered voter?*
	Yes

Date of Birth	*Ethnicity*
Gender	
Military Service	

Conflict of Interest

Certain boards and commissions require full disclosure of personal financial data under AS 39.50.010. If required for the board or commission for which you are applying, are you willing to do so?
Yes

Could you or any member of your family be affected financially by decisions to be made by the board or commission for which you are applying?
No

Please explain the potential financial benefit

Employment History

Employment work history including paid, unpaid or voluntary.
Ketchikan Gateway Borough School District and Fairbanks NSB School Districts (1969-2006); Alaska Department of Education Statewide Mentor Project; Graduate Teaching Fellow Peabody Conservatory of Music; Kootsnoowoo Corporation Summer Office Manager; Retail for Tom Sawyer's/Madames; Office Manager and IT for Remax of Ketchikan (currently); Organist St. John's Episcopal Church; Teacher of English in Japan (sabbatical); Boy Scout Leader - Boy Scouts of America; assigned by UAF (1971-1972) to translate/transcribe music of Emily Ivanoff Brown (Ticasuk); jazz and concert piano; soccer coach; legal secretary and comptroller for late husband's law practice; budgetary reviews for volunteer organizations; co-mentoring young people (with husband) in life skills; co-owner of Global Education Connections

Education, Training, Experience & Qualifications

List both formal and informal education and training experiences.
Doctor of Humane Letters, 2009, U of A; M Ed Leadership, U of A; M Mus Peabody Conservatory of Music, Johns Hopkins; M English, Breadloaf School of English, Oxford, UK; M Ed Tech, UAS; B Mus, U of Colo; ARCTIC Technology Fellow; PITAAS Mentor (Preparing Indigenous Teachers for Alaska Schools); Distance Ed Trainer; Fulbright Fellowship in Administration to Czech Republic; Guest of US Dept of Educ for Project on Social Justice in Azerbaijan; First Exchange Teacher to Kanayama, Japan (1987-1988); On-site and Adjunct for U of A since early 1970's; Retired from Ketchikan Gateway Borough School District; Grant Reader for US Dept of Education Challenge Grants; Alaska Standards and Content Review; Mentoring teachers in rural villages of Alaska from the Kuskokwim to St. Lawrence Island; Distance Education trainer and "early adopter of technology"; Learning subsistence skills with Yup'ik, Inupiaq and Tlingit communities at fish camp or other gatherings; Board of Directors Ketchikan Kanayama Exchange; Training in eLive; Training in Carver Board Governance; Alaska Dept of Education Content Support Specialist training (review and remediation of under-performing schools), Chaired search committees for campus president and high school principals; currently serving for a second term on the Ketchikan Campus Advisory Council for UAS Ketchikan

List any professional licenses, certifications, or registrations and dates obtained that may be used as qualifying criteria.
Educational Leadership, Type B, State of Alaska 2008; Teaching Credential, Type A, State of Alaska (currently certificated); "Highly Qualified" Teacher of English, Music, Technology, Japanese, Drama and Debate; Alaska Statewide Mentor (2007-2009); New Teacher Center in Santa Cruz (2007-2008); Alaska Educational Technology Endorsement;

List any community service, municipal government, and state positions held, and any awards received.
President-Elect First City Rotary of Ketchikan and grant writer; State Secretary to the Board for ASTE (Alaska Society for Technology in Education); ASTE President's Award for Contributions in Educational Technology 2010; Adopted member of the Tongass Tribe Tlingits; Adopted Inupiaq (Unalakleet); Invited by Emperor of Japan to commemorate the Ketchikan-Kanayama Exchange--the longest standing student exchange in Japan; Presenter at invitation of Fulbright Commission at National Conference

Conviction Record

Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years?
No

Conviction Circumstances

Certification of Accuracy & Completeness

By submitting this online application, I swear the information I have entered on this form is true to the best of my knowledge. I understand that if I deliberately conceal or enter false information on the form my application may be rejected, I may be removed from the list of eligible candidates, or I may be removed from the position. I agree that the Office of the Governor may contact present or former employees or other persons who know me to obtain an additional information about my skills and abilities. I understand that the information on this application is public information and may be released through a legal request for such information.

Type "I certify"
"I certify"

Resume Addendum
Christa Bruce Kotrc

www.GlobalEdConnect.net

Professional Qualifications
Degrees
D.H.L, University of Alaska
M.Ed.Leadership, University of Alaska Anchorage
M.Mus, Peabody Conservatory of Music, Baltimore, Piano Performance
M.Eng, Breadloaf School of English, Middlebury, VT, Lincoln College, Oxford, UK
M.Ed.Tech, University of Alaska Southeast
B.Mus.Ed, University of Colorado, Boulder
Licenses
Colorado Professional Teacher License, K-12 Music (expired)
Alaska Type A Credential, Teaching, K-12 Music
Alaska Educational Technology Endorsement
Alaska Type B Credential, Educational Leadership
Highly Qualified
HS English; K-12 Technology; K-12 Music

Professional Experience
Fulbright Fellowship in Administration. Podebrady, Czech Republic
Alaska Statewide Mentor, Department of Education and Early Development
Adjunct Professor, University of Alaska, Education
Teacher, retired, Ketchikan Gateway Borough School District. Music, Japanese, English, Computer Technology, Policy and Lincoln-Douglas Debate
Graduate Teaching Fellow, Peabody Conservatory of Music
Exchange Teacher, Kanayama Cho, Gifu Ken, Japan, (sabbatical)
ARCTIC Technology trainer and staff development
Project on Social Justice, Guest of the U.S. Department of Education, Baku, Azerbaijan
New Teacher Center of Santa Cruz, Mentor training
PITAS Mentor, Preparing Indigenous Teachers for Alaska Schools
Distance Education Trainer, Global Education Connections
Office Manager and IT, Re/Max of Ketchikan

Commitment to Community, Profession and Leadership
Assistant Scoutmaster, Boy Scouts of America
Pianist, Ketchikan Jazz Society Big Band and Dixie Band
Member, Organist, St. John's Episcopal Church
Trainer/Presenter/Staff Development in Technology, ARCTIC Fellow
Annenberg Rural Challenge Fellow
Chairperson, Ketchikan-Kanayama Exchange Board of Directors
Coach, Youth Soccer League
Member, Tongass Tribe, adopted Tlingit and adopted Inupiaq
Instructor, Alaska Staff Development Network, technology
Grant Reader, State of Alaska, Department of Education and Early Development
Alaska Standards Content Review, Data Recognition Corporation
Statewide Secretary, ASTE, Alaska Society for Technology in Education
Member, Ketchikan Campus Advisory Council, University of Alaska Southeast
First City Rotary, President Elect, International Projects Committee and Grant Writer

Press Release Wording

Christa Bruce, . Alaska, holds a Doctor of Humane Letters from the University of Alaska; a Masters in Educational Leadership from University of Alaska Anchorage; a Masters in Music (Piano) from Peabody Conservatory of Music, Johns Hopkins University; a Masters in Educational Technology from University of Alaska Southeast, and a Masters in English from the

Breadloaf School of English, graduating at Lincoln College, Oxford, UK.

Submitted: 04/28/10 at 10:08 pm from 65.74.66.19

Parole, State Board of **JoAnn none Holmes**

General Information

Board/Commission and seat you are seeking
Parole, State Board of, Public

Additional Boards/Commissions of interest

State Boards/Commissions on which you have served
Alaska Commission on Judicial Conduct; Alaska Sentencing Commission; Governor's Model Childrens Code Task Force

First	*Middlename*	*Last Name*
JoAnn	**none**	**Holmes**

Mailing Address	*City*	*State & ZIP*
	Kodiak	

Home/Message Phone	*Business Phone*	*Cell Phone*

Email Address	*Are you a registered voter?*

Date of Birth	*Ethnicity*
Gender	
Military Service	

Conflict of Interest

Certain boards and commissions require full disclosure of personal financial data under AS 39.50.010. If required for the board or commission for which you are applying, are you willing to do so?
Yes

Could you or any member of your family be affected financially by decisions to be made by the board or commission for which you are applying?
No

Please explain the potential financial benefit

Employment History

Employment work history including paid, unpaid or voluntary.
I will provide you with a current resume.

Education, Training, Experience & Qualifications

List both formal and informal education and training experiences.
I have worked in the field of "Rural Justice" since the 1970s when I was appointed by Gov. Egan to represent the interests of Alaska Native children while working for the Alaska Federation of Natives. Though I do not hold a degree I have many hours of college crdits in the fleld of criminal justice,tribal sovereignty and community planning and development. Fields that I have worked in, hands-on, for many years. I have lived both in the extremely rural bush and the city of Anchorage. I now live in Kodiak, where I was raised.

obtained that may be used as qualifying criteria.
I hold no state certifications or licenses.

List any community service, municipal government, and state positions held, and any awards received.
Served on the Board of Directors of Standing Together Against Rape.

Conviction Record

Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years?
No

Conviction Circumstances

Certification of Accuracy & Completeness

By submitting this online application, I swear the information I have entered on this form is true to the best of my knowledge. I understand that if I deliberately conceal or enter false information on the form my application may be rejected, I may be removed from the list of eligible candidates, or I may be removed from the position. I agree that the Office of the Governor may contact present or former employees or other persons who know me to obtain an additional information about my skills and abilities. I understand that the information on this application is public information and may be released through a legal request for such information.

Type "I certify"
"I certify"

Resumé Addendum
Sorry, my computer does not seem to be able to accomplish this task. Can you send an email address where I can provide you with my current Resume?

Press Release Wording

JoAnn Holmes, Alaska is a long-time rural justice community advocate and previously served on The Alaska Commission on Judicial Conduct, the Alaska Sentencing Commission and the Governor's Model Children's Code Task Force. .{Your Name}, {age} of {hometown}, is {job title/place of employment} holds {education level, school, or relevant experiences}.

Submitted: 11/19/10 at 11:46 am from 209.193.2.95

SENATE
CONFIRMATION COMMITTEE REPORT

Date: _____

In accordance with AS 39.05.080, the State Affairs Committee reviewed the following and recommends the appointment(s) be forwarded to a joint session for consideration:

State Commission for Human Rights

Mark Fish – Big Lake
Appointed: 10/30/2007
Reappointed: 3/1/2012 Term Expires: 3/1/2017

This does not reflect an intent by any of the members to vote for or against the confirmation of the individual(s) during any further sessions.

Signature:	**Printed Last Name**
Lee Paskvan	Paskvan
Gillett Kookesh	Kookesh
K. Meyer	Meyer
Q. Giessel	Giessel
Chair:	Wielechowski

Please return to the Senate Secretary's Office (Room 211).

Fish, Mark
State Commission for Human Rights

Mark S Fish

Anchorage, Alaska 99508

ENTERED 06-11-07

Profile:

I have the ability to work as part of a diverse team of individuals or as an independent agent. I am reliable, trustworthy and intellectually curious. I require few benefits. I am seeking to supplement my income while participating in an engaging workplace environment. I prefer part time employment and I am flexible on scheduling.

- **Major Achievements:**

λ Implemented Alaska Army National Guard (AKARNG) Aviation's first official Non Rated Crew member training program. This resulted in a deployable, night vision goggle trained, UH60 helicopter unit.

λ Supervised components of AKARNG Aviation in their first ever out of state deployment in support of Joint Task Force 6 (California border detail). This deployment resulted in the 1/207th Aviation Regiment being awarded Alaska's Distinguished Unit Citation.

λ Twenty years of service in the Alaska Army National Guard. Resulting in many Awards culminating with The Alaska Distinguished Service Medal.

Experience:

1984 - 2003 Alaska Army National Guard 1/207th Aviation Regiment

1984 -1987 **Utility Helicopter Repairman**

- Performed all aspect of helicopter maintenance and repair. Ensured Aircraft availability and airworthiness.

1988 -1993 **Tactical Transport Helicopter (Black hawk) Crew Chief**

- Operated as part of a coordinated flight crew during a multitude of mission profiles.

- Performed duties as flight instructor and unit trainer for other non- rated crew members.

1993-2003 **Aircraft technical inspector**

- Ensured all safety of flight maintenance was performed to established standards and was properly documented using computer based flight logs.

- Assessed maintenance trends and implemented control measures to minimize risk and provide a safe operating

environment.

1987- 2003 **Army Aviation Support Facility AKARNG**

1987- 1991 **Aircraft Mechanic (WG 5-10)**

- Responsible for performing operational and phase maintenance on assigned aircraft.

- Performed assigned duty as bench stock supply parts manager

1991 -2003 **Aircraft Mechanic (WG11)**

- Supervised a team of up to five mechanics in the inspection and reconstruction of assigned aircraft.

- Initiated parts request, prioritized and tracked parts throughout the procurement process. Coordinated the performance of specialized work orders with allied shops.

- Provided daily status reports and projected Phase completion dates to assist unit commanders in assessing unit needs and readiness.

Aug 2006-Nov 2006 **Volunteer Coordinator, Palin for Governor**

- Directed volunteers to scheduled and unscheduled tasks.
- Provided material support and a point of contact for statewide volunteers

2003-2006 **Public Service**

- Currently serving as President of Airport Heights Community Council and the Federation of Community Councils executive board.
- Served as a non-voting member of a Anchorage School District, Boundary Task Force.
- Served on nominating committee for the Federation of Community Councils

Training:

- Completed many Military resident courses including but not limited to Aviation Maintenance Management and Leadership Development.

Qualifications :

- Life long Alaskan hunter and fisher with an intimate knowledge of customary and traditional use of game resources. Traveled extensivly across Alaska very familiar with rual and urban Alaskan lifestyles.

Personal Details:

I pursue many different interests including hunting, fishing, building blackpowder rifles, history and current events

Reference

Jim Dittlinger Chugiak

Tracy Hartless Muldoon

Terry Haase Anchorage

(email addresses are for reference only please do not add to mailing list.)

Biographical Profile for Mark S. Fish

Candidate for State Representative District 22, Alaska

Age: **n/a**

Party: **Alaska Republican Party**

Email: **fish4house@gmail.com**

Website: **fishforhouse.net**

Phone: **907.561.5327**

Address: **1911 Alder Drive**
Anchorage, AK 99508

Mark S. Fish's positions and views on the issues:

Links are only provided where we have information. The first link is a report of all issues and questions made available to the candidates.

General: (political statement of goals, objectives, views, philosophies)

During a recent door to door event I was asked why I was a Republican. My answer is, the Republican Party was founded to protect the minority from the tyranny of the majority and there is no greater minority than the individual.

I am running to end property taxes on homeowners and ensure government lives up to it's constitutionally mandated duties.
I assert that an individual has a right to benefit from the fruit of their labor and should not fear unwarranted confiscation by government simply because they cannot meet the demands of the non tax paying public.

Preservation of individual life, liberty and property is the foundation of what has made our country great.
I will no longer stand by while social engineers dismantle this foundation and change government from the servant to the master of the people.

Personal: (gender, age, marital status, spouse's name and age, children's name and ages, home town, current residence)

Wife Mary, Mother Emma, Sisters Kathy and Karin, Brothers Alan and Gordon, 13 Nieces and Nephews, 20 Grand Nieces and Nephews. Most reside in Alaska.

Education: (times and places of schools, colleges, major, degrees, activities, sports)

Lincoln High School,Thief River Falls, Minnesota 1974
Anchorage School District 1977, General Educational Development

SENATE
CONFIRMATION COMMITTEE REPORT

Date: _____

In accordance with AS 39.05.080, the State Affairs Committee reviewed the following and recommends the appointment(s) be forwarded to a joint session for consideration:

State Commission for Human Rights

Joyce Skaflestad – Hoonah
Appointed: 3/1/2012 Term Expires: 3/1/2017

This does not reflect an intent by any of the members to vote for or against the confirmation of the individual(s) during any further sessions.

Signature:	**Printed Last Name**
Albert Kookesh	KOOKESH
Dave Paskvan	PASKVAN
Kris Meyer	MEYER
Bert Giesse	Giesse
Chair:	Wielechowski

Please return to the Senate Secretary's Office (Room 211).

Skaflestad, Joyce
State Commission for Human Rights

Judicial Council, Alaska — **Darling Joyce Skaflestad**

General Information

Board/Commission and seat you are seeking:
Judicial Council, Alaska, Public Seat

Additional Boards/Commissions of interest:
1) Alcoholic Beverage Control Board
2) Commercial Fisheries Entry Commission, Alaska
3) Local Boundary Commission

State Boards/Commissions on which you have served
None

First	*Middlename*	*Last Name*
Darling	**Joyce**	**Skaflestad**
Mailing Address	*City* **Hoonah**	*State & ZIP*
Home/Message Phone	*Business Phone*	*Cell Phone*
Email Address	*Are you a registered voter?* **Yes**	

Date of Birth	*Ethnicity*
Gender	
Military Service	

Conflict of Interest

Certain boards and commissions require full disclosure of personal financial data under AS 39.50.010. If required for the board or commission for which you are applying, are you willing to do so?
Yes

Could you or any member of your family be affected financially by decisions to be made by the board or commission for which you are applying?
No

Please explain the potential financial benefit

Employment History

Employment work history including paid, unpaid or voluntary.
• Alaska Court System, Retired in 2004 from Hoonah District Court, Hoonah, AK
June 15, 1993 to October 1, 2004, Magistrate, State of Alaska at Hoonah District Court.
Appointed by Presiding Judge Larry Weeks of the First Judicial District.
Performed moderately standardized judicial duties and addressed issues of circumscribed complexity in a court which served one or more small to medium-sized communities. Ability to follow written instructions, communicate effectively and render fair and impartial decisions.
Appointed a Standing Master for the Superior Court by Presiding Judge Larry Weeks.
Served as the Coroner until position phased out of the court system.
Performed the functions of clerk of court, in-court clerk, bookkeeper and jury clerk in a single

person court environment.
Travelled frequently to provide coverage to other courts in Southeast Alaska. Have worked in all 13 courts in the First District, including Pelican.

• Alaska Court System, 6 month Magistrate appointment in Yakutat, Alaska
November 2005 to April 2006, Magistrate, State of Alaska, Yakutat District Court
Appointed by Presiding Judge Larry Weeks of the First Judicial District.
Performed moderately standardized judicial duties and addressed issues of circumscribed complexity in a court which served one community. Provided weekend court coverage for the Haines and Skagway courts. Ability to follow written instructions, communicate effectively and render fair and impartial decisions.
Perform the functions of clerk of court, bookkeeper and jury clerk.

• 1998-2004 Deputy Training Judge for the First Judicial District, Alaska Court System
Appointed by the Chief Justice. Worked with the Training Judge or others under the general direction of the presiding judge in the supervision, training, guidance and evaluation of Magistrate's and Deputy Magistrate's. Personally developed bookkeeping procedures and forms that were adopted statewide.

• Banking
1975-1978 Customer Service Rep., Loan Officer Trainee, B.M. Behrends Bank
1992-1993 Customer Service Rep., Key Bank of Alaska, Hoonah, AK

• Bookkeeping
1971 Bookkeeper, L. Kane's Store, Hoonah, AK
1979 Bookkeeper, Hoonah City Schools, Student Activity Fund, Hoonah, AK
1973-1986 Bookkeeper, Thompson Fish Company, Hoonah, AK
1986-1990 Bookkeeper/Office Manager, Hoonah Cold Storage, Hoonah, AK
1991 Bookkeeper, Haida Corporation, Hydaburg, AK

• Librarian
1971-1975 Assistant Librarian, Hoonah City Schools, Hoonah, AK

• Community Health Aide
1968-1971 Sand Point Health Center, Sand Point, AK
1971-1972 Hoonah Health Center, Hoonah, AK

• Self-employment
1983-1988 Joyce's Bookkeeping/Secretarial Service
2005-2006 J.S. Office Services

• Other
1971-1981 Cannery Worker, Excursion Inlet Pkg. Co., Excursion Inlet, AK (summers only)
1976-1978 Secretary, Hoonah City Schools, Hoonah, AK (school year only)
1983-1984 City Clerk, City of Hoonah, Hoonah, AK

Education, Training, Experience & Qualifications

List both formal and informal education and training experiences:
• 1963-1967 High School graduate, attended Juneau-Dougias High & Hoonah High Schools
• 1968 Community Health Aide Certificate, Anchorage, AK
• 1971-1975 Teacher's Aide Program, Sheldon Jackson and University of Alaska
• 1980-1983 American Arbitration training, Seattle, WA
• 1983 Municipal Government training, University of Alaska, Juneau, AK
• 1994 Special Court Jurisdiction, National Judicial College, Reno, NV
• 1995 Legal Assistant Certificate, International Correspondence Schools

• 1999 Alaska Court System, Train the Trainers Certificate, Anchorage, AK

List any professional licenses, certifications, or registrations and dates obtained that may be used as qualifying criteria:
Special Court Jurisdiction Certificate, July 1994

List any community service, municipal government, and state positions held, and any awards received.
• 1977-1987 Elected School Board member, positions included Secretary, Treasurer, Negotiations Team member and Board President
• 1989-1990 Secretary for the Chamber of Commerce
• 1991-1992 Secretary for the Planning and Zoning Commission
• 1991-1992 Treasurer for the Hoonah Arts Council
• 1983 Cub Scout Troop Leader
• 1973-1993 Ladies Auxiliary President, Youth Leader, Sunday School Teacher , Secretary
• 2006-2010 City Council member, Budget Committee chairperson
Voting member of the Hoonah Liquor Board, Inc.,

Conviction Record

Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years?
No

Conviction Circumstances

Certification of Accuracy & Completeness

By submitting this online application, I swear the information I have entered on this form is true to the best of my knowledge. I understand that if I deliberately conceal or enter false information on the form my application may be rejected, I may be removed from the list of eligible candidates, or I may be removed from the position. I agree that the Office of the Governor may contact present or former employees or other persons who know me to obtain an additional information about my skills and abilities. I understand that the information on this application is public information and may be released through a legal request for such information.

Type "I certify"
"I certify"

Resumé Addendum
Resume of: Darling Joyce Skaflestad
Prefers to be known as: Joyce Skaflestad

OBJECTIVE: Public Seat on the Judicial Council for the State of Alaska

QUALIFICATIONS
• Highly motivated individual with over 30 years experience in the bookkeeping, administrative and/or law fields.
• Operates and maintains wide spectrum of office equipment and computers.
• Extensive working knowledge of functional bookkeeping controls.
• Excellent communication skills with interest, ability and experience in problem solving and negotiation.
• Strong organizational skills with attention to detail and efficiency.
• Reliable, responsible, industrious and trustworthy.

• Knowledge of statutes, regulations, rules of court, local ordinances and court procedures with routine application of basic legal principles in variety of legal matters.

EDUCATION
• 1963-1967 High School graduate, attended Juneau-Douglas High & Hoonah High Schools
• 1968 Community Health Aide Certificate, Anchorage, AK
• 1971-1975 Teacher's Aide Program, Sheldon Jackson and University of Alaska
• 1980-1983 American Arbitration training, Seattle, WA
• 1983 Municipal Government training, University of Alaska, Juneau, AK
• 1994 Special Court Jurisdiction, National Judicial College, Reno, NV
• 1995 Legal Assistant Certificate, International Correspondence Schools
• 1999 Alaska Court System, Train the Trainers Certificate, Anchorage, AK

EMPLOYMENT

• Alaska Court System, Retired in 2004 from Hoonah District Court, Hoonah, AK
June 15, 1993 to October 1, 2004, Magistrate, State of Alaska at Hoonah District Court.
Appointed by Presiding Judge Larry Weeks of the First Judicial District.
Performed moderately standardized judicial duties and addressed issues of circumscribed complexity in a court which served one or more small to medium-sized communities. Ability to follow written instructions, communicate effectively and render fair and impartial decisions.
Appointed a Standing Master for the Superior Court by Presiding Judge Larry Weeks.
Served as the Coroner until position phased out of the court system.
Performed the functions of clerk of court, in-court clerk, bookkeeper and jury clerk in a single person court environment.
Travelled frequently to provide coverage to other courts in Southeast Alaska. Have worked in all 13 courts in the First District, including Pelican.

• Alaska Court System, 6 month Magistrate appointment in Yakutat, Alaska
November 2005 to April 2006, Magistrate, State of Alaska, Yakutat District Court
Appointed by Presiding Judge Larry Weeks of the First Judicial District.
Performed moderately standardized judicial duties and addressed issues of circumscribed complexity in a court which served one community. Provided weekend court coverage for the Haines and Skagway courts. Ability to follow written instructions, communicate effectively and render fair and impartial decisions.
Perform the functions of clerk of court, bookkeeper and jury clerk.

• 1998-2004 Deputy Training Judge for the First Judicial District, Alaska Court System
Appointed by the Chief Justice. Worked with the Training Judge or others under the general direction of the presiding judge in the supervision, training, guidance and evaluation of Magistrate's and Deputy Magistrate's. Personally developed bookkeeping procedures and forms that were adopted statewide.

• Banking
1975-1978 Customer Service Rep., Loan Officer Trainee, B.M. Behrends Bank
1992-1993 Customer Service Rep., Key Bank of Alaska, Hoonah, AK

• Bookkeeping
1971 Bookkeeper, L. Kane's Store, Hoonah, AK
1979 Bookkeeper, Hoonah City Schools, Student Activity Fund, Hoonah, AK
1973-1986 Bookkeeper, Thompson Fish Company, Hoonah, AK
1986-1990 Bookkeeper/Office Manager, Hoonah Cold Storage, Hoonah, AK
1991 Bookkeeper, Haida Corporation, Hydaburg, AK

• Librarian
1971-1975 Assistant Librarian, Hoonah City Schools, Hoonah, AK

• Community Health Aide
1968-1971 Sand Point Health Center, Sand Point, AK
1971-1972 Hoonah Health Center, Hoonah, AK

• Self-employment
1983-1988 Joyce's Bookkeeping/Secretarial Service
2005-2006 J.S. Office Services

• Other
1971-1981 Cannery Worker, Excursion Inlet Pkg. Co., Excursion Inlet, AK (summers only)
1976-1978 Secretary, Hoonah City Schools, Hoonah, AK (school year only)
1983-1984 City Clerk, City of Hoonah, Hoonah, AK
1983 Construction Flagger, Hoonah, AK
1992 Maintenance Repair Technician, Tlingit & Haida Housing, Hoonah, AK

PROFESSIONAL, BUSINESS, CIVIC ACTIVITIES AND OFFICES HELD

• 1977-1987 Elected School Board member, positions included Secretary, Treasurer, Negotiations Team member and Board President
• 1989-1990 Secretary for the Chamber of Commerce
• 1991-1992 Secretary for the Planning and Zoning Commission
• 1991-1992 Treasurer for the Hoonah Arts Council
• 1983 Cub Scout Troop Leader
• 1973-1993 Ladies Auxiliary President, Youth Leader, Sunday School Teacher , Secretary
• 2006-2010 City Council member, Budget Committee chairperson
Voting member of the Hoonah Liquor Board, Inc.,

REFERENCES

• Neil Nesheim, P.O. Box 114100, Juneau, AK 99811-4100, (907) 463-4742
• Maxine Savland, P.O. Box 260, Hoonah, AK 99829-0260 (907) 945-3384
• Craig Dahl, 2094 Jordan Avenue, Juneau, AK 99801-8046 (907) 789-4844
• Ken Deitering, P.O. Box 356, Hoonah, AK 99829 (907) 945-3349
• Mike Jackson, P.O. Box 163, Kake, AK 99833 (907) 785-4177

Press Release Wording

Joyce Skaflestad, is State of Alaska Retiree. Skaflestad previously served as a magistrate for Hoonah District Court from 1993-2004 and as an Interim Magistrate for the Yakutat District Court from 2005-2006. Skaflestad also routinely filled-in for the District Court Judge and Magistrate in Juneau. In 1998 Skaflestad was appointed by the Alaska Supreme Court as a Deputy Training Judge and worked in that capacity in addition to her magistrate duties until her retirement in 2004. Skaflestad has worked as a Deputy Training Judge in all 13 courts (including Pelican) in the First Judicial District.

Submitted: 01/11/11 at 11:06 am from 32.177.44.212

Official Business

Alaska State Legislature

Senate

Office of the Secretary

State Capitol, Room 213
Juneau, Alaska 99801-1182
Phone: (907) 465-3701
Fax: (907) 465-2832
Email:senate_secretary@legis.state.ak.us

Memorandum

TO: Senator Wielechowski, Chair
State Affairs Committee

FROM: Kirsten Waid
Secretary of the Senate

DATE: April 5, 2012

SUBJECT: Governor's Appointment Withdrawn
Dr. David Eichler – Alaska Public Offices Commission

The following appointee has resigned and should not be considered by your committee:

Alaska Public Offices Commission
Dr. David Eichler – North Pole

President Stevens referred the appointment to the State Affairs Committee on April 2.

Attachment: Governor's 4/5/12 Withdrawal Letter

KW:jcs
gl #4

STATE CAPITOL
PO Box 110001
Juneau, Alaska 99811-0001
907-465-3500
fax: 907-465-3532

APR 05 2012

550 West 7th Avenue #1700
Anchorage, Alaska 99501
907-269-7450
fax 907-269-7463
www.Gov.Alaska.Gov
Governor@Alaska.Gov

Governor Sean Parnell
STATE OF ALASKA

April 5, 2012

The Honorable Gary Stevens
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Stevens,

I withdraw the appointment of Dr. David Eichler to the Alaska Public Offices Commission. He has resigned from this Commission appointment.

Regards,

Sean Parnell
Governor

cc: Kirsten Waid, Senate Secretary, Alaska State Senate

I move that the Senate State Affairs Committee forward the appointment of Dr. David Eichler to the Joint Session with a recommendation that the members vote No.

I move that the Senate State Affairs Committee recommend to the Joint Session of the Legislature that Dr. David Eichler not be confirmed to serve on the Alaska Public Offices Commission. The Committee finds that past statements made by Dr. Eichler indicate he lacks the balanced temperament and judiciousness required of an APOC Commissioner.

Regents, University of Alaska Board of		David L Eichler

General Information

Board/Commission and seat you are seeking:
Regents, University of Alaska Board of, open seat

Additional Boards/Commissions of interest:

State Boards/Commissions on which you have served
Dental Examiners, Bar Assn. Board of Governors

First	*Middlename*	*Last Name*
David	**L**	**Eichler**
Mailing Address [redacted]	*City* **North Pole**	*State & ZIP* **AK 99705**
Home/Message Phone [redacted]	*Business Phone* [redacted]	*Cell Phone*
Email Address [redacted]	*Are you a registered voter?* **Yes**	

[redacted]

Conflict of Interest

Certain boards and commissions require full disclosure of personal financial data under AS 39.50.010. If required for the board or commission for which you are applying, are you willing to do so?
Yes

Could you or any member of your family be affected financially by decisions to be made by the board or commission for which you are applying?
No

Please explain the potential financial benefit

Employment History

Employment work history including paid, unpaid or voluntary.
Dentist in private practice in North Pole for nearly 18 years

Education, Training, Experience & Qualifications

List both formal and informal education and training experiences:
Bs Animal Science OSU Corvallis, OR 1976, ADN Reg. Nurse LCC Eugene,OR 1987; DMD OHSU Portland, OR 1993

List any professional licenses, certifications, or registrations and dates obtained that may be used as qualifying criteria:
11-12 years of higher education in state universities leading eventually to a DMD, licensed dentist in Alaska and Oregon since 1993

List any community service, municipal government, and state positions held, and any awards received.
Board of Dental Examiners Alaska 2003-2011; Alaska Bar Association Board of Governors 2009-2011

Conviction Record

Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years?
No

Conviction Circumstances

Certification of Accuracy & Completeness

By submitting this online application, I swear the information I have entered on this form is true to the best of my knowledge. I understand that if I deliberately conceal or enter false information on the form my application may be rejected, I may be removed from the list of eligible candidates, or I may be removed from the position. I agree that the Office of the Governor may contact present or former employees or other persons who know me to obtain an additional information about my skills and abilities. I understand that the information on this application is public information and may be released through a legal request for such information.

Type "I certify"
"I certify"

Resumé Addendum
see previous applications

Press Release Wording

{David Eichler}, [redacted] of {North Pole}, has been a a dentist for 18 years. He earned a DMD at oregon Health Sciences University in Portland in 1993.

Submitted: 01/18/11 at 3:40 pm from 206.174.62.62

Alaska Trial Court Cases

webmaster@courts.state.ak.us

CAUTION: This screen shows only that a case was filed. It does not show how the case ended. Do not assume that a defendant was convicted just because a criminal case was filed.

Search Criteria

Last Name: eichler*; **First Name:** david;

Search Results

8 record(s) found.

1-8 of 8 Sort Results.. Go

	Party	Affl	Party Type	D.O.B	Case Status	Case Number
10/2008 —	Eichler, David - Sued State of AK		PLNTF		Closed	4FA-08-02517CI
5/2001 —	Eichler, David L - speeding		DFNDT	08/03/1954	Closed	3PA-01T1163015
12/2006 —	Eichler, David L - speeding		DFNDT	08/03/1954	Closed	3PA-06-14871MO
4/1999 —	Eichler, David L - speeding		DFNDT	08/31/1954	Closed	3VA-99-V005308
9/2006 —	Eichler, David L - fix-it ticket		DFNDT	08/03/1954	Closed	4FA-06-07540MO
12/1996	Eichler DMD, David L - small claims		PLNTF		Closed	4FA-96-00769SC
12/1997 —	Eichler, David L - Small claims		PLNTF		Closed	4FA-97-00726SC
11/1999 —	Eichler, David L - speeding		DFNDT	08/31/1954	Closed	4NE-99T1076890

Fairbanks (AK) Political Contributions - 2010 Election Cycle

US Dollars Contributed: $40969924
Database Last Checked: April 4, 2012

2010 Fairbanks (99712) Contribution Profile

Total Contributions	$49,094
Money to Democrats	$674 (1.4%)
Money to Republicans	$34,100 (69.5%)

2010 Alaska Contributions in Fairbanks (99712)

Name	Employer / Occupation	Amount	Contributed To
Brice, Andy	Brice Construction/construction	$250	Alaskans For Don Young Inc.
Brice, Matthew	Brice Construction/construction	$250	Alaskans For Don Young Inc.
Compeau, Craig	Compeaus/owner	$500	Lisa Murkowski For Us Senate
Cook, Jeffry	Flint Hills Resources Alaska/vp Ext	$200	Lisa Murkowski For Us Senate
Cook, Jeffry	Flint Hills Resources Alaska/vp Ext	$250	Lisa Murkowski For Us Senate
Cook, Jeffry	Flint Hills Resources Alaska/vp Ext	$250	Lisa Murkowski For Us Senate
Cook, Jeffry	Flint Hills Resources Alaska/vp Ext	$250	Lisa Murkowski For Us Senate
Cummings, Sharon	Education Association/teacher	$250	Nea Fund For Children And Public Education
Cummings, Sharon	Education Association/teacher	$620	Nea Fund For Children And Public Education
Dingeman 997, Robert D Dr	Doctor	$400	William Russell For Congress
Dorman, Craig	Self Employed/consultant	$250	Lisa Murkowski For Us Senate
Eichler, Amy	Self/homemaker	$2,400	Joe Miller For Us Senate
Eichler, Amy A C Mrs	Self/homemaker	$2,400	Joe Miller For Us Senate
Eichler, David	David L Eichler Dmd Pc/dentist	$2,400	Joe Miller For Us Senate
Eichler, David Dr.	Eichler Dental/dentist	$500	Paul Gosar For Congress
Eichler, David L	Self Employed/dentist	$200	Lisa Murkowski For Us Senate
Eichler, David L Mr	David L. Eichler Dmd Pc/dentist	$-2,400	Joe Miller For Us Senate
Eichler, David L Mr	David L Eichler Dmd Pc/dentist	$4,800	Joe Miller For Us Senate
Ezell, Betty Jean		$2,400	Joe Miller For Us Senate
Fate, Hugh	N/a/retired	$200	Lisa Murkowski For Us Senate
Fliss, Nicole	Tvc/physician	$250	Alaska Democratic Party
Floerchinger, Beverly R	N/a/homemaker	$500	Lisa Murkowski For Us Senate
Floerchinger, Roger	Yukon Title/owner	$500	Lisa Murkowski For Us Senate
Floerchinger, Roger L. Mr.	Self-employed/self-employed	$250	Republican National Committee
Gray, Don	N / A/retired	$200	Alaska Democratic Party
Gregory, Mark G	Flint Hills Resources, Lp/vice Pres	$500	Koch Industries Inc Political Action Committee (kochpac)
Grogan, Jerome D	Fairbanks North Star Boro S/d/class	$250	Nea Fund For Children And Public Education
Harman, Ralph A.	Harman's Of Fairbanks/owner	$500	Association Of Kentucky Fried Chicken Franchisees Inc Political Action Committee Akfcf Pac
Harman, Ralph A.	Harman's Of Fairbanks/owner	$500	Association Of Kentucky Fried Chicken Franchisees Inc Political Action Committee Akfcf Pac
Haselberger, James	Alaska Tent & Tarp/owner	$1,000	Lisa Murkowski For Us Senate
Heckman, Jyotsna	Denali State Bank/president	$300	Lisa Murkowski For Us Senate
Helmbrecht, Kelly	N/a/student	$2,400	Lisa Murkowski For Us Senate
Howitt, Joshua		$-26	Kucinich For President Inc.
Huffman, Chris	Self/trucking	$2,000	Joe Miller For Us Senate
Huffman, James	Self Employed/trucking	$2,000	Joe Miller For Us Senate
Huffman, Leslie	Self Employed/asbestos	$2,000	Joe Miller For Us Senate

[illegible]	Removal	[illegible]	[illegible]
Hutchison, Diane	Kohler Schmitt & Hutchison/cpa	$250	Alaskans For Don Young Inc.
Hutchison, Diane	Self Employed/cpa	$500	Lisa Murkowski For Us Senate
Jarvi, Bertha		$250	Joe Miller For Us Senate
Jarvi, Bertha Mrs	Retired/retired	$250	Joe Miller For Us Senate
Kams, Kent	H & S Warehouse, Inc./manager	$500	Lisa Murkowski For Us Senate
Lanning, William W Mr	Fountain Head/office Manager	$500	Joe Miller For Us Senate
Lund, Jim	N/a/retired	$250	Lisa Murkowski For Us Senate
Madden, Wesley J	Madden Real Estate/business Owner	$500	Joe Miller For Us Senate
Madden, Wesley J	Madden Real Estate/business Owner	$500	Joe Miller For Us Senate
Mckay, Timothy	Self/store Owner	$250	Lisa Murkowski For Us Senate
Meeks, Michael T Mr		$250	Joe Miller For Us Senate
Merdes, Lori	Uaf/manager, Oit Consolidation	$2,400	Joe Miller For Us Senate
Merdes, Ward	Merdes & Merdes/attorney	$2,400	Joe Miller For Us Senate
Meuniott, Annie M	Self/homemaker	$500	Joe Miller For Us Senate
Morgan, H M Mr	Retired/retired	$250	National Republican Senatorial Committee
Murphy, Michael	Gci/communications Tech	$250	Democratic Senatorial Campaign Committee
Osborn, Daniel S.	Doyon Limited/senior Vice President	$500	Fisher For Congress
Osborn, Daniel S.	Doyon Ltd/cfo	$1,000	Fisher For Congress
Parrish, Albert	N/a/retired	$500	Lisa Murkowski For Us Senate
Parrish, Vicki E	Princess Tours/manager	$1,000	Lisa Murkowski For Us Senate
Reimherr, Andrew		$500	Joe Miller For Us Senate
Robinson, Thomas S Mr	Retired/retired	$200	Joe Miller For Us Senate
Sampson, James A	Pipeline Training Center/director	$250	Lisa Murkowski For Us Senate
Sampson, James A.	Laborers International Union/execut	$250	Alaskans For Don Young Inc.
Schroeder, Dudley J. Mr.	Retired/retired	$225	Republican National Committee
Schroeder, Dudley J. Mr.	Retired/retired	$225	Republican National Committee
Shaw, Lorna	Fairbanks Gold Miners, Inc./communi	$500	Lisa Murkowski For Us Senate
Weis, Cynthia	Self/homemaker	$1,000	Joe Miller For Us Senate
Weis, Steven A.	Self Employed/saw Co Construction	$500	Joe Miller For Us Senate
Weis, Steven A	Self Employed/saw Co Construction	$2,000	Joe Miller For Us Senate
Wien, Richard	N/a/retired	$250	Lisa Murkowski For Us Senate
Willetto, Carla E. Dr.	University Of Alaska Fairbanks/vete	$200	Emily's List
Willetto, Carla E. Dr.	University Of Alaska Fairbanks/vete	$200	Emily's List
Woller, Timothy J Dr	Self-employed/dentist	$500	American Dental Association Political Action Committee

David Eichler
Political Campaign Contributions
2010 Election Cycle

| More

Contribution Totals

Download Data

Download all contribution records for this person from 1999 to present
To a Spreadsheet or Other File Type

2012 Transaction Count/Amount	0/$0
2010 Transaction Count/Amount	5/$5,500
2008 Transaction Count/Amount	8/$37,100
2006 Transaction Count/Amount	0/$0
2004 Transaction Count/Amount	2/$3,000
2002 Transaction Count/Amount	0/$0
2000 Transaction Count/Amount	4/$2,000

Download Data

Download all contribution records for this person from 1999 to present
To a Spreadsheet or Other File Type

David Eichler Contribution List in 2010

Name & Location	Employer/Occupation	Dollar Amount	Date	Primary/ General	Contributed To
EICHLER, DAVID L MR FAIRBANKS, AK 99712	DAVID L. EICHLER DMD PC/DENTIST	$4,800	09/27/2010	G	JOE MILLER FOR US SENATE - Republican
EICHLER, DAVID L MR FAIRBANKS, AK 99712	DAVID L. EICHLER DMD PC/DENTIST	$-2,400	09/27/2010	G	JOE MILLER FOR US SENATE - Republican
EICHLER, DAVID FAIRBANKS, AK 99712	DAVID L EICHLER DMD PC/DENTIST	$2,400	04/30/2010	P	JOE MILLER FOR US SENATE - Republican
Eichler, David Dr. FAIRBANKS, AK 99712	Eichler Dental/Dentist	$500	05/31/2009	P	PAUL GOSAR FOR CONGRESS - Republican
EICHLER, DAVID L FAIRBANKS, AK 99712	SELF EMPLOYED/DENTIST	$200	02/28/2009	P	LISA MURKOWSKI FOR US SENATE - Republican

Search

Contributors:
Individual's Name
Employer
Occupation
City
County
Zip Code
State

Candidates:
Name
Party
State

Committees (PACs):
Name
Category

"527" Organizations:
Organizations
Contributors by Name
Contributors by Zip

Lobbyists:
Name
Client

Directories

Top $$$ Contributors
Contributions by Zip
Candidates by State
Committees (PACs)
527 Organizations

Reports

Celebrity Contributors:
Aaron Sorkin
Andrew Fastow
Arnold Palmer
Arnold Schwarzenegger
Ben Affleck
Bill Cosby
Bill Gates
Calvin Klein
Dennis Kozlowski
Donald Trump
George Soros
Hugh Hefner
Jack Grubman
Jeff Skilling
John Grisham
John Rigas
Ken Lay
Martha Stewart
Mel Gibson
Oprah Winfrey
Ralph Lauren
Donald Trump

David Eichler Political Contributions

Date	Condidate/Group	Election	Amount	Type
2/4/1998	RS - Republican Party of AK	1998 State Primary	20.00	Monetary
4/10/1998	RS - Republican Party of AK	1998 State Primary	450.00	Monetary
5/11/1998	RS - Republican Party of AK	1998 State Primary	(96.00)	Returned
5/18/1998	John Coghill	1998 State Primary	249.00	Monetary
10/8/1998	John Coghill	1998 State General	249.00	Monetary
10/8/1998	Jerry Ward	1998 State General	499.99	Monetary
11/16/1998	RS - Republican Party of AK	1998 State General	15.00	Monetary
11/16/1999	John Coghill	2000 State Primary	100.00	Monetary
1/5/2000	Loren Leman	2000 State Primary	250.00	Monetary
10/1/2000	RS - 35 Republican (?)	1998 State General (?)	200.00	Monetary
10/23/2000	Loren Leman	2000 State General	250.00	Monetary
1/8/2002	Loren Leman	2002 State Primary	500.00	Monetary
1/8/2002	Loren Leman	2002 State Primary	(400.00)	Returned
2/14/2002	Loren Leman	2002 State Primary	250.00	Non-Mon
5/28/2002	Wayne Anthony Ross	2002 State Primary	500.00	Monetary
6/11/2002	John Coghill	2002 State Primary	200.00	Monetary
10/15/2002	Jerry Ward	2002 State General	500.00	Monetary
10/21/2002	Hugh Fate	2002 State General	500.00	Monetary
10/26/2002	Ralph Seekins	2002 State General	500.00	Monetary
1/7/2004	Dentists of AK PAC	2004 State Primary	340.00	Monetary
6/29/2004	Joseph Miller	2004 State Primary	1000.00	Monetary
1/25/2005	Dentists of AK PAC	2004 State General	340.00	Monetary
12/19/2005	Dentists of AK PAC	2005 Group	340.00	Monetary
12/23/2005	Ralph Seekins	2006 State Primary	200.00	Monetary
12/23/2005	Michael Kelly	2006 State Primary	100.00	Monetary
3/10/2006	Sarah Palin	2006 State Primary	100.00	Monetary
8/12/2006	Sarah Palin	2006 State Primary	200.00	Monetary
8/31/2006	Todd Larkin	2006 FNSB Municipal	200.00	Monetary
10/3/2006	Palin/Parnell	2006 State General	250.00	Monetary
10/11/2006	Ralph Seekins	2006 State General	200.00	Monetary
12/20/2006	Dentists of AK PAC	2006 State General	140.00	Monetary
2/22/2007	Vote Yes for Marriage	2007 Advisory Vote	100.00	Monetary
2/4/2008	Dentists of AK PAC	2008 State Primary	100.00	Monetary
5/21/2008	Linda Menard	2008 State Primary	500.00	Monetary
8/27/2008	Michael Kelly	2008 State General	500.00	Monetary
1/16/2009	Dentists of AK PAC	2008 State General	200.00	Monetary
7/22/2009	Garry Hutchison	2009 FNSB Municipal	250.00	Monetary
12/31/2009	Michael kelly	2010 State Primary	400.00	Monetary
4/7/2010	Republican Party of AK	2010 State Primary	450.00	Monetary
9/10/2010	Diane Hutchison	2010 FNSB Municipal	200.00	Monetary
10/26/2010	Pete Higgins	2010 State Primary	250.00	Monetary

Source: Alaska Public Offices Commission contributor search

SB

2

<TARGET><BILL>SB 2</BILL><SUBJECT>SB
2</SUBJECT><COMM>SSTA27</COMM></TARGET>

[redacted] [redacted]

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/19/11

FURTHER: Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 3-1-11

State Affairs Committee considered SENATE BILL NO. 2

SB 2-LICENSE PLATES: NATIONAL RIFLE ASSN.

"An Act relating to National Rifle Association special request license plates."

and recommends:

[X] be **replaced** with **CS** _____ (STA) *[X] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
			X	

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Giessel	X			
	Meyer	X			
	PASKVAN	X			
CHAIR:	wielechowski			X	

27-LS0016\I
Luckhaupt
1/28/11

CS FOR SENATE BILL NO. 2( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS MENARD AND HUGGINS, Wagoner, Dyson, Giessel, Meyer

A BILL

FOR AN ACT ENTITLED

"An Act relating to National Rifle Association and breast cancer awareness special request license plates."

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

* **Section 1.** AS 28.10.181 is amended by adding new subsections to read:

(bb) Special request plates commemorating the National Rifle Association. Upon application by the owner of a motor vehicle, the department may issue registration plates commemorating the National Rifle Association. The commissioner, after consulting with representatives of the National Rifle Association in Alaska, shall determine the design and color of the plates. The department may disapprove the issuance of registration plates under this subsection when the requested plates are a duplication of an existing registration.

(cc) Special request breast cancer awareness plates. Upon application by the owner of a motor vehicle, the department may issue breast cancer awareness registration plates. The commissioner shall determine the design and color of the

plates. The department may disapprove the issuance of registration plates under this subsection when the requested plates are a duplication of an existing registration.

* **Sec. 2.** AS 28.10.421(d) is amended by adding new paragraphs to read:

(20) special request National Rifle Association plates ..... $50 plus the fee required for that vehicle under (b), (c), (h), or (i) of this section; the $50 fee required by this paragraph shall be collected only on the first issuance and the replacement of the special request plates; a $30 fee shall be collected biennially thereafter in the same manner as the fee required under (b), (c), (h), or (i) of this section; the commissioner of administration shall separately account for the fees received under this paragraph that the department deposits into the general fund; notwithstanding (g) of this section, the annual estimated balance in the account that is in excess of the cost of issuing special request plates may be appropriated by the legislature to establish and maintain a scholastic clay target program and for other youth shooting programs.

(21) special request breast cancer awareness plates..... $40 plus the fee required for that vehicle under (b), (c), (h), or (i) of this section; the $40 fee required by this paragraph shall be collected only on the first issuance and the replacement of the special request plates.

27-LS0016\E
Luckhaupt
2/24/11

CS FOR SENATE BILL NO. 2(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS MENARD AND HUGGINS, Wagoner, Dyson, Giessel, Meyer

A BILL

FOR AN ACT ENTITLED

"An Act relating to National Rifle Association and breast cancer awareness special request license plates."

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

*** Section 1.** AS 28.10.181 is amended by adding new subsections to read:

(bb) Special request plates commemorating the National Rifle Association. Upon application by the owner of a motor vehicle, the department may issue registration plates commemorating the National Rifle Association. The commissioner, after consulting with representatives of the National Rifle Association in Alaska, shall determine the design and color of the plates. The department may disapprove the issuance of registration plates under this subsection when the requested plates are a duplication of an existing registration.

(cc) Special request breast cancer awareness plates. Upon application by the owner of a motor vehicle, the department may issue breast cancer awareness registration plates. The commissioner, after consulting with the Alaska office of the

American Cancer Society, shall determine the design and color of the plates. The department may disapprove the issuance of registration plates under this subsection when the requested plates are a duplication of an existing registration.

* **Sec. 2.** AS 28.10.421(d) is amended by adding new paragraphs to read:

(20) special request National Rifle Association plates ..... $50 plus the fee required for that vehicle under (b), (c), (h), or (i) of this section; the $50 fee required by this paragraph shall be collected only on the first issuance and the replacement of the special request plates; a $30 fee shall be collected biennially thereafter in the same manner as the fee required under (b), (c), (h), or (i) of this section; the commissioner shall separately account for the fees received under this paragraph that the department deposits into the general fund; notwithstanding (g) of this section, the annual estimated balance in the account that is in excess of the cost of issuing special request plates may be appropriated by the legislature to establish and maintain a scholastic clay target program and for other youth shooting programs.

(21) special request breast cancer awareness plates..... $50 plus the fee required for that vehicle under (b), (c), (h), or (i) of this section; the $50 fee required by this paragraph shall be collected only on the first issuance and the replacement of the special request plates; the commissioner shall separately account for the fees received under this paragraph that the department deposits into the general fund; notwithstanding (g) of this section, the annual estimated balance in the account that is in excess of the cost of issuing special request plates may be appropriated by the legislature to programs that provide screening for breast and cervical cancer.

Senator Linda Menard

Session
State Capitol, Room 9
Juneau, Alaska 99801
Phone: (907) 465-6600
Fax: (907) 465-3805

Interim
600 E. Railroad Ave.
Wasilla, Alaska 99654
Phone: (907) 376-3370
Fax: (907) 376-3157

Alaska State Legislature

To: Senator Bill Wielechowski
Senate State Affairs Committee

From: Senator Linda Menard

Date: February 16, 2011

Re: Request for hearing of SB 2

Honorable Senator Bill Wielechowski

I respectfully request a hearing of the Committee Substitute for Senate Bill No. 2 before the Senate State Affairs Committee.

The CS for SB 2 will accomplish two objectives: it will establish NRA commemorative license plates from which money earned in excess of the cost of the plates may be appropriated by the Legislature to establish and maintain a scholastic clay target shooting program and for other youth shooting programs. This CS will also create Breast Cancer Awareness license plates.

Thank you for your consideration.

Senator_Linda_Menard@legis.state.ak.us

27-LS0016\D
Luckhaupt
2/17/11

CS FOR SENATE BILL NO. 2( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS MENARD AND HUGGINS, Wagoner, Dyson, Giessel, Meyer

A BILL

FOR AN ACT ENTITLED

"An Act relating to National Rifle Association and breast cancer awareness special request license plates."

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

*** Section 1.** AS 28.10.181 is amended by adding new subsections to read:

(bb) Special request plates commemorating the National Rifle Association. Upon application by the owner of a motor vehicle, the department may issue registration plates commemorating the National Rifle Association. The commissioner, after consulting with representatives of the National Rifle Association in Alaska, shall determine the design and color of the plates. The department may disapprove the issuance of registration plates under this subsection when the requested plates are a duplication of an existing registration.

(cc) Special request breast cancer awareness plates. Upon application by the owner of a motor vehicle, the department may issue breast cancer awareness registration plates. The commissioner shall determine the design and color of the

plates. The department may disapprove the issuance of registration plates under this subsection when the requested plates are a duplication of an existing registration.

*** Sec. 2.** AS 28.10.421(d) is amended by adding new paragraphs to read:

(20) special request National Rifle Association plates ..... $50 plus the fee required for that vehicle under (b), (c), (h), or (i) of this section; the $50 fee required by this paragraph shall be collected only on the first issuance and the replacement of the special request plates; a $30 fee shall be collected biennially thereafter in the same manner as the fee required under (b), (c), (h), or (i) of this section; the commissioner of administration shall separately account for the fees received under this paragraph that the department deposits into the general fund; notwithstanding (g) of this section, the annual estimated balance in the account that is in excess of the cost of issuing special request plates may be appropriated by the legislature to establish and maintain a scholastic clay target program and for other youth shooting programs.

(21) special request breast cancer awareness plates..... $50 plus the fee required for that vehicle under (b), (c), (h), or (i) of this section; the $50 fee required by this paragraph shall be collected only on the first issuance and the replacement of the special request plates.

Senator Linda Menard

Session
State Capitol, Room 9
Juneau, Alaska 99801
Phone: (907) 465-6600
Fax: (907) 465-3805

Interim
600 E. Railroad Ave.
Wasilla, Alaska 99654
Phone: (907) 376-3370
Fax: (907) 376-3157

Alaska State Legislature

Committee Substitute for Senate Bill 2 Sponsor Statement

The **Committee Substitute for Senate Bill 2** will codify in law an option for an Alaska resident to purchase a **National Rifle Association** commemoration license plate for their vehicle. The annual estimated balance in the account that is in excess of the cost of issuing **special request plates** may be appropriated by the Legislature to establish and maintain a **scholastic clay target program** and for other youth shooting programs.

These special request plates will cost **$50 in addition** to the normal registration fee required for a particular vehicle. Alaskans who choose to purchase the plate must pay **a $30 fee** in addition to the normal two year renewal fee each time they renew their license plate tags. The idea behind the license plates is to help **fund scholastic clay target programs and give Alaska's young shooters a chance to have the resources seen in the Lower 48.**

This bill began as a grassroots effort by **a local entrepreneur** and small business owner who is heavily involved with **youth shooting programs, gun safety and competition**. His goal is to see opportunities open for students who desire to take part in competitive shooting programs that have **flourished nation-wide**. With help from funds that could come from NRA commemorative license plates, scholastic shooting programs would get a boost.

Tennessee is the most recent state to have proposed and passed an idea like the NRA piece of the **CS** for **Senate Bill 2**. Other states offering the license plates **are Idaho, Mississippi, North Carolina, Oklahoma and Virginia.**

Additionally, this **Committee Substitute** will make available special request **breast cancer awareness plates**. These plates will cost an additional $50 to purchase and will be collected on the first issuance and the replacement of the special request plates.

I've heard from many constituents who have had **their lives touched by breast cancer**, and this symbolic gesture is what they're asking for. Sometimes it's the little things the Legislature does that make our constituents happy. There isn't a member of either house who has not known someone dear to them who has been touched by this disease.

Please assist me by supporting the **CS for Senate Bill 2**.

Senator_Linda_Menard@legis.state.ak.us

Division of Motor Vehicles
Special Request License Plates
Fact Sheet

The purpose of this guide is to is to provide general information about special request plates and specifications for the design and layout of a plate.

The Division of Motor Vehicles (DMV) does not preprint special request plates. All such plates are ordered individually by the registered owner, either over the internet (if the plate has no eligibility requirements), at any DMV office, or through the mail. The owner must pick the plate number, which must display at least 2 but not more than 6 characters comprised of letters and numbers.

The design of the plate is a cooperative effort between the DMV and the organization requesting the new plate design. DMV requires the organization to provide a single point of contact with whom to work on the plate design. A letter from the chairman of the board, the president, or other appropriate authority, specifying the contact person, must be provided to DMV before plate design begins. The final plate design must be approved by the Commissioner of the Department of Administration.

General Design Rules:

- The legal function of a license plate is to identify a vehicle. All designs must comply with the requirement that law enforcement agencies be able to easily read the plate number.
- The plate design must accommodate a 6-character plate number for passenger vehicles and a 5-character plate number for motorcycles.
- The design must be in one of the following formats:
  - Cdr CorelDraw
  - Psd Photo shop color model 300 resolutions
  - Tif tagged image cmyk color model
  - Eps encapsulated post script cmyk color model
- The plate is 11-9/16" wide by 5-7/16" tall.
  - The top 1-1/4" banner is reserved for the word "ALASKA" and for the month and year validation tabs.
  - The left-hand 2-1/6" below the top banner is available for a logo or other unique design
  - The bottom 1" banner may contain a message, such as THE LAST FRONTIER.
- The background colors and the plate numbers must be contrasting so as to allow for easy reading of the plate number by law enforcement. A complex logo may be difficult to see, and a background that is too busy may be rejected.
- All plate designs will be screened by DMV for readability and compliance with the general design rules before submission to the Commissioner for approval.

It takes time to design a plate, get it approved by the Commissioner, and put it into production. Please allow 4 months from the date the design phase begins until the plate is ready for customers to order.

DMV Contact:
Stacy Oates
Ph: 907-269-3782
Email: Stacy.Oates@alaska.gov

1300 W Benson Blvd Ste 400 • Anchorage, AK • 99503-3692

Alaska.gov/dmv

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION
DIVISION OF MOTOR VEHICLES

Sean Parnell, GOVERNOR
Becky Hultberg, Commissioner

Whitney Brewster, Director
1300 W. Benson Blvd.
Anchorage, AK 99503
(907) 269-5559

February 16, 2011

Senator Linda Menard
State Capitol, Room 3
Juneau, AK 99801

Dear Senator Menard,

I understand that you recently introduced and the 27th Alaska State Legislature is considering Senate Bill 2, an act relating to National Rifle Association special request license plates. Further, it has been conveyed that you are considering expanding this legislation to include breast cancer awareness specialty plates. This correspondence serves as notice that the Division of Motor Vehicles (DMV) does not object to the proposed legislation nor its expansion to include breast cancer awareness.

Should SB 2 become law, the DMV will work with the designated entities on a potential design for each plate. The DMV will also consult law enforcement to ensure that officers can easily identify the plate number for their purposes. The designs will then go before the Commissioner of Administration for final approval.

If you or your colleagues have any questions regarding the license plate process, please do not hesitate to contact me.

Sincerely,

Whitney H Brewster

Whitney Brewster
Director

30 January, 2011

Senator Linda Menard

I write this letter to show my support, and the support of the Mat-Su Second Amendment Task Force, for SB#2, now before the Senate.

I am a Life Member of the National Rifle Association (NRA), and have long thought that Alaska has needed NRA License Plates to raise needed funding for Sporting related Organizations.

The only group that I would suggest the residual funding, from the sales of these NRA Plates, should go to would be the "Alaska Scholastic Clay Target Program", which directly supports both the safe handling of firearms and also benefits Youth through the teaching of mental and physical disciplines.

I wholeheartedly hope that you will place your full support, for the passage of SB#2, behind this Legislation to see it through to fruition.

Respectfully yours,
Signed
Kenda K. Chapman, Life Member of the NRA
Morgan J. Chapman, Jr. Member of the NRA

30 January, 2011

Senator Linda Menard

I write this letter to show my support, and the support of the Mat-Su Second Amendment Task Force, for SB#2, now before the Senate.

I am a Life Member of the National Rifle Association (NRA), and have long thought that Alaska has needed NRA License Plates to raise needed funding for Sporting related Organizations.

The only group that I would suggest the residual funding, from the sales of these NRA Plates, should go to would be the "Alaska Scholastic Clay Target Program", which directly supports both the safe handling of firearms and also benefits Youth through the teaching of mental and physical disciplines.

I wholeheartedly hope that you will place your full support, for the passage of SB#2, behind this Legislation to see it through to fruition.

Respectfully yours,

Signed

Len Betts
Co-Founder/Spokesperson for Mat-Su 2nd Amendment Task Force

Dear Ms. Menard:

This letter is to inform you of our support for Senate Bill 2, with proceeds from the sale of the NRA license plates going to support Alaska's Scholastic Clay Target Program. Many of our youth would be able to benifit from these funds. We hope that we can count on your support for this Bill, as well.

Thank you for your time and consideration,

Daniel and Stephanie Churchill

Palmer, Alaska

907-982-4505

31 January, 2011

Senator Linda Menard

I write this letter to show my support, and the support of the Mat-Su Second Amendment Task Force, for SB#2, now before the Senate.

I am a member, as is my daughter, of the National Rifle Association (NRA), and have long thought that Alaska has needed NRA License Plates to raise needed funding for Sporting related Organizations.

The only group that I would suggest the residual funding, from the sales of these NRA Plates, should go to would be the "Alaska Scholastic Clay Target Program", which directly supports both the safe handling of firearms and also benefits Youth through the teaching of mental and physical disciplines.

I wholeheartedly hope that you will place your full support, for the passage of SB#2, behind this Legislation to see it through to fruition.

Respectfully yours,
Signed
Ron Arvin

January 30, 2011

Senator Wielechowski
Alaska Senate
State Capital Building
Juneau, Alaska 99801

RE: In support of Senate bill 2

Dear Wielechowski,

I Glenn Hodge, manager Grouse Ridge LLC support senate bill 2. For the creation of NRA license plates for raising funds for the youth shooting program. Alaska SCTP

Sincerely

Glenn Hodge
951 N Tina Lane
Palmer, Alaska 99645
907-746-0641

January 31, 2011

The Honorable Linda Menard
Alaska Senate
State Capital Building
Juneau, Alaska 99801

Re: Senate Bill 2

Dear Ms. Menard:

This letter is to inform you of our support for Senate Bill 2, with proceeds from the sale of the NRA license plates going to support Alaska's Scholastic Clay Target Program. We hope that we can count on your support for this Bill, as well.

Thank you for your time.

Kelly and Melinda Swihart
Wasilla, Alaska

Dear Representative Holmes, Herron and Senator Hoffman

I'm requesting your assistance to introduce a bill to the 2011 Alaska State Legistrature. I would like the DMV to issue a special breast cancer awareness license plate, with a pink ribbon. My wife Memry Dahl is a breast cancer survivor, and has been cancer free the past three years. I am so proud of her and the many other breast cancer survivors during what is one of the most difficult periods of their lives. This request is a way for me to show Memry and other survivors that I support and care about them and wish for a day when this disease no longer impacts their lives. I also want to give family and friends a way to support the breast cancer cause, and display their support on their vehicles. I hope that friends and family will not only display the breast cancer awareness license plates on their vehicle but that the state would assist in collecting donations and would donate the money to an Alaska cancer support group. I appreciate your assistance on this matter, I hope we can gather the support needed to make this a reality. Thank you

Sincerely,
Christopher Dahl
Anchorage, Alaska

Senator Linda Menard

Session
State Capitol, Room 9
Juneau, Alaska 99801
Phone: (907) 465-6600
Fax: (907) 465-3805

Interim
600 E. Railroad Ave.
Wasilla, Alaska 99654
Phone: (907) 376-3370
Fax: (907) 376-3157

Alaska State Legislature

Witness List for CS for Senate Bill 2

- Neil Moss- Wasilla resident in favor of the bill
- Possibly more coming. I will update as soon as I know.

Senator_Linda_Menard@legis.state.ak.us

SB

7

<TARGET><BILL>SB 7</BILL><SUBJECT>SB
7</SUBJECT><COMM>SSTA27</COMM></TARGET>

Alaska State Legislature

Interim: (May - Dec.)
716 W. 4th Ave
Anchorage, AK 99501
Phone: (907) 269-0144
Fax: (907) 269-0148

Session: (Jan. - May)
State Capitol, Suite 30
Juneau, AK 99801-1182
Phone: (907) 465-3822
Fax: (907) 465-3756
Toll free: (800) 770-3822

Senator_Bettye_Davis@legis.state.ak.us
http://www.akdemocrats.org

Office of Senator Bettye Davis

January 27, 2011

Senator Bill Wielechowski, Chair
Senate State Affairs Committee

RE: Request for Hearing SB 7, 27-LS00083\A -"An Act relating to the Civil Rights of Felons."

Dear Senator Wielchowski:

Senator Davis respectfully requests a hearing on SB 7 before the Senate State Affairs Committee. SB 7 allows felons to register to vote immediately upon release from incarceration and assume responsibility for their reintegration in their communities.

Included in this hearing package are the following:

1. Sponsor Statement
2. Current version of SB 7, 27-LS0083\A.
3. Sectional Summary (to be provided under separate cover)
4. Fiscal Notes (Committee responsibility, but note that the similar bill in the 26th Legislature, SB 68, listed zero fiscal notes for the Department of Corrections and Division of Elections).
5. Supportive Documents:
    - ACLU Model Testimony, February, 2007 on similar bill, SB 7 in 25th Legislature
    - NCSL Legisbrief, "Felon Voting Rights," April-May 2009
    - The Sentencing Project News: "Senate Committee Passes National Criminal Justice Commission Act of 2009," January 21, 2010
    - Alaska Justice Forum, "Felon Disenfranchisement and the Voting Rights Act – *Farrakhan V. Gregoire*: 'A Crowd of One.'" Winter, 2010
    - The Sentencing Project News: "Washington State: 9th Circuit Court Reverses Disenfranchising Law; Landmark Decision Could Go to Supreme Court." January 8, 2010
    - The Seattle Times: Gregoire signs bill to restore voting rights for some felons." May 5, 2009
    - Alaska Department of Corrections 2009 Offender Profile - excerpted sections

Please anticipate substantial in-person and teleconference testimony.

Also, please do not schedule a hearing February 21-24, 2011 due to office scheduling conflicts.

Please contact me if you need additional information.

Sincerely,

Thomas S. Obermeyer
Legislative Assistant
907-465-3762
Thomas_Obermeyer@legis.state.ak.us

Alaska State Legislature

Interim: (May - Dec.)
716 W. 4th Ave
Anchorage, AK 99501
Phone: (907) 269-0144
Fax: (907) 269-0148

Session: (Jan. - May)
State Capitol, Suite 30
Juneau, AK 99801-1182
Phone: (907) 465-3822
Fax: (907) 465-3756
Toll free: (800) 770-3822

Senator_Bettye_Davis@legis.state.ak.us
http://www.akdemocrats.org

Senator Bettye Davis

SB 7 - "An Act relating to the civil rights of felons."

SPONSOR STATEMENT

The Alaska State Constitution Article V, Sec. 2 bars a person to vote "who has been convicted of a felony of moral turpitude unless his civil rights have been restored." The right to vote remains suspended from the date of conviction through the date of release from all conviction-related disabilities, including probation and parole (AS15.05.030; AS 15.60.010(39)). According to the Alaska Department of Corrections Offender Profile, in 2009 more than 10,000 Alaskans were ineligible to vote pursuant to this provision. This bill allows felons to register to vote immediately upon release from incarceration and start assuming responsibility for their reintegration in their communities.

Harsher sentencing laws over the past 30 years have allowed the prison population to balloon while reducing the rehabilitative model to almost non-existence. Article I, Section 12 of the Alaska Constitution requires: "Criminal administration shall be based upon . . . the principle of reformation." In Alaska the prison population increased from 800 prisoners in 1984 to over 5,000 in 2008, an increase of over 600%. Of those incarcerated in Alaska 48% were Caucasian, 52% were minorities. Although Alaska Natives represent only 16% of the population, they comprised 35% of total offenders in institutions in 2009. Likewise, African American represent 4% of the population but comprised 10% of the incarcerated. Nationally, minority felons are disproportionately disenfranchised under current law and the harm of this continued disenfranchisement after release is exacerbated by stigma and other forms of discrimination as they try to reenter society.

An estimated 5.3 million American citizens cannot vote because of a criminal conviction. Of these, 4 million are out of prison and living and working in communities. Restoring a person's right to vote is a critical element to successful reentry into society after incarceration and is consistent with our democracy's modern ideal of universal suffrage. The Democracy Restoration Act of 2009 was introduced in both houses of Congress to restore the right to vote to citizens once released from prison. It would affect more than 41,000 people on parole.

Felons across the country often cannot sit on juries, serve as teachers, firefighters or even barbers or plumbers; receive food stamps or live in public housing. These ex-offenders have a vested interest in what happens in society and if they are to participate they should have a right to vote.

The National Conference of State Legislatures (NCSL) in 2009 found that disenfranchisement still varies tremendously from state to state:

- In Maine and Vermont, felons do not lose their right to vote; even felons who are serving a prison sentence can vote.
- In 13 states and the District of Columbia, felons are ineligible to vote only while serving a prison sentence. Ex-offenders and those on probation and parole can vote.
- In 25 states, prisoners and people under community supervision, probation and/or parole are ineligible to vote, but ex-offenders are eligible.
- In eight states, all felons in prison and those in community supervision, as well as certain ex-offenders, are ineligible to vote.
- In Kentucky and Virginia, all felons and ex-offenders are permanently ineligible to vote, absent a pardon.

NCSL reported that between 1996 and 2008 28 states passed new laws on felon voting rights which included:

- Seven states repealed lifetime disenfranchisement laws, at least for some ex-offenders.
- Two states gave probationers the right to vote.
- Seven states improved data-sharing procedures among state agencies.
- Nine states passed requirements that ex-offenders be given information and/or assistance in regaining their voting rights at the time they complete their sentence.
- Twelve states simplified the process for regaining voting rights, for instance, by eliminating a waiting period or streamlining the paperwork process.

While this bill falls short of a Constitutional amendment to eliminate the voting prohibition entirely, it does limit disenfranchisement to those incarcerated and restores voting rights upon release. A hallmark of participatory democracy, voting affirms our membership in the social compact. Exclusion of criminal offenders from this process and from one of the most fundamental rituals of community involvement does nothing to promote public safety and reduce recidivism. It can only serve to impede social reintegration of these citizens. Felon disenfranchisement statutes rest on outdated retributory practices antithetical to contemporary standards of equal representation in the political process, standards explicitly stated in the Voting Rights Act.

Former US Supreme Court Justice Thurgood Marshall said:

"It is doubtful whether a state can demonstrate either a compelling or rational policy interest in denying former felons the right to vote. Ex-offenders have already paid their debt to society. They are as much affected by the actions of government as any other citizen and have as much of a right to participate in governmental decision-making. Furthermore, the denial of a right to vote to such persons is hindrance to the efforts of society to rehabilitate former felons and convert them into law abiding and productive citizens."

SENATE BILL NO. 7

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY SENATOR DAVIS

Introduced: 1/19/11
Referred: State Affairs, Judiciary

A BILL

FOR AN ACT ENTITLED

"An Act relating to the civil rights of felons."

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

*** Section 1.** AS 09.20.020 is amended to read:

Sec. 09.20.020. Disqualification of jurors. A person is disqualified from serving as a juror if the person

(1) has served as a juror in the state within one year of the time of examination for service; or

(2) has been convicted of a felony for which the person **is incarcerated, until the person is released from incarceration** [HAS NOT BEEN UNCONDITIONALLY DISCHARGED; UNCONDITIONAL DISCHARGE HAS THE MEANING GIVEN IN AS 12.55.185].

*** Sec. 2.** AS 15.05.030 is amended to read:

Sec. 15.05.030. Loss and restoration of voting rights. (a) A person convicted of a crime that constitutes a felony involving moral turpitude under state or federal law may not vote in a state, federal, or municipal election **while incarcerated for that**

crime [FROM THE DATE OF THE CONVICTION THROUGH THE DATE OF THE UNCONDITIONAL DISCHARGE OF THE PERSON]. Upon **release from incarceration** [THE UNCONDITIONAL DISCHARGE], the person may register under AS 15.07.

(b) The commissioner of corrections shall establish procedures by which a person **released from incarceration** [UNCONDITIONALLY DISCHARGED] is advised of the voter registration requirements and procedures. **The procedures established under this subsection must provide that, at the time of the person's release from incarceration,**

(1) the Department of Corrections shall provide the person a written notification of the person's restored right to vote; and

(2) the commissioner of corrections shall notify the director that the person ~~is entitled to be registered as a voter.~~ has been released from cust.

Comm. is

* **Sec. 3.** AS 15.07.135 is amended to read:

Sec. 15.07.135. Cancellation of registration of incarcerated [CONVICTED] persons. (a) The director shall make reasonable efforts to obtain the names of persons convicted of a felony involving moral turpitude **and incarcerated for that crime**. Promptly after receipt of evidence satisfactory to the director that a person has been convicted of a felony involving moral turpitude **and incarcerated for that crime**, the director shall cancel the registration of the person.

(b) Upon presenting proof that a person whose registration was canceled under (a) of this section has been **released from incarceration** [UNCONDITIONALLY DISCHARGED FROM CUSTODY], the person may register. The director shall make reasonable efforts to verify the **release from incarceration** [UNCONDITIONAL DISCHARGE] of persons applying for registration under this subsection.

* **Sec. 4.** AS 33.30.241(a) is amended to read:

(a) A person who is convicted of a felony involving moral turpitude as defined in AS 15.60.010 is disqualified from voting in a state**, federal,** or municipal election **while the person is incarcerated for that crime** [UNTIL THE PERSON'S UNCONDITIONAL DISCHARGE].

Elections.

* **Sec. 5.** AS 33.30.241(b) is amended to read:

(b) A person who is convicted of a felony is disqualified from serving as a juror **while the person is incarcerated for that crime** [UNTIL THE PERSON'S UNCONDITIONAL DISCHARGE].

* **Sec. 6.** AS 15.60.010(39) and AS 33.30.241(c) are repealed.

def. of uncond. discharge

conforming def. to uncond.

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 February 17, 2011

SUBJECT: "Civil rights" under art. V, sec. 2 of the state constitution
SB 7 (Work Order No. 27-LS0083\A)

TO: Senator Bill Wielechowski
Attn: Michelle Sydeman

FROM: Alpheus Bullard
Legislative Counsel

You have asked several questions relating to SB 7 ("[a]n Act relating to the civil rights of felons"). You asked whether crimes of moral turpitude are defined, how a court is likely to interpret "civil rights" under art. V, sec. 2[1] of the state constitution, and whether any provisions of SB 7 pose constitutional issues.

Moral turpitude

In general, a crime involving moral turpitude is one based on an action that is immoral or wrong in itself because it gravely violates moral sentiment or accepted moral standards of a community, not just because the legislature has prohibited the action. In legal terms, the difference is between an offense that is *malum in se* (a wrong in itself), and an offense that is *malum prohibitum* (wrong because it is prohibited). A statutory definition of felonies involving moral turpitude is provided at AS 15.80.010(9):

> (9) "felony involving moral turpitude" includes those crimes that are immoral or wrong in themselves such as murder, manslaughter, assault, sexual assault, sexual abuse of a minor, unlawful exploitation of a minor, robbery, extortion, coercion, kidnapping, incest, arson, burglary, theft, forgery, criminal possession of a forgery device, offering a false instrument for recording, scheme to defraud, falsifying business records, commercial bribe receiving, commercial bribery, bribery, receiving a bribe, perjury, perjury by inconsistent statements, endangering the welfare of a minor, escape, promoting contraband, interference with official proceedings, receiving a bribe by a witness or a juror, jury tampering,

---

[1] **Disqualifications.** No person may vote who has been convicted of a felony involving moral turpitude unless his civil rights have been restored. No person may vote who has been judicially determined to be of unsound mind unless the disability has been removed.

> misconduct by a juror, tampering with physical evidence, hindering prosecution, terroristic threatening, riot, criminal possession of explosives, unlawful furnishing of explosives, promoting prostitution, criminal mischief, misconduct involving a controlled substance or an imitation controlled substance, permitting an escape, promoting gambling, possession of gambling records, distribution of child pornography, and possession of child pornography[.][2]

Article V, section 2

Article V, sec. 2 provides that "[n]o person may vote who has been convicted of a felony involving moral turpitude unless his civil rights have been restored." It is not clear how an Alaska court would interpret this provision. The Alaska Supreme Court has not yet addressed what constitutes "civil rights" for the purposes of this clause. The section's reference to "civil rights" must include rights other than the right to vote, otherwise the provision would be unnecessary.

Origins of the provision

The minutes of the constitutional convention provide some insight, but no definitive answer, as to how "civil rights" in art. V, sec. 2 should be interpreted. The only discussion and debate of the provision (that would become art. V, sec. 2) occurred on December 15, 1955.[3] On that day, delegate John S. Hellenthal, chairman of the convention's committee on suffrage, elections and apportionment, described a debate the committee had when drafting "Committee Proposal No. 1. Article on Suffrage and Elections":

> HELLENTHAL: The reason that the [term "moral turpitude"] was used was that not all felonies involve moral turpitude, not all. There are some felonies that do not and the term "moral turpitude" is a generally accepted word. Now we adopted this language on the advice of the adviser who agreed with that contention and who felt that we should not require all persons convicted of any felony to have to go before the pardon board. Now that was the reason for the language. Other language that was rejected was "a felony of serious nature". Another suggestion was

---

[2] Note that under AS 15.05.030, a person may not vote if convicted of a crime that is a felony involving moral turpitude under state *or federal* law. No single definition of a crime or felony involving moral turpitude is provided under federal law. A good summary of the interpretation of the term, and the manner in which a court determines that a crime involves "moral turpitude" can be found in Nicanor-Romero v. Mukasey, 523 F.3d 992, 997 - 1000 (9th Cir. 2008) (summarizing Ninth Circuit law on moral turpitude and recognizing that the court has not relied on a consistent or easily applied set of criteria to identify crimes of moral turpitude) overruled on other grounds by Marmolejo-Campos v. Holder, 558 F.3d 903 (9th Cir. 2009).

[3] Minutes of the Constitutional Convention, Day 38 at 866 - 910.

> "convicted of an infamous crime". ***There was one group in the Committee who felt that any person who served his time should automatically be restored to his civil rights. The majority definitely felt, and later the unanimous opinion of the Committee was that construction would not be sound.*** But they felt that not all convicted felons should have to go before the pardon board but only those of the more serious felonies. Now, Alaska has a fairly good criminal code, but throughout the United States there are many many offenses which in Alaska are misdemeanors, are considered felonies, and vice versa, and that is why the moral connotation was added and only that.

Minutes of the Constitutional Convention, at 890 - 891 (emphasis added) .

There is no record of any delegate taking issue with the judgment of the committee (as described by Hellenthal) on this point.

Note also, in the committee's original proposal, the "Disqualification" section read:

> No person judicially determined to be of unsound mind and no person convicted of a felony involving moral turpitude, ***unless pardoned and restored to his civil rights***, shall be qualified to vote in any State or local election.

Minutes of the Constitutional Convention, "Appendix V. Committee Proposals" (emphasis added).[4]

Interpreting "civil rights"[5]

Federal law prohibits a convicted felon from possessing a firearm unless the felon's civil rights have been restored under state law. 18 U.S.C. 921(a)(20). The federal statute does not define "civil rights." For purposes of this statute, federal circuit courts have interpreted "civil rights" to include the right to vote, the right to seek and hold public office, and the right to serve on a jury. United States v. Dahms, 938 F.2d 131, 133 (9th Cir. 1991); United States v. Leuschen, 395 F.3d 155 (3d Cir. 2005) (appellant did not qualify for the restoration of civil rights defense because his right to sit on a jury had not been restored under Pennsylvania law).

---

[4] Though the record isn't clear, it seems that the committee on style and drafting removed the "*pardoned and*" language from the provision.

[5] The term "civil rights" has not had a fixed life in the law. Rights that were once considered as "political" (the right to vote) or "social" (right of unimpeded access to public accommodations) are now recognized as civil rights. See e.g. Voting Rights Act of 1965, 42 U.S.C. §§ 1973 - 1973aa-6 (2006) and Americans with Disabilities Act of 1990, 42 U.S.C. §§ 1201-12213 (Supp. 2008).

The Alaska Court of Appeals has addressed this statute as well, concluding that under Alaska law "defendants on probation or parole can not serve as jurors" and "[t]his disqualification means that, for purposes of federal firearms laws, [the defendant's] civil rights have not been restored." Barry v. State, 925 P.2d 255, 257 (Alaska App. 1996). The prohibition on felons serving as jurors is found in AS 33.30.241(b).[6] Another case dealing with juror qualifications makes a passing reference to "civil rights -- such as the right to vote or to carry a firearm." Singleton v. Alaska, 921 P.2d 636, 638 (Alaska App. 1996).

These cases do not specifically address art. V, sec. 2 of the Constitution of the State of Alaska, and they would not be binding on the Alaska Supreme Court as it interprets that provision. But, they are an indicator of how a court would interpret art. V, sec. 2 if required to do so. It is my legal opinion that an Alaska court is likely to interpret "civil rights" under art. V, sec. 2 to include the right to vote, the right to seek and hold public office, and the right to serve on a jury.

Parolees and probationers

Less clear is whether persons on parole or probation, would be considered by a court to have had their civil rights restored for the purposes of art. V, sec. 2. Under current law, "'unconditional discharge' means that a defendant is released from all disability arising under a sentence, including probation and parole." AS 12.55.185(18). This definition applies to the term as it is used in AS 09.20.020 (relating to qualifications of jurors), AS 15.05.030 (loss and restoration of voting rights), and AS 33.30.241 (effect of judgment of conviction on civil rights).[7]

Perhaps telling of how an Alaska court might approach the issue is Roman v. State, 570 P.2d 1235 (Alaska 1977). In Roman, the Alaska Supreme Court held that the Alaska

---

[6] **Sec. 33.30.241. Effect of judgment of conviction on civil rights.** (a) A person who is convicted of a felony involving moral turpitude as defined in AS 15.80.010 is disqualified from voting in a state or municipal election until the person's unconditional discharge.

(b) A person who is convicted of a felony is disqualified from serving as a juror until the person's unconditional discharge.

(c) In this section "unconditional discharge" has the meaning given in AS 12.55.185.

[7] The statutes have not always been so clear regarding the status of a person on parole or probation. See 1985 Op. Atty Gen. No. 103, File No. 366-333-85 (January 29), 1985 Alas. AG LEXIS 312 (under AS 33.30.310, repealed in 1986, which referred to "imprisonment" suspending a person's civil rights, some opinions of the attorney general said that "parolees and those under suspended sentences may vote, while others [said] they may not.")

constitution entitles a released offender, whether a probationer or parolee,[8] to the same protections against search and seizure as an ordinary person.

> Any justification for treating parolees differently from any other person must stem from their special status. They are entitled to all rights accorded other persons except where valid purposes of parole require restrictions. Clearly, parole authorities have a special interest in the otherwise private affairs of the parolee. Most courts and commentators and some legislatures, however, have recognized that parole conditions must be reasonably related to the rehabilitation of the offender and the protection of the public and must not be unduly restrictive of liberty.

Id. at 1240 (internal citations omitted).

It remains to be seen whether an Alaska court would hold that there is a state justification for preventing persons who are no longer incarcerated, but not yet free of a condition of probation or parole, from voting due to a valid purpose of parole or probation.

Constitutional issues posed by SB 7

If SB 7 raises a constitutional issue, it relates to the substance of the bill. Is it constitutional to permit a person, who has been convicted of a felony involving moral turpitude, to vote and to serve on a jury once released from incarceration? This returns us to how art. V, sec. 2 of the state constitution might be interpreted by a court. If a court interprets "civil rights" broadly, equating it with a felon's "unconditional discharge," then SB 7 would be found to be unconstitutional.

> "The interpretation of a statute or constitutional provision is a question of law to which we apply our independent judgment. 'We interpret the constitution and Alaska law according to reason, practicality, and common sense, taking into account the plain meaning and purpose of the law as well as the intent of the drafters.'"

West v. State, 2010 Alas. LEXIS 80, 12 - 13 (Alaska Aug. 6, 2010) citing Parsons v. State, 189 P.3d 1032, 1036 (Alaska 2008), quoting Native Vill. of Elim v. State, 990 P.2d 1, 5 (Alaska 1999).

Again, the Alaska Supreme Court has not addressed "civil rights," or what the "restoration" of these rights might mean for the purposes of the clause. if the court is to look to the intent of the drafters, the words of delegate Hellenthal - "*There was one group in the committee who felt that any person who served his time should automatically be restored to his civil rights. The majority definitely felt, and later the unanimous opinion of the committee* [*on suffrage, elections, and apportionment*] *was that construction would*

---

[8] Roman, 570 P.2d at 1237, n.3.

not be sound[,]" and the "*unless pardoned*" language included in the committee's original proposal, could be interpreted as expressive of an intent that runs contrary to SB 7's restoration of the right to vote upon release from incarceration (for persons convicted of a felony involving moral turpitude).

What weight might the court assign these fragments of information from Alaska's constitutional convention? It's not clear. The "unless pardoned" language was not in the convention's final product, and it was not the language the voters of the territory ratified on April 24, 1956. What should the opinion of the seven committee members say about "the intent of the drafters" or the voters who ratified the constitution? A court will apply it's own independent judgment as to the persuasive value of these points of information and it's not clear how this information might be assessed.

Note too, that a court's interpretation of art. V, sec. 2 will not occur in a vacuum. The subject of what "civil rights" are is complex. The question of whether a person who has been convicted of a felony involving moral turpitude may vote, or serve on a jury, involves both contemporary and half-century old understandings of what "civil rights" are; what a "fair cross section of a community" is for the purpose of constituting a jury;[9] and an evaluation of the justifications for preventing a person, who has been convicted of a felony involving moral turpitude and subsequently released (from incarceration), from casting a vote or serving on a jury.

Senate Bill 7 is not clearly unconstitutional. However, if challenged, those portions of the bill that would restore the right to vote to felons on probation or parole might be found to violate art. V, sec. 2 of the state constitution.

If you have questions, or if I can be of further assistance, please do not hesitate to contact me.

TLAB:plm:med
11-088.plm

---

[9] See Lestenkof v. State, 229 P.3d 182, 184 (Alaska 2010) citing Alvarado v. State, 486 P.2d 891, 902-03 (Alaska 1971) ("The jury venire must include a "fair cross section" of the community in which the alleged offense occurred.")

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **SB 7**
() Publish Date 1/21/2011

Identifier (file name) SB7-DOC-OC-02-01-11
Title "An Act relating to the civil rights of felons"
Sponsor Senator Davis
Requester State Affairs Committee

Dept. Affected DOC
Appropriation Administration & Support
Allocation Statewide Probation & Parole
OMB Component Number 684

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**	**	**	**	**	**	**
CAPITAL EXPENDITURES	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**	**	**	**	**	**	**

Estimate of any current year (FY2011) cost **

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

This is the first version of the bill.

Prepared by Leslie Houston, Director — Phone 465-3339
Division Dept. of Corrections - Administrative Services — Date/Time 2/1/2011 12:30 p.m.
Approved by Joseph D. Schmidt, Commissioner — Date 2/1/2011
Dept. of Corrections

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. SB 7

Analysis

Passage of this legislation will have potential impact on the Department of Corrections, specifically in the Division of Probation & Parole, as they would be responsible for providing written notification to the person receiving restored rights to vote as well as notification to the Division of Elections. This would create a significant increase in workload to DOC. In 2008 the Department of Corrections released 1,732 individuals on parole and 6,708 individuals on probation. In 2009 the Department of Corrections released 1,939 individuals on parole and 6,747 on probation. The number of individuals released from incarceration annually is significant.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: **SB7**
() Publish Date

Identifier (file name) SB007-OOG-DOE-1-31-11
Title: "An Act relating to the civil rights of felons."
Sponsor: Senator Davis
Requester: Senate State Affairs Committee

Dept. Affected: OOG
Appropriation: Elections
Allocation: Elections
OMB Component Number: 21

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by: Gail Fenumiai, Director — Phone: 465-2644
Division: Division of Elections — Date/Time: 1/31/2011, 3:03pm
Approved by: Linda Perez, Administrative Director — Date: 1/31/2011
Office of the Governor

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. SB7

Analysis

This legislation has no fiscal impact for the Division of Elections.

PROCESSING FELONS

A person convicted of a felony involving moral turpitude cannot vote in a state or municipal election from the date of conviction through date of unconditionally discharged. The Division is notified in different ways by the Department of Corrections when a person has been convicted of a felony or has been discharged from a felony. Region III receives a statewide list of felons each month by the Department of Corrections and processes the names on the list. Each Regional Office receives notification from Department of Corrections and probation offices also of those who have been convicted or have been discharged.

FELONY CONVICTION

Prior to placing a felony conviction on a voter's record, staff must verify the conviction was for a felony involving moral turpitude. AS 15.60.010(9) provides a sample list. If the felony is not included in this list, the Division asks the AG's Office for advice on whether or not the felony involves moral turpitude.

When processing the Department of Corrections list of convicted felons, all information on the list must match the information on the voter's record before inactivating the record. Update the condition code of the voter's record to FC (felon convicted) and use the date of conviction as the suspend date. The list is the supporting document for microfilming and should be coded as SC (status change).

If the Regional Offices are notified by Corrections of a felony conviction, inactivate the voter's record in VREMS 1.10 using the FC code and suspend date of the conviction. All information on the letter must match the information on the voter's record before you change the status. Any type of condition code can be changed to a FC status including inactive voters and purged voters. The only code in VREMS that cannot be changed with an FC would be XX (deceased).

FELONY DISCHARGE

Department of Corrections sends the Regional Office a "Notification of Restoration of Rights" letter when a felon has been discharged. Update the voter's status from FC to FD in VREMS 1.10, using the date of discharge as the restored date. The information on the letter must match the information on the voter's record before you change the status. The letter is the supporting document for microfilming and should be coded as FD (felon discharge) and included with the SD documents. The voter must re-register to vote to activate the record.

If a Notification of Restoration of Rights letter is received for a voter record who has a condition code other than FC, the condition code must be updated first to FC, using the day prior to the felon's discharge date as the suspend date, and then to FD using the discharge date as the restored date. This applies even if the voter is listed as an active registered voter. This situation occurs when the Department of Corrections does not send the original notification when a felony occurs. The Notification of Restoration of

Rights letter is the supporting document for microfilming and should be coded as both FC and FD. If you change an active registered voter to FD that has a current registration date, the voter should be sent a letter indicating he or she can now re-register to vote.

If the Notification of Restoration of Rights letter does not have enough information to determine either the correct voter or the felony, contact Corrections to verify the information needed before updating the voter record. Also use the Court Records website to determine the felony or discharge dates (www.courtrecords.alaska.gov/)

Felony charges NOT involving moral turpitude, per AG's Office responses

- DUI
- Furnish alcohol to minor
- Misconduct involving weapons
- Probation violation (would apply if the violation was for a conviction of a felony involving moral turpitude)
- Stalking
- License or permit required for Alcoholic Beverages
- Failure to register as a sex offender

STATE OF ALASKA

DEPARTMENT OF CORRECTIONS

SEAN PARNELL, GOVERNOR
Division of Probation & Parole
Region 2, Fairbanks Office
455 3rd Avenue, Suite 130
Fairbanks, Alaska 99701
(907) 458-6830

January 28, 2011

[redacted]

RECEIVED
FEB 02 2011
REGION III
OFFICIAL

Re: Probation Supervision in case [redacted]

Dear [redacted]

This letter is to serve as official notification that your probation supervision expired on January 25, 2011 and contact with the Fairbanks Probation Office is no longer required.

Pursuant to AS 15.05.030, please be advised that you should re-register with the Division of Elections (P.O. Box 110017, Juneau, AK 99811-0017), now that you have been discharged from probation supervision. Also, please be advised that your right to vote (after contacting Division of Elections), your right to be a member of a jury, and your right to hold elected office are automatically restored.

Although your above rights have been restored [rights to vote, jury service, and to hold elected office], you should be aware that your right to possess firearms (all shotguns, rifles, as well as handguns) and ammunition remains restricted. Possession of any rifle, shotgun, rifle and/or ammunition could subject you to prosecution for a felony criminal offense under state or federal law. Even if you received a suspended imposition of sentence and an order has been issued setting aside the conviction, your right to possess firearms and ammunition has not been restored. You should contact your attorney if you have questions.

Thank you for your cooperation during your probation/parole supervision and best of luck to you in the future. If you have any questions concerning this subject or any other matter, please contact me.

Sincerely,

Samantha M. Zinsli
Criminal Justice Technician II

CC: Director, Division of Elections
File
Clerk of Court

20-808.08

Sec. 15.80.007. Sale of voter registration and election management software. The director may sell voter registration and election management system data processing software. (§ 18 ch 36 SLA 1990)

Revisor's notes. — Formerly AS 15.60.007. Renumbered in 2010.

Sec. 15.80.008. Recognized political party status. (a) A political group that the director has not recognized as a political party may obtain recognized political party status if, on or before May 31 of the election year for which the political group seeks recognition, the political group

(1) files an application with the director;

(2) submits bylaws to the director and the United States Department of Justice as required of political parties in AS 15.25.014; and

(3) meets the definition of a political party in AS 15.80.010.

(b) The director shall verify that each political group seeking recognized political party status under (a) of this section and each recognized political party meets the definition of a political party in AS 15.80.010.

(c) The director shall perform a verification described in (b) of this section at least once a month after the date of certification of the preceding general election, except that the director may suspend the monthly verifications on and after June 1 and before November 30 of a general election year. For purposes of (b) of this section, the director shall verify that the voters who have submitted registration forms to the division of elections are qualified under AS 15.05.010 and have declared affiliation with the political group or recognized political party for which the verification is performed.

(d) Within 10 days after a verification under (c) of this section, the director shall provide to a political group seeking recognized political party status under (a) of this section written notification when the political group has obtained recognized political party status.

(e) The director may not withdraw recognized political party status from a political group that no longer qualifies as a political party until after the first verification after a general election at which a governor was elected. The director shall notify the political group in writing of the withdrawal of recognition. (§ 56 ch 2 FSSLA 2005)

Revisor's notes. — Formerly AS 15.60.008. Renumbered in 2010, at which time "AS 15.80.010" was substituted for "AS 15.60.010" in (a)(3) and (b) of this section to reflect the 2010 renumbering of AS 15.60.010.

Sec. 15.80.010. Definitions. In this title, unless the context otherwise requires,

(1) "absentee voting official" means a person appointed to serve as an absentee voting official in accordance with AS 15.20.045;

(2) "ballot" means any document provided by the director on which votes may be cast for candidates, propositions, or questions;

(3) "director" means the director of elections who is the chief elections officer of the state appointed in accordance with AS 15.10.105(a);

(4) "division" means the division of elections created under AS 15.10.105;

(5) "election board" means the board appointed in accordance with AS 15.10.120;

(6) "election official" means election board members, members of counting or review boards, employees of the division of elections, and absentee voting officials;

(7) "electronically generated ballot" means any ballot other than a paper ballot that is physically marked by the voter using a writing instrument or a mechanical device;

(8) "federal election" means a general, special, or primary election held solely or in part for the purpose of selecting, nominating or electing a candidate for the office of President, Vice-President, presidential elector, United States senator, or United States representative;

(9) "felony involving moral turpitude" includes those crimes that are immoral or wrong in themselves such as murder, manslaughter, assault, sexual assault, sexual abuse of a minor, unlawful exploitation of a minor, robbery, extortion, coercion, kidnapping, incest, arson, burglary, theft, forgery, criminal possession of a forgery device, offering a false instrument for recording, scheme to defraud, falsifying business records, commercial bribe receiving, commercial bribery, bribery, receiving a bribe, perjury, perjury by inconsistent statements, endangering the welfare of a minor, escape, promoting contraband, interference with official proceedings, receiving a bribe by a witness or a juror, jury tampering, misconduct by a juror, tampering with physical evidence, hindering prosecution, terroristic threatening, riot, criminal possession of explosives, unlawful furnishing of explosives, promoting prostitution, criminal mischief, misconduct involving a controlled substance or an imitation controlled substance, permitting an escape, promoting gambling, possession of gambling records, distribution of child pornography, and possession of child pornography;

(10) "general election" means the election held on the Tuesday after the first Monday in November of even-numbered years;

(11) "hand-counted ballot" means a ballot designated to be counted by hand in precincts where precinct tabulators are not available;

(12) "house district" means one of the districts described in art. VI, sec. 1, Constitution of the State of Alaska;

(13) "judicial district" means one of the districts defined in AS 22.10.010;

(14) "lieutenant governor" includes an appointed lieutenant governor, governor, or acting governor if a vacancy has occurred in the office of lieutenant governor or governor;

(15) "limited political party" means a political group which organizes for the purpose of selecting candidates for electors for President and Vice-President;

(16) "local election" means a regular or special election held by a borough, city, school district, or regional educational attendance area;

(17) "master register" means the list of all registered voters in the state which is maintained by the director of elections;

(18) "member of a political party" means a person who supports the political program of a party;

(19) "numerical identifier" means a voter's date of birth, the last four digits of a voter's social security number, a voter's Alaska driver's license number, or a voter's Alaska identification card number or voter identification number;

(20) "oath" includes affirmation;

(21) "official registration list" means the list of all voters qualified to vote at a particular election compiled in accordance with AS 15.07.125;

(22) "optically scanned ballot" means a paper ballot designed to be read by an optical scanning machine;

(23) "party district committee" means the political party committee that performs the executive function for a region representing an area larger than a precinct and smaller than the state;

(24) "political group" means a group of organized voters which represents a political program and which does not qualify as a political party;

(25) "political party" means an organized group of voters that represents a political program and

(A) that nominated a candidate for governor who received at least three percent of the total votes cast for governor at the preceding general election or has registered voters in the state equal in number to at least three percent of the total votes cast for governor at the preceding general election;

(B) if the office of governor was not on the ballot at the preceding general election but the office of United States senator was on that ballot, that nominated a candidate for United States senator who received at least three percent of the total votes cast for

Michelle Sydeman

From: Walt Monegan [wmonegan@anjc.net]
Sent: Thursday, February 03, 2011 9:11 AM
To: Michell_Sydeman@legis.state.ak.us
Cc: Celeste Hodge

Michell - I intend to "sit-in" via teleconference, and though I wholeheartedly would support returning the vote to felons, I have some questions about jury duty. In my 35 year career in law enforcement, though subpoenaed many times, I have never been selected for jury duty, neither for criminal nor civil cases. Judges have explained that though they would believe me to be impartial, it was the appearance that my position would naturally favor on the side of the prosecution that must be avoided. This bill would similarly then place those currently in the "system" to also have the appearance of leaning toward a "side" of the case; so I would suspect that any felon, though perhaps selected, would not serve anyway.

I also must ask if the eventual intent is to return weapons to felons, which when considering a Rural / subsistence life style, I would be interested in weighing in such a discussion.

-Walt Monegan

Alaska Native Justice Center

MODEL TESTIMONY: ALASKA, FEBRUARY 2007

Testimony of

DANIEL LEVITAS

On behalf of

THE AMERICAN CIVIL LIBERTIES UNION

On

SB 7

AN ACT RELATING TO THE VOTING RIGHTS OF INDIVIDUALS WITH FELONY CONVICTIONS

Before the

STATE AFFAIRS COMMITTEE
IN THE TWENTY-FIFTH LEGISLATURE - FIRST SESSION
STATE OF ALASKA

February 22, 2007

Good afternoon Madam Chairman and members of the Committee. Thank you very much for the opportunity to testify today on SB 7, a measure addressing the voting rights of persons with felony convictions in Alaska. I urge your support for this important legislation.

My name is Daniel Levitas and I am a consultant to the American Civil Liberties Union on the issue of felon enfranchisement and am based in Atlanta, Georgia. Founded in 1920, the ACLU is a non-profit, nonpartisan organization with more than 500,000 members nationwide dedicated to preserving and protecting civil liberties and civil rights.

Currently there are an estimated 5.3 million Americans who are disfranchised as a result of a prior criminal conviction, including approximately 11,132 persons in Alaska, which represents 2.42% of the state's voting age population.[1] It is especially important to note that the majority of Alaska's disfranchised population is *not* in prison or jail, but actually living in the community. In fact, slightly more than half the 11,132 disfranchised persons in Alaska, or 6,010 people, are on felony probation (5,083 and 46%) or parole (927 and 8%).

Currently Alaska is one of 19 states where the right to vote is automatically restored upon completion of sentence, including the term of incarceration, probation and parole.

However, there are a growing number of states—20 to be exact—whose disfranchisement policies are less harsh than Alaska's and whose policies are likely to promote more effective reintegration of people with felony convictions. I hope that you and your colleagues in the Alaska legislature will give strong consideration to embracing this trend with the adoption of SB 7.

For example, in 13 states and the District of Columbia (including Oregon, Montana, Utah and Indiana), individuals with felony convictions can vote automatically upon release from prison.[2] In five

other states voting rights are restored automatically after release from prison and discharge from parole, but probationers may vote.[3] And in two states—Maine and Vermont—there are no felon disfranchising provisions.

In taking up SB 7, Alaska policymakers are hardly alone in considering less restrictive disfranchising provisions. Over the past ten years there has been a broad national trend of adopting less restrictive measures with 16 states implementing positive reforms to their felon disfranchisement policies. And legislators in Colorado and Washington State are currently debating measures nearly identical to SB 7, which would fully enfranchise all persons upon release from incarceration. And just last fall, Rhode Island voters approved a statewide ballot initiative that restored voting rights to approximately 15,000 individuals on parole and probation in that state.

This trend is also one that enjoys support across the political spectrum. While testifying last summer in favor of renewing the expiring provisions of the Voting Rights Act, former Cabinet Secretary Jack Kemp declared his support for felon enfranchisement. And Florida's new Governor, Charlie Crist, who said during his campaign that he favored instituting automatic restoration of voting rights, was recently scheduled to meet personally with Kemp to discuss how to move forward on this issue. In Virginia, one of only three states that still permanently disfranchise felony offenders, the Republican controlled state senate voted overwhelmingly early this month in favor of a constitutional amendment that would allow the General Assembly to restore voting rights to formerly incarcerated individuals who committed nonviolent crimes.

In Alaska, as is the case elsewhere in the United States, the vast majority of inmates are going to return to their communities. It is therefore in our collective interest for people with felony convictions to function as responsible taxpayers and citizens, recognizing the full range of their responsibilities to society. Passage of SB 7 would help facilitate this goal by enabling more people with prior felony convictions to vote and thereby giving them a higher stake in their Alaska communities. After all, people on probation and parole are law-abiding citizens who are living in the community, working or seeking work, raising their families and paying taxes.

Restricting voting rights does not prevent crime or provide compensation to victims. Instead, disfranchising people following their release from incarceration accomplishes exactly the opposite of what we should be doing to promote re-entry. In this way, prolonged disfranchisement of citizens with criminal convictions after their release from incarceration is actually harmful to the prospects for sustainable reintegration of people with felony convictions into society. In fact, extending the right to vote to individuals who are released from incarceration is also likely to reduce the chances that they will re-offend as recent research finds a link between voting participation and re-offense: people who voted after release from supervision were half as likely to be re-arrested as those who did not vote.[4] Similar effects were found among people with a prior arrest; 27% of non-voters were re-arrested, compared to 12% of people who had voted. [5]

In contrast, maintaining Alaska's current policy of disfranchising offenders who are deemed safe enough to be living and working in local communities on probation or parole can only discourage these offenders from becoming productive members of society, enhance their likelihood of re-arrest, and weaken democratic institutions by decreasing participation in the voting process.

Overall, criminal disfranchisement also has a disproportionate impact on minority communities. While disfranchisement policies prevent 2.5% of the total population from voting nationwide, they prevent 13% of the total population of African American men from casting a ballot.[6] In Alaska, while the majority of individuals with felony convictions are Caucasian, felony disfranchisement still has a very significant racially disproportionate effect. For example, 1,469 of the 11,132 Alaskans who are disfranchised as a result of a felony conviction are African American, which represents 7.6% of the overall black voting age population in the state. This compares with the aforementioned disfranchisement rate of just 2.4% for all

voters (including minorities). Put another way, African Americans are disfranchised at a rate nearly four times that of whites in Alaska as a result of current disfranchisement policy.

Alaska Natives are similarly impacted. According to state Department of Corrections statistics, in 2000, Alaska Natives constituted 31%[7] of the total disfranchised population, though they comprised only 15.6% of the total population.[8] And of the 5,046 persons on probation and parole as of December 2003, approximately 55% (or 2,774 persons) were white, while 28% were Alaska Natives, and approximately 9% were African American, which is more than double the state's 3.7% black population.[9] The remaining 6% of parolees and probationers were divided roughly equally between Latinos and Asian Americans/Pacific Islanders.

Voting is a fundamental right and a civic duty. As the U.S. Supreme Court stated in its landmark 1964 decision, Reynolds v. Sims, *"The right to vote freely for the candidate of one's choice is of the essence of a democratic society, and any restrictions on that right strike at the heart of representative government."*[10]

Thank you very much.

---

[1] Alaska's voting age population was 459,529 people as of December 31, 2004 – the date for which we have the most recent comprehensive data on disfranchised persons.

[2] The 13 states are: HI, IL, IN, MA, MI, MT, NH, ND, OH, OR, PA, RI, UT.

[3] The five states are: CA, CO, CT, NY, and SD.

[4] Jeff Manza & Christopher Uggen. "Voting and Subsequent Crime and Arrest: Evidence from a Community Sample." Columbia Human Rights Law Review 36, No. 1 (2004) 193-215.

[5] Ibid.

[6] Jeff Manza and Christopher Uggen, *Locked Out: Felon Disenfranchisement and American Democracy*, (USA: Oxford University Press, 2006), Table A3-3, p. 248 and Table A3-4, p. 251.
See, also: The Sentencing Project and Human Rights Watch, "Losing the Vote. The Impact of Felony Disenfranchisement Laws in the United States," (October 1998).

[7] Alaska Department of Corrections. "2003 Offender Profile" (2003). p. 11, 66. Accessed: January 22, 2007 <http://www.correct.state.ak.us/corrections/admin/docs/profile2003.pdf>

[8] US Census Bureau, "Profile of General Demographic Characteristics: Alaska." (April 1, 2000). Accessed: January 22, 2007 http://factfinder.census.gov/servlet/QTTable?_bm=y&-geo_id=04000US02&-qr_name=DEC_2000_SF1_U_DP1&-ds_name=DEC_2000_SF1_U&-_lang=en&-_sse=on

[9] http://www.correct.state.ak.us/corrections/admin/docs/profile2003.pdf

[10] Reynolds v. Sims. 377 U.S. 533 (1964).

National Conference of State Legislatures

LEGISBRIEF

BRIEFING PAPERS ON THE IMPORTANT ISSUES OF THE DAY

APRIL-MAY 2009 VOL. 17, NO. 23

Felon Voting Rights

By Jennie Drage Bowser

Some felons never lose their right to vote.

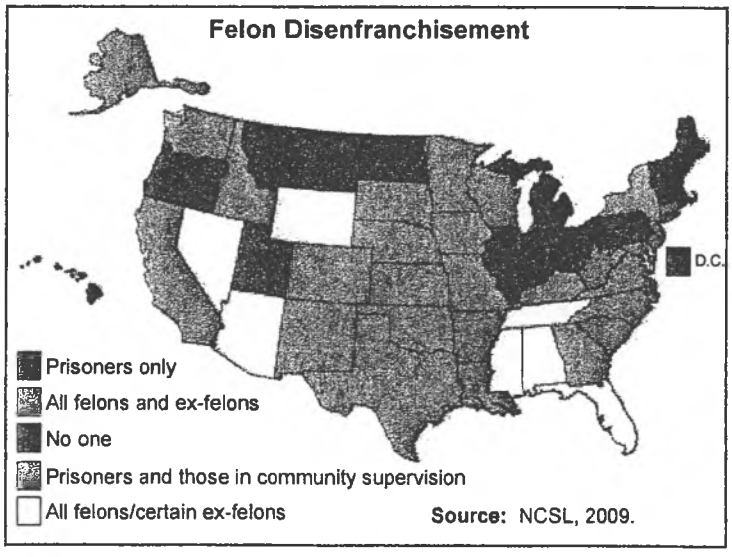
State approaches to felon disenfranchisement vary tremendously. In Maine and Vermont, felons never lose their right to vote. In Kentucky and Virginia, felons and ex-felons permanently lose their right to vote absent a pardon from the governor. The remaining 46 states have 46 different approaches to the issue.

According to the Washington, D.C.-based advocacy group, The Sentencing Project, 5.3 million Americans who were otherwise eligible to vote in 2008 were prevented from doing so due to a felony conviction. Of these, 2.1 million were ex-offenders who had served their sentences, 1.4 million were African-American men, and more than 676,000 were women.

Some states allow those serving a prison sentence to vote.

Categories of Disenfranchisement.

- In Maine and Vermont, felons do not lose their right to vote; even felons who are serving a prison sentence can vote.
- In 13 states and the District of Columbia, felons are ineligible to vote only while serving a prison sentence. Ex-offenders and people on probation and parole can vote.
- In 25 states, prisoners and people under community supervision (probation and/or parole) are ineligible to vote, but ex-offenders are eligible.
- In eight states, all felons in prison and those in community supervision, as well as certain ex-offenders, are ineligible to vote.
- In Kentucky and Virginia, all felons and ex-offenders are permanently ineligible to vote, absent a pardon.



All ex-offenders are eligible to vote in 40 states.

How Rights Are Restored. In 38 states, felons' voting rights are automatically restored upon completion of their sentence, which in some states includes probation and parole. In five states, certain ex-offenders are barred for life from voting, while the rights of others—generally first-time,

National Conference of State Legislatures

Executive Director
William T. Pound

Denver
7700 East First Place
Denver, Colorado 80230
Phone (303) 364-7700
www.ncsl.org

Washington, D.C.
444 North Capitol Street, NW, Suite 515
Washington, D.C. 20001
Phone (202) 624-5400

non-violent offenders—are restored automatically upon completion of their sentence. In the three remaining states where felons lose and can regain their voting rights, certain ex-offenders are barred from voting for life, while others can apply to have their rights restored.

Re-registering to vote often is a daunting process.

Barriers to Restoration of Voting Rights. Even in states where ex-offenders automatically regain the right to vote upon completion of their sentence, the process of re-registering to vote often is difficult. One reason is the complexity of the laws and processes surrounding disenfranchisement. In some cases, it is difficult to determine whose rights can be restored. This can vary according to the date of the crime, the conviction or the release from prison, or to the nature of the crime. The complex restoration process also can be daunting. It often involves lengthy paperwork, burdensome documentation, and involvement of several state agencies.

A second barrier to restoration of voting rights for ex-offenders is the often inconsistent communication among agencies. The methods of communicating the loss and restoration of voting rights among courts, corrections and elections officials are not always reliable, timely or consistent. This inconsistency can result in uneven application of the law, even when the laws are clear.

Another barrier is lack of information. Ex-offenders sometimes are not aware that they regain their voting rights automatically upon completion of their sentence. They go through life believing they cannot vote when, in fact, they can. In other cases, they are not informed of the process for regaining their rights or offered assistance in doing so. As long as they remain ignorant of the necessary steps, ex-offenders cannot begin the process of regaining voting rights.

A final obstacle is under-funding of parole boards in some states where offenders must apply to have their rights restored. A massive backlog of applications can exist because the agencies do not have adequate staff or resources to process them in a timely manner.

Most recent legislation seeks to expand felon voting rights.

State Action Most recent state legislation seeks to expand felon voting rights and ease the process of restoration. Between 1996 and 2008, 28 states passed new laws on felon voting rights.

- Seven repealed lifetime disenfranchisement laws, at least for some ex-offenders.
- Two gave probationers the right to vote.
- Seven improved data-sharing procedures among state agencies.
- Nine passed requirements that ex-offenders be given information and/or assistance in regaining their voting rights at the time they complete their sentence.
- Twelve simplified the process for regaining voting rights, for instance, by eliminating a waiting period or streamlining the paperwork process.

To date in 2009, 79 bills addressing the voting rights of felons and ex-offenders have been introduced in 25 state legislatures. In the 2007-2008 biennium, 129 bills were introduced in 27 states.

Contacts for More Information

Jennie Drage Bowser
NCSL—Denver
(303) 364-7700, ext. 1356
jennie.bowser@ncsl.org

NCSL's Election Legislation Database
www.ncsl.org/programs/legismgt/elect/elections.cfm

The Sentencing Project
www.sentencingproject.org

NCSL
NATIONAL CONFERENCE of STATE LEGISLATURES

GO

Contents

Background and History
The Face of Disenfranchisement
Categories of Disenfranchisement
How Rights Are Restored
Barriers to the Restoration of Rights
Recent Trends in State Action

For More Information

For more information on felon voting rights, contact Jennie Drage Bowser at 303-364-7700.

Felon Voting Rights

In 48 of the 50 states, at least some felons -- and in some states, all felons and ex-offenders -- lose their right to vote.

Background and History

The idea of taking away a criminal's right to vote has been around since ancient Greece and Rome. A condition called "civil death" in Europe involved the forfeiture of property, the loss of the right to appear in court, and a prohibition on entering into contracts, as well as the loss of voting rights. Civil death was brought to America by English colonists, but most aspects of it were eventually abolished, leaving only felon disenfranchisement intact in some parts of modern America.

The Face of Disenfranchisement

According to The Sentencing Project, 5.3 million Americans (1 in 40 adults) were unable to vote due to a felony conviction in the 2008 elections. This included 1.4 million African-American men, more than 676,000 women, and 2.1 million ex-offenders who have completed their sentences.

Categories of Disenfranchisement

State approaches to felon disenfranchisement vary tremendously. In Maine and Vermont, felons never lose their right to vote. In Kentucky and Virginia, felons and ex-felons permanently lose their right to vote absent a pardon from the governor. The remaining 46 states have 46 different approaches to the issue.

MAP HERE

In Maine and Vermont, felons do not lose their right to vote; even felons serving a prison sentence can vote.

In 13 states and the District of Columbia, felons are ineligible to vote only while serving a prison sentence. Ex-offenders and people on probation and parole can vote.

In 25 states, prisoners and people under community supervision (probation and/or parole) are ineligible to vote, but ex-offenders are eligible.

In eight states, all felons in prison and under community supervision, as well as certain ex-offenders, are ineligible to vote.

In Kentucky and Virginia, all felons and ex-offenders are permanently ineligible to vote, absent a pardon.

How Rights Are Restored

In 38 states, felons' voting rights are automatically restored upon completion of their sentence, which in some states includes probation and parole. In five states, certain ex-offenders are barred for life from voting, while the rights of others--generally first-time, non-violent offenders--are restored automatically upon completion of their sentence. In the three remaining states where felons lose and can regain their voting rights, certain ex-offenders are barred from voting for life, while others can apply to have their rights restored.

MAP HERE

Barriers to the Restoration of Rights

Even in states where ex-offenders automatically regain the right to vote upon completion of their sentence, the process of re-registering to vote often is difficult. One reason is the complexity of the laws and processes surrounding disenfranchisement. In some cases, it is difficult to determine whose rights can be restored. This can vary in some states according to the date of the crime, the conviction, or the release from prison, or the nature of the crime. The complex restoration process also can be daunting. It often involves lengthy paperwork, burdensome documentation, and the involvement and coordination of several state agencies.

A second barrier to restoration of voting rights for ex-offenders is the often inconsistent communication among agencies. The methods of communicating the loss and restoration of voting rights among courts, corrections and elections officials are not always reliable, timely or consistent. This inconsistency can result in uneven application of the law, even when the laws are clear.

Another barrier is lack of information. Ex-offenders sometimes are not aware that they regain their voting rights automatically upon completion of their sentence. They go through life believing they cannot vote when, in fact, they can. In other cases, they are not informed of the process for regaining their rights or offered assistance in doing so. As long as they remain ignorant of the necessary steps, ex-offenders cannot begin the process of regaining voting rights.

A final obstacle is under-funding of parole boards in some states where offenders must apply to have their rights restored. A massive backlog of applications can exist because the agencies do not have adequate staff or resources to process them in a timely manner.

Recent Trends in State Action

Most recent state legislation seeks to expand felon voting rights and ease the process of restoration. Between 1996 and 2008, 28 states passed new laws on felon voting rights.

- Seven repealed lifetime disenfranchisement laws, at least for some ex-offenders.
- Two gave probationers the right to vote.
- Seven improved data-sharing procedures among state agencies.
- Nine passed requirements that ex-offenders be given information and/or assistance in regaining their voting rights at the time they complete their sentence.
- Twelve simplified the process for regaining voting rights, for instance, by eliminating a waiting period or streamlining the paperwork process.

To date in 2009, 82 bills addressing the voting rights of felons and ex-offenders have been introduced in 25 state legislatures. In the 2007-2008 biennium, 129 bills were introduced in 27 states.

For more detailed information on 2001-2009 state legislation dealing with the voting rights of convicted felons, visit NCSL's Election Legislation Database and select the subtopic "Voters-Convicted Felons."

For More Information

For more information on felon voting rights, contact Jennie Drage Bowser at 303-364-7700.

Denver Office
Tel: 303-364-7700 | Fax: 303-364-7800 | 7700 East First Place | Denver, CO 80230

Washington Office
Tel: 202-624-5400 | Fax: 202-737-1069 | 444 North Capitol Street, N.W., Suite 515 | Washington, D.C. 20001

©2010 National Conference of State Legislatures. All Rights Reserved.

NCSL
NATIONAL CONFERENCE of STATE LEGISLATURES

GO

Legislatures & Elections » Elections & Campaigns » Voting Rights Restoration Process

Go 16529

Voting Rights Restoration Process

Source

: U.S. Department of Justice, December 2000;
Updated by the National Conference of State Legislatures, January 2002

	Restoration Process
Alabama	The right to vote may be regained only through a pardon.
Alaska	Automatically restored upon completion of sentence, probation and/or parole; felon must register to vote.
Arizona	1st offense - rights are automatically restored; 2nd and subsequent offenses - must apply to court for restoration; If felony convictions resulted in a prison sentence, felon must wait until two years after your unconditional release from incarceration or completion of parole before felon can apply. If felony convictions resulted in a sentence of probation, felon may apply for restoration of your voting rights immediately upon discharge from probation.
Arkansas	Automatically restored upon completion of sentence, probation and/or parole; felon must register to vote. Felons must provide evidence of their eligibility to vote after discharge of their sentence.*
California	Automatically restored upon completion of sentence, probation and/or parole; felon must register to vote.
Colorado	Automatically restored upon completion of sentence and/or parole; felon must register to vote.
Connecticut	Felon may regain the right to vote upon submission of written or other satisfactory proof that all fines in conjunction with conviction have been paid and that felon has been discharged from confinement or parole. Felon must submit this information to the office of the Registrar of Voters. Probationers automatically regain the right to vote.*
Delaware	-A person convicted of murder, manslaughter or any felony constituting a sexual offense or an offense against public administration involving bribery, improper influence or abuse of office, may not have their voting rights restored. -Any other person who is disqualified as a voter because of a conviction of a crime shall have such disqualification removed upon being pardoned or five years after expiration of sentence, whichever may occur first. Expiration of sentence means satisfactory completion of imprisonment, probation and parole and satisfaction of all financial obligations required by the sentence, including restitution.
D.C.	Automatically restored upon release from confinement; felon must register to vote.
Florida	Civil rights, including the right to vote, are suspended when a person is convicted of a felony. A felon may have his or her civil rights restored by obtaining a full pardon, conditional pardon, or restoration of civil rights from the Governor of Florida.
Georgia	Automatically restored upon completion of sentence, probation and/or parole; felon must register to vote.
Hawaii	Automatically restored upon release from confinement; felon must register to vote.

Idaho	Automatically restored upon completion of sentence, probation and parole; felon must register to vote.
Illinois	Automatically restored upon release from confinement; felon must register to vote.
Indiana	Automatically restored upon release from confinement; felon must register to vote.
Iowa	Must obtain a pardon or a restoration of citizenship from the Governor.
Kansas	Automatically restored upon completion of sentence, probation and/or parole; felon must register to vote.
Kentucky	Must obtain a pardon from the Governor.
Louisiana	Automatically restored upon completion of sentence, probation and/or parole; felon must register to vote.
Maine	Eligibility to vote not affected.
Maryland	-A first time offender for theft or infamous crime, other than buying or selling votes, the right to vote is automatically restored upon completion of your sentence, including any probation or parole. -If convicted of two or more such crimes, a person is not eligible to vote unless and until a pardon is obtained. -If convicted of buying or selling votes, a person is permanently prohibited from voting in Maryland.
Massachusetts	Automatically restored upon release from confinement; felon must register to vote.
Michigan	Automatically restored upon release from confinement; felon must register to vote.
Minnesota	If convicted of treason or of a felony, the right to vote is automatically restored upon discharge from sentence. Discharge occurs either by order of the sentencing court, following stay of sentence or stay of execution of sentence, or upon final expiration of sentence.
Mississippi	Right to vote may be restored by a pardon or an executive order issued by the Governor upon discharge from probation. The right to vote may also be restored by a two-thirds vote of the state legislature.
Missouri	Automatically restored upon completion of sentence, probation and/or parole; felon must register to vote; however, a person is forever disqualified from voting if convicted of a crime connected to the exercise of the right to vote.
Montana	Automatically restored upon release from confinement; felon must register to vote
Nebraska	Must obtain a "warrant of discharge" from the Nebraska Board of Pardons to regain the right to vote; however, if sentenced to confinement in an adult correctional facility, the felon can only regain the right to vote by applying to the Board of Pardons for a warrant of discharge
Nevada	-Felons who have completed probation may apply 6 months after the expiration of their term of probation to have their rights restored.* -Felons who have completed parole or who have served their full sentence may immediately petition the State Board of Parole Commissioners who may petition the district court for restoration of civil rights. *
New Hampshire	Automatically restored upon release from confinement; felon must register to vote.

New Jersey	Automatically restored upon completion of sentence, probation and/or parole; felon must register to vote.
New Mexico	Automatically restored upon completion of sentence, probation and/or parole; felon must register to vote. *
New York	-If convicted of a felony and sentenced to incarceration, felon automatically regains the right to vote upon expiration of the maximum time to which he or she was sentenced, or upon discharge from parole, whichever occurs first. -If convicted of a felony but not sentenced to incarceration, or if the sentence was suspended, felon's conviction does not affect the right to vote.
North Carolina	Automatically restored upon completion of sentence, probation and/or parole. For a North Carolina conviction, the agency having jurisdiction over a felon at the time he or she was unconditionally discharged is required to issue a certificate to the clerk of the General Court of Justice in the county where the felon was convicted, and that clerk shall then file the certificate with the original record at no fee. Once this is done, the felon can simply register and vote.
North Dakota	Automatically restored upon release from confinement; felon must register to vote.
Ohio	Automatically restored upon release from confinement; felon must register to vote.
Oklahoma	Once a conviction has become final and the maximum time set forth in the felon's sentence has expired, his or her right to vote is automatically restored.
Oregon	Automatically restored upon release from confinement or completion of parole; felon must register to vote.
Pennsylvania	Automatically restored upon release from confinement; felon must register to vote; however, if a felon was not registered to vote at the time of his or her conviction, the felon may need to wait 5 years from the date of release from incarceration in order to vote.
Rhode Island	Automatically restored upon completion of sentence, probation and/or parole; felon must register to vote.
South Carolina	Automatically restored upon completion of sentence, probation and/or parole; felon must register to vote.
South Dakota	In South Dakota, the right to vote is restored upon termination of a felon's sentence. When the sentence has been fully discharged, including parole, a felon should receive a certificate from the Secretary of Corrections stating that he or she has been restored to the full rights of a citizen. The Secretary should file a copy of the certificate with the sentencing court. After receiving this certificate the felon must register to vote.
Tennessee	-Persons convicted of murder, aggravated rape, treason, or voter fraud after July 1, 1986, or of rape after June 30, 1996, are ineligible to have their voting rights restored. -For other felony convictions after June 30, 1996, a felon may seek restoration of voting rights after the maximum sentence imposed for his or her conviction has expired, or after the felon has been pardoned, by petitioning the circuit court of the county where the felon lives or was convicted. -If a felon was convicted after July 1, 1986 but before June 30, 1996 of a felony other than murder, aggravated rape, treason, or voter fraud , a felon may request that either the board of probation and parole or the authority that supervised or incarcerated him or her during the sentence issue a Certificate of Restoration of Voting Rights. A felon is eligible to request this certificate after either being pardoned or after the maximum sentence which was imposed for the conviction has expired.
Texas	Automatically restored upon completion of sentence, probation and/or parole; felon must register to vote; if convicted persons may also regain their voting rights if they have been granted a gubernatorial pardon or release from the resulting disability to vote.

Utah	Automatically restored upon release from confinement/completion of sentence; felon must register to vote.
Vermont	Eligibility to vote not affected.
Virginia	If convicted of a felony in Virginia, then a felon must obtain a "removal of political disabilities" from the Governor in order to regain the right to vote. A felon is eligible to apply for the removal of political disabilities if he or she completed the sentence more than 5 years ago and if all court costs and restitution have been satisfied.
Washington	In order to regain the right to vote, a felon must have his or her civil rights restored. Civil rights are restored by the issuance of a certificate of discharge. When a felon has completed all of the requirements of sentence, the Department of Corrections notifies the sentencing court. The sentencing court then issues and provides the felon with a certificate of discharge, which will have the effect of restoring the right to vote. A felon must then register to vote, unless the crime was committed before 1984.
West Virginia	Automatically restored upon completion of sentence, probation and/or parole; felon must register to vote.
Wisconsin	Automatically restored upon release from confinement/completion of sentence; felon must register to vote.
Wyoming	The right to vote may be regained either by a pardon or by restoration of civil rights. The Governor has the power both to pardon and to restore rights. The Governor may issue certificates of restoration of rights upon a person's completion of probation or expiration of the term of the sentence. A felon must submit a written application to the Governor in order to request a certificate restoring the right to vote.

*Legislation passed in 2001

Denver Office
Tel: 303-364-7700 | Fax: 303-364-7800 | 7700 East First Place | Denver, CO 80230

Washington Office
Tel: 202-624-5400 | Fax: 202-737-1069 | 444 North Capitol Street, N.W., Suite 515 | Washington, D.C. 20001

©2010 National Conference of State Legislatures. All Rights Reserved.

January 21, 2010

SENATE COMMITTEE PASSES NATIONAL CRIMINAL JUSTICE COMMISSION ACT OF 2009

The bi-partisan National Criminal Justice Commission Act of 2009 (S. 714) was passed out of the Senate Committee on the Judiciary today by voice vote. The legislation, sponsored by Sen. Jim Webb (D-Va.) would create a commission to conduct a thorough evaluation of the nation's justice system and offer recommendations for reform at every stage of the criminal justice system.

The establishment of such a commission could not come at a more critical time. With 2.3 million people in prisons and jails, the United States has the highest incarceration rate in the world. Federal and state governments spend more than $50 billion each year on corrections, and the population behind bars continues to grow.

A new approach to crime prevention is necessary and the time for reform is upon us. The commission created by this legislation would establish an organized and proactive approach to studying and advancing programs and policies that promote public safety, while overhauling those practices that are found to be fundamentally flawed.

READ THE SENTENCING PROJECT'S LETTER OF ENDORSEMENT
READ ABOUT THE NCJCA

Issue Area(s): Sentencing Policy, Incarceration, Racial Disparity, Felony Disenfranchisement, Drug Policy, Collateral Consequences

<< BACK

ALASKA JUSTICE FORUM
A PUBLICATION OF THE JUSTICE CENTER

Winter 2010 Vol. 26, No. 4

Index to issue | Complete issue in Adobe Acrobat PDF format

UAA Home > Justice Center > *Alaska Justice Forum* > 26(4), Winter 2010 > Felon Disenfranchisement and the Voting Rights Act

Felon Disenfranchisement and the Voting Rights Act — *Farrakhan V. Gregoire*: "A Crowd of One"

Deborah Periman

Sidebar story: Further Background on Felon Disenfranchisement

"Felon Disenfranchisement and the Voting Rights Act — *Farrakhan V. Gregoire*: 'A Crowd of One'" by Deborah Periman. *Alaska Justice Forum* 26(4): 1, 11–12 (Winter 2010). Early this year, the U.S. Court of Appeals for the Ninth Circuit issued its opinion in *Farrakhan v. Gregoire*, a challenge to Washington State's felon disenfranchisement law. The court's decision stands alone among the circuits in holding that state law denying felons the right to vote is a violation of section 2 of the Voting Rights Act, where discrimination in the state's criminal justice system results in race-based denial of the vote. Despite speculation, suggestions that the *Farrakhan* decision signals the demise of Alaska's disenfranchisement law are overstated. Nevertheless, the case is noteworthy for reopening the conversation about why we deny certain offenders the right to vote, and whether these laws reflect viable public policy or are simply relics of an era in which racial and class prejudices limited participation in the political process.

> [B]ecause the holding of *Farrakhan* I places us in a crowd of one among the circuits, I believe we should be particularly mindful before reversing the district court and invalidating felon disenfranchisement in the State of Washington.
>
> — Judge M. Margaret McKeown, dissenting, *Farrakhan v. Gregoire*, 590 F.3d 989, 1016 (9th Cir. 2010)

See also:

- Collateral consequences of criminal conviction

Early this year, the U.S. Court of Appeals for the Ninth Circuit issued its opinion in *Farrakhan v. Gregoire*, a challenge to Washington State's felon disenfranchisement law. The court's decision stands alone among the circuits in holding that state law denying felons the right to vote is a violation of section 2 of the Voting Rights Act (VRA), where discrimination in the state's criminal justice system results in race-based denial of the vote. Although there has been substantial speculation in the media over the implications of the decision, suggestions that the *Farrakhan* decision signals the demise of Alaska's disenfranchisement law are overstated. Nevertheless, the case is noteworthy for reopening the conversation about why we deny certain offenders the right to

vote, and whether these laws reflect viable public policy or are simply relics of an era in which racial and class prejudices limited participation in the political process.

Background: Felon Disenfranchisement and the Voting Rights Act

State laws throughout the country have traditionally barred those with certain types of criminal convictions from participating in the political process. Currently, 48 states and the District of Columbia have offender disenfranchisement statutes. These disenfranchisement laws are one component of the "civil death" once accorded criminal offenders. The concept of civil death dates back to ancient Athens and Rome, where those convicted of certain crimes entered a state of infamy marked by civic penalties such as the inability to vote, hold public office, and speak publicly on political issues. In medieval Europe and England, similar laws caused forfeiture of property and political rights for crimes punishable by death or life imprisonment. Laws disenfranchising felons were received into the American colonies as part of the general reception of the laws of England. Following the Revolution, in the allocation of power between the states and the federal government under the Constitution of 1787, the states retained control over access to the ballot. Almost immediately, the newly formed states adopted felon disenfranchisement laws, either constitutionally or through codification.

State control over access to the ballot was limited with ratification of the 15th Amendment, which prohibits states from abridging the right to vote "on account of race" and grants enforcement powers to Congress. Pursuant to the enforcement clause, and in conjunction with the mid-twentieth century civil rights movement, Congress enacted the Voting Rights Act of 1965. Its explicit purpose is to eliminate racial discrimination in voting throughout the United States in accordance with the mandate of the 15th Amendment. Section 2 of the Act provides that no prerequisite to voting shall be imposed in a manner that results in a denial of the right to vote on account of race or color (42 U.S.C. § 1973(a) (2010)). This standard is violated where, "based on the totality of the circumstances," it is shown that political processes in a state are not equally open to members of a class, in that such members "have less opportunity than other members of the electorate to participate in the political process..." (42 U.S.C. § 1973(b)).

Section 2 challenges to felon disenfranchisement laws are not new. Broadly speaking, these challenges assert that disproportionate numbers of minorities in the criminal justice system, and the concomitant denial of the vote to this class of citizens, result in *de facto* race-based exclusion of class members from the political process. To date the Courts of Appeals for the First, Second, Ninth, and Eleventh Circuits have analyzed the validity of such claims. Among the circuits, only the Ninth has held that challenges to felon disenfranchisement statutes raise valid Section 2 claims. The First, Second, and Eleventh Circuits are in accord (the latter two circuits sitting *en banc* as full courts rather than three judge panels) that such challenges fall outside the purview of the Voting Rights Act. These courts have concluded that Congress never intended the Act to deprive the states of their right to disenfranchise felons; such a result would impermissibly alter the balance of power between the federal government and the states, impinging on the states' traditional right to establish voter qualifications.

The Farrakhan Opinion

In a departure from this majority view, two members of the three judge panel in *Farrakhan v. Gregoire* held that the discriminatory impact of Washington state's disenfranchisement law stems

from racial discrimination in the state's criminal justice system; the resulting denial of the vote is, therefore, a violation of section 2. At the trial court level, the plaintiffs, minority citizens of Washington who lost their right to vote under the state felon disenfranchisement statute, presented reports of expert witnesses on racial disparities in all levels of Washington's criminal justice system. The reports highlighted studies showing that these disparities could not be explained by legitimate factors such as minorities' higher levels of criminal activity. Notably, one study found that "substantially more than one half of Washington State's racial disproportionality cannot be explained by higher levels of criminal involvement" (*Farrakhan*, 2010, n. 5).

These reports led the trial court to enter findings that racial discrimination exists in Washington's criminal justice system and that this discrimination "hinders the ability of racial minorities to participate effectively in the political process, as disenfranchisement is automatic" (*Farrakhan*, 2010, 995). Nevertheless, the lower court held that plaintiffs failed to establish a Voting Rights Act violation because it was discrimination in the justice system, and not the disenfranchisement statute itself, that caused the loss of voting rights. Following an initial appeal, remand to the trial court, and second appeal, Ninth Circuit Judge Tashima, writing for himself and Judge Reinhardt (with Judge McKeown dissenting), held that Section 2 of the Voting Rights Act "demands that...racial discrimination not spread to the ballot box." Thus, based on the "uncontroverted record" of discrimination in the justice system, Washington's disenfranchisement law violates federal civil rights law (*Farrakhan*, 2010, 1015). (See "Further Background: Scope of Analysis," page 1.)

Felon Disenfranchisement in Alaska

Disenfranchisement of felons in Alaska is rooted in the Alaska Constitution, which provides "No person may vote who has been convicted of a felony involving moral turpitude unless his civil rights have been restored" (Alaska Const. art V, § 2). The right to vote remains suspended from the date of conviction through the date of release from all conviction-related disability, including probation and parole (AS 15.05.030; AS 15.60.010(39)). According to the Alaska Department of Corrections Offender Profile, in 2009 more than 10,000 Alaskans were ineligible to vote pursuant to this provision.

There is no question that in Alaska, as elsewhere, racial minorities are disproportionately represented in the criminal justice system. For example, Department of Corrections figures show that in 2009 Alaska Natives comprised over 35 percent of total offenders in institutions, yet Alaska Department of Labor 2008 population figures estimated that Alaska Natives comprised about 16 percent of the total population in Alaska. African-Americans, estimated to have comprised just over 4 percent of Alaska's population, represented over 10 percent of offenders in Alaska correctional institutions. (See "Alaska Offender Profile 2009" in this issue.) Despite this well-known disparity, Alaska lacks an extensive body of empirical data establishing conclusively that the overrepresentation of minority groups in Alaska's criminal justice system is attributable solely to systemic racial discrimination. This is the critical distinction between Alaska and Washington. As noted above, the Farrakhan opinion rests on a finding of fact by the trial judge that "there is discrimination in Washington's criminal justice system on account of race"; in reaching this finding the court relied on "extensive," unrefuted studies showing that over half of Washington's racial disproportionality could not be explained by legitimate factors (*Farrakhan*, 2010, 994–995). It is unlikely a trial judge would find the existing data in Alaska a sufficient evidentiary foundation to support a similar finding of fact here. This does not imply that racial bias is absent from Alaska's

criminal justice system, merely that widespread empirical studies have not unequivocally ruled out all other explanations for disparity in the system. (See "Further Background: Ethnic Disparity in Alaska," page 1.)

Shifting Policy

Although Alaska's disenfranchisement statute does not appear vulnerable to an immediate *Farrakhan* challenge, the essential holding of the case suggests that state policymakers may wish to consider limiting the reach of the current statute, or proposing a Constitutional amendment to eliminate the voting prohibition entirely. (Senate Bill 68, currently pending in the Alaska Legislature, would limit disenfranchisement to those incarcerated, and restore voting rights upon release.) Academic literature makes clear that for generations disenfranchisement laws throughout the country have excluded minority citizens from the vote in overwhelmingly greater percentages than Caucasian, and that the rates of minority exclusion are growing. Moreover, there is evidence that dilution of minority voting attributable to disenfranchisement statutes has affected the outcome of elections in a number of jurisdictions. In this state, the disproportionate number of Alaska Natives excluded from the political process under the disenfranchisement statute is particularly troubling given Alaska's history of discrimination in voting practices. (See "Further Background: Preclearance under the Voting Rights Act," page 1.)

At an even more basic level, however, the right to vote is the hallmark of participatory democracy. It affirms our membership in the social compact. Exclusion of criminal offenders from this process, and from one of the most fundamental rituals of community involvement, does nothing to promote public safety and can only serve to impede social reintegration of these citizens.

In his February 2010 State of the Judiciary address, Chief Justice Carpeneti observed, "Probably no problem is of greater concern to us at this time than the alarmingly high rates of recidivism in our state." The recently established Alaska Prisoner Re-Entry Task Force was created to examine how the state might better assist offenders to make a successful transition from incarceration back into their communities. Voting is an integral part of this process; studies suggest that civic reintegration facilitates successful reentry and reduces the risk of recidivism.

For all of these reasons, there is growing recognition that felon disenfranchisement statutes rest on outdated retributory practices antithetical to contemporary standards of equal representation in the political process, standards explicitly stated in the Voting Rights Act. *Farrakhan*, though out of step with the weight of authority in its statutory interpretation, gives effect to the spirit of inclusion that lies at the core of the Voting Rights Act.

Deb Periman, J.D., is a member of the Justice Center faculty.

Further Background on Felon Disenfranchisement

Scope of Analysis

This case summary of *Farrakhan* provides a basic, simplified overview. It does not address the distinction between vote denial and vote dilution claims under the Voting Rights Act, nor does it address the impact of changes in Washington's disenfranchisement law over the course of the Farrakhan litigation, the various approaches taken by the courts in addressing Section 2's "totality

of the circumstances" standard, or *Senate Report 97-417*, which lists typical factors a court might consider in evaluating a challenged voting practice.

Ethnic Disparity in Alaska

In 2004, the Alaska Judicial Council published a comprehensive summary of criminal justice processes in Alaska. *Alaska Felony Process: 1999* (February 2004) was commissioned, in part, to identify whether "disproportionate numbers of ethnic minorities at all points in Alaska's criminal justice system" were the result of discrimination or of other legitimate factors. The Council reported that justice for felony defendants in Alaska after charges were filed was "in many respects substantially equal." Presumptive sentences showed no disparities associated with ethnicity. With the exception of drug offenses, non-presumptive sentences were uniformly imposed among ethnic groups. Disparity in drug sentencing was limited to African-Americans in Anchorage and Natives outside Anchorage. The Council concluded in the Executive Summary that the "isolated nature of these disparities appeared to be inconsistent with conscious discrimination." However, phases of the felony process other than sentencing, specifically pre-disposition incarceration, charge reduction and overall time of incarceration, did show disparities by ethnicity that could not be explained by legitimate criteria. For example, statewide African-Americans and Alaska Natives could expect to spend 7 days longer in predisposition incarceration than Caucasian defendants. Although this disparity could not be attributed to any factor measured in the study other than ethnicity, the Judicial Council noted that additional socioeconomic data might have explained some of the disparate outcomes.

Preclearance under the Voting Rights Act

Alaska is one of nine states covered in its entirety by Section 5 of the Voting Rights Act, which prohibits changes in election practices without federal review and approval. This "preclearance" status is the result of a state's historic use of tests or devices to restrict the opportunity to vote, or of statutorily defined underrepresentation in the voting process. In territorial Alaska, Natives faced a number of barriers to voting, among them a 1924 law requiring voters to read and write English. With the advent of statehood, Alaska's Constitution similarly limited voter participation to those who could "read or speak the English language," a limitation not repealed until 1970. These and myriad other factors led to less than 50 percent of Alaska's voting age population participating in the voting process in 1964, a level of under-participation that brought Alaska within Section 5's preclearance requirements.

UAA © Copyright 2010, Justice Center, University of Alaska Anchorage
Last updated 06-Aug-2010 by UAA Justice Center

About UAA | Contact Us | University of Alaska System | Use Policy

January 8, 2010

DISENFRANCHISEMENT NEWS

Washington State: 9th Circuit Court Reverses Disenfranchising Law; Landmark Decision Could Go to Supreme Court
Virginia: Coalitions Have a Week to Urge Governor to Change Disenfranchisement Policy

Washington State: 9th Circuit Court Reverses Disenfranchising Law; Landmark Decision Could Go to Supreme Court

In a landmark case for individuals with felony records, a federal appeals court has thrown out Washington State's restrictions on felon voting on the basis that the current law violates the Voting Rights Act by creating discrimination in voting. The 2-1 decision in *Farrakhan v. Gregoire* would apply to all persons with convictions in the state, including 18,000 who are currently incarcerated, according to the Associated Press. Circuit Court Judge A. Wallace Tashima wrote that attorneys for six Washington state prisoners "have demonstrated that police practices, searches, arrests, detention practices, and plea bargaining practices lead to a greater burden on minorities that cannot be explained in race-neutral ways."

The 9th Circuit Court of Appeals found that discrimination does, in fact, exist in law enforcement, prosecutorial and judicial outcomes in Washington State and therefore, those with felony records should have the right to vote.

The lawsuit was filed in 1996 by Muhammad Shabazz Farrakhan while serving a three-year sentence at the Washington State Penitentiary for a series of felony-theft convictions. Five other minority inmates joined as plaintiffs in the lawsuit that contended that because nonwhites make up a large percentage of the prison population, a state law prohibiting inmates and parolees from voting is illegal because it dilutes the electoral clout of minorities, the *Seattle Post-Intelligencer* stated.

"In this case, we have proved that the criminal justice system in this state is biased against African-Americans, and the impact has been a violation of their voting rights," said Larry Weiser, a law professor at Gonzaga University School of Law who is the lead attorney in the lawsuit, and joined by several national civil rights organizations.

Take Action Now!

Tell your congressperson to co-sponsor the Democracy Restoration Act of 2009

Related News

Disenfranchisement News (Dec 7, 2009)

Disenfranchisement News (Nov 3, 2009)

The Seattle Times

Tuesday, May 5, 2009 - Page updated at 01:33 AM

Permission to reprint or copy this article or photo, other than personal use, must be obtained from The Seattle Times. Call 206-464-3113 or e-mail resale@seattletimes.com with your request.

Gregoire signs bill to restore voting rights for some felons

By The Associated Press

OLYMPIA — Starting this summer, felons will be able to reregister to vote once they're no longer on parole or probation.

Gov. Chris Gregoire signed a bill Monday that eases the restoration of voting rights for felons who are no longer in state custody but owe court-ordered fines and restitution. It takes effect July 26.

The old law said felons couldn't vote until they'd completed their entire sentence, including paying all restitution and other court fees.

The new law removes the requirement that felons pay off all those debts before their rights are restored. However, their voting rights could be revoked if a felon willingly fails to make regular payments on those financial obligations.

Rep. Jeannie Darneille, the Tacoma Democrat who sponsored the measure, said the new law will "help someone who's been an ex-offender to reintegrate fully into society."

Copyright © 2009 The Seattle Times Company

Alaska Department of Corrections

Division of Administrative Services

2009 Offender Profile

www.correct.state.ak.us/corrections/admin

Vision Statement

The Alaska Department of Corrections enhances the safety of our communities. We provide secure confinement, reformative programs, and a process of supervised community reintegration.

Commissioner's Letter

The Mission of the Department of Corrections is to enhance the safety of our communities while providing secure confinement, reformative programs, and a process of supervised community reintegration.

I am pleased to make this profile available on line. This report is based on our best information and serves as a snapshot of a typical day. Data comes from our Offender Tracking Information System (OTIS), and is meant to give a general summary of Alaska's offender population.

The 2009 Offender Profile – which encompasses many hours of research and calculation on the part of department staff – serves as a valuable tool for our department in the successful accomplishment of our mission.

Joe Schmidt
Commissioner

Table of Contents

List of Tables

Trends

Notes 6
Total Offender Population Based on Monthly Averages - January 2005 to December 2007 7
Total Admissions - January 2005 to December 2007 7

Institutions

Institution Address List 9
Number of Offenders in Institutions 10
Demographic Information for Offenders in Institutions 11
Length of Time from Admission for Offenders in Institutions 11
Offense Classifications of Offenders in Institutions 14
Crime Classifications by Class/Sex/Ethnicity 19

Community Residential Centers (CRC's)

Facility Address List 22
Number of Offenders in Community Residential Centers 23
Demographic Information for Offenders in Community Residential Centers 24
Length of Time from Admission for Offenders in CRC's 24
Offense Classifications of Offenders in Community Residential Centers 27
Crime Classifications by Class/Sex/Ethnicity 31

Focus 2007 Groups of Particluar Interest

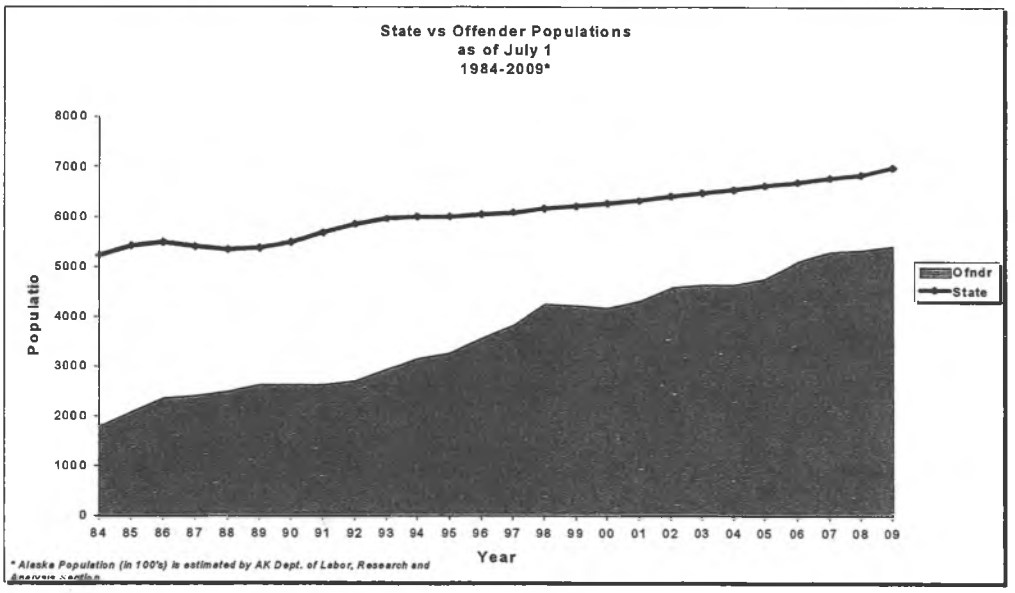
Alaska Natives 35
Distribution of Alaska Natives 36
Demographic Information for Alaska Native Offenders 37
Offense Classifications of Alaska Native Offenders 38
Juveniles 42
Distribution of Juvenile Offenders 43
Demographic Information for Juvenile Offenders 44
Offense Classifications of Juvenile Offenders 45
Seniors 47
Distribution of Senior Offenders 48
Demographic Information for Senior Offenders 49
Offense Classifications of Senior Offenders 50
Sex Offenders 52
Distribution of Sex Offenders 53
Demographic Information for Sex Offenders 54
Offense Classifications for Sex Offenders 55
Substance Abusers 56
Distribution of Substance Abuse Offenders 57
Demographic Information for Substance Abuse Offenders 58
Offense Classifications of Substance Abuse Offenders 59
Long Term Offenders 60
Distribution of Long Term Offenders 61
Demographic Information for Long Term Offenders 62
Offense Classifications of Long Term Offenders 63

Probation and Parole

Notes 64
Supervising Authority for Probationers/Parolees 65
Demographic Information for Probationers/Parolees 66

Trends

Notes:
Count and admissions data include information about all offenders under the jurisdiction of the state of Alaska who are entered into the OTIS database.
Count information consists of monthly averages of daily counts; incarcerated offenders not entered into the OTIS database when a count was tallied were not included.
Admissions data includes all criminal admits (except transfers) for all offenders.



Total Offender Population Based on Monthly Averages - January 2007 to December 2009
Includes all Offenders in all Facilities (CCs and CRCs)

YEAR	2007			2008			2009		
Month	**Female**	**Male**	**Total**	**Female**	**Male**	**Total**	**Female**	**Male**	**Total**
January	526	4682	5208	619	4802	5421	544	4699	5243
February	556	4670	5226	607	4798	5405	566	4817	5383
March	550	4657	5207	610	4791	5401	608	4856	5464
April	579	4721	5300	619	4790	5409	631	4687	5318
May	610	4822	5432	622	4777	5399	621	4641	5262
June	607	4679	5286	617	4715	5332	618	4691	5309
July	603	4678	5281	585	4716	5301	617	4754	5371
August	624	4703	5327	589	4734	5323	639	4831	5470
September	646	4754	5400	588	4754	5342	654	4889	5543
October	640	4742	5382	591	4729	5320	624	4991	5615
November	639	4835	5474	564	4718	5282	645	4978	5623
December	638	4759	5397	522	4674	5196	616	4902	5518
Daily Avg	**602**	**4725**	**5327**	**594**	**4750**	**5344**	**615**	**4811**	**5427**

Total Admissions - January 2007 to December 2009
Includes all Offenders in all Facilities (CCs and CRCs)

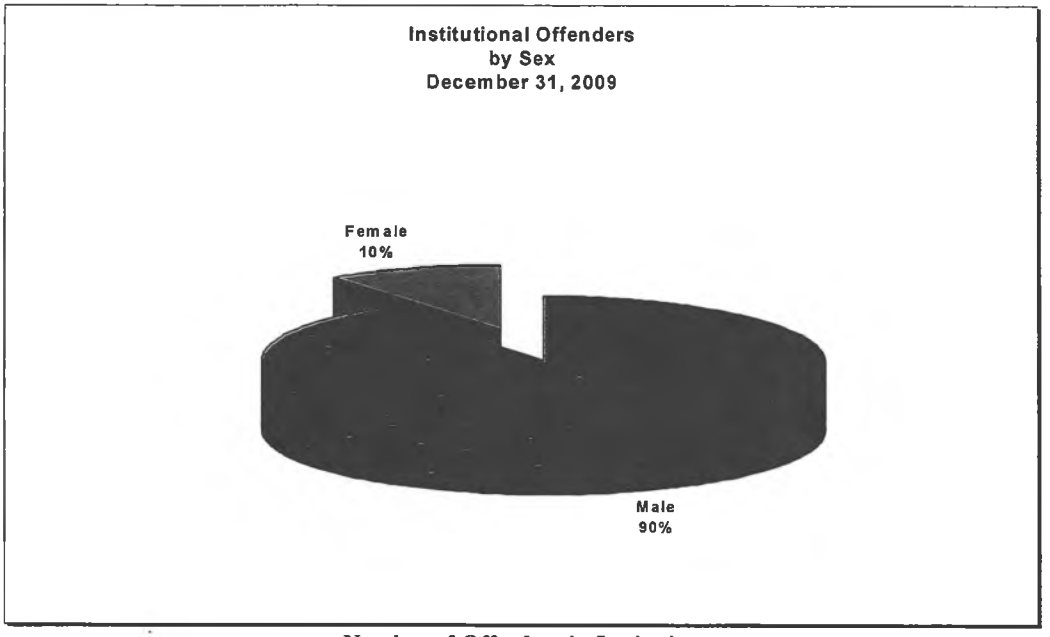
YEAR	2007			2008			2009		
Month	**Female**	**Male**	**Total**	**Female**	**Male**	**Total**	**Female**	**Male**	**Total**
January	681	2007	2688	704	2031	2735	697	2175	2872
February	611	1910	2521	617	1942	2559	681	2065	2746
March	672	2062	2734	731	2179	2910	770	2140	2910
April	710	2137	2847	671	2078	2749	729	2063	2792
May	729	2246	2975	738	2287	3025	793	2244	3037
June	729	2187	2916	741	2177	2918	789	2289	3078
July	735	2096	2831	673	2090	2763	772	2202	2974
August	713	2324	3037	746	2212	2958	786	2390	3176
September	651	2099	2750	671	2105	2776	748	2226	2974
October	720	2085	2805	749	2183	2932	782	2290	3072
November	717	2103	2820	628	2048	2676	633	1970	2603
December	672	2003	2675	624	2049	2673	679	1984	2663
Total	**8340**	**25259**	**33599**	**8293**	**25381**	**33674**	**8859**	**26038**	**34897**

Institutions

Institution Address List

Institution	Address	City	Zip	Superintendent	Phone
Anchorage Correctional Complex	1400 E 4th Avenue	Anchorage	99501	Debbie Miller	907-269-4100
Anvil Mtn Correctional Center	PO Box 730	Nome	99762	Michael Dunham	907-443-2241
Fairbanks Correctional Center	1931 Eagan Avenue	Fairbanks	99701	Charles Stevenson	907-458-6700
Hiland Mtn Correctional Center	9101 Hesterberg Road	Eagle River	99577	Dean Marshall	907-694-9511
Ketchikan Correctional Center	1201 Schoenbar Road	Ketchikan	99901	Diane Gregory	907-228-7350
Lemon Creek Correctional Center	2000 Lemon Ck. Road	Juneau	99801	Scott Wellard	907-465-6200
Matsu Pretrial Facility	339 E Dogwood Road	Palmer	99645	Steve Brunger	907-745-0943
Palmer Correctional Center	PO Box 919	Palmer	99645	Cindy Betts	907-745-5054
Pt. MacKenzie Correctional Farm	PO Box 877730	Wasilla	99687	Amy Rabeau	907-376-2976
Spring Creek Correctional Center	PO Box 2109	Seward	99664	Craig Turnbull	907-224-8200
Wildwood Correctional Complex	10 Chugach Avenue	Kenai	99611	Robert Hibpshman	907-260-7200
Yukon-Kuskowim Correctional Ctr	Box 400	Bethel	99559	Chris Liu	907-543-5245
Hudson Correctional Facility	3001 N Juniper Street	Hudson, CO	80642	Rick Veach	303-536-2600

Notes:
Includes information about all offenders incarcerated in in-state and out-of-state institutions who are entered into the OTIS database.
Consists of a snapshot of offenders incarcerated and entered into the OTIS database on or before December 31, 2009.
Alaska Native race category includes a small number of Native Americans not indigenous to Alaska.
Information about offenses is the most serious charge only.
Offense classes are semi-arbitrary.



Number of Offenders in Institutions
December 31, 2005 - 2009

	Females					Males					All Offenders				
Institutions	**2009**	**2008**	**2007**	**2006**	**2005**	**2009**	**2008**	**2007**	**2006**	**2005**	**2009**	**2008**	**2007**	**2006**	**2005**
In-State															
Anchorage CCE	1	6	1	1	34	409	390	456	473	421	410	396	457	474	455
Anchorage CCW	-	-	-	-	-	447	442	484	486	420	447	442	484	486	420
Anvil Mountain CC	9	3	12	10	8	112	80	101	97	116	121	83	113	107	124
Fairbanks CC	24	22	28	28	35	236	212	250	231	229	260	234	278	259	264
Hiland Mountain CC	379	321	362	311	240	-	-	-	-	73	379	321	362	311	313
Ketchikan CC	5	3	7	8	4	60	40	47	44	59	65	43	54	52	63
Lemon Creek CC	15	7	13	8	16	195	175	182	183	183	210	182	195	191	199
Mat-Su Pretrial	8	7	13	7	15	89	79	107	86	97	97	86	120	93	112
Palmer Medium CC	-	-	-	-	-	334	261	254	231	245	334	261	254	231	245
Palmer Minimum CC	-	-	-	-	-	176	176	176	133	175	176	176	176	133	175
Point Mackenzie CF	-	-	-	-	-	103	117	112	100	85	103	117	112	100	85
Spring Creek CC	-	-	-	-	-	554	551	537	465	495	554	551	537	465	495
Wildwood CC	-	-	-	-	-	253	258	254	227	254	253	258	254	227	254
Wildwood Pretrial	17	16	22	21	24	97	102	103	106	103	114	118	125	127	127
Yukon-Kuskokwim CC	10	2	7	5	4	110	107	105	98	112	120	109	112	103	116
Total	*468*	*387*	*465*	*399*	*380*	*3175*	*2990*	*3168*	*2960*	*3067*	*3643*	*3377*	*3633*	*3359*	*3447*
Out-of-State															
Arizona Detention Ctr	-	-	-	-	-	-	-	-	-	765	-	-	-	-	765
Red Rock CC, AZ	-	-	-	-	-	-	879	853	993	-	-	879	853	993	-
Hudson CC, CO	-	-	-	-	-	831	-	-	-	-	831	-	-	-	-
Colorado State Prison	1	1	1	1	1	2	2	2	2	1	3	3	3	3	2
Federal Bureau of Prisons	1	1	1	1	1	11	12	9	10	13	12	13	10	11	14
Minnesota State Prison	1	1	1	1	1	-	-	-	-	-	1	1	1	1	1
Oregon State Prison	-	-	-	-	-	-	1	-	-	-	-	1	-	-	-
Washington State Prison	-	-	-	-	-	-	-	2	2	2	-	-	2	2	2
Total	*3*	*3*	*3*	*3*	*3*	*844*	*894*	*866*	*1007*	*779*	*847*	*897*	*869*	*1010*	*784*
Total All	**471**	**390**	**468**	**402**	**383**	**4019**	**3884**	**4034**	**3967**	**3846**	**4490**	**4274**	**4502**	**4369**	**4231**

Demographic Information for Offenders in Institutions
December 31, 2005-2009

	Females					Males					All Offenders				
Ethnicity	**2009**	**2008**	**2007**	**2006**	**2005**	**2009**	**2008**	**2007**	**2006**	**2005**	**2009**	**2008**	**2007**	**2006**	**2005**
Asian/Pacific Islan	15	11	7	9	8	134	117	113	104	91	149	128	120	113	99
Black	38	30	42	26	27	453	416	443	420	415	491	446	485	446	442
Hispanic	12	9	11	6	9	100	102	94	93	89	112	111	105	99	98
Alaska Native*	145	124	159	136	132	1459	1404	1381	1413	1378	1604	1528	1540	1549	1510
Caucasian	255	213	246	223	205	1847	1832	1989	1922	1867	2102	2045	2235	2145	2072
Unknown	6	3	3	2	2	26	13	14	15	8	32	16	17	17	10
Total	**471**	**390**	**468**	**402**	**383**	**4019**	**3884**	**4034**	**3967**	**3848**	**4490**	**4274**	**4502**	**4369**	**4231**

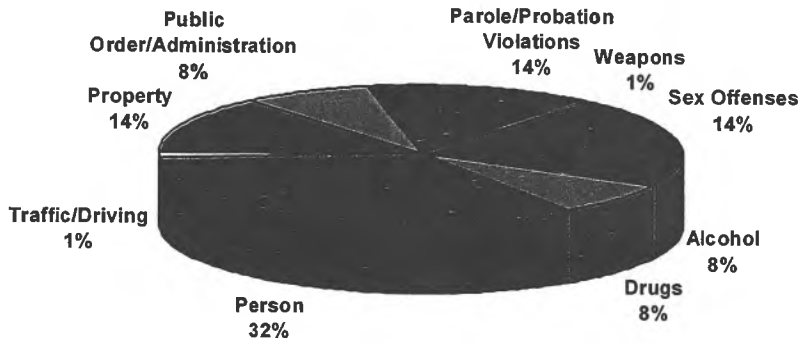
	Females					Males					All Offenders				
Age Group (Years	**2009**	**2008**	**2007**	**2006**	**2005**	**2009**	**2008**	**2007**	**2006**	**2005**	**2009**	**2008**	**2007**	**2006**	**2005**
19 and Under	8	10	15	13	12	93	109	114	98	105	101	119	129	111	117
20-24	85	67	74	62	53	639	613	637	672	672	724	680	711	734	725
25-29	92	78	65	65	57	750	754	724	660	574	842	832	789	725	631
30-34	65	58	67	62	61	512	475	495	510	503	577	533	562	572	564
35-39	84	52	74	50	48	481	481	514	513	533	565	533	588	563	581
40-44	52	47	74	58	77	486	460	552	567	566	538	507	626	625	643
45-49	49	48	54	64	46	465	423	470	454	439	514	471	524	518	485
50-54	24	15	26	17	17	305	278	262	245	229	329	293	288	262	246
55-59	9	9	13	5	8	149	155	142	136	133	158	164	155	141	141
60-64	1	4	3	3	1	73	72	74	60	61	74	76	77	63	62
65 and over	2	2	3	3	3	66	64	50	52	33	68	66	53	55	36
Total	**471**	**390**	**468**	**402**	**383**	**4019**	**3884**	**4034**	**3967**	**3848**	**4490**	**4274**	**4502**	**4369**	**4231**
Mean Age	***34.84***					***36.79***					***36.59***				
Median Age	***34.11***					***35.19***					***35.00***				

*includes a small number of Native Americans not indigenous to Alaska

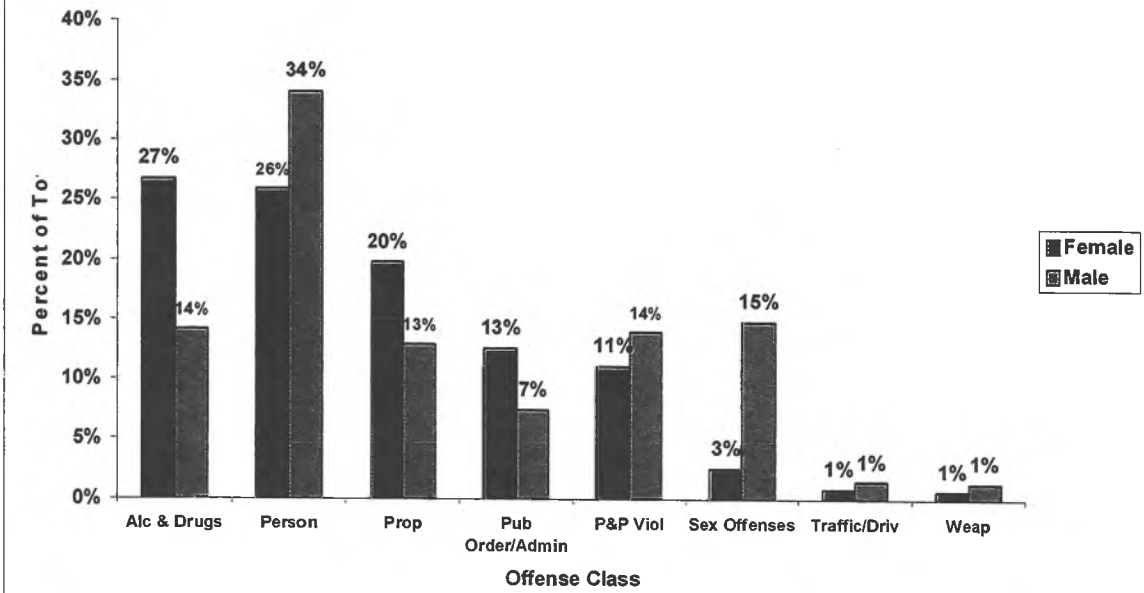
Length of Time from Admissions for Offenders in Institutions
December 31, 2009

Months In	**Females**	**Males**	**Total**
6months or less	320	1896	2216
7 months - 12 months	53	513	566
13 months - 24 mon	42	510	552
25 months 36 months	21	285	306
37 months or more	35	815	850
Total	**471**	**4019**	**4490**
Mean Length (months)	***12.32***	***26.30***	***24.83***
Median Length (months)	***3.00***	***8.00***	***7.00***

Institutional Offenders by Offense Class December 31, 2009



Offense Class by Sex December 31, 2009

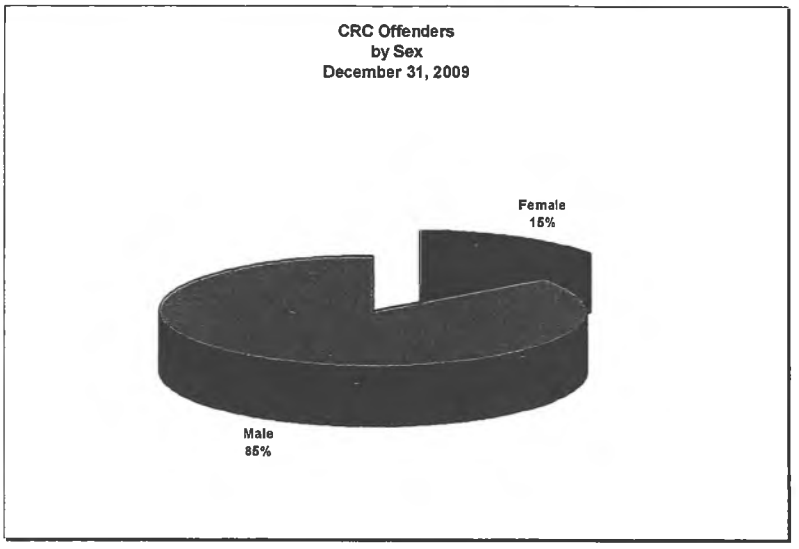


Community Residential Centers (CRC's)

CRC Facility Address List

CRC	Address	City	Zip	Phone
Akeela House	2804 Bering St.	Anchorage	99503	561-1200
Clitheroe Center	P.O. Box 190567	Anchorage	99519	276-2898
Cordova Center	130 Cordova St.	Anchorage	99501	274-1022
Glacier Manor	5597 Aisek	Juneau	99801	780-3020
Glennwood Center	835 D St.	Anchorage	99501	277-4501
Midtown Center	2507 Eide St.	Anchorage	99503	222-6502
Northstar Center	PO Box 80670	Fairbanks	99708	474-4955
Parkview Center	831 B St.	Anchorage	99501	272-1641
Ralph Perdue Center	3100 S Cushman St.	Faribanks	99701	456-7819
Seaside Center	PO Box 2129	Nome	99762	443-6390
Tundra Center	PO Box 485	Bethel	99559	543-3414

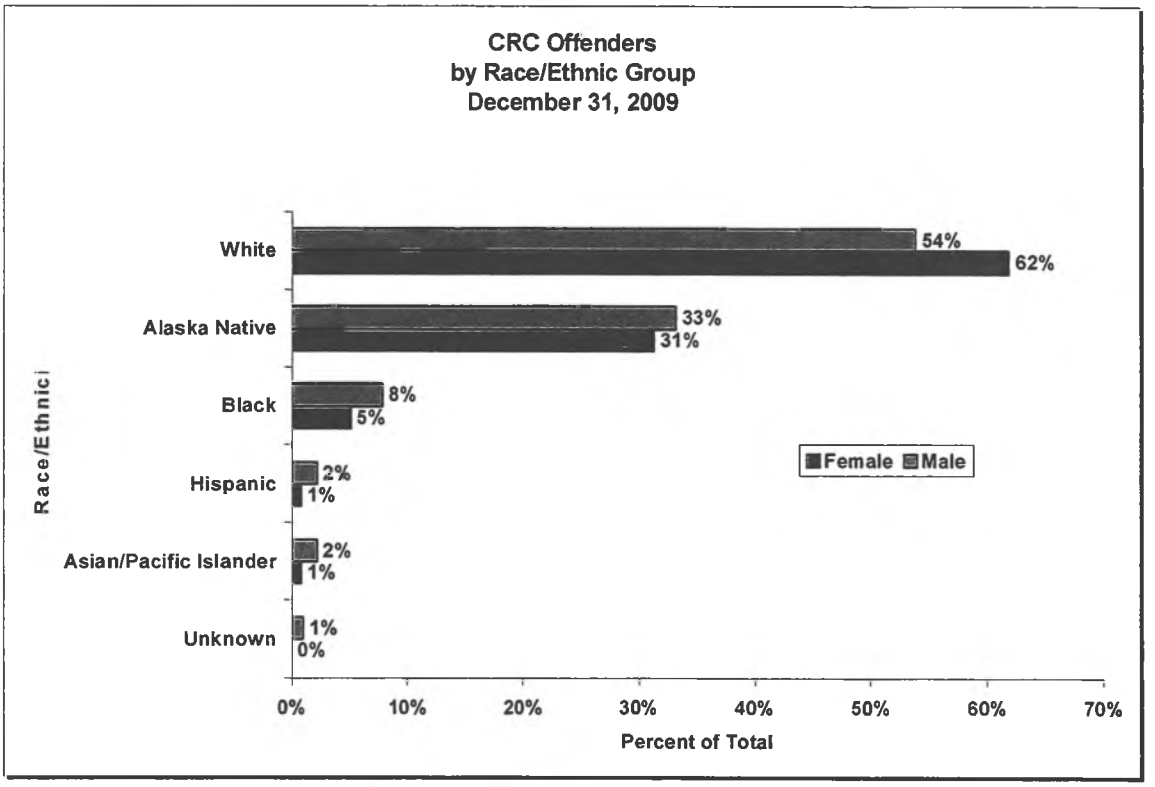
Notes:
Includes information about all offenders incarcerated in CRC's and treatment centers as well as those under electronic monitoring and those who are monitored by CRC's offsite who are entered into the OTIS database.
Consists of a snapshot of offenders incarcerated and entered into the OTIS database on or before December 31, 2009.
Alaska Native race category includes a small number of Native Americans not indigenous to Alaska.
Information about offenses is the most serious charge only.
Offense classes are semi-arbitrary.

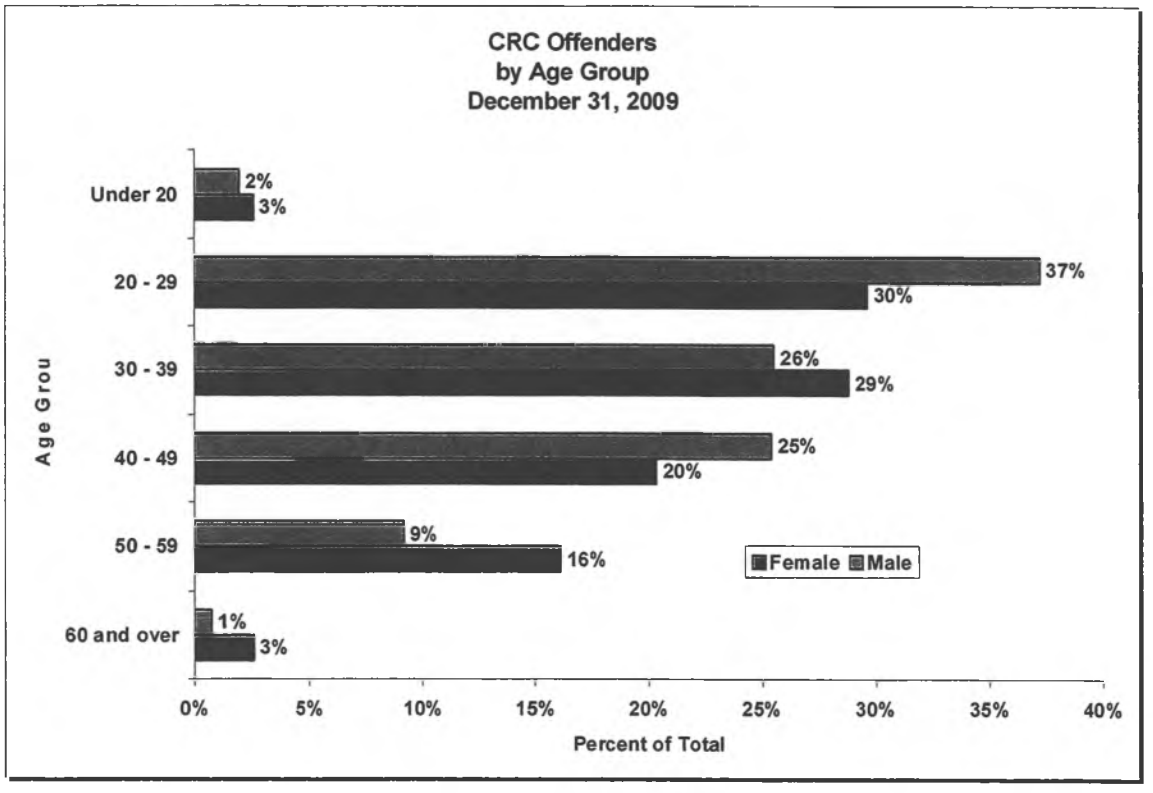


Number of Offenders in Community Residential Centers
December 31, 2005 - 2009

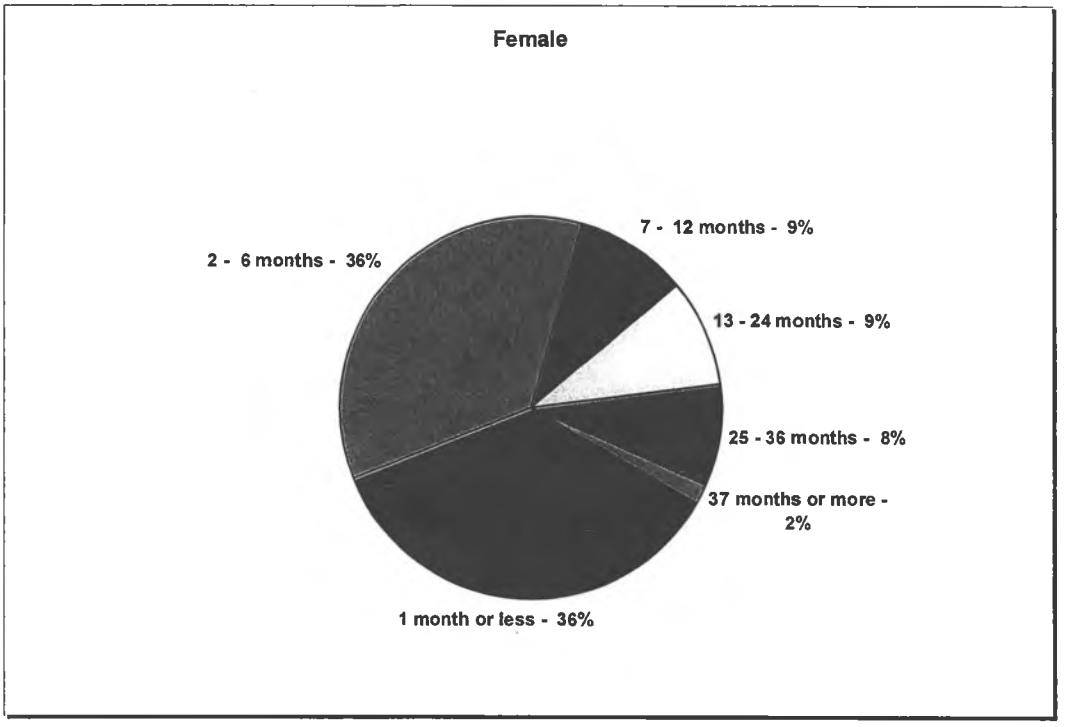
	Females					Males					All Offenders				
CRCs	**09**	**08**	**07**	**06**	**05**	**09**	**08**	**07**	**06**	**05**	**09**	**08**	**07**	**06**	**05**
Akeela House	1	1	-	1	1	-	1	1	-	3	1	2	1	1	4
Chanlyut	-	-	-	-	-	3	-	-	-	-	3	-	-	-	-
Clitheroe Center	3	3	1	2	-	-	6	2	2	10	3	9	3	4	10
Cordova Center	20	28	23	23	19	117	93	83	41	123	137	121	106	64	142
Glacier Manor	9	11	7	3	11	45	44	50	35	39	54	55	57	38	50
Glennwood Center	11	9	7	8	8	74	59	57	43	33	85	68	64	51	41
Safe Harbor/Hope House*	-	-	-	1	1	-	-	-	1	2	-	-	-	2	3
Maniilaq	-	-	-	-	-	-	-	-	-	1	-	-	-	-	1
Midtown Center	-	-	-	-	-	31	35	29	-	12	31	35	29	-	12
Northstar Center	9	6	9	9	13	80	74	67	41	64	89	80	76	50	77
Parkview Center	-	-	-	-	-	100	98	113	95	71	100	98	113	95	71
PhilipsTreatment Center	-	-	-	-	-	-	-	-	-	1	-	-	-	-	1
Ralph Perdue Center	-	-	-	-	1	-	-	-	2	3	-	-	-	2	4
Seaside Center	10	13	6	9	6	40	37	29	28	42	50	50	35	37	48
Tundra Center	3	1	3	2	5	36	52	40	36	47	39	53	43	38	52
Total	*66*	*72*	*56*	*58*	*65*	*526*	*499*	*471*	*324*	*451*	*592*	*571*	*527*	*382*	*516*
Special Offsite Programs															
Anchorage Elect Monitor	42	32	25	29	15	119	95	73	127	68	161	127	98	156	83
Anchorage CRC Monitor	-	-	1	-	-	-	1	1	1	2	-	1	2	1	2
Fairbanks Elect Monitor	8	8	9	6	5	25	26	25	12	2	33	34	34	18	7
Fairbanks CRC Monitor	-	-	-	-	-	-	-	1	-	1	-	-	1	-	1
Kenai Elect Monitor	1	1	2	-	-	5	6	2	-	-	6	7	4	-	-
Ketchikan Elect Monitor	1	-	2	-	-	2	-	2	1	-	3	-	4	1	-
Total	*52*	*41*	*39*	*35*	*20*	*151*	*128*	*104*	*141*	*73*	*203*	*169*	*143*	*176*	*93*
Total All	**118**	**113**	**95**	**93**	**85**	**677**	**627**	**575**	**465**	**524**	**795**	**740**	**670**	**558**	**609**

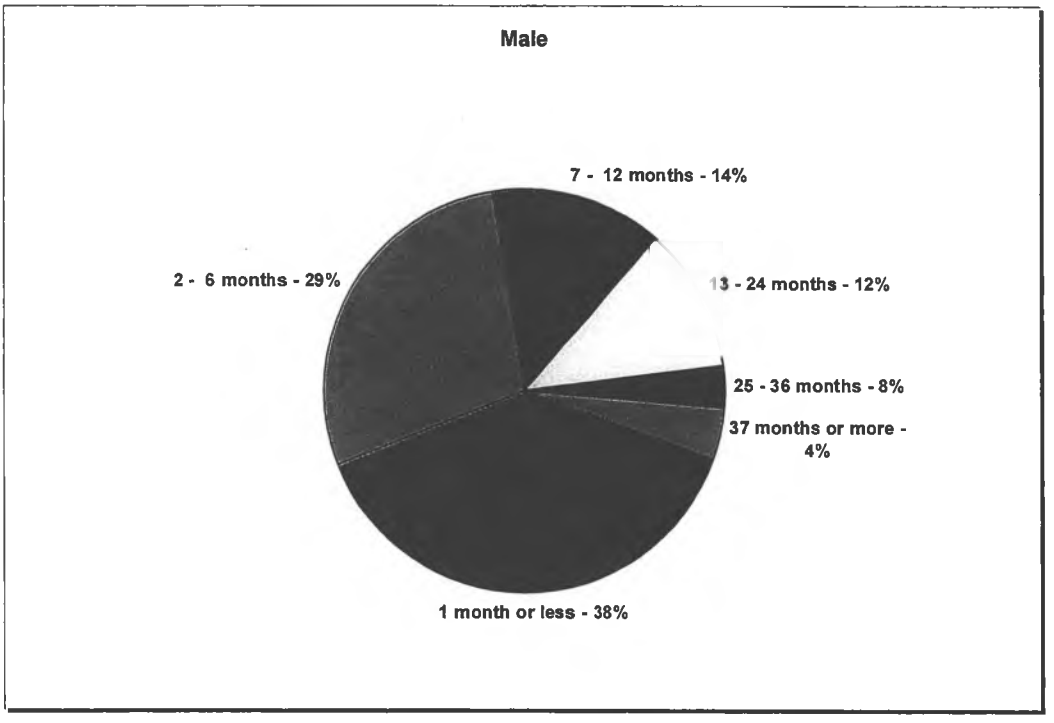
* Not currently operational


CRC Offenders
by Race/Ethnic Group
December 31, 2009
Race/Ethnici
White
Alaska Native
Black
Hispanic
Asian/Pacific Islander
Unknown
54%
62%
33%
31%
8%
5%
2%
1%
2%
1%
1%
0%
Female Male
0%
10%
20%
30%
40%
50%
60%
70%
Percent of Total


CRC Offenders
by Age Group
December 31, 2009
Age Grou
Under 20
20 - 29
30 - 39
40 - 49
50 - 59
60 and over
2%
3%
37%
30%
26%
29%
25%
20%
9%
16%
1%
3%
Female Male
0%
5%
10%
15%
20%
25%
30%
35%
40%
Percent of Total

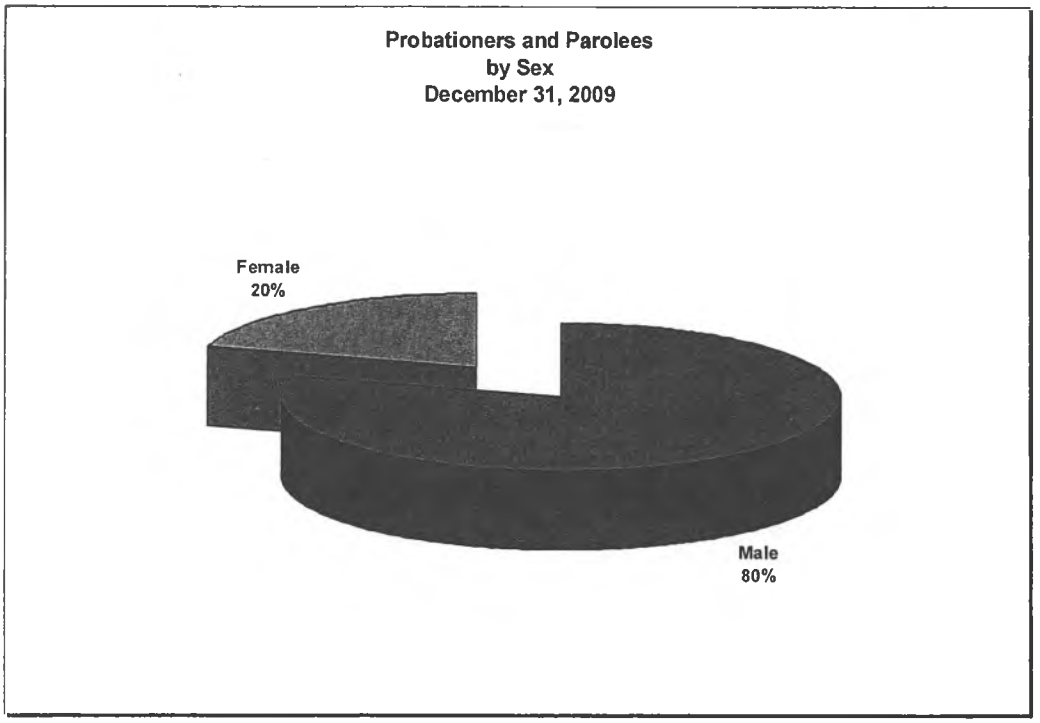
Length of Time from Admission
CRC Offenders by Sex
December 31,2009





Probation and Parole

Notes:
Includes information about all probationers and parolees under the supervision of the Division of Probation and Parole who are entered into the OTIS database.
Consists of a snapshot of probationers and parolees entered into the OTIS database on or before December 31, 2009.
Alaska Native race category includes a small number of Native Americans not indigenous to Alaska.



Supervising Authority for Probationers/Parolees Under Supervision on December 31, 2005-2009

	Females					Males					All				
Offices	**09**	**08**	**07**	**06**	**05**	**09**	**08**	**07**	**06**	**05**	**09**	**08**	**07**	**06**	**05**
Anchorage	599	557	480	473	463	2,255	2,189	2,075	1,966	1,923	2,854	2,746	2,555	2,439	2,386
Barrow	0	10	7	4	6	-	33	34	41	45	-	43	41	45	51
Bethel	22	19	15	23	27	244	213	212	232	261	266	232	227	255	288
Dillingham	18	12	8	10	5	47	82	68	71	64	65	94	76	81	69
Fairbanks	132	127	154	145	134	596	564	538	592	557	728	691	692	737	691
Juneau	50	55	47	52	55	196	203	214	235	221	246	258	261	287	276
Kenai	118	112	127	98	75	367	404	470	384	308	485	516	597	482	383
Ketchikan	35	40	32	31	24	120	106	110	118	123	155	146	142	149	147
Kodiak	13	15	15	15	20	82	85	89	86	69	95	100	104	101	89
Kotzebue	15	13	21	26	22	78	71	78	101	99	93	84	99	127	121
Nome	8	9	12	13	8	47	48	65	66	58	55	57	77	79	66
Palmer	171	173	157	132	110	581	600	564	470	408	752	773	721	602	518
Sitka	14	13	19	21	27	40	60	63	59	68	54	73	82	80	95
Total All	**1,195**	**1,155**	**1,094**	**1043**	**976**	**4,653**	**4,658**	**4,580**	**4,421**	**4,204**	**5,848**	**5,813**	**5,674**	**5,464**	**5,180**

Demographic Information for Probationers/Parolees Under Supervision on December 31, 2005-2009

	Females					Males					All				
Ethnicity	**09**	**08**	**07**	**06**	**05**	**09**	**08**	**07**	**06**	**05**	**09**	**08**	**07**	**06**	**05**
Asian/Pac I	46	44	37	35	31	204	187	185	153	142	250	231	222	188	173
Black	81	78	64	69	70	433	440	417	408	388	514	518	481	477	458
Hispanic	28	21	19	14	12	143	138	138	138	122	171	159	157	152	134
AK Native	297	282	273	273	256	1,200	1,198	1,173	1,200	1,216	1,497	1,480	1,446	1,473	1,472
White	717	698	669	623	566	2,621	2,640	2,604	2,466	2,269	3,338	3,338	3,273	3,089	2,835
Unknown	26	32	32	29	41	52	55	63	56	67	78	87	95	85	108
Total	**1,195**	**1,155**	**1,094**	**1043**	**976**	**4,653**	**4,658**	**4,580**	**4,421**	**4,204**	**5,848**	**5,813**	**5,674**	**5,464**	**5,180**
Age Group															
19 & Unde	9	15	14	18	15	78	73	89	98	106	87	88	103	116	121
20-24	193	194	193	176	149	763	808	775	795	783	956	1,002	968	971	932
25-29	245	205	179	175	156	889	861	859	713	679	1,134	1,066	1,038	888	835
30-34	174	169	168	161	166	594	597	590	577	547	768	766	758	738	713
35-39	170	173	146	152	141	552	563	548	575	540	722	736	694	727	681
40-44	129	129	149	130	131	528	560	545	569	543	657	689	694	699	674
45-49	130	131	123	117	115	479	455	468	494	483	609	586	591	611	598
50-54	89	91	75	65	55	365	348	342	289	252	454	439	417	354	307
55-59	38	30	26	25	29	221	211	209	163	138	259	241	235	188	167
60-64	13	10	16	16	14	106	99	81	77	79	119	109	97	93	93
65 & over	5	8	5	8	5	78	83	74	71	54	83	91	79	79	59
Total	**1,195**	**1,155**	**1,094**	**1043**	**976**	**4,653**	**4,658**	**4,580**	**4,421**	**4,204**	**5,848**	**5,813**	**5,674**	**5,464**	**5,180**
Mean Age	*35.90*					*37.02*					*36.79*				
Median Ag	*34.30*					*35.02*					*34.83*				

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 September 22, 2010

SUBJECT: Restoration of voting rights for certain felons
(Work Order No 27-LS0083\A)

TO: Senator Bettye Davis
Attn: Thomas Obermeyer

FROM: Alpheus Bullard TAB
Legislative Counsel

This memorandum accompanies the draft bill you requested that would restore voting rights to persons convicted of felonies involving moral turpitude once these persons are released from incarceration. This bill is based on a draft prepared by this office for introduction in the 26th Legislature. The draft raises several issues.

Restoration of civil rights

Article V, sec. 2 of the Alaska Constitution provides that "[n]o person may vote who has been convicted of a felony involving moral turpitude unless his civil rights have been restored." The Alaska Supreme Court has not yet addressed what constitutes "civil rights" for the purposes of this clause.

The constitutional reference to "civil rights" must include rights other than the right to vote, otherwise the provision would be unnecessary. However, there is no discussion in the minutes of the constitutional convention indicating what the framers understood as "civil rights" for purposes of this section.

Federal law prohibits a convicted felon from possessing a firearm unless the felon's civil rights have been restored under state law. 18 U.S.C. 921(a)(20). The federal statute does not define "civil rights." For purposes of this statute, federal circuit courts have interpreted "civil rights" to include the right to vote, the right to seek and hold public office, and the right to serve on a jury. United States v. Dahms, 938 F.2d 131, 133 (9th Cir. 1991); United States v. Leuschen, 395 F.3d 155 (3d Cir., Pa. 2005).

The Alaska Court of Appeals has addressed this statute as well, concluding that under Alaska statute "defendants on probation or parole can not serve as jurors" and "[t]his disqualification means that, for purposes of federal firearms laws, [the defendant's] civil rights have not been restored." Barry v. State, 925 P.2d 255 (Alaska App. 1996). Another case dealing with juror qualifications makes a passing reference to "civil rights -- such as the right to vote or to carry a firearm." Singleton v. Alaska, 921 P.2d 636 (Alaska App. 1996).

These cases do not specifically address article V, sec. 2 of the Constitution of the State of Alaska, and they would not be binding on the Alaska Supreme Court as it interprets that provision. But, they are an indicator of how a court would interpret art. V, sec. 2 if required to do so. Because art. V, sec. 2 would make little sense if "civil rights" did not refer to something more than the right to vote (which is a prerequisite for seeking public office in Alaska), the enclosed draft changes the qualifications for jury service as well. Accordingly, I've changed the title of the bill from "An Act relating to the voting rights of felons" to "An Act relating to the civil rights of felons."

"Incarceration"
This draft provides that a person convicted of a crime that constitutes a felony involving moral turpitude under state or federal law may not vote in a state, federal, or municipal election while incarcerated for that crime. "Incarcerated" is not defined in this draft or in current statute. Should a person who is sentenced to custody in a residential facility be permitted to vote? I am not aware of all sentencing options available in application to crimes constituting "a felony involving moral turpitude under state and federal law." I would recommend seeking the Department of Corrections' expertise on this point.

Felons released from the federal penitentiary system
This draft requires the commissioner of corrections to establish procedures by which a person released from incarceration is advised of voter registration requirements and procedures. The department is tasked with (1) providing a person released from incarceration with a written notification of the person's restored right to vote and (2) notifying the director of the division of elections that the person is entitled to be registered as a voter. I don't know if the Department of Corrections can fulfill these responsibilities for persons released from a federal facility. This is more a question of fact than a legal issue. Again, I would recommend that you seek the department's advice on this point.

Applicability provision
Please consider adding to the bill an applicability provision specifying the manner in which the bill's provisions are to be given effect, giving specific attention to the applicability of the bill's provisions to felons released before the Act's effective date and whether the department should be directed to notify them of their right to vote.

If you have questions, please contact me. I will be on mandatory leave from September 24th to October 22nd. If you have questions during this time, please do not hesitate to contact our office for another attorney's assistance.

TLAB:plm
10-307.plm

Enclosure

NATIONAL CONFERENCE *of* STATE LEGISLATURES

The Forum for America's Ideas

Restoration of Voting Rights

Right to vote not lost for felonies
Maine
Vermont

Right to vote not lost for *certain* felonies
Mississippi[1]

Right to vote automatically restored upon completion of sentence
Alaska
Arizona[3]
Arkansas
California
Colorado
Connecticut
District of Columbia
Florida[2]
Georgia
Hawaii
Idaho
Illinois
Indiana
Kansas
Louisiana
Maryland
Massachusetts
Michigan
Minnesota
Missouri
Montana
Nevada[3]
New Hampshire
New Jersey
New Mexico
New York
North Carolina
North Dakota
Ohio
Oklahoma
Oregon
Pennsylvania
Rhode Island
South Carolina
South Dakota
Texas
Utah
Washington[4]
West Virginia
Wisconsin

Automatically restored after a waiting period
Delaware (5 years)[2]
Nebraska (2 years)

Must apply for restoration of voting rights upon completion of sentence
Alabama[2]
Tennessee[2]

Must apply for restoration after a waiting period
Wyoming (5 years)[2,3]

Barred from voting for life, unless pardoned by the governor
Kentucky
Virginia

(1) In MS, the right to vote is lost permanently (absent a pardon by the governor) for the following offenses: murder, rape, bribery, theft, arson, obtaining money or goods under false pretense, forgery, perjury, embezzlement, and bigamy. Felons convicted of any crime other than these do not lose the right to vote.
(2) For certain serious offenses, either the restoration of voting rights by a court or board, or a pardon, is necessary.
(3) Only for first-time offenders. Recidivists must petition for restoration of voting rights.

Source: National Conference of State Legislatures
February 2011
For more information, contact Jennie Drage Bowser at 303-364-7700.

(4) In Washington, certain offenders must apply with the Indeterminate Sentence Review Board for restoration of voting rights.

NATIONAL CONFERENCE *of* STATE LEGISLATURES

The Forum for America's Ideas

Felon Voting Rights
Permanent Disenfranchisement States

State	Who is permanently disenfranchised	How right to vote may be regained	Notes
Alabama §15-22-36, 15-22-36.1 §17-3-30, 17-3-31 Const. Art. 8 §182	All people convicted of a crime involving "moral turpitude" (includes all felonies)	*Nonviolent:* apply for Certificate of Eligibility to Register to Vote from Board of Pardons & Paroles; board must issue certificate within 45 days if all requirements are satisfied *Violent:* apply for a pardon from Board of Pardons & Paroles	
Arizona §13-904 et seq. Const. Art. 7 §2	All people convicted of two or more felonies	Obtain a Certificate of Absolute Discharge from the Bureau of Prisons, or an affidavit of discharge from a judge if the most recent sentence was probation; then submit an application for restoration of civil rights to the superior court in his/her county of residence. A two-year waiting period is required before applying if the most recent sentence was a prison term.	Right to vote is automatically restored upon completion of sentence for people with a single felony conviction
Delaware §15-1701 Const. Art. V §2 and 7	People convicted of murder, manslaughter, sexual offenses, or any felony involving a violation of the public trust (includes bribery, improper influence and use of office, and election offenses)	Apply for a pardon from the governor	Voting rights are automatically restored for all other ex-offenders five years after completion of sentence
Florida Rules 6, 9, 10A and 10B, Rules of	Serious crimes, excluding murder and sex crimes	Apply to have rights restored *without a hearing* before the Board of Executive Clemency	Voting rights restoration is automatic for most people convicted of non-violent

Executive Clemency §97.041(2)(b), 944.292 and 944.293 Const. Art. VI §4	Murder, sex crimes	Apply for rights without a hearing after waiting 15 years after completion of sentence, or petition the Board for a review and hearing	offenses.
Iowa IA Code §48A.30(d) and §914.1 et seq. Const. Art. II, §5	A person convicted of any infamous crime	Apply to the board of parole for recommendation or to the governor for a reprieve, pardon, commutation of sentence, remission of fines or forfeitures, or restoration of rights of citizenship.	Under an executive order signed January 14, 2011, voting rights will no longer be restored automatically upon completion of sentence, and will only be restored by the governor for individuals who have completed their sentence and paid all financial restitution and court costs as ordered.
Kentucky §116.025, 116.113 Const. §145 and 150	All people convicted of a felony, treason or bribery in an election	Submit Application for Restoration of Civil Rights to the Division of Probation and Parole, which forwards it to the governor.	
Mississippi Const. Art. 12 §241 §23-15-11, 23-15-19	People convicted or murder, rape, bribery, theft, arson, obtaining money or goods under false pretense, perjury, forgery, embezzlement or bigamy	Three options: 1) apply for a pardon from the governor 2) apply for an executive order restoring civil rights from the governor 3) ask the state legislature to pass a bill of suffrage on their behalf (requires a 2/3 majority)	People convicted of other offenses do not lose the right to vote
Nevada §176A.850, 213.090, 213.155, 213.157 Const. Art. 2, §1	Except for first-time non-violent felons, all people convicted of a felony.	1) obtain a pardon from the Board of Pardons Commissioners, or 2) petition for the restoration of civil rights in the court in which they were convicted	Rights are automatically restored upon completion of sentence for first-time non-violent felons
Tennessee §40-29-201 et seq.; 40-20-112; 2-19-143 Const. Art. 1 §5	People convicted after July 1, 1986, of voter fraud, treason, murder in the first degree, or aggravated rape.		Those convicted of any offense other than those listed to the left may request

	People convicted after July 1, 1996, but before July 1, 2006 of the above offenses or any other degree of murder or rape. People convicted on or after July 1, 2006 of all of the above offenses or felony bribery or misconduct by a public official.		a certificate of voting rights restoration from the pardoning authority, prison officials, or a parole officer
Virginia §53.1-231.2 Const. Art. II §1	All people convicted of a felony	1) after a five-year waiting period, petition the circuit court (not available to people convicted of violent or drug-related offenses); court's recommendation must be approved by the governor; or 2) after a two-year (for non-violent offenders) or five-year (for violent offenders) waiting period, apply to the governor for restoration of rights	

Washington §29A.08-520; 9.92.066; 9.94A.637; 9.94A.8859.95.260; chapter 9.96 Const. Art. VI §3	Certain sex offenders convicted after September 1, 2001	No procedure in place to obtain a certificate of discharge	All others may present a Certificate of Discharge to the voter registration official; certificate is received automatically upon completion of sentence. Ex-felons who owe court costs, fines or restitution can have voter registration revoked if they fail to make at least three payments over a 12-month period.
Wyoming §6-10-106; 7-13-105; 22-3-102 Const. Art. 6 §6	Except for people convicted of first-time non-violent felonies, all felons	Apply to the governor for a pardon or a restoration of rights after a five- to ten-year waiting period	First-time non-violent felons may, after a five-year waiting period, apply to the Wyoming Board of Parole for a certificate restoring voting rights

Sources: NCSL research and Mauer, Marc and Tushar Kansal. *Barred for Life: Voting Rights Restoration in Permanent Disenfranchisement States*. Published by The Sentencing Project, February 2005.

Danny Westneat

Westneat: Ex-cons need to earn equality

You know how you can't bar housing or jobs to people on the basis of sex, race, sexual orientation, disability and so on? Those are called "protected classes," because under the law these attributes get a unique shield from discrimination. The city wants to add ex-cons to the list.

Danny Westneat

Seattle Times staff columnist

Related

- Read more of Danny Westneat's columns
- Danny Westneat's columns via RSS

It's a cliché to say someone has seen it all. Then you meet Jimmy Tharpe.

"The sex offenders and the murderers, they're actually my easy ones," says the 62-year-old businessman matter-of-factly.

Tharpe is a landlord to criminals. He owns three houses in South Seattle that he rents, room by room, to a total of 18 ex-cons. They are rapists, drug dealers, petty thieves, con men. They're free, but not like you and me — they're on a treacherous journey back into society that Tharpe calls "re-entry."

"It's a tricky business," he says, laughing at his own understatement.

Example: Once, Tharp had a tenant who became a Nazi in prison. The guy dressed in uniform, saluted, the works. The trouble, beyond friction with other tenants, was that he had moved into Tharpe's rental house located in Seward Park.

"So I'm renting to an all-out Nazi, and my house happens to be in a Jewish neighborhood!" Tharpe recalls.

"I've got dozens of stories like that. I love it, but I gotta say — renting to ex-offenders is definitely not for everybody."

Only it may soon be. If Seattle city government gets its way.

You know how you can't bar housing or jobs to people on the basis of sex, race, sexual orientation, disability and so on? Those are called "protected classes" because under the law these attributes get a unique shield from discrimination.

The city wants to add ex-cons to the list.

Last week, the Seattle Office for Civil Rights proposed adding people with criminal records to Seattle anti-discrimination law. That includes recent convictions. A landlord could be fined, for example, for rejecting a tenant just out of prison for theft or drug dealing.

There are exceptions for arson, murder and other convictions if it can be shown they may threaten the safety of workers or neighbors.

The Office for Civil Rights says it is doing this because, "When people have done their time and leave prison, it is often difficult to find housing and employment."

That's no doubt true. But crime is a choice. And Seattle may be about to put it on the same status as those who are black or female or gay.

Doing so would be "crazy, bizarre, ridiculous," says the landlord to the ex-cons, who thought he had seen everything.

It also won't work, contends Tharp, 62, who has been housing ex-cons since 1997. The state, with some private landlords, has extensive re-entry programs for released prisoners. Many of these people are incorrigible, Tharp says. Seventy percent fail and go back to prison within three years.

"Now we're going to dump all the ex-offenders on private landlords and employers, who have no experience dealing with them?" he said.

Setting aside whether this will work, what I think is dicey is that, until now, anti-discrimination law was confined to things that go to the core of your being: race, color, sexual identity and so on. A few things on Seattle's list do involve choices, such as marital status and "political ideology." Plus there is one profession on Seattle's list — service in the military.

Crime is in no way like these others. It's not only a choice but a horrendous one that victimized society. For this reason, many ex-cons, even upon release, don't have the full rights of citizens. Many can't vote or own guns. Some are not entirely free, as they remain in some way monitored by the state.

Yet Seattle wants to elevate them all into a protected class anyway.

The landlord to the criminals says what might work is for the city to go the other way. Encourage landlords to take a chance on just-released ex-cons by making it easier to evict them if something goes wrong.

"You can't just wave a wand to get equality for ex-offenders," Tharp says. "They need to earn it."

At a forum last fall sponsored by homeless groups and the city, some ex-felons spoke movingly about how the end of their sentence can be when the hard time really begins.

"It feels like I'll never stop being punished for what I did," one said, recounting her difficulties being a mother to her daughter because she couldn't find work or a place to live.

I looked up this woman's record. Robbery, theft, dealing meth, restraining order for domestic violence — a 20-year-long rap sheet. She pleaded guilty to multiple counts of identity theft and forgery less than two years ago, in August 2009.

Maybe she is on a new path and just needs a break. But should a landlord be guilty of a civil-rights violation for not renting to her? Or an employer for not hiring her?

I wonder what's next. I bet people with bad credit would like to be a protected class, too.

Danny Westneat's column appears Wednesday and Sunday. Reach him at 206-464-2086 or dwestneat@seattletimes.com.

February 2, 2011

AMERICAN CIVIL LIBERTIES UNION OF ALASKA
1057 W. Fireweed, Suite 207
Anchorage, AK 99503
(907) 258-0044
(907) 258-0288 (fax)
WWW.AKCLU.ORG

OFFICERS AND DIRECTORS
SUSAN WINGROVE, Anchorage
PRESIDENT

RICH CURTNER, Anchorage
VICE PRESIDENT

LLOYD EGGAN, Anchorage
TREASURER

[illegible]Y STRONG, Juneau
[illegible]ETARY

WILLIE ANDERSON, Juneau
AFFIRMATIVE ACTION OFFICER

KIRSTEN BEY, Nome
DONNA GOLDSMITH, Anchorage
PAUL GRANT, Juneau
SCOTT HENDERSON, Anchorage
KATIE HURLEY, Wasilla
MARJORIE KAISER, Anchorage
MICHAEL KING, Anchorage
KAY MARTIN, Anchorage
CONNIE OZER, Anchorage
GALEN PAINE, Sitka
STEPHANIE PAWLOWSKI, Anchorage
JUNE PINNELL-STEPHENS, Fairbanks
NADINE WINTERS, Fairbanks

ZACH FICK, Anchorage
STUDENT ADVISOR

The Honorable Bill Wielechowski, Chair
The Honorable Joe Paskvan, Vice-Chair
Senate State Affairs Committee
Alaska State Senate
Juneau, AK 99801
via email: Senator_Bill_Wielechowski@legis.state.ak.us
Senator_Joe_Paskvan@legis.state.ak.us

Re: Senate Bill 7
ACLU Statement of Support

Chair Wielechowski, Vice-Chair Paskvan:

Thank you for the opportunity to submit a written statement of support for SB 7.

The American Civil Liberties Union of Alaska represents thousands of members and activists throughout the State of Alaska who seek to preserve and expand individual freedoms and civil liberties guaranteed under the United States and Alaska Constitutions.

Felony disfranchisement is a policy that bars citizens from the ballot box upon conviction of a felony. In the United States, over 5.3 million Americans cannot vote due to a felony conviction. Felony disfranchisement laws vary from state to state, but 48 states bar incarcerated individuals from casting a ballot, with only Maine and Vermont allowing inmates to vote. Eight states permanently ban certain individuals with a felony conviction from voting and two states bar all persons with felony convictions from voting.

The vast majority of disfranchised individuals are no longer incarcerated, but are living in their communities on probation or parole; 2.1 million of the disfranchised population have fully completed their sentence. These disfranchised individuals are tax-paying citizens, involved with the issues in their community, but unable to vote to affect them.

The impact of felony disfranchisement falls disproportionately upon communities of color. Nearly one and a half million African-American men, or 13%, are disfranchised due to felony convictions, a rate that is seven times the national average of one out of forty-one adults. If incarceration rates hold steady, three in ten of the next generation of black men can expect to be disfranchised at some point in their lives.

However, over the last decade the national trend has moved toward lowering barriers for the disfranchised. Since 1997, 19 states have made progressive changes to their felony disfranchisement laws, enfranchising over 700,000 formerly incarcerated individuals. In a democracy voting is a right, not a privilege. But for over 5 million Americans, that is not the case. We hope SB 7 will change that in Alaska.

Alaska Disfranchisement Policy
Alaska bars individuals with a felony conviction from voting until full completion of sentence, including incarceration, probation and parole. Upon completion of sentence the right to vote is automatically restored but individuals must include a copy of their discharge papers when registering to vote. Individuals with misdemeanor convictions never lose the right to vote, but they must vote by absentee ballot if in jail.

Who is Disfranchised in Alaska?
An estimated 10,176 people with felony convictions are barred from voting in Alaska. Approximately 44% of disfranchised people are in prison while 56% of disfranchised people are on probation or parole. Probationers and parolees are law-abiding citizens who are living in the community, working, raising their families and paying taxes.

Racial Impact
Alaska Natives are significantly overrepresented in the disfranchised population. Alaska Natives comprise 32% of the total disfranchised population, though they only comprise 16% of the total population of Alaska. African-Americans comprise 9.5% of the disfranchised population, yet comprise only 3.5% of the total population of Alaska.

Voting & Public Safety
Felony disfranchisement runs counter to the goal of public safety. Restricting voting rights does not prevent crime, nor does it provide compensation to victims. In fact, disfranchising persons after release from prison is antithetical to the reentry process and harmful to long-term prospects for sustainable reintegration of ex-offenders into society. Recent research finds a link between voting participation and reoffense; people who voted after release from supervision were half as likely to be re-arrested as those who did not vote. Similar effects were found among people with a prior arrest; 27% of non-voters were re-arrested, compared to 12% of people who had voted.

Far from making streets safer, felony disfranchisement may be detrimental to public safety. Voting demonstrates an individual's commitment to the institutions of American democracy. The irony of felony disfranchisement is that the very behavior that society strives to encourage – the commitment to the larger social and political collective – is undermined by a policy that requires people who desire to engage in that behavior to relinquish the right to vote.

Please feel free to contact the undersigned should you require any additional information. We are happy to reply to any questions that may arise, or to answer informally any questions which Members of the Committee may have.

Thank you again for the opportunity to share our thoughts.

Sincerely,

Jeffrey Mittman
Executive Director
ACLU of Alaska

cc: Senator Albert Kookesh
Senator Kevin Meyer
Senator Catherine Giessel
Senator Bettye J. Davis

SB

16

<TARGET><BILL>SB 16</BILL><SUBJECT>SB
16</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/19/11

FURTHER: Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 3-1-11

State Affairs Committee considered SENATE BILL NO. 16

SB 16-LICENSE PLATES: CHOOSE LIFE

"An Act relating to special request choose life license plates; and providing for an effective date."

and recommends:

[X] be **replaced** with **CS** _____ (STA) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
			X	

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Giessel			X	
	Meyer	X			
	PASKVAN			X	
CHAIR:	wielechowski			X	

27-LS0120\D
Luckhaupt
2/15/11

CS FOR SENATE BILL NO. 16( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS MEYER, Dyson, Giessel

A BILL

FOR AN ACT ENTITLED

"An Act relating to special request 'Choose Life' license plates and special request 'Pro-Family, Pro-Choice' license plates; and providing for an effective date."

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

*** Section 1.** AS 28.10.181 is amended by adding new subsections to read:

(bb) Special request "Choose Life" plates. Upon application by the owner of a motor vehicle, the department may issue registration plates with the phrase "Choose Life" on the plate. The commissioner, after consulting with Alaska Choose Life, shall determine the design and color of the plates. The department may disapprove the issuance of registration plates under this subsection when the requested plates are a duplication of an existing registration.

(cc) Special request "Pro-Family, Pro-Choice" plates. Upon application by the owner of a motor vehicle, the department may issue registration plates with the phrase "Pro-Family, Pro-Choice" on the plate. The commissioner shall determine the design and color of the plates. The department may disapprove the issuance of registration

plates under this subsection when the requested plates are a duplication of an existing registration.

*** Sec. 2.** AS 28.10.421(d) is amended by adding new paragraphs to read:

(20) special request "Choose Life" plates $30

plus the fee required for that vehicle under (b), (c), (h), or (i) of this section; the fee required by this paragraph shall be collected biennially in the same manner as the fee required under (b), (c), (h), or (i) of this section; the commissioner of administration shall separately account for the fees received under this paragraph that the department deposits in the general fund; the annual estimated balance in the account that is in excess of the cost of issuing special request "Choose Life" plates may be appropriated by the legislature to programs supporting or benefiting adoption.

(21) special request "Pro-Family, Pro-Choice" plates $30

plus the fee required for that vehicle under (b), (c), (h), or (i) of this section; the fee required by this paragraph shall be collected biennially in the same manner as the fee required under (b), (c), (h), or (i) of this section; the commissioner of administration shall separately account for the fees received under this paragraph that the department deposits in the general fund.

*** Sec. 3.** This Act takes effect January 1, 2012.

27-LS0120\E
Luckhaupt
2/24/11

CS FOR SENATE BILL NO. 16(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS MEYER, Dyson, Giessel

A BILL

FOR AN ACT ENTITLED

"An Act relating to special request 'Choose Life' license plates and special request 'Pro-Family, Pro-Choice' license plates; and providing for an effective date."

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

*** Section 1.** AS 28.10.181 is amended by adding new subsections to read:

(bb) Special request "Choose Life" plates. Upon application by the owner of a motor vehicle, the department may issue registration plates with the phrase "Choose Life" on the plate. The commissioner, after consulting with Alaska Choose Life, shall determine the design and color of the plates. The department may disapprove the issuance of registration plates under this subsection when the requested plates are a duplication of an existing registration.

(cc) Special request "Pro-Family, Pro-Choice" plates. Upon application by the owner of a motor vehicle, the department may issue registration plates with the phrase "Pro-Family, Pro-Choice" on the plate. The commissioner, after consulting with Planned Parenthood of the Great Northwest, shall determine the design and color of

the plates. The department may disapprove the issuance of registration plates under this subsection when the requested plates are a duplication of an existing registration.

* **Sec. 2.** AS 28.10.421(d) is amended by adding new paragraphs to read:

(20) special request "Choose Life" plates $30

plus the fee required for that vehicle under (b), (c), (h), or (i) of this section; the fee required by this paragraph shall be collected biennially in the same manner as the fee required under (b), (c), (h), or (i) of this section; the commissioner shall separately account for the fees received under this paragraph that the department deposits in the general fund; the annual estimated balance in the account that is in excess of the cost of issuing special request "Choose Life" plates may be appropriated by the legislature to programs supporting or benefiting adoption.

(21) special request "Pro-Family, Pro-Choice" plates $30

plus the fee required for that vehicle under (b), (c), (h), or (i) of this section; the fee required by this paragraph shall be collected biennially in the same manner as the fee required under (b), (c), (h), or (i) of this section; the commissioner shall separately account for the fees received under this paragraph that the department deposits in the general fund; the annual estimated balance in the account that is in excess of the cost of issuing special request "Pro-Family, Pro-Choice" plates may be appropriated to the Alaska Children's Trust (AS 37.14.200).

* **Sec. 3.** This Act takes effect January 1, 2012.

ALASKA STATE LEGISLATURE

Interim:
716 West 4th Avenue
Anchorage, Alaska 99501-2133
Phone: (907) 269-0199
Fax (907) 269-0197
Senator_Kevin_Meyer@legis.state.ak.us

Session:
Alaska State Capitol
Juneau, Alaska 99801-1182
Phone: (907) 465-4945
Fax: (907) 465-3476
Toll Free: (866) 465-4945

SENATOR KEVIN MEYER
MAJORITY LEADER

TO: Senator Bill Wielechowski, Chairman
Senate State Affairs Committee

FROM: Senator Kevin Meyer

DATE: January 28, 2011

RE: SB16 Request for Hearing

I respectfully request the Senate State Affairs Committee to schedule a hearing for SB 16, "An Act relating to special request choose life license plates; and providing for an effective date."

The following documents are attached and will be sent electronically:

- Current version of the bill
- Sponsor Statement
- Back up material
- Witnesses/Testimony
  - Whitney Brewster, Division Director DMV
- Staff member assigned to the bill: Christine R. Marasigan, 465-6876

This bill would allow the Department of Motor Vehicles to issue a Choose Life specialty license plate for a fee.

Please contact Christine if you have any questions regarding this legislation.

Alaska State Legislature

Interim:
716 West 4th Ave.
Anchorage, Alaska 99501
(907) 269-0199

Session:
State Capitol Building
Juneau, Alaska 99801-1182
(907) 465-4945

Senator Kevin Meyer
Senate District O

SPONSOR STATEMENT FOR SB 16

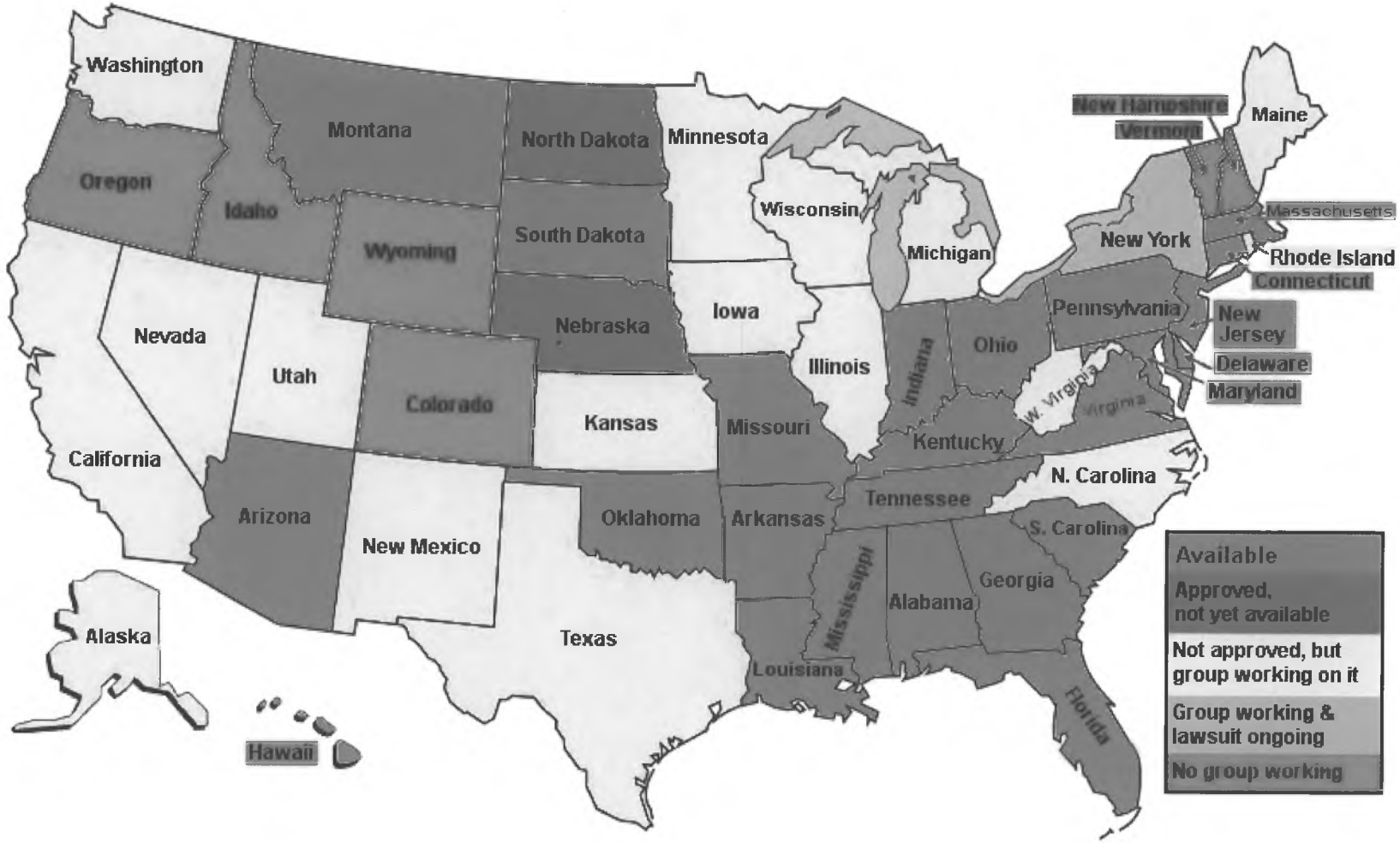
"An Act relating to special request choose life license plates; and providing for an effective date."

SB 16 would allow the State of Alaska to issue special license plates bearing the message, "Choose Life" for a fee. Currently 26 states allow their Department of Motor Vehicles to issue this type of license plate and 15 other states are working on the same legislation.

Currently the State of Alaska's Department of Motor Vehicles have several special issue license plates such as Military, Veterans, Iditarod Race Finishers, Historic Vehicles, Children's Trust, Fire Fighter/Emergency Medical Services and others. These plates are totally optional and are funded by an individual's fee of $30.

If SB 16 is passed, the design will be determined by the DMV and a group from Alaska Choose Life. In order to obtain a plate you must have a registered vehicle in the state of Alaska. While the fee is intended to cover the cost of the production of plates, if there is any revenue generated it may be appropriated by the legislature to programs that support adoption.

CHOOSE LIFE LICENSE PLATE BY STATE



http://www.choose-life.org/

Slate

Poetic Licenses

Are "Choose Life" license plates free speech or state-sponsored infomercials?

By Dahlia Lithwick

Posted Thursday, Feb. 6, 2003, at 6:57 PM ET

This week, Virginia's House of Representatives approved the creation of specialty "Choose Life" license plates. The Iowa state Senate introduced a bill this week that would do the same. The ACLU has threatened to sue if the Virginia measure is signed into law, which will produce the ninth lawsuit over this issue in three years. Alabama, Florida, Hawaii, Louisiana, Mississippi, Oklahoma, and South Carolina already have "Choose Life" license plate programs, and 13 other states are considering enacting similar legislation. So, it's probably safe to say that a "Choose Life" tidal wave—and its litigation backlash—is poised to hit the nation.

The legal issue isn't complicated, and it helps to separate it from your feelings about abortion. It's a free speech question: Can state governments endorse speech representing only one side of an issue as controversial as abortion? Has the state, by opening up license plates as a forum for private speech, incurred a constitutional obligation to allow speakers of every viewpoint equal access to that forum?

Most of the courts that have considered the issue have wussed out on the First Amendment question altogether, finding the plaintiffs in those cases lacked legal "standing" to file suit, since they had never endeavored to sponsor "Choose Abortion" or "Choose Choice" license plates themselves. Another court decided last month that the "Choose Life" plates in South Carolina were unconstitutional, in that the state was promoting only one side in the debate. Immediately, a South Carolina legislator introduced a "Choose Death" license plate, which he insists fairly expresses the other side in the debate. Newspapers recently noted that the "Choose Death" plate may still prove popular with death-penalty enthusiasts (and perhaps with hunters, werewolves, and NRA members as well). Less clear is whether it will satisfy the plaintiffs from Planned Parenthood.

Advertisement

Click here to find out more!

http://www.slate.com/toolbar.aspx?action=print&id=2078247

Print Powered By FormatDynamics

Slate

Poetic Licenses

License plates became a constitutional issue in 1977 when the Supreme Court decided , a case involving a family of Jehovah's Witnesses who had taped over the "Live Free or Die" part of their New Hampshire license plate. The Maynards claimed that New Hampshire violated their free speech rights by forcing them to broadcast a political sentiment with which they disagreed. The high court ruled that states could not force individuals to be "mobile billboards" for messages they loathed. The "Choose Life" cases don't involve this sort of compelled speech, however, since no one in any state is *forced* to purchase the specialty plates—people buy them voluntarily.

Specialty plates were virtually unheard-of in most states until 1987, when Florida issued a plate commemorating the space shuttle *Challenger*. That plate alone raised more than $30 million for space-related programs, and today Florida issues more than 50 specialty plates. Forty other states have specialty-plate programs, and for the most part they celebrate non-controversial organizations: sports teams, schools, veterans, NASCAR, or saving the whales, with the additional fees benefiting that cause. The "Choose Life" plates in Florida feature the words "Choose Life" in childlike crayon, along with a beaming boy and girl—presumably of the happily adopted variety—also rendered in the key of crayon. Most of states with "Choose Life" programs provide, as does Florida, that the proceeds of these sales go exclusively to organizations that counsel women with unwanted pregnancies to choose adoption. In fact, the legislation in most states expressly provides that any program offering referrals or even discussing the option of abortion is barred from funding.

When the first "Choose Life" legislation passed in Florida in 1998, then-Gov. Lawton Chiles vetoed it, stating that license plates were not necessarily the best forum for exploring the complex nuances of the abortion debate. But Gov. Jeb Bush signed the bill when he was elected in 1999, and the Louisiana legislature adopted similar legislation shortly thereafter. South Carolina followed in 2001. All have resulted in lawsuits, with the first two states' suits going to the Choose Lifers and the third

Advertisement

Click here to find out more!

http://www.slate.com/toolbar.aspx?action=print&id=2078247

Print Powered By FormatDynamics

Slate

Poetic Licenses

going to the plaintiffs. So far.

In Florida, the courts have usually dismissed the suits, insisting that the plaintiffs (usually women's or pro choice organizations) didn't have "standing" to sue because they had never themselves attempted to get the opposite viewpoint onto any license plates. The Louisiana lawsuit went to the plaintiffs initially, because the district court felt that the plates discriminated in favor of just one viewpoint. This resulted in an injunction that was dissolved last March by the 5th Circuit court of appeals, who found that, as was the case in Florida, the plaintiffs had no standing to sue in the first place. The U.S. Supreme Court declined to hear that case this year.

One court that's really wrestled with the free speech issue was a federal district court in South Carolina, which last month found the "Choose Life" plates to be unconstitutional since they endorse only one side in the abortion debate. The state has appealed this ruling, and another Florida suit was revived last week, this time on the grounds that the plates impermissibly entangle church and state.

To understand the free speech issue, it's important to clarify whether specialty license plates represent government speech or private citizens' speech. Why? Because there is no question that the government may speak in a partisan manner without violating the Constitution. The First Amendment applies only to government efforts to restrict *private* speech; it doesn't apply back to the state itself. This is why the state is perfectly free to tell you to stay in school, or drive sober, without having to broadcast the opposing viewpoint. States may have preferences for all sorts of messages. But if, on the other hand, the government opens a forum for private speakers—if it creates a park or builds a street where you and I are free to talk—it cannot be in the business of censoring some viewpoints while permitting others. This is the core of the First Amendment. So, the legal test for the courts is simply this: When the state gives license plates to certain private organizations to broadcast their messages, is it more like the state is talking (akin to a public service

Advertisement

× Click here to find out more!

http://www.slate.com/toolbar.aspx?action=print&id=2078247

Print Powered By FormatDynamics

Slate

Poetic Licenses

announcement) or more like it's allowing private citizen to talk (like they would in a public square)? The former is constitutional, but the latter may well be censorship.

Different states have tended to take different positions on this issue, depending on the lawsuit. In the Louisiana suit, for instance, the state admitted candidly that the message of the plate is explicitly anti-abortion, but that this was valid government speech as it reflected the state's own preferences. Louisiana lawmakers had no problem admitting that the state legislature abhors abortion and likes adoption. This is hardly news if you look at Louisiana's "Choose Life" plate, which features the brown pelican—the state bird—holding a baby wrapped in a blanket in its beak. Other states have gone to the other extreme, arguing that the government is in no way endorsing or even involved in the message on the plates—it's a private commercial decision between a driver and an organization she supports—like a bumper sticker, according to one lawmaker. The truth is somewhere between the extremes. Of course the state is abetting this speech—its name is prominently displayed on the tag—but individuals also choose and display the tags freely. So, the truth is that the state is opening up some kind of forum, which means the state can't discriminate based on viewpoint.

Here's where the other strange state response comes in: Some argue that yes, they have opened up something like a public forum but that the messages they promote are not controversial, or have no opposing side. There can be no viewpoint discrimination, they contend, because who, they argue, is against the space shuttle? Who wants to take a stand against the Everglades? And who could possibly be against adoption? And throughout these cases, the states have insisted that the plates, while backed by pro-life groups and trumpeting the famous pro-life slogan, actually have nothing to do with abortion: They are simply "pro-adoption." In fact, when Jeb Bush signed the Florida plates into law he insisted: "It's a pretty tag and it says 'Choose Life' and it's for adoption. If people want to politicize that, they'll politicize anything." This would be a

Advertisement

Click here to find out more!

Slate

Poetic Licenses

more credible argument if the same legislators weren't withholding money from organizations that discuss abortion.

Ironically, the states simultaneously advance precisely the opposite argument as well: insisting that all specialty plates are by definition "political"; advocating environmentalism and the saving of endangered animals as they do. The "Choose Life" message, they argue, is no more "political" than these others. Richard H. Black, the Virginia delegate who introduced the bill there, says if the law is now that we must always sponsor opposing messages, the state needs to produce a "Virginia Is for Haters" plate to counter its "Virginia Is for Lovers" tags.

Here's the fundamental problem with all these arguments: Whether or not the tags are "controversial" or even "political" or "opposable" is irrelevant for First Amendment purposes, when the legislature is breezily permitting some to be created and others to be denied. The relevant question is whether state legislatures are taking it upon themselves to decide what "political" or "controversial" mean in the first place, and what standards they use to do so, because in doing so, they are by definition discriminating based on viewpoint. While different states have different mechanisms for approving the programs, most involve some advocacy group proving to the legislature that there is sufficient demand for the plates to generate income. That means that if an organization can get enough signatures pledging to buy the plates, the legislature will consider it. Which in turn means that only popular viewpoints can pass the initial threshold. And if *Maynard* taught us anything, it was that "the First Amendment protects the right of individuals to hold a point of view different from the majority." Permission to speak shouldn't be doled out by the state based on the popularity of the idea.

But that isn't the end of the unbridled discretion. Because once a bill is in the hands of the legislature, it seems to be a sort of political free-for-all as to whether *they* wish to approve or disapprove of any group's message. Arkansas refused to give the Knights of Columbus a specialty plate, for fear that the KKK would want one, too. The California legislature went

Advertisement

Click here to find out more!

http://www.slate.com/toolbar.aspx?action=print&id=2078247

Print Powered By FormatDynamics

Slate

Poetic Licenses

berserk over whether the Boy Scouts should get plates, because some felt the group was discriminatory. So, state discretion doesn't stop with the promotion of only popular ideas. It becomes even more blatant as lawmakers decide whether *they* approve of the ideas, and apparently, they make these decisions without standards or rules either.

It's not at all clear how the "Choose Life" lawsuits will shake out. But it seems obvious that if a "Choose Life" tag is constitutional in Virginia, a "Honk If You Love al-Qaida" plate should be constitutional in New Hampshire, as well. Which would probably give a whole new meaning to "Live Free or Die."

*Dahlia Lithwick is a **Slate** senior editor. Follow her on Twitter.*

Advertisement

Click here to find out more!

http://www.slate.com/toolbar.aspx?action=print&id=2078247

Print Powered By FormatDynamics

advertisement

Click here to find out more!

msnbc.com

Appeals court: God is OK on license plates

Ruling strikes down Vermont ban on religious expression on vanity placards

By Larry Neumeister

Associated Press

updated 10/8/2010 6:27:08 PM ET

NEW YORK— "THE REV" and "PSALM48" can join "ARMYMOM" and "DARE2BU" on the license plates of cars in Vermont after a federal appeals court ruled Friday that the First Amendment leaves room for religion on vanity plates.

The three-judge panel of the 2nd U.S. Court of Appeals in New York reversed a lower-court ruling in the state's favor in a case brought by Shawn Byrne of West Rutland, Vt., whose proposed vanity plate reference to a Bible passage had been rejected by the state in 2004.

Byrne appealed a September 2007 decision by a federal judge in Burlington, Vt., that rejected his 2005 claim that the state discriminated against him when it rejected his application for a license plate that would read: "JN36TN," a reference to the often-quoted Bible verse John 3:16.

Byrne did not immediately return a telephone message for comment.

Tom McCormick, an assistant attorney general, did not immediately respond to a phone message either.

In ruling, the 2nd Circuit noted that Vermont allows its residents to express themselves about personal philosophy and taste and to put inspirational messages and statements of affiliation on their license plates. But religion is ruled out.

Thus, the state's vehicles have plates such as: "BUTCHER," "BKEEPER," "LUV2FSH," "GOYANKS," "PEACE2U," "THNKPOS" and "MISUDAD." But not "REV 3 20" or "UM REV" and the like.

"The state rejected Byrne's message only because it addressed ... areas of otherwise permissible expression from a religious perspective," the appeals court wrote. "This

advertisement

Print Powered By FormatDynamics

advertisement

Click here to find out more!

msnbc.com

the state cannot do."

It emphasized that its ruling was limited to the state's ban on religious messages, an area where it said the Supreme Court has been "extensive and clear" in its guidance.

As a result, it said, the state can keep its ban on vanity plates that refer to scatological subjects, genitalia, illicit drugs, racial epithets and other objectionable material.

The appeals court noted that the state's rules against religious expression on vanity plates had sometimes been unevenly applied.

Vote: Religious references OK on license plates?

For instance, it said, "GENESIS" can appear on a license plates as long as the driver insists it is a reference to a rock group rather than the Old Testament. And it said Byrne had shown that his proposed license plate would have been approved if he had given the state a secular meaning, saying he chose "JN36TN" because his name is John, he is 36 years old and he was born in Tennessee.

Associated Press Writer John Curran in Montpelier, Vt., contributed to this report.

Copyright 2010 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

advertisement

Click here to find out more!

Print Powered By Format Dynamics

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **SB 016**
() Publish Date

Identifier (file name) SB016-DOA-DMV-02-18-11
Title Special Request Choose Life License Plates
Sponsor Senators Meyer, Dyson, Giessel
Requester Senate State Affairs

Dept. Affected Administration
Appropriation Division of Motor Vehicles
Allocation Motor Vehicles
OMB Component Number 2348

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version

Prepared by Whitney Brewster
Division Motor Vehicles
Approved by John Cramer, Deputy Commissioner
Department of Administration

Phone 907-269-5574
Date/Time 2/18/11 10:00 AM
Date 2/18/2011

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. SB 016

Analysis

This bill will have no fiscal impact.

February 21, 2011

AMERICAN CIVIL LIBERTIES UNION OF ALASKA
1057 W. Fireweed, Suite 207
Anchorage, AK 99503
(907) 258-0044
(907) 258-0288 (fax)
WWW.AKCLU.ORG

OFFICERS AND DIRECTORS
SUSAN WINGROVE, Anchorage
PRESIDENT

RICH CURTNER, Anchorage
VICE PRESIDENT

LLOYD EGGAN, Anchorage
TREASURER

TONY STRONG, Juneau
SECRETARY

WILLIE ANDERSON, Juneau
AFFIRMATIVE ACTION OFFICER

KIRSTEN BEY, Nome
DONNA GOLDSMITH, Anchorage
PAUL GRANT, Juneau
SCOTT HENDERSON, Anchorage
KATIE HURLEY, Wasilla
MARJORIE KAISER, Anchorage
MICHAEL KING, Anchorage
KAY MARTIN, Anchorage
CONNIE OZER, Anchorage
GALEN PAINE, Sitka
STEPHANIE PAWLOWSKI, Anchorage
JUNE PINNELL-STEPHENS, Fairbanks
NADINE WINTERS, Fairbanks

ZACH FICK, Anchorage
STUDENT ADVISOR

The Honorable Bill Wielechowski, Chair
The Honorable Joe Paskvan, Vice-Chair
Senate State Affairs Committee
Alaska State Senate
Juneau, AK 99801
via email: Senator_Bill_Wielechowski@legis.state.ak.us
Senator_Joe_Paskvan@legis.state.ak.us

Re: Senate Bill 16 – "Choose Life" License Plates
Constitutional Issues

Chair Wielechowski, Vice-Chair Paskvan:

Thank you for the opportunity to submit written testimony regarding Senate Bill 16, regarding Special Request "Choose Life" License Plates.

The American Civil Liberties Union of Alaska represents thousands of members and activists throughout the State of Alaska who seek to preserve and expand individual freedoms and civil liberties guaranteed under the United States and Alaska Constitutions. From that perspective, we wish to alert the Committee to potential constitutional issues which could arise with respect to this proposed legislation.

Government Viewpoint Neutrality Required

If a State chooses to introduce a system for creation of optional license plates, the State must have a viewpoint neutral process for determining how applications for optional license plate formats would be adopted.

For instance, a Missouri agency that regulated specialty license plates could not refuse to create a "Choose Life" license plate simply because such license plates made members of the committee uncomfortable. *Roach v. Stouffer*, 560 F.3d 860 (8th Cir. 2009).

While the license plates are theoretically "owned" by the state, these "message" plates consist of mixed government and individual speech. The plates constitute government speech, insofar as the government imposes general editorial control over the license plate content. They are individual speech insofar as a non-state group may propose a specialized plate format and the individual driver chooses to espouse the message.

Given the personal speech interests at stake, the government may not pick and choose among causes and messages it supports in adopting such optional license plates.

In a case directly on point, South Carolina adopted a "Choose Life" license plate by statute. Refusal of the state to authorize a pro-choice themed license plate constituted direct viewpoint discrimination and violated the First Amendment. *Planned Parenthood of South Carolina Inc. v. Rose*, 361 F.3d 786 (4th Cir. 2004).

Conclusion

We hope that the Senate State Affairs Committee will note the constitutional issues that can arise when "message" plates are approved, and we presume that the State of Alaska would follow constitutional mandates in establishing a process for approval of additional messages.

Please feel free to contact the undersigned should you require any additional information. We are happy to reply to any questions that may arise either through written or verbal testimony, or to answer informally any questions which Members of the Committee may have.

Thank you again for the opportunity to share our concerns.

Sincerely,

Jeffrey Mittman
Executive Director
ACLU of Alaska

cc: Senator Albert Kookesh
Senator Kevin Meyer
Senator Catherine Giessel

Michelle Sydeman

From: Lisa and Steve Deckert [deckert@gci.net]
Sent: Tuesday, February 22, 2011 8:31 AM
To: Sen. Bill Wielechowski
Subject: License plates

Hi

Good for you for trying to move these special license plates to someone else's basket so that legislators can concentrate on more important business during the session. There are too many distractions.

Lisa Deckert

SB

18

<TARGET><BILL>SB 18</BILL><SUBJECT>SB
18</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/19/11

FURTHER: Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2-10-11

State Affairs Committee considered SENATE BILL NO. 18

SB 18-DURATION OF REGULAR LEGISLATIVE SESSIONS

"An Act relating to the duration of regular sessions of the legislature; and providing for an effective date."

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] **adopt** _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
LEG			X	

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	PASKVAN			X	
	Meyer			X	
	Giessel		X		
CHAIR:	wielechowski			X	

CS SB 18

27-LS0122\B

adopted

COMMITTEE SUBSTITUTE

This CS corrects a drafting oversight by moving the effective date to 2012. Thus, beginning in 2012 we'd have a 120-day session.

adopted

AMENDMENT B.1

Currently every legislature is to convene and begin its work on the third Tuesday in January. With a 120-day session, that would mean concluding its work in mid-to-late May. The logistics of Juneau's economy, particularly regarding the housing and tourism market, should encourage the Legislature to wrap up as early in May as practical. This amendment would have the legislature convene on the second Tuesday in January during even years for its 120-day sessions. Adjournment would occur sometime between April 14-20 in odd years, and between May 7-14 in even years.

AMENDMENT B.2

This amendment, in lieu of Amendment B.1, would instead provide a consistent start of the Legislature by establishing that every legislature will convene on the second Tuesday in January, rather than just the years with 120-day sessions. Thus, adjournment would occur sometime between April 7-14 in odd years, and May 7-14 during even years.

27-LS0122\B
Gardner
2/3/11

CS FOR SENATE BILL NO. 18( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR STEVENS

A BILL

FOR AN ACT ENTITLED

"An Act relating to the duration of regular sessions of the legislature; and providing for an effective date."

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

* **Section 1.** AS 24.05.150(b) is amended to read:

(b) The legislature shall adjourn from a **first** regular session within 90 consecutive calendar days, including the day the legislature first convenes in that [REGULAR] session. **The legislature shall adjourn from a second regular session within 120 consecutive calendar days, including the day the legislature first convenes in that session.**

* **Sec. 2.** AS 24.05.150 is amended by adding a new subsection to read:

(c) Notwithstanding (b) of this section, the legislature may extend a first or second regular session once for up to 10 consecutive calendar days. An extension of the regular session requires the affirmative vote of at least two-thirds of the membership of each house.

* **Sec. 3.** Section 1 of this Act takes effect January 1, 2012.

* **Sec. 4.** Section 2 of this Act takes effect immediately under AS 01.10.070(c).

27-LS0122\B.1
Gardner
2/4/11

AMENDMENT

OFFERED IN THE SENATE BY SENATOR STEVENS

TO: CSSB 18( ), Draft Version "B"

Page 1, following line 3:

Insert a new bill section to read:

"* **Section 1.** AS 24.05.090 is amended to read:

Sec. 24.05.090. Duration of legislature; sessions. [THE LEGISLATURE SHALL CONVENE AT THE CAPITAL EACH YEAR ON THE THIRD TUESDAY IN JANUARY AT 1:00 p.m.] Each legislature has a duration of two years and consists of a "First Regular Session" that meets in the odd-numbered years, and a "Second Regular Session" that meets in the even-numbered years, and any special session that the governor or legislature calls. **The legislature shall convene a First Regular Session at the capital on the third Tuesday in January at 1:00 p.m. and shall convene a Second Regular Session at the capital on the second Tuesday in January at 1:00 p.m.**"

Page 1, line 4:

Delete "**Section 1**"

Insert "**Sec. 2**"

Renumber the following bill sections accordingly.

Page 2, line 1:

Delete "Section 1 of this Act takes"

Insert "Sections 1 and 2 of this Act take"

Page 2, line 2:

Delete "Section 2"

Insert "Section 3"

AMENDMENT

OFFERED IN THE SENATE BY SENATOR STEVENS

TO: CSSB 18( ), Draft Version "B"

Page 1, line 1, following "**duration**":

Insert "**convening**"

Page 1, following line 3:

Insert a new bill section to read:

"*** Section 1.** AS 24.05.090 is amended to read:

Sec. 24.05.090. Duration of legislature; sessions. [THE LEGISLATURE SHALL CONVENE AT THE CAPITAL EACH YEAR ON THE THIRD TUESDAY IN JANUARY AT 1:00 p.m.] Each legislature has a duration of two years and consists of a "First Regular Session" that meets in the odd-numbered years, and a "Second Regular Session" that meets in the even-numbered years, and any special session that the governor or legislature calls. **The legislature shall convene the First Regular Session at the capital on the second Tuesday in January at 1:00 p.m. and shall convene the Second Regular Session at the capital on the second Tuesday in January at 1:00 p.m.**"

Page 1, line 4:

Delete "**Section 1**"

Insert "**Sec. 2**"

Renumber the following bill sections accordingly.

Page 2, line 1:

Delete "Section 1 of this Act takes"

Insert "Sections 1 and 2 of this Act take"

Page 2, line 2:

Delete "Section 2"

Insert "Section 3"

ALASKA STATE LEGISLATURE

SESSION ADDRESS
Alaska State Capitol
Juneau, AK 99801-1182
(907) 465-4925
Fax (907) 465-3517

INTERIM ADDRESS
305 Center Ave, Ste 1
Kodiak, AK 99615
(907) 486-4925
Fax (907) 486-5264

Senator Gary Stevens
President of the Senate

MEMORANDUM

To: **Senator Bill Wielechowski, Chair**
Senate State Affairs Committee

From: **Senator Gary Stevens**

Date: **January 20, 2011**

Re: **SB 18 Hearing Request**

I respectfully request a hearing of SB 18 before the Senate State Affairs Committee. "An Act relating to the duration of regular sessions of the legislature; and providing for an effective date," SB 18 is informally known as the 90/120-day session bill.

Please find attached the sponsor statement, current bill text, a sectional analysis, and supporting documents. A fiscal note from LAA has been requested and is forthcoming.

Thank you for your consideration of this request. Please contact myself, or my aide Tim Lamkin at extension 4925 with any questions or additional requirements you may have.

Thank you for your consideration.

ALASKA STATE LEGISLATURE

SESSION ADDRESS
Alaska State Capitol
Juneau, AK 99801-1182
(907) 465-4925
Fax (907) 465-3517

INTERIM ADDRESS
305 Center Ave, Ste 1
Kodiak, AK 99615
(907) 486-4925
Fax (907) 486-5264

Senator Gary Stevens
President of the Senate

SPONSOR STATEMENT
Senate Bill 18

Senate Bill 18 strikes a compromise by maintaining a 90-day first session, and a 120-day second session during each Alaska Legislature.

In the Fall of 2006, Alaskan voters narrowly passed ballot measure #1 to limit legislative sessions to 90 days. The Legislature has since worked under a 90-day session for 4 sessions. We've tried it. However, the best interests of Alaskans are not being served, nor are the arguments supporting passage of the ballot measure being proven true.

The most compelling argument in favor of shortening the session was the notion it would save money by reducing the cost of government. Obviously the costs of having regular legislative sessions have been reduced. However, the overall annual costs of the legislature have actually increased. Legislative salaries are still paid out, paper and copy costs accrue for more interim committee meetings, and legislator travel expenses accrue throughout the year, not just during session. There has not been a significant cost savings, if any, by reducing legislative sessions to 90 days.

As regards what other states are doing, half have no limit, and the other half range from 30 to 140 session days per year. It's very common to look at what other states are doing and to embrace or dismiss their policies depending on what side of an issue a person stands. Comparatively, Alaska is in the middle of the road on this issue and SB 18 would move us even closer to the middle.

There's also the idea that less time in Juneau means less time away from the home district, away from family, and normal interim activities (private sector work, etc), and thus greater "competition" among candidates who will have more incentive to run for office. Unfortunately there has been a steady decline in the total number of candidates running for state office since 2000, with the 2008 & 2010 election seasons showing the lowest number of candidates in a primary since 1998.

The bottom line is, the roughly $60 million spent on administering the Legislative ("Peoples') Branch of government, the watchdog of the Executive Branch, is a drop in the bucket compared to the $10 *billion* being spent by the executive agencies. And while the legislature respects and acknowledges the initiative process in Alaska, particularly the 90-day session vote in 2006, it is within the confines of Alaska's Constitution to resume a 120-day legislative session, at least partially as SB 18 proposes, to balance the power structure of Alaska's state government, and better serve the public.

Thank you for your support of this important issue.

ALASKA STATE LEGISLATURE

SESSION ADDRESS
Alaska State Capitol
Juneau, AK 99801-1182
(907) 465-4925
Fax (907) 465-3517

INTERIM ADDRESS
305 Center Ave, Ste 1
Kodiak, AK 99615
(907) 486-4925
Fax (907) 486-5264

Senator Gary Stevens
President of the Senate

SECTIONAL ANALYSIS
Senate Bill 18

SECTION 1: AS 24.05.150(b)
Establishes that the legislature shall adjourn its first regular session within 90 calendar days and its second regular session within 120 calendar days from the time it convenes.

SECTION 2:AS 24.05.150 (c)
Adds a new subsection (c) that reiterates Article 2, Section 8 of the Alaska State Constitution, providing for a 10-day extension of a regular session if made by an affirmative vote from two-thirds of the membership of each house.

SECTION 3:
Establishes the effective date of Section 1 of the bill to be January 1, 2013.

SECTION 4:
Establishes an immediate effective date of Section 2 of the bill.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: **SB 18**
() Publish Date

Identifier (file name): SB18-LEG-SES-01-25-11
Title: ""An Act relating to the duration of regular sessions of the Legislature and providing for an effective date."
Sponsor: Senator Stevens
Requester: Senate State Affairs

Dept. Affected: Legislature
Appropriation: Leg Council, Operating Budget
Allocation: Salaries and Allowances, Session, Legislative Operating Budget
OMB Component Number: 776-782-796

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 Interagency Receipts							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Prepared by: Shane Miller, Finance Manager — Phone 465-6626
Division: Administrative Services Division — Date/Time 1/25/11 3:27 PM
Approved by: Pamela Varni, Executive Director — Date 1/25/2011
Legislative Affairs Agency

(Revised 12/29/2010 OMB)

FISCAL NOTE

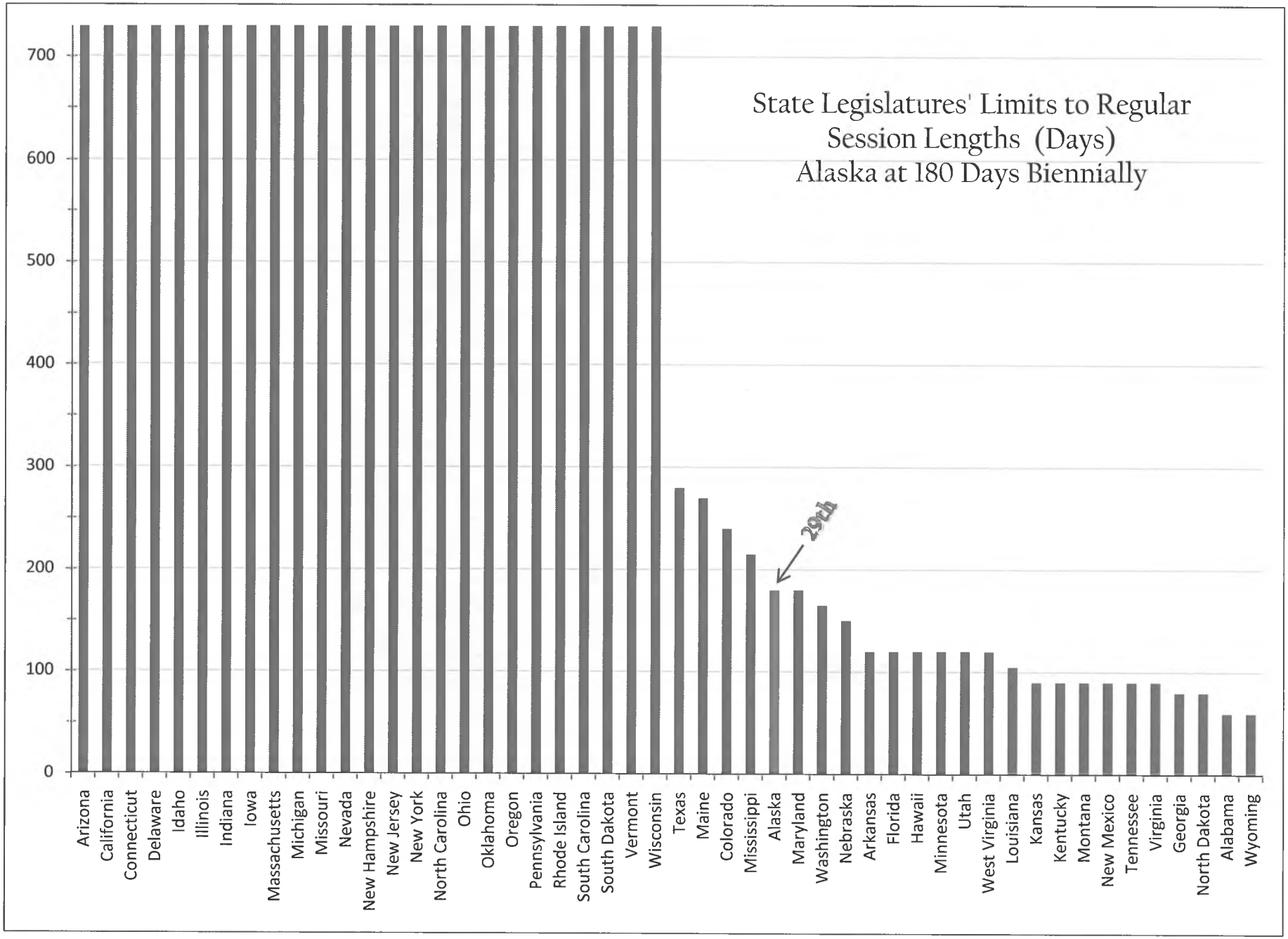
STATE OF ALASKA **BILL NO.** SB 18
2011 LEGISLATIVE SESSION

Analysis

SB 18 increases the number of days of the second session of a Legislature from 90 days to 120 days, beginning with the 28th Legislature which convenes in January 2013. The second session would convene in 2014.

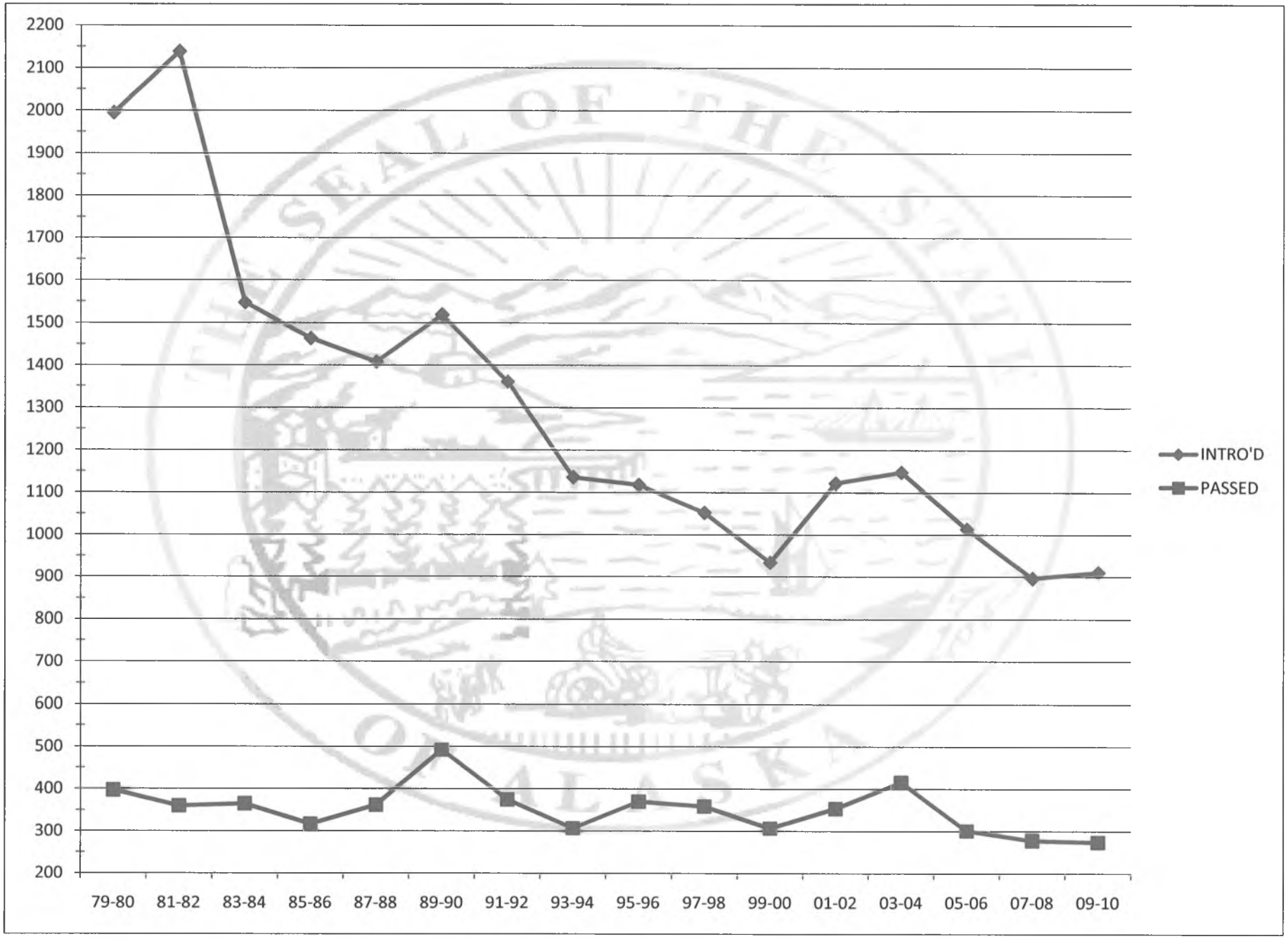
When the session was reduced from 120 to 90 days, the cost savings were redesignated into the special session contingency account in the event that reducing the number of session days resulted in more or longer special sessions. It is the intent of Senate Leadership that funding in the special session contingency account be used to absorb the cost of the additional 30 days of regular session.

This will reduce the funding available for special sessions after a second session of a Legislature and would result in a supplemental request for additional funds to cover a special session if one were called.

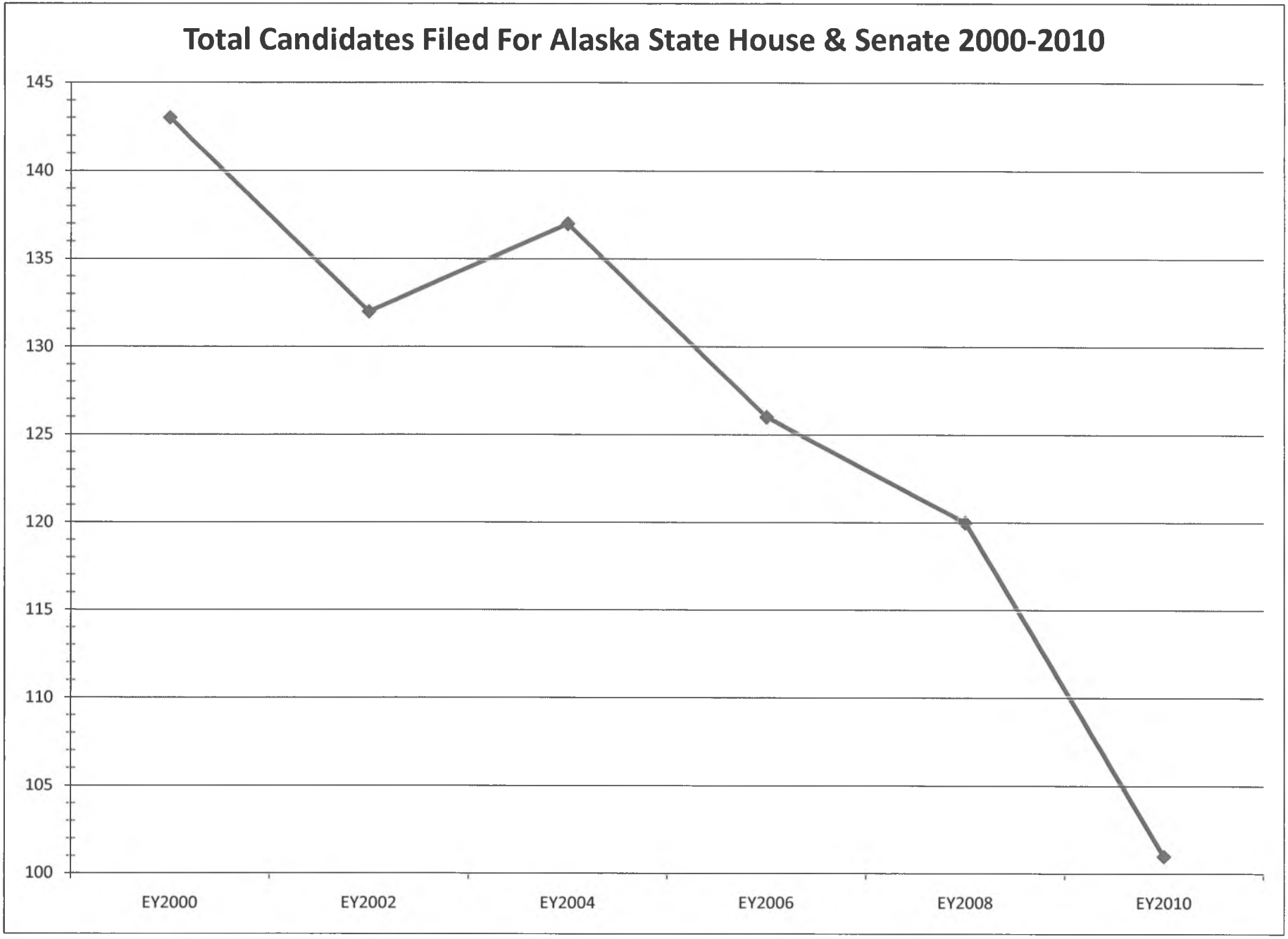


Source: "Dates of 2010 State Legislative Sessions," www.Ballotpedia.org

Alaska State Legislature - Legislation Introduced and Passed, 1979-2010



Source: "Final Status of Bills and Resolutions" Senate Secretary's Office and Chief Clerk's Office, 1979-2010



Source: AK Division of Elections, Official List of Primary Candidates, 2000-2010

Interim Committee Meetings of the Alaska Legislature, 2000-2010

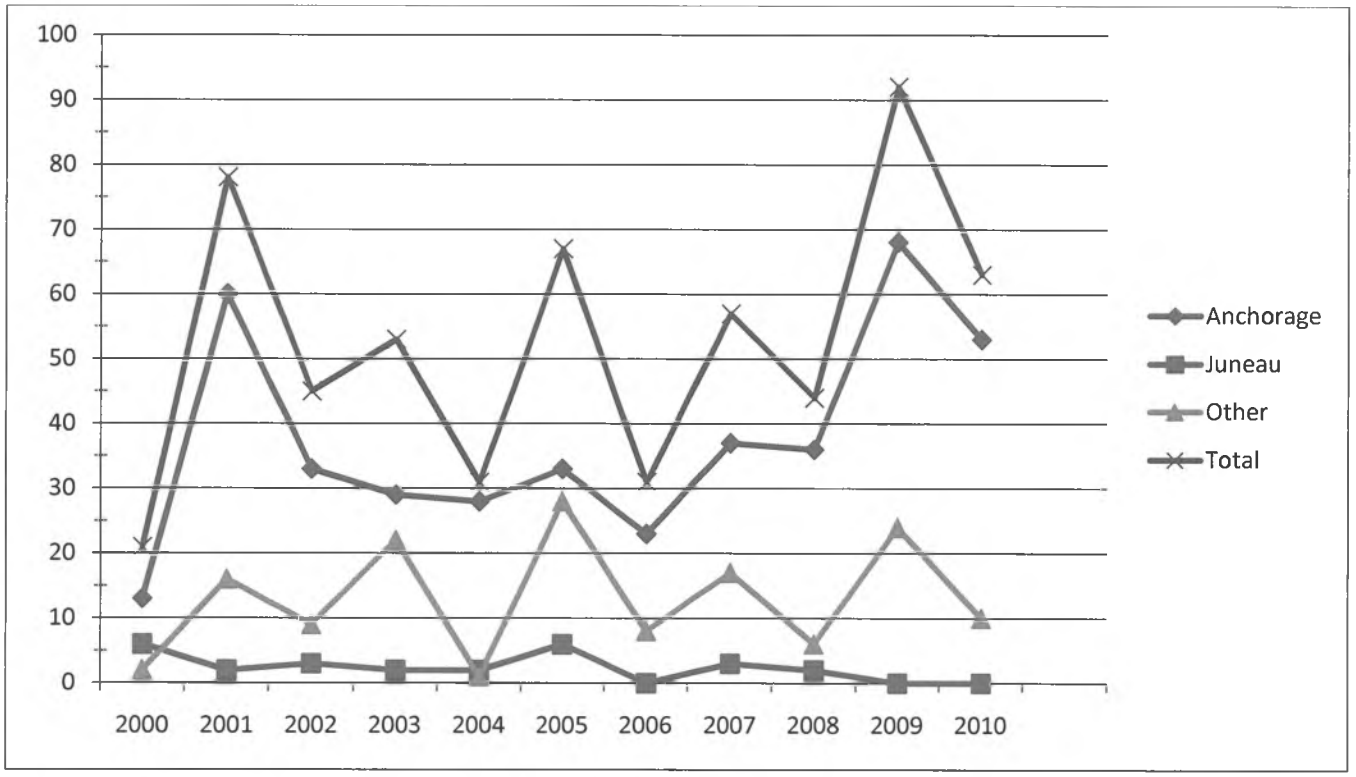


Table 1: Interim Committee Meetings of the Alaska Legislature, 2000-2010				
	Location			
YEAR	Anchorage	Juneau	Other	Total
2000	13	6	2	21
2001	60	2	16	78
2002	33	3	9	45
2003	29	2	22	53
2004	28	2	1	31
2005	33	6	28	67
2006	23	0	8	31
2007	37	3	17	57
2008	36	2	6	44
2009	68	0	24	92
2010	53	0	10	63
Total	**413**	**26**	**143**	**582**

Notes and Source: The figures above represent the number of meeting of caucuses (other than political caucuses), councils, task forces, and standing and special committees for dates outside of regular or special sessions as listed in the Alaska Legislature's Bill Action and Status Inquiry System (BASIS).

Attachment A

Impact Statement for Alaska Ballot Initiative 05LEGS (2006) "90 Day Regular Session," Alaska Legislative Affairs Agency

Fiscal Note to HB22 (2006), prepared by Karla Schofield, Deputy Director, Alaska Legislative Affairs Agency, Jan. 16, 2006

Ballot Initiative 05LEGS – 90 Day Regular Session

As required by AS 15.58.020 (6) (c) the Legislative Affairs Agency has prepared the following statement of costs and cost savings to the Legislative Affairs Agency of implementing the law proposed in Ballot Initiative 05LEGS.

The initiative would limit regular sessions of the Legislature to 90 days, including the day the legislature first convenes in that regular session. The 90 day limit would take effect beginning with the second regular session of the 25th Alaska Legislature in January 2008.

The Legislative Affairs Agency would realize a cost savings of $700,000 per year due to shortening the existing 121 day session to 90 days. However, shortening the regular session to 90 days may or may not result in more frequent special sessions so that legislators can work on single subject legislation, or work on legislation that did not make it through the process during the regular session. If more special sessions were held, the $700,000 cost savings realized by shortening the session, would be offset by the costs of holding more frequent special sessions.

LEGISLATIVE RESEARCH SERVICES

Alaska State Legislature
Division of Legal and Research Services
State Capitol, Juneau, AK 99801

(907) 465-3991 phone
Fax: (907) 465-3908 fax
research@legis.state.ak.us

September 4, 2009

FROM: Chuck Burnham, Legislative Analyst
RE: Comparing Selected Aspects of 90-day and 120-day Legislative Sessions
LRS Report 10.034

You asked that we compare certain impacts on the Alaska Legislature of reducing session lengths from 120 days to 90 days. Specifically, you asked us to compare annual costs to the legislature under the different session lengths, and the number of interim committee meetings held, on average, under each scenario.

Briefly, for reasons we discuss below, we find comparing the actual costs of recent 90-day sessions to previous 120-day sessions to be problematic. However, assuming no special sessions or other extraordinary costs, and that all other cost factors are equal, 90-day regular sessions are projected by the Legislative Affairs Agency to result in reduced costs of approximately $700,000 annually (in 2006 dollars), primarily attributable to reduced personnel expenditures. By comparison, recent 30-day special sessions have incurred average overall costs of approximately $900,000.

Our research indicates that the number of interim committee meetings held since the implementation of 90-day regular sessions does not exceed the annual average of such meetings in the previous eight years of 120-day sessions.

Background

As you know, sessions of the Alaska Legislature were reduced in length from 120 days to 90 days by a citizen's initiative (05LEG) that was narrowly approved in the 2006 statewide general election.[1] The shorter sessions took effect beginning with the second session of the 25th legislature (2008); therefore, two regular sessions and about 1.5 interim periods have elapsed since the initiative took effect. Given the relatively short time-period in which the 90-day session has been in place, we do not believe sufficient data are available to make a reliable determination as to the typical relative costs of these sessions of differing lengths.

Comparing the relative costs of recent sessions is further complicated by the two 30-day special sessions called in 2008 by Governor Palin primarily to address aspects of the Alaska Gasline Inducement Act (AGIA) and a number of other energy-related issues, which collectively cost approximately $1.84 million. It is unclear to us whether one or both of those sessions would have been necessary had the 2008 regular legislative session lasted longer than 90 days. Attributing the costs of those special sessions for the purpose of the comparison for which you asked is therefore problematic.

[1] More information on the initiative is available on the Division of Elections website at *http://www.elections.alaska.gov/petitions/status.php#05LEGS*.

"All Other Things Equal" Comparison

Given the issues discussed above, we believe the most reliable comparison of the relative costs of 90-day and 120-day sessions is made using historical expenditure data to determine relative session costs assuming no special sessions or other extraordinary expenditures.[2] Such data has been previously published by the Legislative Affairs agency in fiscal notes accompanying previous legislative attempts to shorten sessions (most recently HB22 [2006]), and as part of the ballot language for the initiative that successfully shortened regular sessions.[3] The last such calculation concluded that a 90-day session generates a reduction in costs of $700,000 annually, in 2006 dollars, as compared to a 120-day session, with the majority of those savings attributable to reduced expenditures for employee wages and benefits.[4] We again emphasize, however, that those savings would be reduced commensurate with costs for any special sessions that occur as a result of the shorter regular session.

To provide context to the differences in costs we discuss above, it is important to note that since the switch to 90-day sessions, the Legislature's overall operating budget has increased from about $53.4 million in fiscal year (FY) 2008 to just over $66 million in FY 10. Therefore, while a substantial sum, the annual reduction of $700,000 associated with the reduction in session lengths to 90 days represents about 1.05 percent of the Legislature's current-year operating costs.

Interim Meetings

According to the Alaska Legislature's Bill Action and Status Inquiry System (BASIS), a total of 449 interim meetings of official legislative entities occurred between May 7, 2000, and August 9, 2009.[5] Table 1 (following page) tallies these meetings by year and location. The number of hearings ranged from a low of 21 in 2000 to a high of 78 in 2001, and averaged about 47 annually for each of the full-year periods we reviewed (2001-2008). As you can see the 44 interim meetings in 2008, and 22 interim meetings thus far in the 2009 interim, do not exceed the average number of such meetings from 2000-2007.

[2] Please note, however, that special sessions in Alaska are not particularly "extraordinary." In fact, since 2003, the legislature has convened in special session ten times for a total of 176 days.

[3] We include copies of the fiscal note for HB 22(2006) and the applicable ballot language for 05LEGS as Attachment A. These documents were prepared by Karla Schofield, Deputy Director, Alaska Legislative Affairs Agency. Ms. Schofield can be reached at (907) 465-6626.

[4] Assuming costs for the legislature have increased with the rate of general inflation published by the Alaska Department of Labor, in 2008 this figure would have increased to about $747,600.

[5] Among the wide variety of information contained in BASIS are the hearing calendars for legislative entities for every year since 1993. The system is available online at *http://www.legis.state.ak.us/basis/*. May 7, 2000, marked the end of the third special session of the 21st Alaska Legislature, which immediately followed the second regular session.

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number:
Bill Version: CS HB22(STA)
() Publish Date:

Revision Date/Time (Note if correction):
Dept. Affected: Legislature
Title "An Act relating to a 90-day regular session of the Legislature."
BRU Leg Council, Leg Operating Budget
Component All
Sponsor "Representatives Samuels, Rokeberg,....."
Requester House State Affairs
Component No. 782

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services	(420.0)	(420.0)	(420.0)	(420.0)	(420.0)	(420.0)
Travel	(195.0)	(195.0)	(195.0)	(195.0)	(195.0)	(195.0)
Contractual	(21.0)	(21.0)	(21.0)	(21.0)	(21.0)	(21.0)
Supplies	(21.0)	(21.0)	(21.0)	(21.0)	(21.0)	(21.0)
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	**(657.0)**	**(657.0)**	**(657.0)**	**(657.0)**	**(657.0)**	**(657.0)**
CAPITAL EXPENDITURES	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CHANGE IN REVENUES ( )	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE (Thousands of Dollars)						
1002 Federal Receipts						
1003 GF Match						
1004 GF	(657.0)	(657.0)	(657.0)	(657.0)	(657.0)	(657.0)
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	**(657.0)**	**(657.0)**	**(657.0)**	**(657.0)**	**(657.0)**	**(657.0)**

Estimate of any current year (FY2006) cost:
Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

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

CS HB22(STA) would limit the regular session to 90 days. If this legislation becomes law, the 1st Session of the 25th Legislature would convene for 90 days. The Legislature would realize a cost savings of approximately $21.9 per day for each day of a shorter session. Shortening the session by 30 days would result in a cost savings of, 30 times $21.9, or $657.0 per year.

The Legislature traditionally charges expenses occurring during session to session expense accounts and expenses occurring during the interim to interim expense accounts. For example: Most legislative staff payroll costs are charged to operating expense accounts during the interim. Staff salaries for most legislative staffers are charged to session during the session. The Legislature's payroll is higher

Prepared by: Karla Schofield, Deputy Director
Phone 465-3852
Division Administrative Services
Date/Time 1/16/06 11:51 AM
Approved by: Pamela A. Varni, Executive Director
Date 1/16/2006
Agency Legislative Affairs Agency

STATE OF ALASKA
2006 LEGISLATIVE SESSION

BILL NO. CS HB22(STA)

ANALYSIS CONTINUATION

during a legislative session. If the regular session were shortened to 90 days, the session payroll would decrease and the interim payroll would increase. There would be a decrease in the total amount of the payroll due to the higher cost of personal services during a session. The majority of the personal services costs would be a transfer of costs between allocations.

This fiscal note does not address the costs for special sessions.

The costs savings below are for items not needed for a shorter session.

	Per Day	times 30 days	Total
Personal Services	-14.0	30	-420.0
Travel			
Session per diem costs approx. 10.0 per day. If session were shortened more long term per diem claims would be filed during the year, approx. 23 claims per day 23 days @ 150/day = 3.5 10.0 - 3.5 = 6.5	-6.5	30	-195.0
Contractual			
Telephones, chaplin fees, copier maintenance	-0.7	30	-21.0
Supplies	-0.7	30	-21.0
Lounge supplies			
Printshop paper supplies			
	-21.9		-657.0

Current number of session days	120
Proposed number of session days	90
	30

LEGISLATIVE SESSIONS SINCE STATEHOOD

Legislature/Session & Number of Days	Day/Date Convened	Day/Date Adjourned	Adjournment Time SENATE	HOUSE
1ST LEGISLATURE: 1959 - 1960				
1st Session - 81 days	Mo 1/26/59	Tu 4/16/59	9:50pm	9:45pm
2nd Session - 65 days	Mo 1/25/60	Tu 3/29/60	12:00pm	12:00pm
2ND LEGISLATURE: 1961 - 1962				
1st Session - 74 days	Mo 1/23/61	Th 4/6/61	2:01am	2:20am
2nd Session - 81 days	Mo 1/22/62	Th 4/12/62	1:22am	1:10am
3RD LEGISLATURE: 1963 - 1964				
1st Session - 76 days	Mo 1/28/63	Sa 4/13/63	10:46am	10:45am
2nd Session - 85 days*	Mo 1/27/64	Sa 5/30/64	1:00am	1:00am
1st Special Session - 3 days	Mo 8/31/64	We 9/2/64	11:12am	11:08am
*Formal recess, 40 days				
4TH LEGISLATURE: 1965 - 1966				
1st Session - 75 days	Mo 1/25/65	Fr 4/9/65	4:32am	4:35am
2nd Session - 84 days	Mo 1/24/66	Su 4/17/66	1:14am	1:28am
5TH LEGISLATURE: 1967 - 1968				
1st Session - 77 days	Mo 1/23/67	Su 4/9/67	11:35am	11:32am
1st Special Session - 6 days	Fr 9/29/67	We 10/4/67	2:37am	2:35am
2nd Session - 86 days	Mo 1/22/68	Tu 4/16/68	8:05am	8:00am
6TH LEGISLATURE: 1969 - 1970				
1st Session - 95 days	Mo 1/27/69	Th 5/1/69	4:18am	4:30am
2nd Session - 147 days	Mo 1/12/70	Su 6/7/70	3:33am	3:51am
7TH LEGISLATURE: 1971 - 1972				
1st Session - 121 days	Mo 1/11/71	Tu 5/11/71	3:23am	3:26am
2nd Session - 161 days	Mo 1/10/72	Tu 6/18/72	12:50am	12:59am
8TH LEGISLATURE: 1973 - 1974				
1st Session - 90 days	Mo 1/8/73	Sa 4/7/73	5:45pm	5:50pm
1st Special Session - 27 days	We 10/17/73	Mo 11/12/73	4:35pm	4:35pm
2nd Session - 96 days	Mo 1/21/74	Fr 4/27/74	8:21pm	8:25pm
2nd Special Session - 4 days	Mo 6/17/74	Th 6/20/74	6:17pm	6:12pm
9TH LEGISLATURE: 1975 - 1976				
1st Session - 139 days	Mo 1/20/75	Sa 6/7/75	2:30am	2:43am
2nd Session - 142 days	Mo 1/12/76	Tu 6/1/76	8:19am	8:14am
10TH LEGISLATURE: 1977 - 1978				
1st Session - 141 days	Mo 1/10/77	Mo 5/30/77	10:41am	12:33pm
2nd Session - 161 days	Mo 1/9/78	Su 6/18/78	9:32pm	11:36pm
11TH LEGISLATURE: 1979 - 1980				
1st Session - 112 days	Mo 1/15/79	Su 5/6/79	12:15pm	3:00pm
1st Special Session - 3 days	Mo 8/6/79	We 8/8/79	2:16pm	7:26pm (8/7)
2nd Session - 145 days	Mo 1/14/80	Fr 6/6/80	8:43pm (6/5)	1:01am
2nd Special Session - 3 days	Mo 9/22/80	We 9/24/80	9:38am	2:55am (9/23)
12TH LEGISLATURE: 1981 - 1982				
1st Session - 165 days	Mo 1/12/81	Th 6/25/81	7:06pm (6/24)	12:23am
1st Special Session - 3 days	Mo 7/13/81	We 7/15/81	6:11pm (7/14)	1:32am
2nd Session - 144 days	Mo 1/11/82	We 6/3/82	5:35pm	7:23am (6/2)
13TH LEGISLATURE: 1983 - 1984				
1st Session - 162 days	Mo 1/17/83	Mo 6/27/83	9:39am	9:28pm (6/26)
2nd Session - 152 days	Mo 1/9/84	Fr 6/8/84	4:38pm	4:05pm
14TH LEGISLATURE: 1985 - 1986				
1st Session - 119 days	Mo 1/14/85	Su 5/12/85	9:42pm	10:52pm
1st Special Session -30 days*	Mo 7/15/85	Tu 8/13/85	*	*
2nd Session - 120 days	Mo 1/13/86	Mo 5/12/86	11:54pm	11:59pm

* The First Special Session of the Fourteenth Legislature (considering the question of impeachment of Governor Sheffield) adjourned in 30 days under Article II, Section 9, Constitution of the State of Alaska.

LEGISLATIVE SESSIONS SINCE STATEHOOD

Legislature/Session & Number of Days	Day/Date Convened	Day/Date Adjourned	Adjournment Time SENATE	HOUSE
15TH LEGISLATURE: 1987 - 1988				
1st Session - 122 days (extended)**	Mo 1/19/87	We 5/20/87	11:58pm (5/19)	1:30am
1st Special Session - 3 days	Mo 7/1/87	Fr 7/3/87	1:31am	12:12am
2nd Session - 121 days	Mo 1/11/88	Tu 5/10/88	4:12am	6:04am
** The First Session of the Fifteenth Legislature was extended by a proclamation by the Governor.				
16TH LEGISLATURE: 1989 - 1990				
1st Session - 121 days	Mo 1/9/89	Tu 5/9/89	11:59pm	11:32pm
2nd Session - 122 days	Mo 1/8/90	We 5/9/90	11:59pm (5/8)	12:01am
1st Special Session - 14 days	Mo 6/25/90	Su 7/8/90	5:13pm	5:00pm
17TH LEGISLATURE: 1991 - 1992				
1st Session - 122 days	Mo 1/21/91	We 5/22/91	9:39pm (5/21)	12:37am
2nd Session - 122 days	Mo 1/13/92	We 5/13/92	11:59pm (5/12)	12:06am
1st Special Session - 4 days	We 05/13/92	Sat 5/16/92	4:56pm (5/15)	5:40am
2nd Special Session - 8 days	Mo 06/15/92	Mon 6/22/92	3:44pm	4:17pm
18TH LEGISLATURE: 1993 - 1994				
1st Session - 121 days	Mo 1/11/93	Tu 5/11/93	9:02pm	9:11pm
2nd Session - 121 days	Mo 1/10/94	Tu 5/10/94	unclear	11:59pm
1st Special Session:				
Senate - 7 days	Tu 5/10/94	Mon 5/16/94	4:36pm	
House - 5 days	Th 5/12/94	Mon 5/16/94		6:15pm
2nd Special Session - 3 days	Mo 9/26/94	We 9/28/94	12:35am	12:40am
19TH LEGISLATURE: 1995 - 1996				
1st Session - 121 days	Mo 1/16/95	Tu 5/16/95	10:05pm	10:13pm
2nd Session - 122 days	Mo 1/8/96	We 5/8/96	12:18am	12:13am
1st Special Session - 30 days	We 5/8/96	Th 6/6/96	4:37pm	4:51pm
20TH LEGISLATURE: 1997 - 1998				
1st Session - 119 days	Mo 1/13/97	Su 5/11/97	11:04pm	11:43pm
2nd Session - 122 days	Mo 1/12/98	We 5/13/98	12:09am	12:03am
1st Special Session - 7 days	Tu 5/26/98	Mon 6/1/98	1:26pm	1:51pm
2nd Special Session - 2 days	Mo 7/20/98	Tu 7/21/98	9:25pm	8:57pm
21ST LEGISLATURE - 1999 - 2000				
1st Session - 121 days	Tu 1/19/99	Tu 5/19/99	11:56pm	11:53pm
1st Special Session - 6 days	Th 5/20/99	Tu 5/25/99	6:06pm	6:10pm
2nd Special Session - 9 days	We 9/22/99	Th 9/30/99	6:55pm	6:39pm
2nd Session - 115 days	Mo 1/10/00	We 5/3/00	7:11pm	7:46pm
3rd Special Session - 3 days	Th 5/4/00	Sa 5/6/00	11:47am	11:40am
22ND LEGISLATURE - 2001 - 2002				
1st Session - 121 days	Mo 1/8/01	Tu 5/8/01	11:48pm	11:52pm
1st Special Session - 3 days	Th 6/7/01	Sa 6/9/01	10:55am	10:41am
2nd Session - 123 days (extended)	Mo 1/14/02	Th 5/16/02	11:59:59pm***	11:58pm
2nd Special Session - 5 days	Fr 5/17/02	Tu 5/21/02	5:32pm	5:08pm
3rd Special Session - 4 days	Mo 6/24/02	Th 6/27/02	12:41am	1:42am
***Adjourned at midnight under the provisions of art. II, sec. 8 of the Alaska Constitution				
23rd LEGISLATURE: 2003 - 2004				
1st Session - 121 days	Tu 1/21/03	WE 5/21/03	1:57pm	11:59:59pm****
2nd Session - 122 days	MO 1/12/04	WE 5/12/04	11:44pm (5/11)	12:00am
1st Special Session - 3 days	Tu 6/22/04	TH 6/24/04	4:35pm	5:26pm
****Adjourned at midnight under the provisions of art. II, sec. 8 of the Alaska Constitution				
24TH LEGISLATURE: 2005 - 2006				
1st Session - 121 days	MO 1/10/05	TU 5/10/05	9:51pm	10:15pm
1st Special Session - 15 days	WE 5/11/05	WE 5/25/05	10:38am	10:19pm (5/24)
2nd Session - 121 days	MO 1/9/06	TU 5/9/06	11:54pm	9:08pm
2nd Special Session - 30 days	WE 5/10/06	TH 6/8/06	11:32pm	11:12pm
3rd Special Session - 30 days	WE 7/12/06	TH 8/10/06	9:58pm	10:02pm
4th Special Session - 7 days*	TU 11/14/06*	MO 11/20/06	2:09pm	11:22am (11/17)
*House started on 2nd day				

LEGISLATIVE SESSIONS SINCE STATEHOOD

Legislature/Session & Number of Days	Day/Date Convened	Day/Date Adjourned	Adjournment Time SENATE	HOUSE
25TH LEGISLATURE: 2007 - 2008				
1st Session - 121 days	TU 1/16/07	WE 5/16/07	11:51pm	11:56pm
1st Special Session -1 day	TU 6/26/07	TU 6/26/07	4:55pm	5:04pm
2nd Special Session - 30 days	TH 10/18/07	FR 11/16/07	2:09pm	4:15pm
2nd Session - 90 days	TU 1/15/08	SU 4/13/08	12:55pm	12:54pm
3rd Special Session - 30 days	TU 6/03/08	WE 7/02/08	11:59:59pm*	11:59:59pm*
4th Special Session - 30 days	WE 7/9/08	TH 8/7/08	8:41pm	9:40pm
*Adjourned at midnight under the provisions of art. II, sec. 9 of the Alaska Constitution				
26TH LEGISLATURE: 2009 - 2010				
1st Session - 90 days	TU 1/20/09	SU 4/19/09	7:29pm	7:54pm
1st Special Session -1 day	MO 8/10/09	MO 8/10/09	3:49pm	3:50pm

SOURCE: Legal Services, *Summary of Alaska Legislation 2009* (Juneau: Legislative Affairs Agency, 2009).

NOTE: All Special Sessions were called by the Governor, except the 1st Special Session of the 14th Legislature, the 1st Special Session of the 17th Legislature, the Second Special Session of the 22nd Legislature, the First Special Session of the 25th Legislature, and the First Special Session of the 26th Legislature which were called by the Legislature.

Alaska State Legislature

Rep. Max Gruenberg

Rep. Bryce Edgmon

Rep. Paul Seaton, Chairman

HOUSE 90-DAY SESSION EVALUATION SUBCOMMITTEE

The following report is submitted with the unanimous consent of the House 90-Day Session Evaluation Subcommittee.

Introduction

In 2007 the Legislature passed HB 171 requiring Legislative Council to deliver a report to the full Legislature before the start of the 2010 session "considering issues related to the duration of the regular session and making recommendations regarding the amendment or repeal of any statutes or Uniform Rules implementing the 90-day regular session."

In 2008 Legislative Council created a subcommittee to assist in creating the 90-day session report. This subcommittee consists of three members of the House, appointed by the Speaker of the House, and three members of the Senate, appointed by the Senate President. House subcommittee members include Representative Seaton, Chair, Representative Edgmon, and Representative Gruenberg. Senate members are Senator Stevens, Senator Huggins, and Senator Wagoner.

House subcommittee members viewed our task as providing Legislative Council with a basis and recommendation for their report. House subcommittee members felt that we needed baseline information on which to base our recommendations. In order to gather this information the House members on the subcommittee submitted a "90-day Legislative Session Evaluation Survey" to all House members and House interim staff.

Senate members of the subcommittee determined that they would proceed on a different track and did not participate in the survey. This report exclusively discusses the deliberations of the House portion of the subcommittee hereafter referred to as "the subcommittee". House members will hereafter be referred to as Representatives.

Survey

An on-line survey provider called "SurveyMonkey" was utilized to deliver the survey. SurveyMonkey is the website of choice for entities such as Council of State Governments and the Western Interstate Commission for Higher Education. The survey site allows multiple answer surveys to be filtered and downloaded, at a cost of $19 per month. The subcommittee maintained this website for three months in order to collect as many responses as possible. The survey was e-mailed to all Representatives, and all interim House staff.

In order to achieve a maximum degree of participation among Representatives and House staff, the subcommittee determined that the survey should be delivered on an anonymous basis. However, it did include the option for respondents to provide their name if they wished.

For purposes of delineating staff responses regarding the impact of the 90-day session on moving expenses and other "personal" issues, the subcommittee determined that staff responses should be segregated between House staff residing in Juneau during the interim, and House staff residing elsewhere in Alaska during the interim, as these personal impacts would likely be different for the two groups.

The survey took into account that some Representatives, as well as many staff members may not have worked prior to the imposition of the 90-day session. An answer option was added to applicable comparative questions stating that the respondent was "unsure" as they have not worked during a 120-day session. In order to achieve objectivity the options for answering the "yes or no" questions were alternated so that one answer or the other was not listed first in order of preference. The subcommittee was also careful to give respondents the option to answer "no opinion" on pertinent questions so that they were not forced into picking one answer or the other if they did not have a position.

The survey contained 40 questions, in four general categories:
1. Impacts of the 90-day session on aspects of the personal lives of Representatives and staff such as moving expenses, housing, recreation time, health, etc;
2. Impacts of the 90-day session on the legislative office and constituent relations;
3. Impacts of the 90-day session on public participation and the committee process; and
4. Impacts of the 90-day session on miscellaneous aspects of the legislative process, as well as suggested changes to session structure, and length.

Results

The same survey was given to all Representatives and interim staff. The survey results are presented filtered into three groups: Representatives; House staff; and a combination of both. These surveys are attached as are all additional comments to survey questions.

The surveys presented with this report are largely self-explanatory so this report will not go into great detail discussing the survey results with a few exceptions. In the following narrative the number in parenthesis refers to the question number in the Representative survey. Although the staff survey has some different percentages there was not a difference on the main issues discussed below.

Thirty-one Representatives responded to this survey, as well as 47 non-Juneau House staff, and 23 Juneau-based House staff. Of the 31 Representatives, a large majority expressed displeasure with the 90-day session. Twenty Representatives prefer the session length at 120-days, 4 prefer the session to be set at 90-days, and 4 prefer it to be structured as 45-days, a 30-day break, and then another 45-days.

General trends can be seen by looking at the majority of responses to a number of issues. Sixty percent of responding Representatives answer that the 90-day session had a negative or somewhat negative effect on their health and sleep habits (question 9). Sixty-seven percent say the 90-day session had a negative or somewhat negative impact on their hiring and retention of staff (q.11) while only 3 percent say it had a positive or somewhat positive impact. Communication and interaction with constituents is generally seen as negatively impacted, with 83 percent saying they communicated less well (q.14), 79 percent saying they traveled less to the district (q.15), and 85 percent stating that they consider a 90-day session to be detrimental to their legislative effectiveness. Sixty percent heard a majority of negative comments about the 90-day length from their constituents compared to 7 percent hearing positive comments (q.17). The effect of the 90-day session is generally seen as disadvantageous to constituents, with 93 percent of responding Representatives feeling that they have less time to schedule meetings (q.18), and 97 percent believe there is less public testimony and more time constraints on public testimony (q. 22). Ninety percent also feel there is less than adequate evaluation of their personal legislation (q. 21); with 83 percent believing the 90-day session gives special interest groups more power to kill legislation (q.23), and 76 percent say committee chairs have more power to kill legislation (q.24). Seventy-nine percent say bills were not heard because they might take up too much committee time (q.26) while 87 percent feel there is more pressure to move bills with a single hearing because of the shortened session (q.25).

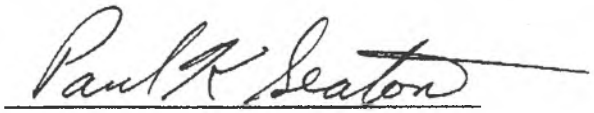
Representatives generally disagree with the validity of 90-day initiative proponent claims. Ninety-three percent do not think the shorter session cuts down legislative operating costs (q.13). Sixty-six percent do not believe the reduced number of session days leads to a greater number of people willing to run for office (q.32), and 83 percent do not see value in comparing the length of sessions to other states (q.31). Eighty-six percent of the responding Representatives feel the 90-day session cedes some of the power of the legislature to the Governor or the bureaucracy (q.33).

There is no majority opinion about the public desire for legislators to work longer sessions because of the change in legislators' compensation calculation from long-term per diem to salary (q.34), but 73 percent say the fact that the 90-day session was enacted by an initiative would have no effect on their willingness to change the session length (q.36). Sixty-seven percent of responding Representatives when combining all factors prefer the legislative session to be a 120-day structure.

Recommendations

Consistent with the above findings, the House subcommittee recommends that the Legislative Council introduce legislation to return legislative session duration to the constitutional specification of "...no later than one hundred and twenty consecutive calendar days from the date it convenes...."

If Legislative Council chooses to not follow the above recommendation, it should note that the survey polled respondents on three other measures the Legislature might take to improve a 90-day session. These results show that 65 percent of the responding Representatives support decreasing the length of time allowed to the Governor to submit budget amendments from 45 to 30 days. Twenty-two percent support a limit on the number of bills sponsored or co-sponsored, and 13 percent endorse a limit on the number of legislative citations an individual legislator can introduce (q.39). Five separate suggestions for uniform rule changes by individual Representatives are listed in the comment section (q.37).



Representative Paul Seaton, House Subcommittee Chair

ALASKA STATE LEGISLATURE

Senate District P
714 W 4th Ave
Suite 200
Anchorage Alaska 99501-2133

State Capitol
Juneau AK 99801-1182
907-465-4843
Fax: 907-465-3871
800-892-3871

Cathy Giessel
Senator

MEMORANDUM

To: Senator Wielechowski, Chair
Senate State Affairs Committee

From Cathy Giessel

Date: January 31, 2011

Re: **Senate State Affairs Committee**
SB 18 Duration of Regular Legislative Sessions

Please include the attached email testimony regarding the length of legislative session in the committee packets for the next scheduled hearing of SB 18.

Thank you.

oppose

Sen. Cathy Giessel

From: Jerad McClure [jeradlainak@gmail.com]
Sent: Saturday, January 29, 2011 11:39 PM
To: Sen. Cathy Giessel
Subject: SB 18

Hi Senator Giessel,

Just a quick note to let you know that I oppose the lengthening of the legislative session (SB 18) beyond any parameter of the current 90 day format. I believe that the legislature should actually attempt to finish its business according to the law and adjourn before the 90 days are up. What the Senate did last year, adjourning after the deadline, was disrespectful (among other things) to the people who they represent.

Thanks for your time and public service,

Jerad McClure

against

Sen. Cathy Giessel

From: Aspelund, Shawn A [Shawn.Aspelund@bp.com]
Sent: Monday, January 31, 2011 11:05 AM
To: Sen. Cathy Giessel
Subject: 90 days

Cathy,

I vote to stay at 90 here's why:

All who go to Juneau feel they "have" to make laws for respect of their peers and to be re-elected. The bigger and hairier the better. We have a bunch of laws difficult to enforce already. Taking up more unimportant laws because we have the time, does not address the pressing concerns of Alaska's socio and economic future.

An extra 30 days may lend itself to an "I have lots of time" mind-set. With the 90, you all have to stay high on the performance curve. If we do extend another 30 days, I would suggest delaying the start of the session for 2 weeks and require each of you to hold open forums, (with security), in your areas and where we are, to hear from your constituents. As it is, you are fresh off the campaign trail with an ear full of your supporters but little from the "people". How can you effectively represent the average without discussions and time to contemplate? Without that you may be lead to act on issues from people with wants rather than the needs of the State?

Thanks again for your personal commitment to serve the people of Alaska.

Shawn A. Aspelund
Training Specialist
Org Capability
BP Exploration (Alaska)
[redacted]

against

From: Robert Bakic [mailto:rsbakic@yahoo.com]
Sent: Friday, January 28, 2011 7:28 AM
To: Sen. Cathy Giessel
Subject: Re: Contact Info

One of my concerns is that legislators are wasting valuable time on frivolous bills that have absolutely no impact on the direction our State is heading. It's as if they are in lala land and completely oblivious to the problems facing Alaska. Ninety days is plenty of time if the legislature cuts out the crap and gets down to work.
Bob Bakic

February 9, 2011

The Honorable Catherine A. Giessel
Alaska Senate
State Capitol
Juneau, AK 99801-1182

Dear Senator Giessel:

Below are my thoughts on this issue.

I do not support a bill to extend the state legislative session.

A proud member of National Write Your Congressman.

Sincerely,

April Hodges

From: Robert Bakic [mailto:rsbakic@yahoo.com]
Sent: Friday, January 28, 2011 7:28 AM
To: Sen. Cathy Giessel
Subject: Re: Contact Info

One of my concerns is that legislators are wasting valuable time on frivolous bills that have absolutely no impact on the direction our State is heading. It's as if they are in lala land and completely oblivious to the problems facing Alaska. Ninety days is plenty of time if the legislature cuts out the crap and gets down to work. Bob Bakic

---

From: Aspelund, Shawn A [mailto:Shawn.Aspelund@bp.com]
Sent: Monday, January 31, 2011 11:05 AM
To: Sen. Cathy Giessel
Subject: 90 days

Cathy,

I vote to stay at 90 here's why:

All who go to Juneau feel they "have" to make laws for respect of their peers and to be re-elected. The bigger and hairier the better. We have a bunch of laws difficult to enforce already. Taking up more unimportant laws because we have the time, does not address the pressing concerns of Alaska's socio and economic future.

An extra 30 days may lend itself to an "I have lots of time" mind-set. With the 90, you all have to stay high on the performance curve. If we do extend another 30 days, I would suggest delaying the start of the session for 2 weeks and require each of you to hold open forums, (with security), in your areas and where we are, to hear from your constituents. As it is, you are fresh off the campaign trail with an ear full of your supporters but little from the "people". How can you effectively represent the average without discussions and time to contemplate? Without that you may be lead to act on issues from people with wants rather than the needs of the State?

Thanks again for your personal commitment to serve the people of Alaska.

Shawn A. Aspelund
Training Specialist
Org Capability

BP Exploration (Alaska)

From: Jerad McClure [mailto:jeradlainak@gmail.com]
Sent: Saturday, January 29, 2011 11:39 PM
To: Sen. Cathy Giessel
Subject: SB 18

Hi Senator Giessel,

Just a quick note to let you know that I oppose the lengthening of the legislative session (SB 18) beyond any parameter of the current 90 day format. I believe that the legislature should actually attempt to finish its business according to the law and adjourn before the 90 days are up. What the Senate did last year, adjourning after the deadline, was disrespectful (among other things) to the people who they represent.

Thanks for your time and public service,

Jerad McClure

10140 Hillcrest Lane
Eagle River, AK
907-726-0834

January 26, 2011

To: Chair Senate State Affairs

Testimony to Senate State Affairs regarding SB 18 (Extending the Term of the Legislature)

I oppose extending the length of the legislative session. I understand the proponents believe that adding back the additional 30 days would somehow improve the legislative process. The record belies that assumption. The actual work of the legislature is traditionally delayed until the end of the session. The proponents of this legislation have offered nothing to change the status quo.

Time to hold a hearing is available. Legislative hearings can be held outside of the session. Legislators now earn an annual salary plus per diem for the days they work.

Nothing in this proposed legislation will stop individual legislators from simply killing bills. Individual legislators have granted themselves defacto veto power over legislation with absolutely no explanation required.

Nothing in the proposed legislation will expedite the resolution of bills that are not of a critical nature or have minimal impact on the citizens. Nothing in this bill will expand BASIS information regarding legislation so that we citizens can see exactly how many bills have been defeated, withdrawn, combined with similar bills or have been pending before specific committees for extended periods of time. Nothing in this legislation will stop the new tactic of not being able to act because studies won't be available for months.

No, you do not additional time to do what you do now. I oppose SB18. Thank you.

Mr. Lynn Willis (Representing Self)

JUNEAU CHAMBER OF COMMERCE

3100 Channel Drive, Suite 300 • Juneau AK 99801• (907) 463-3488 • Fax (907) 463-3489
E-mail: iuneauchamber@gci.net • icc@alaska.com • Web site: http://www.iuneauchamber.com

Board Members

Tim McLeod, *President*
AEL&P
Bob Martin, *Past Pres.*
Goldbelt
Sheldon Winters, *Pres. Elect*
Lessmeier & Winters
Chuck Collins
Key Bank
Neil MacKinnon, *Treasurer*
Alaska Laundry
Sharon Burns, *Secretary*
ABC Stations
Jeremy Hansen
Hansen Gress
Dick Knapp
Petro Marine
Max Mertz
Elgee Rehfeld Mertz
Lance Stevens
Alaska USA FCU
Nathan McCowan
Sealaska
Karen Hansen
Wings of Alaska
Murray Walsh
Walsh Consulting
Kelly Shattuck
Shattuck & Grummett
Wade Bryson
Subway of Juneau

Benefactor Members
ACS
Allen Marine
Exxon Mobil
Juneau Empire
GCI Communications
Juneau Radio Center
Sealaska

Platinum Members
AEL&P
Alaska Litho
Alaska Marine Lines
Alaska Pacific Bank
Alaska USA FCU
Alaskan Brewing Company
Bartlett Regional Hospital
BP Alaska
CBJ (Manager's Office)
Capital Office Supply
Coeur Alaska, Inc.
Coogan Construction
Copy Express
Elgee Rehfeld & Mertz
Exxon Mobil
First National Bank of Alaska
Hecla Greens Creek Mining
Goldbelt, Inc.
Huna Totem
Shattuck & Grummett
Taku Oil
True North FCU
UAS
Wells Fargo Bank of Alaska
Wostmann and Associates

February 8, 2011

Alaska State Legislature
Senator Gary Stevens
State Capitol Room 111
Juneau AK, 99801

RE:SB18

Dear Senator Stevens,

It is my pleasure to tell you what a great job your aide Tim Lamkin did last week at chamber lunch presenting information on SB18 extending the second session of the Legislature back to 120 days.

I have represented the Juneau Chamber of Commerce as well as served on the Marine Transportation Advisory Board for the past 6 years. I have had the honor of visiting many legislators during this time regarding issues important to my community as well as all other communities served by the Alaska Marine Highway.

Before the legislative sessions were shortened to 90 days I could call on not only my delegation but legislators from around the state and felt confident that they would have time to hear what I had to say.

Since the change from 120 to 90 days I seldom go directly to any of my legislators during session. If I do I must be prepared to chase them down the hall or if I get lucky I might get 5 minutes of their time. Legislators and their staff seem to be racing from one meeting to the next. I can only imagine how difficult this must be for folks traveling to Juneau to see their legislators especially when I know legislators want to spend time with their constituents.

In conclusion, we whole heartedly support SB18 and hope that at least one year of each session is extended to 120 days. The ideal would be to revert back to 120 days every year.

Thank you so much for your service to the State of Alaska.

Respectfully,

Cathie Roemmich, CEO
Juneau Chamber of Commerce

SB

26

<TARGET><BILL>SB 26</BILL><SUBJECT>SB
26</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/19/11

FURTHER: Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2-17-11

State Affairs Committee considered SENATE BILL NO. 26

SB 26-FEE/TAX EXEMPTION FOR CERTAIN VEHICLES

"An Act exempting vehicles fueled solely by electricity or compressed natural gas from motor vehicle registration fees and taxes; and providing for an effective date."

and recommends:

[✓] be **replaced** with **CS** _____ (STA) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Kookesh			X	
	Paskvan			X	
	Giessel			X	
	Meyer			X	
CHAIR:	Wielechowski	✓			

Alaska State Legislature

Session:

State Capitol

Juneau, AK 99801

Phone: (907) 465-2995

Fax: (907) 465-6592

Interim:

716 W 4th Avenue, Suite 430

Anchorage, AK 99501-2133

Phone: (907) 269-0250

Fax: (907) 269-0249

Senator Lesil McGuire

Changes in CS for SB 26: 27-LS0291\X

- **Imposes** a minimum registration fee of $20 biennially for the qualified alternative fuel vehicles

- **Leaves in** the municipal taxes originally imposed in statute

- Page 2, line 4 **changed** from "must be acquired from the manufacturer on or after October 1, 2010," **to** "must be a model year of 2010 or newer"

- **Added** hybrids: Page 2, line 16 (B):
  "by an engine capable of running on two fuels or power sources, one of which is gasoline or diesel and one of which is compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen, or electricity;"

- **Changed** effective date from "This Act takes effect immediately" **to** "This Act takes effect January 1, 2012"

Added Sunset:

- AS 28.10.421(j)(5))B) is repealed December 31, 2015—hybrids

- AS 28.10.421(j) is repealed December 31, 2019—sunset for rest of bill

27-LS0291\X
Luckhaupt
2/14/11

CS FOR SENATE BILL NO. 26(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATOR MCGUIRE

A BILL

FOR AN ACT ENTITLED

"An Act setting special registration fees for alternative fuel vehicles; and providing for an effective date."

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

* **Section 1.** AS 28.10.421 is amended by adding a new subsection to read:

(j) Instead of the otherwise appropriate biennial registration fee under (b) or (c) of this section, a $20 biennial registration fee is imposed on a qualified alternative fuel vehicle normally subject to a registration fee under (b) or (c) of this section. Instead of the otherwise appropriate annual registration fee under (h) of this section, a $10 annual registration fee is imposed on a qualified alternative fuel vehicle normally subject to a registration fee under (h) of this section. To be qualified under this subsection, an alternative fuel vehicle

(1) must be manufactured primarily for use on public streets, roads, and highways;

(2) may not have been modified from the original manufacturer

specifications;

(3) must be capable of achieving a speed of at least 55 miles an hour;

(4) must be a model year of 2010 or newer;

(5) must be fueled or powered

(A) solely by

(i) compressed natural gas;

(ii) liquefied natural gas;

(iii) liquefied petroleum gas;

(iv) hydrogen;

(v) a liquid at least 85 percent of the total volume of which consists of ethanol; or

(vi) electricity but only if the vehicle is powered by a motor that draws the electricity from a battery that has a capacity of at least four kilowatt-hours and is capable of being recharged from an external source of electricity; or

(B) by an engine capable of running on two fuels or power sources, one of which is gasoline or diesel and one of which is compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen, or electricity;

(6) must meet other requirements set by the department by regulation.

* **Sec. 2.** AS 28.10.421(j)(5)(B) is repealed December 31, 2015.

* **Sec. 3.** AS 28.10.421(j) is repealed December 31, 2019.

* **Sec. 4.** This Act takes effect January 1, 2012.

Alaska State Legislature

Session:
State Capitol
Suite 125
Juneau, AK 99801
Phone: (907) 465-2995
Fax: (907) 465-6592

Interim:
716 W 4th Avenue, Suite 300
Anchorage, AK 99501-2133
Phone: (907) 269-0250
Fax: (907) 269-0249

Senator Lesil McGuire

Sponsor Statement for Senate Bill 26

"An Act exempting vehicles fueled solely by electric drive or compressed natural gas from motor vehicle registration fees and taxes; and providing for an effective date."

Senate Bill 26 is a progressive approach in presenting incentives to the public for utilizing vehicles which employ the new technology of electricity or compressed natural gas. Other benefits of this bill include helping air quality and the potential for job increases with the new technology of products.

The automotive industry has been undergoing a significant transformation by moving toward the electrification of the automobile. Providing incentives would encourage many stakeholders and consumers to move forward with necessary changes, accelerate the deployment of second and third generations of the technology and achieve economies of scale more quickly, all leading to reductions in the cost of this new technology.

The availability of plug-in electric vehicles will be expanding and we need to prepare Alaska to be the "First Frontier" for this advanced technology and this bill readily supports its introduction.

Many states are already putting various types of incentives in place to make sure they attract these sorts of vehicles which drives new investment, development of new skills, while displacing petroleum and reducing local vehicle emissions.

This bill also includes CNG vehicles which will also displace petroleum and reduce emissions. These vehicles will assist Alaska in diversifying its energy requirements, which will reduce our risks from any potential shocks to the State's oil supply. In addition, supporting the sale of CNG vehicles will lower operating costs for consumers of these vehicles, many of which are struggling businesses still trying to recover from the local economy.

This bill shows that Alaska welcomes advanced technology and is getting itself "Plug-in Ready."

27-LS0291\B
Luckhaupt
1/25/11

CS FOR SENATE BILL NO. 26( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR MCGUIRE

A BILL

FOR AN ACT ENTITLED

"An Act exempting vehicles fueled solely by alternative fuels from motor vehicle registration fees and taxes; and providing for an effective date."

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

*** Section 1.** AS 28.10.411 is amended by adding a new subsection to read:

(g) A qualified alternative fuel motor vehicle is exempt from the registration fee required under this section and under AS 28.10.421. To be qualified under this section, an alternative fuel motor vehicle

(1) must be manufactured primarily for use on public streets, roads, and highways;

(2) may not have been modified from the original manufacturer specifications;

(3) must be capable of achieving a speed of at least 55 miles an hour;

(4) must be acquired from the manufacturer on or after October 1, 2010;

(5) must be fueled solely by

(A) compressed natural gas;

(B) liquefied natural gas;

(C) liquefied petroleum gas;

(D) hydrogen;

(E) a liquid at least 85 percent of the total volume of which consists of ethanol; or

(F) electricity but only if the vehicle is powered by a motor that draws the electricity from a battery that has a capacity of at least four kilowatt-hours and is capable of being recharged from an external source of electricity;

(6) must meet other requirements set by the department by regulation.

*** Sec. 2.** This Act takes effect immediately under AS 01.10.070(c).

Changes made from original SB 26 into CS

In the title:

Vehicles fueled solely by electricity or compressed natural gas

is changed to:

Vehicles fueled solely by alternative fuels

Added language starting on page 8 stating that a vehicle

1.) **Must be manufactured primarily for use on public roads**
2.) **May not have been modified from the original manufacturer**
3.) **Must be capable of achieving speed of at least 55mph**
4.) **Must be acquired from the manufacturer on or after October 1, 2010**

And on page 2; defining the fuel source as either

A) **Compressed natural gas**
B) **Liquefied natural gas**
C) **Liquefied petroleum gas**
D) **Hydrogen**
E) **A liquid at least 85 percent of the total volume of which consists of ethanol**
F) **Electricity—of at least 4 kilowatt hours and is capable of being recharged from an external source of electricity**

And must meet other requirements set by the department by regulation

Genevieve Wojtusik for Senator McGuire

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **SB26 (STA)**
() Publish Date

Identifier (file name) SB026-STA-DOA-DMV-1-24-11
Title Fee/Tax Exemption for Certain Vehicles
Sponsor Sen McGuire
Requester (S) STA

Dept. Affected Administration
Appropriation Motor Vehicles
Allocation
OMB Component Number 2348

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual	20.0						
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	**20.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES	***	***	***	***	***	***	***

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts	20.0						
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	**20.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Not applicable; initial version.

Prepared by Whitney Brewster
Division Motor Vehicles
Approved by John Cramer, Deputy Commissioner

Phone 907-269-5574
Date/Time 1/24/11 11:00 AM
Date 1/24/2011

(Revised 12/29/2010 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. SB 26

Analysis

Expenditures: The database for Division of Motor Vehicles (DMV) does not currently distinguish fuel types for vehicles, so programming will need to be done to accomplish this.
Estimated hours: 140
Cost per hour: $143
Total programming cost: 140 x 143 = $20,020.

Revenues: Since DMV has not captured vehicles by fuel types, the impact on revenues cannot be accurately determined at this time. The initial reduction in revenues should be small, but as vehicles fueled by electricity and natural gas gain popularity, there will be a proportionate decrease in revenues .

If the bill includes an exemption for motor vehicle registration as well as registration fees, there will be a reduction in amounts collected and disbursed to communities through the Motor Vehicle Registration Tax program AS 28.10.431.

Performance Measures: DMV does not expect this bill to have any impact on its performance measures.

Economic Impact: This bill may possibily spur the sale of vehicles powered by electricity and natural gas.

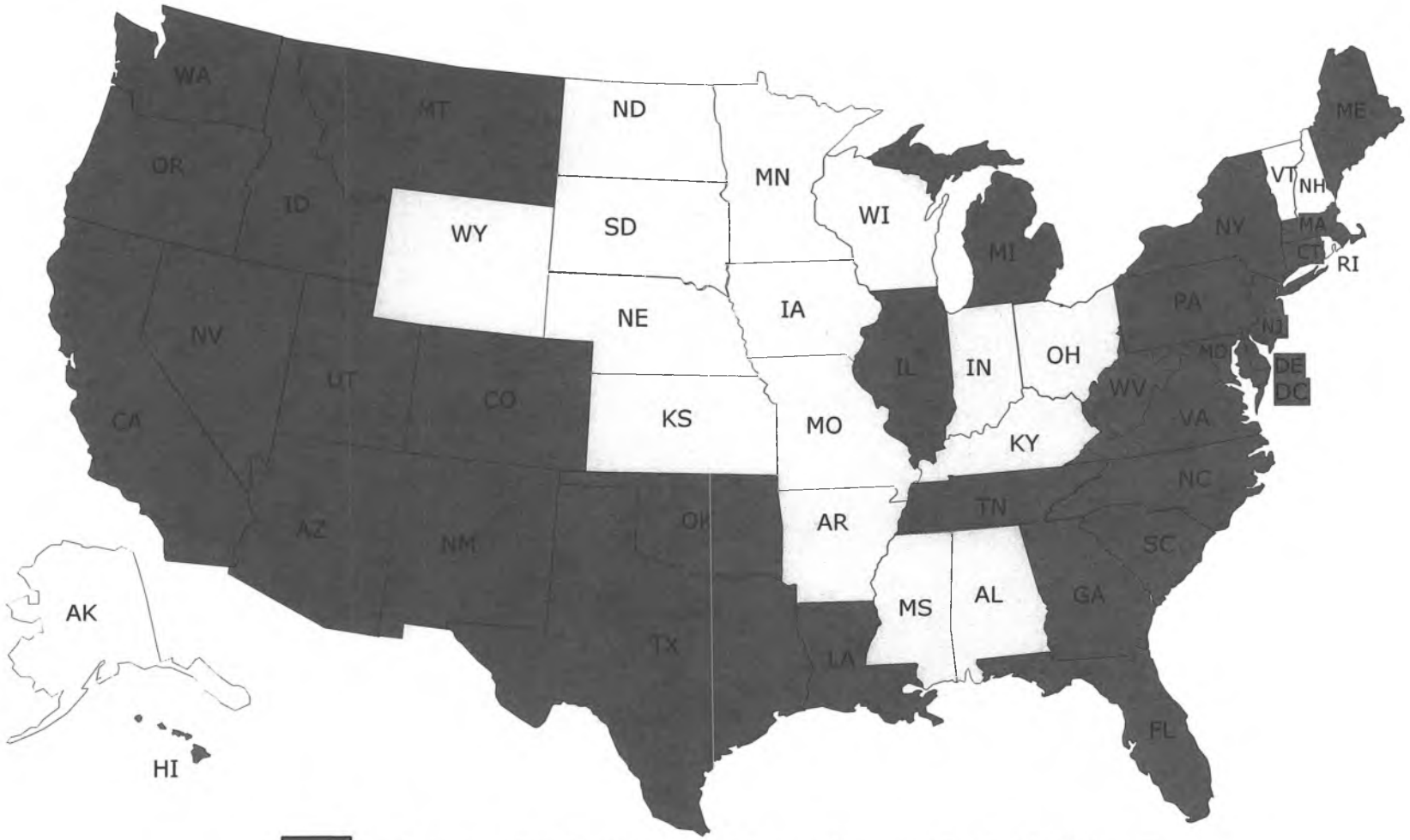
General Motors

Public testimony in support of SB 26

State Affairs & Finance Committee

January 27, 2011

Advanced Technology Incentives Nationwide

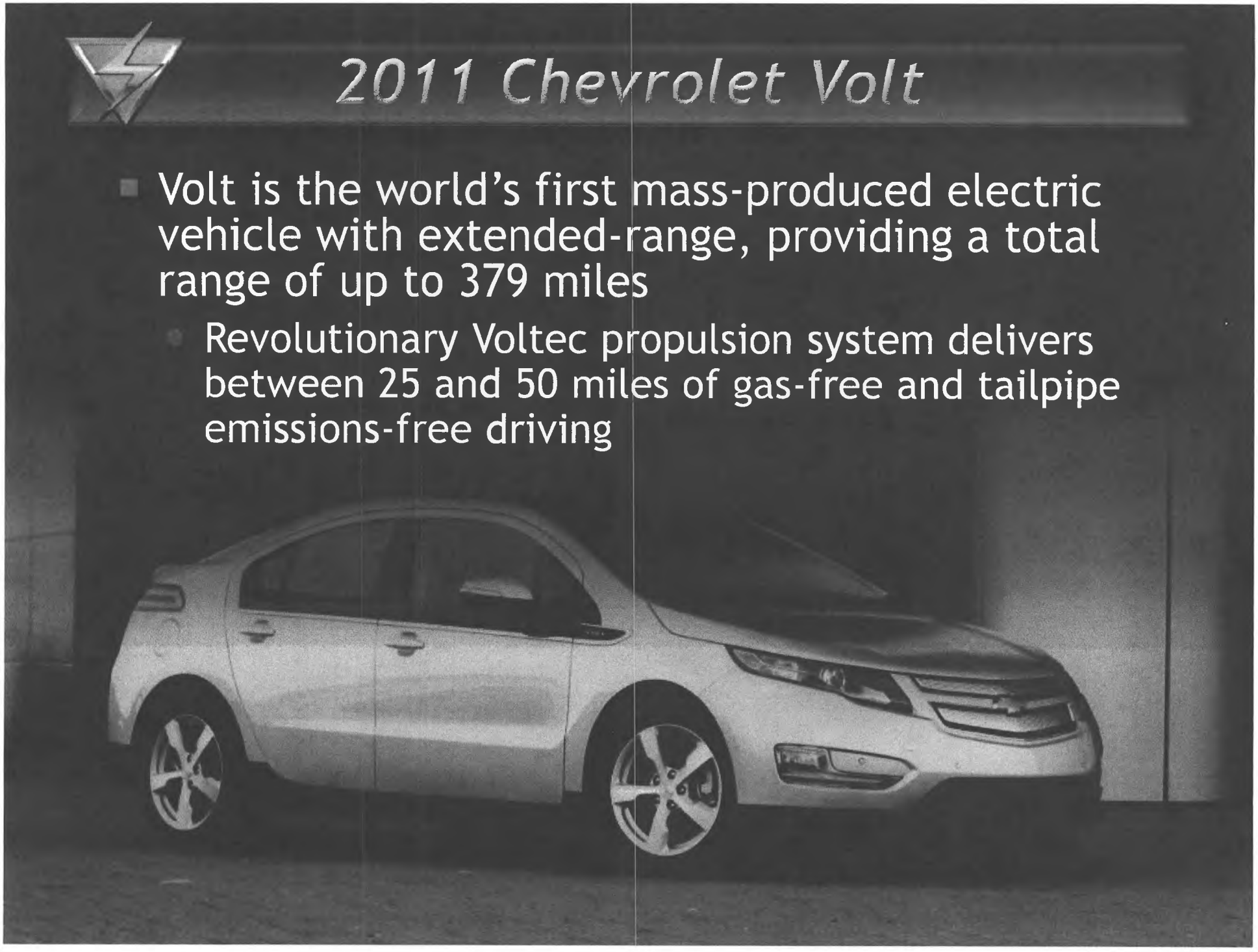


States with Government Incentives and private incentives

States with private incentives only

2011 Chevrolet Volt

- Volt is the world's first mass-produced electric vehicle with extended-range, providing a total range of up to 379 miles
  - Revolutionary Voltec propulsion system delivers between 25 and 50 miles of gas-free and tailpipe emissions-free driving



Volt Basics

- 2011 Volt was launched in December of 2010
- Nation wide within 12-18 months from launch
- An electric vehicle with extended-range capability
- Powered by a 16kWh lithium-ion battery pack
- Fully charged battery will provide 25-50 miles of gas-free and tailpipe emissions free driving (85% of drivers commute less than 50 miles per day)
- Extended range is achieved via an on-board gas generator which keeps the battery pack at its minimum required state of charge
- 120V charging (Standard)
  - Plugs into standard household outlet
  - Full charge 10 hours
- 240V charging
  - Full charge 4 hours
  - Enables more opportunity to drive electrically

Alaska Vehicle Market Specifics

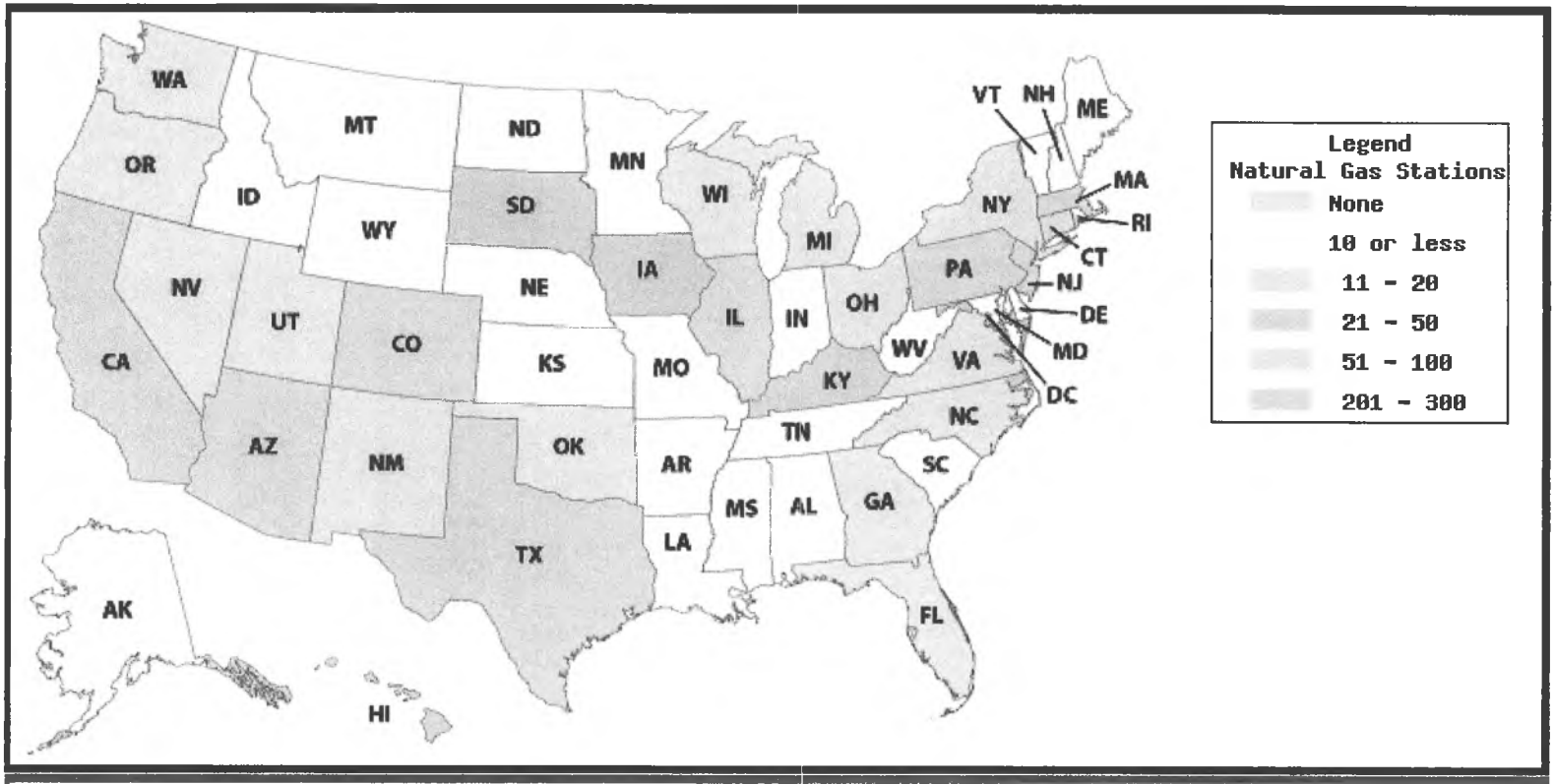
- General Motors:
  - Volt:
    - Sales: annual sales expected to be less than 100/yr

- Industry Forecast:
  - Center for Automotive Research, De-c 2010
    - "DEPLOYMENT ROLLOUT ESTIMATE OF ELECTRIC VEHICLES 2011-2015"

	Electric Vehicles Sold Per Year			
State	2012	2013	2014	2015
Alaska	145	218	256	264

CNG Infrastructure in the USA

- Interest in CNG powered vehicles increasing throughout the US.



http://www.afdc.energy.gov/afdc/fuels/natural_gas_locations.html

Summary

- Automotive industry moving quickly toward electrification
- Federal, State and local incentives for advanced technology are "win-win-win"
  - Helps customers adopt technology
  - Helps country, states, and cities get "plug-in" ready
  - Helps industry lower costs
- No Silver bullet solution to energy issues and climate change concerns
  - A portfolio approach to technologies is important
    - CNG plays an important role in energy security and reducing emissions
- GM supports SB 26

BACK UP

Advanced Technology Incentives Nationwide

State	Incentive Type													Totals	
	Rebates/Grants	Tax Credit/Exemption	Reduced Local Registration Fee	HOV/HOT lanes	Discounted/Convenient Parking	Inspection Exemption	10-Year Plan for Hybrid Adoption	Taxi Use Extension	Green Vehicle Loans	R&D	Insurance Discount	Hotel Discount	Number of Governemnt Incentives	Number of Private Incentives
AL											X		0	1
AK													0	0
AZ				X							X		1	1
AR											X		0	1
CA	X			X	X					X	X	X	4	2
CO	X	X	X	X	X						X		5	1
CT		X			X						X		2	1
DE											X		0	1
DC		X	X								X	X	2	2
FL	X			X	X						X		3	1
GA				X							X		1	1
HI													0	0
ID						X					X		1	1
IL	X		X	X							X		3	1
IN											X		0	1
IA											X		0	1
KS											X		0	1
KY											X		0	1
LA		X									X		1	1
ME		X									X		1	1
MD		X			X	X					X		3	1
MA		X			X		X					X	3	1
MI					X						X		1	1
MN											X		0	1
MS											X		0	1
MO											X		0	1
MT					X						X		1	1

State	Incentive Type													Totals	
	Rebates/Grants	Tax Credit/Exemption	Reduced Local Registration Fee	HOV/HOT lanes	Discounted/Convenient Parking	Inspection Exemption	10-Year Plan for Hybrid Adoption	Taxi Use Extension	Green Vehicle Loans	R&D	Insurance Discount	Hotel Discount	Number of Governemnt Incentives	Number of Private Incentives
NE											X		0	1
NV						X		X			X		2	1
NH											X		0	1
NJ				X							X		1	1
NM		X			X						X		2	1
NY		X		X	X						X		3	1
NC									X		X		1	1
ND											X		0	1
OH											X		0	1
OK		X									X		1	1
OR		X			X						X	X	2	2
PA	X										X		1	1
RI											X		0	1
SC	X	X									X		2	1
SD											X		0	1
TN				X	X						X		2	1
TX					X						X		1	1
UT		X		X	X						X		3	1
VT											X		0	1
VA				X	X						X		2	1
WA		X				X					X		2	1
WV		X											1	0
WI											X		0	1
WY											X		0	1
USA		X											1	0
State Total	6	15	3	11	15	4	1	1	1	1	47	4	59	51

General Motors Company

Public testimony in support of SB 26

State Affairs & Finance Committee

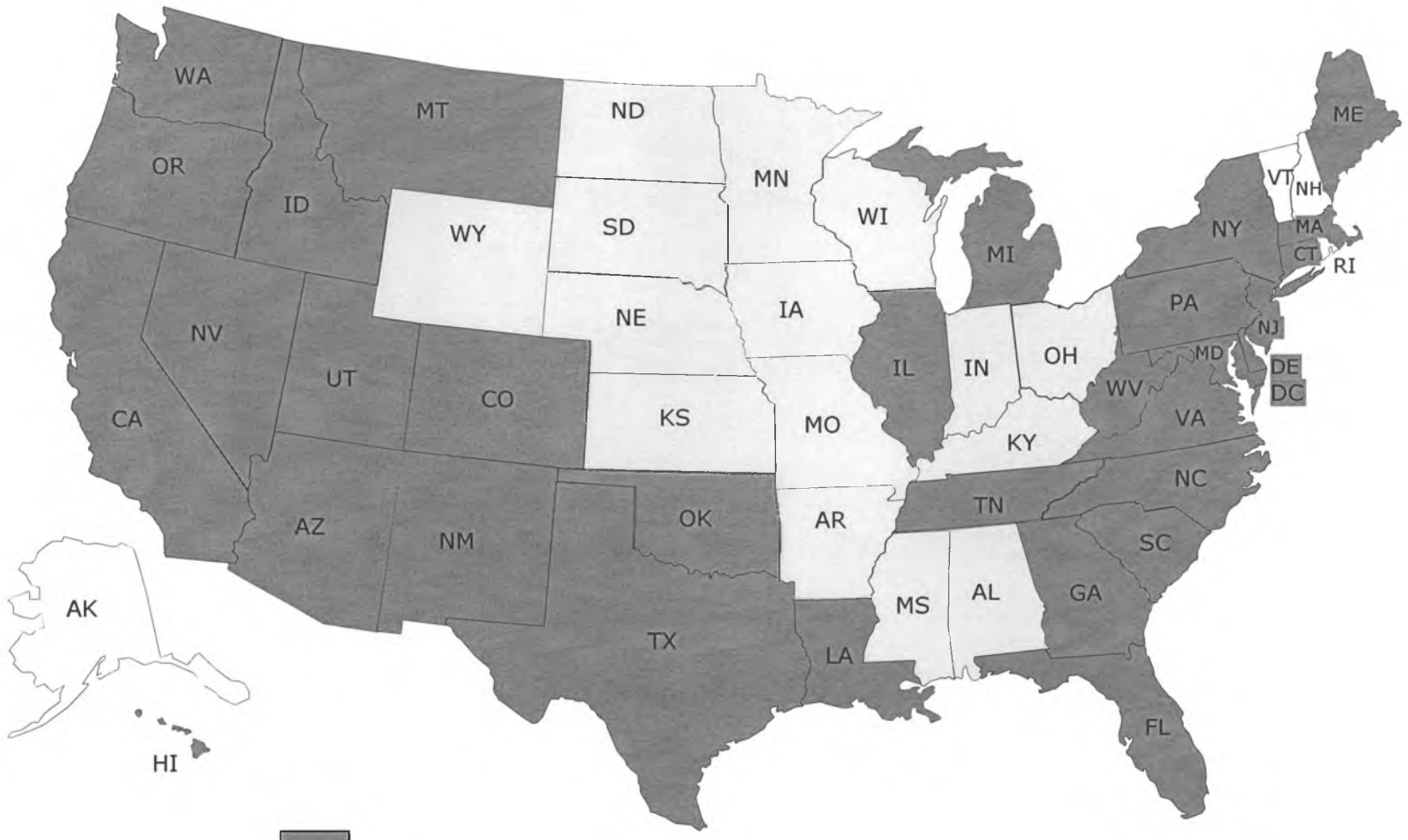
January 27, 2011

GM

DESIGN BUILD SELL

THE WORLD'S BEST VEHICLES

Hybrid/Plug-in Electric Vehicle Incentives Nationwide



States with Government Incentives and private incentives

States with private incentives only

DESIGN BUILD SELL

THE WORLD'S BEST VEHICLES

2011 Chevrolet Volt

- The Volt was launched in December of 2010.
  - Initially in selected markets, but sold nationwide within 12-18 months
- World's first mass-produced electric vehicle with extended-range capability
  - 25 -50 miles of gas-free and tailpipe emissions-free driving (85% of drivers commute less than 50 miles per day)
  - Up to 379 miles of total range Nation wide within 12-18 months from launch
- Powered by a 16kWh lithium-ion battery pack
- Extended range is achieved via an on-board gas generator which keeps the battery pack at its minimum required state of charge
- 120V charging (Standard)
  - Plugs into standard household outlet
  - Full charge 10 hours
- 240V charging
  - Full charge 4 hours
  - Enables more opportunity to drive electrically

Ford Focus PHEV

Nissan Leaf EV

Honda Fit EV

VW UP EV

Mitsubishi iMiEV EV

Fiat 500 EV

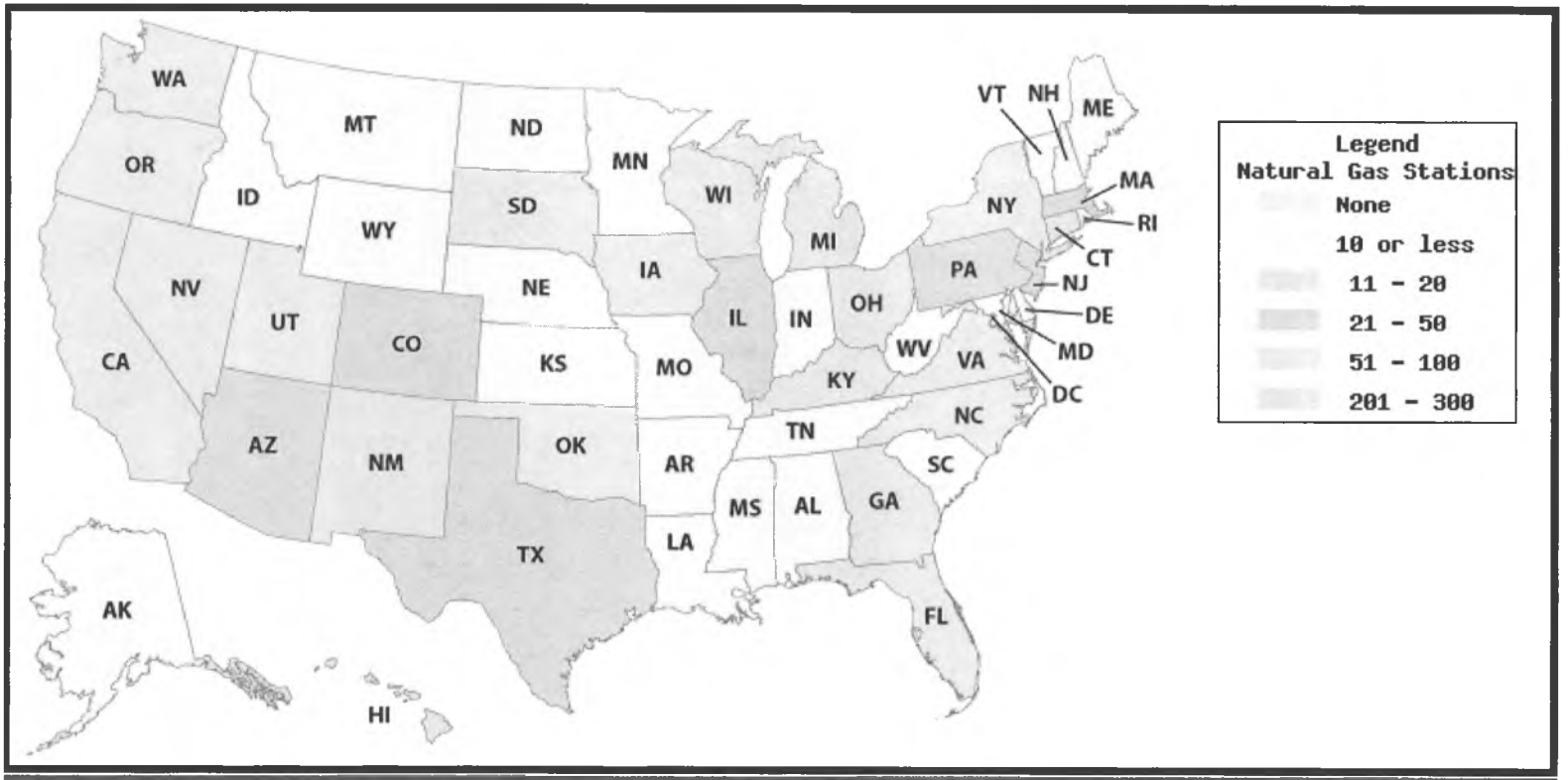
Tesla EV

Prius PHEV

Mercedes SLS EV

CNG Infrastructure in the USA

- Interest in CNG powered vehicles increasing throughout the US.



http://www.afdc.energy.gov/afdc/fuels/natural_gas_locations.html

GM
DESIGN BUILD SELL
THE WORLD'S BEST VEHICLES

Summary

- Automotive industry moving quickly toward electrification
- Federal, State and local incentives for advanced technology are "win-win-win"
  - Helps customers adopt technology
  - Helps country, states, and cities get "plug-in" ready
  - Helps industry lower costs
- No Silver bullet solution to energy issues and climate change concerns
  - A portfolio approach to technologies is important
    - CNG plays an important role in energy security and reducing emissions
- GM supports SB 26

JuneauEmpire.com

AEL&P to offer experimental discounts to electric car users

Monday, December 20, 2010

Story last updated at 12/20/2010 - 10:42 am

AEL&P to offer experimental discounts to electric car users
By Pat Forgey | JUNEAU EMPIRE

There may not be any all-electric cars in Juneau yet, but the city's electric utility wants to be ready for them if they come.

"Juneau is an ideal location for an electric vehicle," said Gayle Wood, spokesperson for Alaska Electric Light & Power, which filed this week for a special electric vehicle power rate with the Regulatory Commission of Alaska.

AEL&P is proposing an experimental rate for up to six years in which off-peak power cost would be billed at a special rate, currently 5.62 cents per kilowatt-hour, and at 11.56 cents per kwh at other times. Off-peak hours are 10 p.m. to 7 a.m., according to the utilit's RCA filing.

What makes Juneau ideal for electric vehicles, Wood said, is that the cars' limited driving range would not be much of an issue with Juneau's limited road system.

"You just can't get too far away" from a charging station, she said.

Juneau currently doesn't have any charging stations, but Wood said AEL&P's proposal would also offer an incentive of $1,000 to help up to 10 experimental customers insteal electric vehicle charging stations, with separate meters.

In exchange, AEL&P would get data on vehicle use. The reimbursement would take place a year into the program, after the customer filled out their first annual survey form about electric vehicle usage.

Wood said she did not know of any all-electric vehicles in Juneau at this time.

"That's not to say that I haven't seen a few unusual looking cars in town that are probably electric," she said.

The rate would apply to either all-electric vehicles, or hybrids that can be plugged in.

Wood said even at gasoline prices as low as $2.50 a gallon, at AEL&P's off-peak rate, electric vehicles can operate at a quarter of that cost per mile.

AEL&P has adequate low-cost hydroelectric power available to meet load growth that might occur

from electric vehicles, which can benefit the environment by reducing use of gasoline and diesel, she said.

It could help the utility by providing off-peak demand for power, with the experimental program providing data on which the base future such programs.

AEL&P has asked the RCA to begin the program by Jan. 10, 2011 and it will be available until Jan. 10, 2012, or until 10 customers have signed up, she said.

The offer is open only to vehciles licensed to operate on public roads, rated to 40 miles on one charge. Motorcycle-type vehicles are not eligible.

The new rate may help spur electric vehicle use, she said, which could have economic and environmental benefits.

AEL&P is planning on installing a charging station at its Lemon Creek headquarters, and others may be coming as well, such as at businesses or city parking structures.

Wood likened the move to electric vehicles to the move from the horse-and-buggy travel to the automobile.

"It was an issue then, when people wanted to know 'where's my fuel supply?' and obviously that became less of an issue over time," she said.

• Contact reporter Pat Forgey at 523-2250 or patrick.forgey@juneauempire.com.

http://www.juneauempire.com/stories/122010/sta_759144523.shtml

SB

29

<TARGET><BILL>SB 29</BILL><SUBJECT>SB
29</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/19/11

FURTHER: Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 3/13/12

State Affairs Committee considered SENATE BILL NO. 29

SB 29-TAX EXPENDITURE REPORT

"An Act relating to the reporting and analysis of certain information relating to tax credits, deductions, exclusions, exemptions, deferrals, and other tax expenditures; and providing for an effective date."

and recommends:

[ ] be **replaced** with **CS** SB 29 (STA) *[ ] Same Title [X] New Title*

[ ] adopt **previous CS** SCS/CS- Forthcoming ( ) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____ Letter of Intent

[ ] further referral to _____ Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
Leg	✓			
Fiscal Info Forthcoming				

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Elliot Kookuk	Kookuk	X			
K Meyer	Meyer	X			
C Giessel	Giessel			X	
CHAIR:	Wielechowski	X			

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

SB 29: Evaluating Tax Credits
SPONSOR STATEMENT

"Taxpayers deserve accountability."
-Byron Dorgan, former US Senator and Representative from North Dakota

Government programs are either funded by direct spending or indirectly through tax credits and other indirect expenditures. Direct spending is subject to annual review by the legislature with agencies and other recipients coming forward to justify their requests. This legislative oversight is vital to government efficiency and controlling government spending.

In contrast, Alaska "spends" about a billion dollars each year on tax credits, exemptions and other indirect expenditures without annually evaluating their impact. Although tax credits and other indirect expenditures are used by the legislature to accomplish specific policy goals, they are not subject to the same scrutiny as other operating and capital budget items and are not regularly evaluated for their effectiveness. Indirect tax expenditures include tax deductions, credits, exclusions, exemptions, deferrals, or other losses of state or local tax revenue due to statute.

Senate Bill 29 would help rectify this problem by increasing accountability and government review. This bill would require the Department of Revenue to regularly analyze tax expenditures and provide their analysis to the legislature and the public. The intent is to enable legislators to make more informed decisions about the efficacy of tax expenditures. Only nine states fail to publish a tax expenditure report: Alaska is one.

I ask that you support SB 29 to ensure that Alaska gets its money's worth for the close to one billion dollars a year it indirectly spends on tax credits and other indirect expenditures.

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 February 28, 2012

SUBJECT: Sectional summary of SB 29 (Work Order No. 27-LS0305\A)

TO: Senator Bill Wielechowski
Attn: Sam Gottstein

FROM: Lisa Moritz Kirsch
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, please note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill -- the bill itself is the best statement of its contents.

Section 1 adds a requirement that the governor consider the tax expenditure report prepared under section 3 of this bill before preparing the state budget.

Section 2 requires that the governor's fiscal plan address any issues raised in the tax expenditure report prepared under section 3 of this bill.

Section 3 requires that the Department of Revenue prepare a report that analyzes tax revenue losses due to tax expenditures.

Section 4 lists the data and analysis a tax expenditure report must include; requires electronic transmittal of the report to members of the legislature and posting on the Department of Revenue website; and defines "tax expenditure."

Section 5 provides an effective date of July 1, 2013.

LMK:ljw
12-165.ljw

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SB 29**
Fiscal Note Number:
() Publish Date:

Identifier (file name): SB029-DOR-TAX-02-28-12
Title: Tax Expenditure Report
Sponsor: Senator Wielechowski
Requester: Senate State Affairs Committee

Dept. Affected: Revenue
Appropriation: Taxation and Treasury
Allocation: Tax
OMB Component Number: 2476

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services			1,583.2	1,583.2	1,583.2	1,583.2	1,583.2
Travel			60.0	60.0	60.0	60.0	60.0
Services			68.0	68.0	68.0	68.0	68.0
Commodities			8.0	8.0	8.0	8.0	8.0
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**1,719.2**	**1,719.2**	**1,719.2**	**1,719.2**	**1,719.2**
FUND SOURCE			(Thousands of Dollars)				
1002 Federal Receipts							
1003 GF Match							
1004 GF			1,719.2	1,719.2	1,719.2	1,719.2	1,719.2
1005 GF/Prgm (DGF)							
1037 GF/MH (UGF)							
1178 temp code (UGF)							
TOTAL	**0.0**	**0.0**	**1,719.2**	**1,719.2**	**1,719.2**	**1,719.2**	**1,719.2**
POSITIONS							
Full-time			16	16	16	16	16
Part-time							
Temporary							
CHANGE IN REVENUES	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial version.

Prepared by: Mike Redlinger, Economist/Johanna Bales, Deputy Director — Phone: 907-269-1021
Division: Tax — Date/Time: 02/28/2012; 10am
Approved by: Jerry Burnett, Director Administrative Services — Date: 2/28/2012
Department of Revenue

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB 29

Analysis

Bill Language:
This bill would require the Department of Revenue to annually prepare and publish a report of tax expenditures. "Tax expenditures" are defined in this bill to be any of the following: tax deduction, tax credit, exclusion, exemption, deferral, or other loss of state and local tax revenue due to either an express provision of state tax law or resulting from the overall operation of state tax law. The bill would require the Department to identify the statutory authority for the expenditure, calculate the total amount of the tax expenditure and number of taxpayers who claimed the expenditure in the prior fiscal year, and forecast the amount of each tax expenditure claimed by all taxpayers for the current fiscal year. In addition the Department would be required to use this information to determine the public and private costs of administering the expenditure, whether each statute authorizing a tax expenditure achieved its purpose, whether each statute authorizing the expenditure is the most fiscally effective means of achieving its intended purpose, and then recommend either the support of repeal or extension of the authorizing statute.

The effective date of the bill is July 1, 2013.

Revenues:
This bill does not affect state tax revenues.

Expenditures:
This bill would require the Department of Revenue to analyze each and every tax expenditure claimed by every taxpayer in every tax type administered by the Department. The Department currently administers 22 tax programs. Compiling this report annually would be a major undertaking and would require significant staff resources.

The Department would need to compile tax expenditure information manually. We receive over 15,000 tax returns each year. We estimate that eight full-time tax technician positions would be required to compile, aggregate, and categorize all tax expenditures for all taxpayers in all tax types.

Four full-time auditor positions (2 Oil & Gas Revenue Auditor III positions, 1 Corporate Income Tax Auditor III position, and 1 Tax Auditor IV position) would be required to conduct the research to identify the statutory authority and legislative intent of each statute. Since most legislation does not contain intent language, the Department would be required to scan through all hearing minutes to determine intent.

Four full-time economist positions (2 petroleum economist positions and 2 Economists III positions) would be required to determine the public and private costs of administering the tax expenditure, whether the Department of Revenue believes the statute authorizing each expenditure meets its intent, whether each statute authorizing a tax expenditure provides the most fiscally effective means of achieving that intent, and whether it results in a fair and equitable distribution of tax burden on taxpayers.

The costs for this bill include the payroll and benefits costs for the 16 new full-time positions, the interagency costs associated with these positions, the travel costs for these positions, and the computer and office supply costs. It is assumed that half of these positions would be in Juneau and half would be in Anchorage.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SB 29**
Fiscal Note Number:
() Publish Date:

Identifier (file name): SB 29 LB&A - Tax Expenditure Report
Title: Tax Expenditure Report
Sponsor: Senator Wielechowski
Requester: Senate State Affairs Committee

Dept. Affected: Legislature
Appropriation: Legislative Budget & Audit
Allocation: Legislative Finance Division
OMB Component Number: 774

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services	0.0	0.0	0.0	0.0	50.0	50.0	50.0
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**50.0**	**50.0**	**50.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF			0.0	0.0	50.0	50.0	50.0
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**50.0**	**50.0**	**50.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial Version for Legislative Finance. This bill has been revised so that the Dept. of Revenue provides Tax Expenditure Reports to Legislative Finance, which would prepare reports addressing whether tax expenditures achieved their purpose.

Prepared by: David Teal
Phone: 465-3002
Division: Legislative Finance Division
Date/Time: 3/12/2012 17:00:00 PM
Approved by: David Teal
Date:

(Revised 11/18/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB 29

Analysis

This bill would require the Department of Revenue to annually prepare and publish a report of tax expenditures. The Legislative Finance Division would work with the Department of Revenue to prepare reports regarding whether selected significant tax expenditures achieved their purpose. This review would occur on a seven-year cycle.

The effective date of the bill is July 1, 2015.

This note assumes that the Department's $34.7 million management information system will generate the required information by FY16, and that reports regarding achievement of purpose will be brief assessments of the costs of tax expenditures versus the economic impacts of the tax expenditures. The projected cost is for annual contractual services to supplement the efforts of existing staff.

27-LS0305\I
Kirsch
3/5/12

CS FOR SENATE BILL NO. 29(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATOR WIELECHOWSKI

A BILL

FOR AN ACT ENTITLED

"An Act relating to the reporting and analysis of certain information relating to tax credits, deductions, exclusions, exemptions, deferrals, and other tax expenditures; relating to bills creating tax expenditures; and providing for an effective date."

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

*** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section to read:

SHORT TITLE. This Act may be known as the Alaska Tax Break Transparency Act.

*** Sec. 2.** AS 24.08 is amended by adding a new section to read:

Sec. 24.08.038. Tax expenditure bills. The legislature shall include a statement of the rationale and purpose of a tax expenditure in a bill creating a tax expenditure. In this section, "tax expenditure" has the meaning given in AS 43.05.090.

*** Sec. 3.** AS 37.07.020(a) is amended to read:

(a) **After considering the revenue and tax expenditure report prepared by the Department of Revenue under AS 43.05.090, the** [THE] governor shall prepare

a budget for the succeeding fiscal year that must cover all estimated receipts, including all grants, loans, and money received from the federal government and all proposed expenditures of the state government. The budget shall be organized so that the proposed expenditures for each agency are presented separately. The budget must be accompanied by the information required under AS 37.07.050 and by the following separate bills: (1) an appropriation bill authorizing the operating and capital expenditures of the state's integrated comprehensive mental health program under AS 37.14.003(a); (2) an appropriation bill authorizing state operating expenditures other than those included in the state's integrated comprehensive mental health program; (3) an appropriation bill authorizing capital expenditures other than those included in the state's integrated comprehensive mental health program; and (4) a bill or bills covering recommendations, if any, in the budget for new or additional revenue. The budget for the succeeding fiscal year and each of the bills shall become public information on December 15 at which time the governor shall submit copies to the legislature and make copies available to the public. The bills, identical in content to the copies released on December 15, shall be delivered to the rules committee of each house before the fourth legislative day of the next regular session for introduction.

*** Sec. 4.** AS 37.07.020(b) is amended to read:

(b) In addition to the budget and bills submitted under (a) of this section, the governor shall submit a capital improvements program covering the succeeding six fiscal years. The governor shall also submit a fiscal plan with estimates of significant sources and uses of funds for the succeeding 10 fiscal years. The fiscal plan

(1) must include sufficient details to identify

(A) significant sources of funds;

(B) significant uses of funds, including lump sum projections of

(i) operating expenditures;

(ii) capital expenditures;

(iii) debt service expenditures;

(iv) fund capitalizations;

(v) appropriations of income of the Alaska permanent

fund (art. IX, sec. 15, Constitution of the State of Alaska), if any;

(2) must balance sources and uses of funds held while providing for essential state services and protecting the economic stability of the state;

(3) must include projected balances of significant funds held in separate accounts, including the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska), the public education fund (AS 14.17.300), and the Alaska capital income fund (AS 37.05.565);

(4) must set out significant assumptions used in the projections with sufficient detail to enable the legislature to rely on the fiscal plan in understanding, evaluating, and resolving issues of state budgeting, including information that supports major areas of operating increases, such as population demographics that affect the need for particular government services**;**

(5) must consider issues raised by the revenue and tax expenditure report prepared by the Department of Revenue under AS 43.05.090.

*** Sec. 5.** AS 43.05.090 is amended to read:

Sec. 43.05.090. Preparation and publication of reports and statistics. The department shall prepare and annually publish statistics of the revenues derived under the tax laws administered by it**, including an analysis of tax revenue losses due to tax expenditures**.

*** Sec. 6.** AS 43.05.090 is amended by adding new subsections to read:

(b) The revenue and tax expenditure report must include

(1) the statutory authority for each type of tax expenditure;

(2) the annual sum of tax expenditures for the prior fiscal year, separately calculated for each type of expenditure, and the total number of taxpayers who benefitted from each type of expenditure;

(3) an estimate of tax expenditures for the current fiscal year, separately calculated for each type of expenditure;

(4) an estimate of the public costs of administering the tax expenditures.

(c) If the sum of tax expenditures of a specific type exceeds $1,000,000 in a fiscal year, the department shall analyze the use of the tax expenditure on the

following schedule to determine whether the statute authorizing the tax expenditure has achieved its purpose:

(1) tax expenditures existing on July 1, 2015, shall be analyzed once between July 1, 2015, and June 30, 2020, and before a delayed repeal of a tax expenditure;

(2) a tax expenditure created after July 1, 2015, shall be analyzed after it has been in effect for seven years or, if the statute authorizing the expenditure has a delayed repeal date, one year before the effective date of the delayed repeal of the tax expenditure.

(d) The department shall annually transmit an electronic copy of the revenue and tax expenditure report to each member of the legislature and make the report available to the public on the department's Internet website.

(e) In this section, "tax expenditure" means a tax deduction, tax credit, exclusion, exemption, or other loss of state tax revenue due to either an express provision of state tax law or resulting from the overall operation of state tax law; "tax expenditure" does not include federal tax expenditures under federal law adopted by reference in AS 43.20.021.

* **Sec. 7.** This Act takes effect July 1, 2015.

27-LS0305\B
Kirsch
3/5/12

CS FOR SENATE BILL NO. 29(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATOR WIELECHOWSKI

A BILL

FOR AN ACT ENTITLED

"An Act relating to the reporting and analysis of certain information relating to tax credits, deductions, exclusions, exemptions, deferrals, and other tax expenditures; relating to bills creating tax expenditures; and providing for an effective date."

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

*** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section to read:

SHORT TITLE. This Act may be known as the Alaska Tax Break Transparency Act.

*** Sec. 2.** AS 24.08 is amended by adding a new section to read:

Sec. 24.08.038. Tax expenditure bills. The legislature shall include a statement of the rationale and purpose of a tax expenditure in a bill creating a tax expenditure. In this section, "tax expenditure" has the meaning given in AS 43.05.090.

*** Sec. 3.** AS 37.07.020(a) is amended to read:

(a) **After considering the revenue and tax expenditure report prepared by the Department of Revenue under AS 43.05.090, the** [THE] governor shall prepare

New Text Underlined [DELETED TEXT BRACKETED]

a budget for the succeeding fiscal year that must cover all estimated receipts, including all grants, loans, and money received from the federal government and all proposed expenditures of the state government. The budget shall be organized so that the proposed expenditures for each agency are presented separately. The budget must be accompanied by the information required under AS 37.07.050 and by the following separate bills: (1) an appropriation bill authorizing the operating and capital expenditures of the state's integrated comprehensive mental health program under AS 37.14.003(a); (2) an appropriation bill authorizing state operating expenditures other than those included in the state's integrated comprehensive mental health program; (3) an appropriation bill authorizing capital expenditures other than those included in the state's integrated comprehensive mental health program; and (4) a bill or bills covering recommendations, if any, in the budget for new or additional revenue. The budget for the succeeding fiscal year and each of the bills shall become public information on December 15 at which time the governor shall submit copies to the legislature and make copies available to the public. The bills, identical in content to the copies released on December 15, shall be delivered to the rules committee of each house before the fourth legislative day of the next regular session for introduction.

* **Sec. 4.** AS 37.07.020(b) is amended to read:

(b) In addition to the budget and bills submitted under (a) of this section, the governor shall submit a capital improvements program covering the succeeding six fiscal years. The governor shall also submit a fiscal plan with estimates of significant sources and uses of funds for the succeeding 10 fiscal years. The fiscal plan

(1) must include sufficient details to identify

(A) significant sources of funds;

(B) significant uses of funds, including lump sum projections of

(i) operating expenditures;

(ii) capital expenditures;

(iii) debt service expenditures;

(iv) fund capitalizations;

(v) appropriations of income of the Alaska permanent

fund (art. IX, sec. 15, Constitution of the State of Alaska), if any;

(2) must balance sources and uses of funds held while providing for essential state services and protecting the economic stability of the state;

(3) must include projected balances of significant funds held in separate accounts, including the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska), the public education fund (AS 14.17.300), and the Alaska capital income fund (AS 37.05.565);

(4) must set out significant assumptions used in the projections with sufficient detail to enable the legislature to rely on the fiscal plan in understanding, evaluating, and resolving issues of state budgeting, including information that supports major areas of operating increases, such as population demographics that affect the need for particular government services**;**

(5) must address any issues raised by the revenue and tax expenditure report prepared by the Department of Revenue under AS 43.05.090.

*** Sec. 5.** AS 43.05.090 is amended to read:

Sec. 43.05.090. Preparation and publication of reports and statistics. The department shall prepare and annually publish statistics of the revenues derived under the tax laws administered by it**, including an analysis of tax revenue losses due to tax expenditures**.

*** Sec. 6.** AS 43.05.090 is amended by adding new subsections to read:

(b) The revenue and tax expenditure report must include

(1) the statutory authority for each type of tax expenditure;

(2) the annual sum of tax expenditures for the prior fiscal year, separately calculated for each type of expenditure, and the total number of taxpayers who benefitted from each type of expenditure;

(3) an estimate of tax expenditures for the current fiscal year, separately calculated for each type of expenditure;

(4) an estimate of the public costs of administering the tax expenditures;

(c) If the sum of tax expenditures of a specific type exceeds $1,000,000 in a fiscal year, the department shall analyze the use of the tax expenditure on the

following schedule to determine whether the statute authorizing the tax expenditure has achieved its purpose:

(1) tax expenditures existing on July 1, 2015, shall be analyzed once between July 1, 2015, and June 30, 2020, and before a delayed repeal of a tax expenditure;

(2) a tax expenditure created after July 1, 2015, shall be analyzed after it has been in effect for seven years or, if the statute authorizing the expenditure has a delayed repeal date, one year before the effective date of the delayed repeal of the tax expenditure.

(d) The department shall annually transmit an electronic copy of the revenue and tax expenditure report to each member of the legislature and make the report available to the public on the department's Internet website.

(e) In this section, "tax expenditure" means a tax deduction, tax credit, exclusion, exemption, deferral, or other loss of state or local tax revenue due to either an express provision of state tax law or resulting from the overall operation of state tax law; "tax expenditure" does not include federal tax credits under federal law adopted by reference in AS 43.20.021.

*** Sec. 7.** This Act takes effect July 1, 2015.

Offered by Senator Bill Wielechowski

Amendment E.1 to CS for SB 29, version E

On page 1, line 14, change 2000 to 2012

On page 4, line 16, change 2000 to 2012

Latest

27-LS0305\E
Kirsch
3/12/12

CS FOR SENATE BILL NO. 29(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATOR WIELECHOWSKI

A BILL

FOR AN ACT ENTITLED

"An Act relating to the reporting and analysis of certain information relating to tax credits, exclusions, exemptions, waivers, and other tax expenditures; relating to bills creating tax expenditures; and providing for an effective date."

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

*** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section to read:

SHORT TITLE. This Act may be known as the Alaska Tax Break Transparency Act.

*** Sec. 2.** AS 24.08 is amended by adding a new section to read:

Sec. 24.08.038. Tax expenditure bills. The legislature shall include a statement of the rationale and purpose of a tax expenditure in a bill creating a tax expenditure. In this section, "tax expenditure" has the meaning given in AS 43.05.090.

*** Sec. 3.** AS 24.20 is amended by adding a new section to read:

Sec. 24.20.232. Analysis of tax expenditures. If the sum of tax expenditures of a specific type exceeds $1,000,000 in fiscal year ~~2000~~ 2012 or a succeeding fiscal year,

New Text Underlined *[DELETED TEXT BRACKETED]*

the legislative finance division shall analyze the use of the tax expenditure on the following schedule to determine whether the statute authorizing the tax expenditure has achieved its purpose:

(1) tax expenditures existing on July 1, 2015, shall be analyzed once between July 1, 2015, and June 30, 2020, and before a delayed repeal of a tax expenditure;

(2) a tax expenditure created after July 1, 2015, shall be analyzed after it has been in effect for seven years or, if the statute authorizing the expenditure has a delayed repeal date, one year before the effective date of the delayed repeal of the tax expenditure.

* **Sec. 4.** AS 37.07.020(a) is amended to read:

(a) **After considering the revenue and tax expenditure report prepared by the Department of Revenue under AS 43.05.090, the** [THE] governor shall prepare a budget for the succeeding fiscal year that must cover all estimated receipts, including all grants, loans, and money received from the federal government and all proposed expenditures of the state government. The budget shall be organized so that the proposed expenditures for each agency are presented separately. The budget must be accompanied by the information required under AS 37.07.050 and by the following separate bills: (1) an appropriation bill authorizing the operating and capital expenditures of the state's integrated comprehensive mental health program under AS 37.14.003(a); (2) an appropriation bill authorizing state operating expenditures other than those included in the state's integrated comprehensive mental health program; (3) an appropriation bill authorizing capital expenditures other than those included in the state's integrated comprehensive mental health program; and (4) a bill or bills covering recommendations, if any, in the budget for new or additional revenue. The budget for the succeeding fiscal year and each of the bills shall become public information on December 15 at which time the governor shall submit copies to the legislature and make copies available to the public. The bills, identical in content to the copies released on December 15, shall be delivered to the rules committee of each house before the fourth legislative day of the next regular session for introduction.

* **Sec. 5.** AS 37.07.020(b) is amended to read:

(b) In addition to the budget and bills submitted under (a) of this section, the governor shall submit a capital improvements program covering the succeeding six fiscal years. The governor shall also submit a fiscal plan with estimates of significant sources and uses of funds for the succeeding 10 fiscal years. The fiscal plan

(1) must include sufficient details to identify

(A) significant sources of funds;

(B) significant uses of funds, including lump sum projections of

(i) operating expenditures;

(ii) capital expenditures;

(iii) debt service expenditures;

(iv) fund capitalizations;

(v) appropriations of income of the Alaska permanent fund (art. IX, sec. 15, Constitution of the State of Alaska), if any;

(2) must balance sources and uses of funds held while providing for essential state services and protecting the economic stability of the state;

(3) must include projected balances of significant funds held in separate accounts, including the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska), the public education fund (AS 14.17.300), and the Alaska capital income fund (AS 37.05.565);

(4) must set out significant assumptions used in the projections with sufficient detail to enable the legislature to rely on the fiscal plan in understanding, evaluating, and resolving issues of state budgeting, including information that supports major areas of operating increases, such as population demographics that affect the need for particular government services**;**

(5) must consider issues raised by the revenue and tax expenditure report prepared by the Department of Revenue under AS 43.05.090.

*** Sec. 6.** AS 43.05.090 is amended to read:

Sec. 43.05.090. Preparation and publication of reports and statistics. The department shall prepare and annually publish statistics of the revenues derived under the tax laws administered by it**, including an analysis of tax revenue losses due to**

tax expenditures.

* **Sec. 7.** AS 43.05.090 is amended by adding new subsections to read:

(b) The revenue and tax expenditure report must include

(1) the statutory authority for each type of tax expenditure;

(2) the annual sum of tax expenditures for the prior fiscal year, separately calculated for each type of expenditure, and the total number of taxpayers who benefitted from each type of expenditure;

(3) an estimate of tax expenditures for the current fiscal year, separately calculated for each type of expenditure;

(4) an estimate of the public costs of administering the tax expenditures.

(c) The department shall annually transmit an electronic copy of the revenue and tax expenditure report to each member of the legislature and make the report available to the public on the department's Internet website.

(d) The department shall notify the legislative finance division when the sum of tax expenditures of a specific type has exceeded $1,000,000 in fiscal year ~~2000~~ 2012 or a succeeding fiscal year and provide the legislative finance division with the nonconfidential or, subject to the division's execution of a confidentiality agreement, confidential information necessary to complete the analysis under AS 24.20.232.

(e) In this section, "tax expenditure" means a tax credit, exclusion, exemption, waiver, or other loss of state tax revenue due to an express provision of state tax law; "tax expenditure" does not include federal tax expenditures under federal law adopted by reference in AS 43.20.021 or tax deductions incurred in the ordinary course of trade or business.

* **Sec. 8.** Sections 1 and 2 of this Act take effect immediately under AS 01.10.070(c).

* **Sec. 9.** Sections 3 - 7 of this Act take effect July 1, 2015.

Alaska Appendix

Key Alaska Subsidy Programs

Program	Recent Annual Cost	Online Recipient Disclosure	Recipient Disclosure Score*
Alaska's Clear and Equitable Share/ Oil and Gas Production Tax Credits - an expensive series of tax credits available to companies engaged in oil exploration and drilling	$550 million (2009)	none	0/100
Commercial Fishing Revolving Loan Program - grants disguised as loans for commercial fishermen	$2 million (2009)	none	0/100
Development Finance Program - an expensive program whereby government builds and owns infrastructure for the private sector then leases it back to them	$364 million (2009)	source	69/100
Film Industry Tax Credit - a tax credit covering up to 30 percent of film production costs; may be sold or transferred to other corporations	$244,547 (2009)	source	49/100
Average of Disclosure Scores for All Programs			**30**

*See next page for scoring details

Show Us the Subsidies: **Scoring Details for Alaska Programs**		*Maximum possible score for category*	Alaska's Clear and Equitable Share/ Oil and Gas Production Tax Credits	Commercial Fishing Revolving Loan Program	Development Finance Program	Film Industry Tax Credit
Score criteria						
Subsidy Value	Not disclosed (0 pts)	*40*	0	0	40	40
	Either amount approved OR actual amount disbursed/claimed (30 pts)					
	BOTH amount approved AND actual amount disbursed/claimed (40 pts)					
Location of subsidized facility	Not disclosed (0 pts)	*15*	0	0	5	0
	ONLY locality (city/county/other political jurisdiction) (5 pts)					
	Locality AND street address (15 pts)					
Jobs/ training outcomes	Not disclosed (0 pts)	*15 (if BOTH promised and actual reported)*	0	0	10	0
	Number of jobs or training slots promised/projected (5 pts)					
	Actual number of jobs created/retained or trainings completed (10 pts)					
Wage rates/ payroll outcomes	Not disclosed (0 pts)	*15 (if BOTH promised and actual reported)*	0	0	0	0
	Wage rates/payroll promised/projected (5 pts)					
	Actual wage rates/payroll (10 pts)					
Available year(s) of recipient data	Earlier than 2005 only or unknown (0 pts)	*5 (at least 1 year from '05-'08 AND '09-'10)*	0	0	5	5
	2005, 2006, 2007 and/or 2008 only (2 pts)					
	2009 and/or 2010 only (3 pts)					
Search-ability of recipient list	Unsearchable (0 pts)	*5*	0	0	2	2
	CTRL-F searchable in HTML or PDF (2 pts)					
	Search engine or downloadable spreadsheet (5 pts)					
Ease of access	Source difficult to find (0 pts)	*5*	0	0	2	2
	Listed in annual report or other obvious location (2 pts)					
	Separate, clear disclosure site (5 pts)					
Total before extra credit		***100***	0	0	64	49
Extra credit categories		*Maximum possible*				
Program is most costly among those reviewed (7 pts); second most costly (5 pts)		*7*	0	0	5	0
Copies of approved applications or signed agreements available on website		*4*	0	0	0	0
Compliance or performance reports available on website		*4*	0	0	0	0
Wage data disaggregated		*4*	0	0	0	0
Data contained in open government website providing wider fiscal data		*2*	0	0	0	0
Recipient Dun's or Employer Identification Number (EIN) provided		*2*	0	0	0	0
Recipient NAICS industry code provided		*2*	0	0	0	0
Total extra credit		*25*	0	0	5	0
TOTAL AFTER EXTRA CREDIT		***125***	0	0	69	49

*See next page for notes on scoring

Alaska Program Scoring Notes

Alaska's Clear and Equitable Share/ Oil and Gas Production Tax Credits

Program Information: http://www.dog.dnr.state.ak.us/oil/programs/incentives/incentives.htm

There is no online recipient disclosure for this program.

Commercial Fishing Revolving Loan Program

Program Information: http://www.dced.state.ak.us/investments/tvpgi.cfml

There is no online recipient disclosure for this program.

Development Finance Program

Program Information: http://www.aidea.org/programsdevfin.html

Online Disclosure: http://www.aidea.org/projects.html

Detailed disclosure can be found by clicking on hyperlinks to project fact sheets. Points are awarded for inclusion of both the amount of subsidy disbursed and approved, and actual job creation figures.

Film Industry Tax Credit

Program Information: http://www.film.alaska.gov/incentive-program.htm

Online Disclosure: http://www.film.alaska.gov/pdf/2010-Report-to-Legislature-Final.pdf

Alaska earned points for disclosing both the amount approved (labeled in the document as "pre-qualified") and the actual amounts utilized.

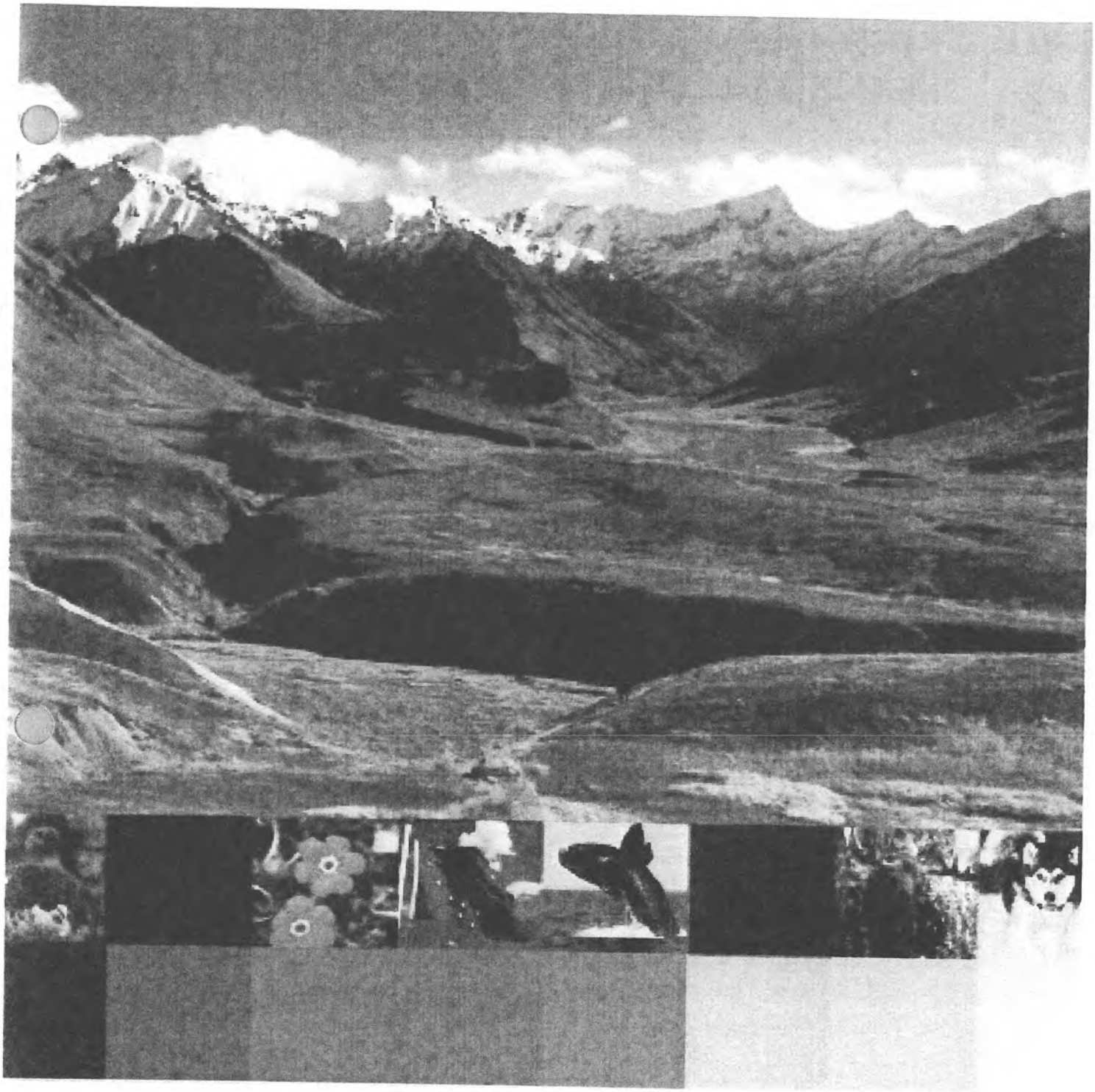
Tax Credits	Applicable Tax Type	> $1 million
Exploration incentive credit	Oil & Gas Production	Yes
Qualified capital expenditure credit	Oil & Gas Production	Yes
Carried forward annual loss credit	Oil & Gas Production	Yes
Small producer/new area development credit	Oil & Gas Production	Yes
Transitional investment expenditure credit	Oil & Gas Production	Yes
Alternative credit for exploration	Oil & Gas Production	Yes
Cook Inlet jack-up rig credit	Oil & Gas Production	Yes
Property taxes paid to municipalities on oil and gas property	Oil & Gas Property Tax	Yes
Gas exploration and development credit	Corporate Income Tax	Yes
Gas storage facility credit	Corporate Income Tax	Yes
Film production tax credit	Corporate Income Tax	Yes
Minerals exploration incentive credit	Corp, Mining, Royalty	Yes
Education tax credit	Corp, Mining, Fish, Oil & Gas Production & Property	
Winn Brindle memorial education credit	Fishery	No
Salmon product development credit	Fishery	Yes
Community development quota credit	Fishery	No
Other taxes credit	Fishery	No
Timely filing credit	Motor Fuel Tax	No
Tax remittance credit	Tire Fee	No
Cigarette tax stamp discount	Cigarette Tax	Yes
Tax remittance credit	Other tobacco products tax	No

Tax Exemptions		
Reduced rate of tax for small breweries	Alcoholic Beverage	Yes
Credit for port taxes paid to Juneau & Ketchikan	Commerical Passenger Vessel	Yes
S-Corporations	Corporate Income Tax	Yes
New mining operations exempt for 3.5 years	Mining license tax	Yes
First $40,000 in net income	Mining license tax	?
Fuel used for heating	Motor Fuel Tax	Yes
Fuel used in foreign flights	Motor Fuel Tax	Yes
Fuel used by charitiable institutions	Motor Fuel Tax	No
Bunker fuel	Motor Fuel Tax	No
Oil and gas produced for use on a lease or property for drilling, production, or repressuring	Oil & Gas Production	Yes
Oil and gas reserves	Oil & Gas Property Tax	Yes
Oil and gas leases	Oil & Gas Property Tax	Yes
Intangible drilling and exploration expenditures	Oil & Gas Property Tax	Yes
Oil and gas pipeline transportation systems owned by a public utility	Oil & Gas Property Tax	Yes
Salmon harvested under a special harvest area permit	Salmon Enhancement Tax & Seafood Development Tax	No
Processors and fishermen who produce less than $50,000 worth of seafood products	Seafood Marketing Assessment	No

Trucks with gross vehicle weight greater than 8,500 pounds	Vehicle Rental Tax	?
Taxi cabs	Vehicle Rental Tax	?
Rental trucks to move personal property	Vehicle Rental Tax	?
Vehicle rented while warranty work is done on private vehicle	Vehicle Rental Tax	?
Estates valued under $1.5 million	Estate Tax	?
Interest earned on federal govt. bonds	Corporate Income Tax	Yes

Tax Deferrals

I need to still research this. There could be a few.



FALL 2010

REVENUE SOURCES BOOK

STATE OF ALASKA
TAX DIVISION
DEPARTMENT OF REVENUE

3. The Role of Credits in Public Policy

Overview of Credits

Tax credits are a critical component of the state's overall tax structure. Tax credits are intended to encourage businesses to invest in various activities in the state such as oil and gas exploration and development, education, and film production. They are also used to implement public policy. This chapter provides an overview of the role that tax credits play in the state's tax system. Also presented is a complete listing of the tax credits currently available under state tax law and the amount of credits that have been granted in each of the past three years.

Sound tax policy involves moving beyond the "collection" of taxes into understanding the business perspective of the state's taxpayers, including what stimulates additional investment or brings new entrants into Alaska markets. The Tax Division regularly seeks input from taxpayers, legislators, the administration, and the public to gauge the impact of current and proposed tax policy on different industries. The Tax Division works toward developing collaborative relationships with taxpayers and staying informed in order to respond to the changing needs of the various industries in Alaska. The division regularly monitors the impact of the state's tax systems on industry as well as on the state budget. The division also conducts research on potential broad-based taxes such as sales and income taxes, and makes recommendations to the administration and the legislature on how a proposed tax might be structured and implemented. Officials with the division actively participate in discussions about tax effectiveness as well as decisions to suspend or lower taxes, which has happened with the motor fuel tax and the recently amended cruise ship taxes.

Although tax policy does not drive all business decisions, the state's tax structure, including incentives like tax credits, are integral to making decisions. The proper balance between taxes and incentives may enhance the economic viability of projects and influence the plans of Alaska businesses. Incentives can take many forms, including credits that can be directly applied against tax liabilities. Tax credits are among the most common methods of incentivizing business activity.

The Tax Division also understands the value of information regarding world markets. Since the state is competing globally for market dollars, understanding the impacts of changing world economies provides insight into refinements that may help keep the state's fiscal systems competitive.

The Tax Division stays informed about the state's industries in a variety of ways. In addition to continuously analyzing data reported by taxpayers, the division subscribes to various publications and organizations that are industry specific. The economic research group monitors oil, gas and mining activity throughout the world through daily, weekly and monthly publications. The division also stays current on state and local issues by attending industry events, such as the recent forum on offshore drilling and development sponsored by the Department of Interior, Bureau of Ocean Energy Management, held in Anchor-

age, meeting with other state agencies, and working and communicating with organizations like the Alaska Oil and Gas Association, the Resource Development Council for Alaska, Commonwealth North, and the Alaska Seafood Marketing Institute. State officials have had the opportunity to tour domestic and international industry facilities and learn about their operations through presentations and discussions. These activities are considered a fundamental part of the job of taxing and regulating industries in the state.

The Tax Division currently administers 21 different tax programs along with 16 tax credit programs. Most of the tax credit programs encourage spending and give tax credit for specific items or services designated by the program. A credit may be applicable to one tax type only, or it may be applicable to one of several tax types. The Education Tax Credit, for example, provides taxpayers credit for contributions to Alaska-based vocational education programs, accredited universities or colleges, or to the Alaska Fire Standards Council. A taxpayer is limited in the amount of credit they may receive, but the credit may be applied to any of the following tax types: the Alaska Corporate Income Tax, the Fisheries Business Tax, the Fishery Resource Landing Tax, the Insurance Premium Tax, the Mining License Tax, the Oil and Gas Production Tax, or the Oil and Gas Property Tax.

Some credit programs are very specific in how credits are earned and to which tax programs they apply. An example of such a credit is the new Oil and Gas Production Tax credit for exploration expenditures related to the first three wells drilled by the first jack-up rig in Cook Inlet. This credit may be applied against a production tax liability, transferred, or purchased by the state up to maximum dollar amounts specified in statute. If these exploration projects result in sustained production of oil or gas, then 50 percent of the amount of the credit received shall be repaid to the state over a 10-year period. The repayment provisions for this credit are unique. There are however, other credits that require that the benefit of any tax credit be incorporated in calculating, for example, a tariff for a pipeline or other asset that is regulated by the Federal Energy Regulatory Commission (FERC) or the Regulatory Commission of Alaska (RCA).

Most credit programs limit the dollar amount of credit available or only allow a certain percentage of expenditures to be the basis for the credit. Some credit programs have expiration dates and some programs have already expired, even though the credits themselves may be carried forward indefinitely. Some credits are transferable and some are redeemable for cash from the state treasury. Each credit program has its own rules and applications, tailored to the needs of the taxpayers under each program or to incentivize certain behaviors. We describe each individual tax credit program, categorized by tax type, in detail below.

Credits Applicable to the Oil and Gas Production Tax

Exploration Incentive Credit

Statutory Reference: AS 38.05.180(i)

Year of Implementation: 1978

Credit Applied to: Production tax, royalty

Transferability: Not transferable

Expiration Date: None

The exploration incentive credit authorized at AS 38.05.180(i) is among the earliest of oil and gas tax credits to be written into Alaska law. Implemented in 1978, this credit, which is available against either royalties or production tax, is included as a term of an oil and gas lease. Credit is earned for exploratory drilling on state land, and is based on the region where the drilling takes place and the depth of the well. Credit may also be received for geophysical work that is done two seasons immediately preceding an announced lease sale for the area where the work is performed. Maximum credit is 50 percent of the costs of the drilling or the geophysical work, not to exceed 50 percent of the tax or royalty obligation to which it is applied.

Department of Natural Resources records indicate that the last reported credit used under this program was in 1994. The department reports no activity in the program since that date.

Qualified Capital Expenditure Credit

Statutory Reference: AS 43.55.023(a) and (l)

Year of Implementation: .023(a) – 2006; .023(l) – 2010

Credit Applied to: Production Tax

Transferability: Transferable

Expiration Date: None

The qualified capital expenditure credit was passed as part of the Petroleum Profits Tax (PPT) in 2006, and was retained in the ACES tax and

expanded during the 2010 legislative session. The original credit under AS 43.55.023(a) provides a 20% credit for qualified capital expenditures for oil and gas operations. The credits can be applied against production tax liabilities, transferred to another company or purchased by the state.

In 2010, the legislature passed AS 43.55.023(l), which allows credit of 40 percent of qualified well lease expenditures incurred south of 68 degrees North latitude for oil or gas operations. These credits can be applied against production tax liabilities, transferred to another company or purchased by the state.

Carried-Forward Annual Loss Credit

Statutory Reference: AS 43.55.023(b)

Year of Implementation: 2006

Credit Applied to: Production Tax

Transferability: Transferable

Expiration Date: None

The credit for a carried-forward annual loss was part of the Petroleum Profits Tax passed in 2006. The percentage of allowable credit was increased by ACES from 20 percent to 25 percent. Like the qualified capital expenditure credit, carried-forward loss credits do not expire and may be transferred or purchased by the state, or applied to production tax liabilities.

Small Producer / New Area Development Credit

Statutory Reference: AS 43.55.024

Year of Implementation: 2006

Credit Applied to: Production Tax

Transferability: Not Transferable

Expiration Date: December 31, 2016 or ninth calendar year after producer first has oil or gas produced before May 1, 2016

With the passage of the Petroleum Profits Tax in 2006 came two credits under AS 43.55.024. One is a credit for up to $12 million for companies producing less than 100,000 barrels of oil equivalent per day anywhere in the state. The other is a credit for up to $6 million for companies producing less than 100,000 barrels of oil equivalent in areas other than the North Slope and Cook Inlet. These credits may only be used against production tax liabilities; they are not transferable and cannot be carried forward.

Alternative Credit for Exploration

Statutory Reference: AS 43.55.025(a)(1) – (4)

Year of Implementation: 2003

Credit Applied to: Production Tax

Transferability: Transferable

Expiration Date: Work must be performed before July 1, 2016

The Alternative Credit for Exploration, also called the "Exploration Incentive Credit," was implemented in 2003. It originally provided a credit of 20 or 30 percent for certain expenditures for oil and gas exploration. To further incentivize exploration activity, the ACES legislation increased the credit under the Alternative Credit for Exploration to 30 or 40 percent of eligible exploration expenditures.

Credits issued under this program may be applied against tax liabilities, transferred, or purchased by the state.

Cook Inlet Jack-Up Rig Credit

Statutory Reference: AS 43.55.025(a)(5) and (l)

Year of Implementation: 2010

Credit Applied to: Production Tax

Transferability: Transferable

Expiration Date: Work must be performed before July 1, 2016

AS 43.55.025(a)(5) was passed by the legislature in 2010 to incentivize investment in a jack-up rig for use in Cook Inlet. The credit is available to the first three unaffiliated persons that drill an offshore exploration well for oil or gas in Cook Inlet. Credit under this program will be granted for the lesser of 100 percent of exploration expenditures or $25 million to the first person who drills a qualifying well under the program. Credit for the lesser of 90 percent of exploration expenditures or $22.5 million is available to the second person, and credit for the lesser of 80 percent of exploration expenditures or $20 million is available to the third person who drills a qualifying well under the program.

Credit under this program may be granted in the form of a cash reimbursement from the state or it may be applied against tax liabilities. If the drilling under this program results in sustained production of oil or gas, 50

percent of the amount of the credit received shall be repaid to the state over a 10-year period.

Credits Applicable to the Corporate Income Tax

Internal Revenue Code Credits Adopted by Reference

Statutory Reference: AS 43.20.021

Year of Implementation: 1975

Credit Applied to: Corporate Income Tax

Transferability: Not transferable

Expiration Date: None

AS 43.20.021 adopts the Internal Revenue Code (IRC) for Alaska state corporate income tax liabilities, except where modified by provisions of state statute. The Internal Revenue Code authorizes tax credits, and by adopting the IRC, the state also authorizes those tax credits. Generally where a credit is allowed under the IRC, Alaska law limits its application to state corporate income tax to 18 percent of the credit amount apportioned to Alaska. The number and details of credit programs under the IRC are too voluminous to report here.

Gas Exploration and Development Credit

Statutory Reference: AS 43.20.043

Year of Implementation: 2003

Credit Applied to: Corporate Income Tax

Transferability: Not transferable

Expiration Date: January 1, 2016

This credit was enacted in 2003, but the credit program was expanded and extended in 2010. Credit under this program, which is applicable against the Alaska oil and gas corporate income tax, may be earned through exploratory gas drilling in areas of the state south of 68 degrees North latitude. Beginning in 2010, credit of 25 percent of qualified capital investments and 25 percent of annual costs incurred for qualified services are eligible for credit, not to exceed 75 percent of a company's corporate income tax liability before the application of other tax credits. Credits under this program may be carried forward for up to 5 years.

Gas Storage Facility Credit

Statutory Reference: AS 43.20.046

Year of Implementation: 2010

Credit Applied to: Corporate Income Tax

Transferability: Not transferable

Expiration Date: January 1, 2016

The legislature enacted this credit in 2010 to encourage the commercial operation of gas storage facilities by allowing a credit against the state corporate income tax in the amount of $1.50 for each 1,000 cubic feet of qualified, certified working gas storage capacity. The total amount of credit for a single gas storage facility may not exceed the lesser of $15 million or 25% of the costs incurred to establish the facility. This tax credit may be applied in addition to any of the other corporate income tax credits available to taxpayers and it may be refunded by the state.

Film Production Credit

Statutory Reference: AS 43.98.030

Year of Implementation: 2008

Credit Applied to: Corporate Income Tax

Transferability: Transferable

Expiration Date: The earlier of July 1, 2013 or the date that an aggregated total of $100 million in credits have been issued

The Film Production Credit is a credit available to companies that produce films in Alaska and spend at least $100,000 in eligible expenditures in a 24-month period. Credit against the state's corporate income tax is allowed in varying percentages for eligible film production expenditures, starting with a base credit rate of 30 percent of expenditures. An additional 10 percent credit is available for wages paid to Alaska residents; an additional 2 percent credit is available for expenditures made in a rural area; and an additional 2 percent credit is available for expenditures made in the state between October 1 and March 30. The credit program has a maximum budget of $100 million and expires upon exhausting the budget or July 1, 2013, whichever is earlier.

Credits Applicable to Multiple Tax Programs

Education Tax Credit

Statutory Reference: AS 21.89.070; AS 21.89.075; AS 43.20.014; AS 43.55.019; AS 43.56.018; AS 43.65.018; AS 43.75.018; AS 43.77.045

Year of Implementation: 1987

Credit Applied to: Corporate Income Tax, Production Tax, Property Tax, Mining License Tax, Fisheries Business Tax, Fishery Resource Landing Tax, Insurance Premium Tax

Transferability: Not Transferable

Expiration Date: None, although current rates of credit change on January 1, 2014

The Education Tax Credit allows credit for contributions for programs or facilities made to accredited Alaska universities or colleges and vocational educational programs, or, under AS 21.89.075, to the Alaska Fire Standards Council. Credit is allowed at the rate of 50% of the first $100,000 and 100% of the second $100,000 in contributions made to a qualifying institution. Credits received by any taxpayer may not exceed $150,000 annually across all eligible tax types. Beginning January 1, 2011, credit is available at the rate of up to 50 percent of annual contributions up to $100,000, 100 percent of the next $200,000 in contributions, and 50 percent of contributions higher than $300,000 annually. Credits received by any taxpayer may not exceed $5 million annually across all eligible tax types. On January 1, 2014, the maximum credit allowed reverts back to the limit set prior to January 1, 2011 or $150,000.

Minerals Exploration Incentive Credit

Statutory Reference: AS 27.30.030; AS 43.20.044

Year of Implementation: 1995

Credit Applied to: Corporate Income Tax, Mining License Tax, Mining Royalty

Transferability: Not Transferable

Expiration Date: None

The Minerals Exploration Incentive Credit is available to companies for expenditures on exploration activities such as surveying, drilling exploration wells, surface trenching, etc. for the purpose of mineral development in the state. The credit pays 100 percent of allowable expenditures up to a maximum of $20 million per year. The credit is limited to: (1) for the Mining License Tax – the lesser of 50 percent of tax liability at the mining operation where the exploration occurred or 50 percent of the taxpayer's total Mining License Tax for the year; (2) for Corporate Income Tax – the lesser of 50 percent of the Mining License Tax liability at the mining operation where the exploration occurred or the total Corporate Income Tax liability; (3) for mineral royalty – 50 percent of royalty liability from the mining operation where the exploration activity occurred. The credit may be carried forward, but must be used within 15 years.

Scholarship Contributions ("Winn Brindle") Credit

Statutory Reference: AS 43.75.032, AS 43.77.035

Year of Implementation: 1986

Credit Applied to: Fisheries Business Tax, Fishery Resource Landing Tax

Transferability: Not Transferable

Expiration Date: None

Credit under this program is available for 100 percent of contributions to the A.W. "Winn" Brindle memorial education loan account established under AS 14.43.250. A taxpayer may receive credit of up to 5 percent of his/her tax liability through contributions under this program.

Credits Applicable to Fisheries Taxes

Salmon Product Development Credit

Statutory Reference: AS 43.75.035

Year of Implementation: 2003

Credit Applied to: Fisheries Business Tax

Transferability: Not Transferable

Expiration Date: Last date an item may be placed into service is December 31, 2015

The Salmon Product Development Credit is a credit available for capital expenditures made to expand value-added processing of Alaska salmon. Credit is available for 50 percent of qualified expenditures up to 50 percent of the company's tax liability for the Fisheries Business Tax. The credit may be carried forward for three years.

Community Development Quota (CDQ) Credit

Statutory Reference: AS 43.77.040

Year of Implementation: 1993

Credit Applied to: Fishery Resource Landing Tax

Transferability: Not Transferable

Expiration Date: None

The Community Development Quota (CDQ) Credit is a credit available to

fisheries taxpayers who make contributions to Alaska nonprofit corporations to be used for purposes such as scholarships and training for fisheries businesses, and facilities for fisheries transport or processing, etc. Under this program, taxpayers receive credit for 100 percent of qualified contributions up to a maximum of 45.45 percent of the taxpayer's tax liability on fishery resources harvested under a CDQ.

Other Taxes Credit

Statutory Reference: AS 43.77.030

Year of Implementation: 1993

Credit Applied to: Fishery Resource Landing Tax

Transferability: Not Transferable

Expiration Date: None

In order to avoid double taxation on fisheries resources, credit is provided to taxpayers for payments made to other jurisdictions for taxes that are equivalent in nature to the Fishery Resource Landing Tax. The maximum credit under this program is the taxpayer's Alaska tax liability under the Fishery Resource Landing Tax.

A summary table showing all tax credits in current law, as well as the credits granted under each program for each of the past three years is shown on the following pages.

Summary of Alaska Tax Credits in Current Law

Description of Credit	Credit Rate and Maximum Credit	Amount of Credit Claimed (in $millions) FY 2008	FY 2009	FY 2010
Credits Applicable to the Oil and Gas Production Tax (see Note A)				
Exploration Incentive Credit, AS 38.05.180(f) A non-transferrable credit for the cost of drilling or seismic work performed under a limited time period established by the Commissioner of the Department of Natural Resources.	Up to 50% of the cost of drilling or seismic work, not to exceed 50% of the tax liability to which it is being applied. This credit may also be applied against the state royalty.	$0	$0	$0
Qualified Capital Expenditure Credit, AS 43.55.023(a) and (f) A transferable tax credit for qualified oil and gas capital expenditures in the state. Taken in lieu of exploration incentive credits under AS 43.55.025 and gas exploration credits under AS 43.20.043.	Credit is 20% of eligible expenditures, or 40% for well related expenses outside the North Slope. For credits earned for North Slope capital expenditures under AS 43.55.023 (a), no more than half the credit may be applied in a single calendar year.	Includes Carried-Forward Loss Credits $336	$391	$585
Carried-Forward Annual Loss Credit, AS 43.55.023(b) A transferable credit for a carried-forward annual loss, as defined as a producer or explorer's adjusted lease expenditures that are not deductible in calculating production tax values for the calendar year.	Credit is 25% of the carried-forward annual loss. If a transferable credit certificate is applied for North Slope losses, not more than half may be taken in one year.	Totals included in Qualified Capital Expenditure Credits above		
Small Producer / New Area Development Credit, AS 43.55.024(a) and (c) A non-transferable credit for oil and gas produced by small producers, defined as having average taxable oil and gas production of less than 100,000 BTU equivalent barrels per day, or for oil or gas produced on leases outside Cook Inlet and below 68 degrees North latitude, providing the producer has a positive tax liability on that production before the application of other credits. Credit is available until the later of 2016 or 9 years after first commercial production of oil and gas on the properties for which the credit applies.	Credit is 100% of tax liability for eligible oil and gas production. The credit is capped at $12,000,000 annually under the small producer credit for producers with no more than 50,000 BTU equivalent barrels per day. The credit then phases out, reaching zero for producers with 100,000 or more BTU equivalent barrels per day. Under the new area development credit, credit is available up to $6,000,000 per company annually.	$38	$21	$34
Alternative Credit for Exploration, AS 43.55.025 A transferable credit for expenditures for certain oil and gas exploration activities. Expires 7/1/2016.	Outside of Cook Inlet, credit is 40% for seismic costs outside an existing unit, 30% for drilling costs greater than 25 miles from an existing unit, 30% for pre-approved new targets greater than 3 miles from an existing well, and 40% for pre-approved new targets greater than 3 miles from a well and greater than 25 miles from an existing unit. For Cook Inlet, credit is 40% for seismic costs outside an existing unit, 30% for drilling costs greater than 10 miles from an existing unit, 30% for pre-approved new targets, and 40% for drilling costs that are greater than 10 miles from an existing unit and pre-approved new targets.	$95	$18	$41

Note A: Credits under these programs are calculated and tracked on a calendar year basis. Totals represent CY 2007, 2008, and 2009, respectively.

(continued on next two pages)

Summary of Alaska Tax Credits in Current Law

Description of Credit	Credit Rate and Maximum Credit	Amount of Credit Claimed (In $millions) FY 2008	FY 2009	FY 2010
Cook Inlet Jack-Up Rig Credit, AS 43.55.025(a)(5) and (l)				
A credit for exploration expenses for the first three wells drilled by the first jack-up rig brought in to Cook Inlet. Expenses only for drilling of wells from a jack-up rig for wells that test pre-Tertiary; all three wells must be drilled by unaffiliated parties.	Credit is 100% of costs for the first well up to $25 million, 90% of costs for the second well up to $22.5 million, and 80% of costs for the third well up to $20 million. If exploration well is brought into production, operator shall repay 50% of the credit over ten years following production start-up.	Credit program began in 2010		
Credits Applicable to the Corporate Income Tax				
Internal Revenue Code Credits Adopted by Reference, AS 43.20.021				
Under Alaska's blanket adoption of the IRC, taxpayers can claim all federal incentive credits. Federal credits that refund other federal taxes are not allowed. Multistate taxpayers apportion their total federal incentive credits.	For most credits, credit is limited to 18% of the amount of the credit determined for federal income tax purposes which is attributable to Alaska.	Not tracked		
Gas Exploration and Development Credit, AS 43.20.043				
A non-transferable credit for qualified expenditures for exploration and development of non-North Slope natural gas reserves.	Credit is 25% of qualified expenditures for investment after January 1, 2010; investments in existing units qualify. Credit is capped at 75% of tax liability as calculated before applying other credits.	Cannot be reported due to taxpayer confidentiality		
Gas Storage Facility Credit, AS 43.20.046				
A credit for the costs incurred to establish a gas storage facility. Does not apply to gas storage related to a gas sales pipeline on the North Slope. Facility shall operate as a public utility regulated by the Alaska RCA with open access for 3rd parties. Effective for facilities placed into service between January 1, 2011 and December 31, 2015.	Credit is $1.50 per thousand cubic feet of "working gas" storage capacity as determined by AOGCC. Maximum credit is the lesser of $15 million or 25% of costs incurred to establish the facility.	Credit program began in 2010		
Film Production Credit, AS 43.98.030				
A transferable credit for expenditures on eligible film production activities in Alaska. Producer must spend at least $100,000 in a consecutive 24-month period to qualify. Expires the earlier of 7/1/2013 or once $100 million of credits have been approved.	Credit is 30% of eligible film production expenditures, plus an additional 10% credit for wages paid to Alaska residents, plus an additional 2% credit for filming in a rural area, plus an additional 2% credit for filming between October 1 and March 30. Program is capped at $100 million for all projects.	$0	$0	<$1
Credits Applicable to Multiple Tax Programs				
Education Credit, AS 21.89.070 and .075, AS 43.20.014, AS 43.55.019, AS 43.56.018, AS 43.65.018, AS 43.75.018, AS 43.77.045 - Applicable to Corporate Income Tax, Fisheries Business Tax, Fishery Resource Landing Tax, Insurance Premium Tax, Mining License Tax, Oil and Gas Production Tax, Oil and Gas Property Tax				
A non-transferable credit for contributions to vocational educational programs or accredited Alaska universities or colleges for educational purposes or facilities; under AS 21.89.075 contributions to the Alaska Fire Standards Council also qualify.	Credit is 50% of annual contributions up to $100,000, 100% of the next $200,000 and 50% of annual contributions beyond $300,000. The credit cannot exceed $5,000,000 annually across all eligible tax types. The credit at these rates is effective from January 1, 2011 until December 31, 2013, at which point the maximum credit for any taxpayer is $150,000 per year.	$3	$2	$2

(continued on next page)

Summary of Alaska Tax Credits in Current Law

Description of Credit	Credit Rate and Maximum Credit	Amount of Credit Claimed (In $millions) FY 2008	FY 2009	FY 2010
Minerals Exploration Incentive Credit, AS 27.30.030, AS 43.20.044 - Applicable to Corporate Income Tax, Mining License Tax and Mineral Production Royalty				
A non-transferable credit for eligible costs of mineral or coal exploration activities. Credit must be used within 15 years.	Credit is 100% of allowable exploration costs with a maximum of $20 million. Credit is limited to: (1) for mining license tax, the lesser of 50% of the MLT liability at the mining operation at which the exploration occurred or 50% of total MLT liability; (2) for corporate income tax, the lesser of 50% of the MLT liability at the mining operation at which the exploration occurred or 50% or total CIT liability, and (3) for mineral royalty, 50% of royalty liability from the mining operation at which the exploration activity occurred.	$0	$0	<$1
Scholarship Contributions Credit, AS 43.75.032, AS 43.77.035 - Applicable to the Fisheries Business Tax and Fishery Resource Landing Tax				
A non-transferable credit for contributions to the A.W. "Winn" Brindle memorial education loan account established under AS 14.43.250.	Credit is 100% of contribution amount up to a maximum of 5% of tax liability.	<$1	<$1	<$1
Credits Applicable to Fisheries Taxes				
Salmon Product Development Credit, AS 43.75.035				
A non-transferable credit for eligible capital expenditures to expand value-added processing of Alaska salmon including ice making machines. Credit expires December 31, 2015 and may be carried forward for three years.	Credit is 50% of qualified investment up to 50% of tax liability incurred for processing of salmon during the tax year.	$5	$3	$4
Community Development Quota Credit, AS 43.77.040				
A non-transferable credit for contributions to an Alaska nonprofit corporation that are dedicated to fisheries industry-related expenditures. Credit is available only for fishery resources harvested under a community development quota (CDQ).	Credit is 100% of contribution amount up to a maximum of 45.45% of tax liability on fishery resources harvested under a CDQ.	<$1	$0	<$1
Other Taxes Credit, AS 43.77.030				
A non-transferable credit for taxes paid to another jurisdiction on fishery resources landed in Alaska.	Credit is 100% of taxes paid with a maximum of 100% of the Alaska tax liability on the fishery resources.	Not tracked		
	Total All Credits	$479	$436	$670

Revenue Sources Book

Alaska Department of Revenue – Tax Division

FALL 2011

Credits. E-1a

Summary of Alaska Tax Credits in Current Law ($ millions)

Description of Credit	Credit Rate and Maximum Credit	Amount of Credit Claimed		
		FY 2009	FY 2010	FY 2011
Credits Applicable to the Oil and Gas Production Tax (see Note A)				
Exploration Incentive Credit, AS 38.05.180(i) A non-transferrable credit for the cost of drilling or seismic work performed under a limited time period established by the Commissioner of the Department of Natural Resources.	Up to 50% of the cost of drilling or seismic work, not to exceed 50% of the tax liability to which it is being applied. This credit may also be applied against the state royalty.	$0	$0	$0
Qualified Capital Expenditure Credit, AS 43.55.023(a) and (l) A transferable tax credit for qualified oil and gas capital expenditures in the state. Taken in lieu of exploration incentive credits under AS 43.55.025 and gas exploration credits under AS 43.20.043.	Credit is 20% of eligible expenditures, or 40% for well related expenses outside the North Slope. For credits earned for North Slope capital expenditures under AS 43.55.023 (a), no more than half the credit may be applied in a single calendar year.	Includes Carried-Forward Loss Credits $391	$585	$640
Carried-Forward Annual Loss Credit, AS 43.55.023(b) A transferable credit for a carried-forward annual loss, as defined as a producer or explorer's adjusted lease expenditures that are not deductible in calculating production tax values for the calendar year.	Credit is 25% of the carried-forward annual loss. If a transferable credit certificate is applied for North Slope losses, not more than half may be taken in one year.	Totals included in Qualified Capital Expenditure Credits above		
Small Producer / New Area Development Credit, AS 43.55.024(a) and (c) A non-transferable credit for oil and gas produced by small producers, defined as having average taxable oil and gas production of less than 100,000 BTU equivalent barrels per day, or for oil or gas produced on leases outside Cook Inlet and below 68 degrees North latitude, providing the producer has a positive tax liability on that production before the application of other credits. Credit is available until the later of 2016 or 9 years after first commercial production of oil and gas on the properties for which the credit applies.	Credit is 100% of tax liability for eligible oil and gas production. The credit is capped at $12,000,000 annually under the small producer credit for producers with no more than 50,000 BTU equivalent barrels per day. The credit then phases out, reaching zero for producers with 100,000 or more BTU equivalent barrels per day. Under the new area development credit, credit is available up to $6,000,000 per company annually.	$21	$34	$38
Transitional Investment Expenditure Credit, AS 43.55.023(l) A non-transferable credit for qualified oil and gas capital expenditures incurred between March 31, 2001 and April 1, 2006. Only available to companies that did not have production in commercial quantities prior to January 1, 2008. Credit may not be used after December 31, 2013.	Credit is 20% of qualified oil and gas capital expenditures incurred between March 31, 2001 and April 1, 2006, not to exceed 10% of the capital expenditures incurred between March 31, 2006 and January 1, 2008.	Cannot be reported due to taxpayer confidentiality		
Alternative Credit for Exploration, AS 43.55.025 A transferable credit for expenditures for certain oil and gas exploration activities. Expires 7/1/2016.	Outside of Cook Inlet, credit is 40% for seismic costs outside an existing unit, 30% for drilling costs greater than 25 miles from an existing unit, 30% for pre-approved new targets greater than 3 miles from an existing well, and 40% for pre-approved new targets greater than 3 miles from a well and greater than 25 miles from an existing unit. For Cook Inlet, credit is 40% for seismic costs outside an existing unit, 30% for drilling costs greater than 10 miles from an existing unit, 30% for pre-approved new targets, and 40% for drilling costs that are greater than 10 miles from an existing unit and pre-approved new targets.	$18	$41	$13

Note A: Credits under these programs are calculated and tracked on a calendar year basis. Totals represent CY 2009, 2010, and 2011.

Credits. E-1b

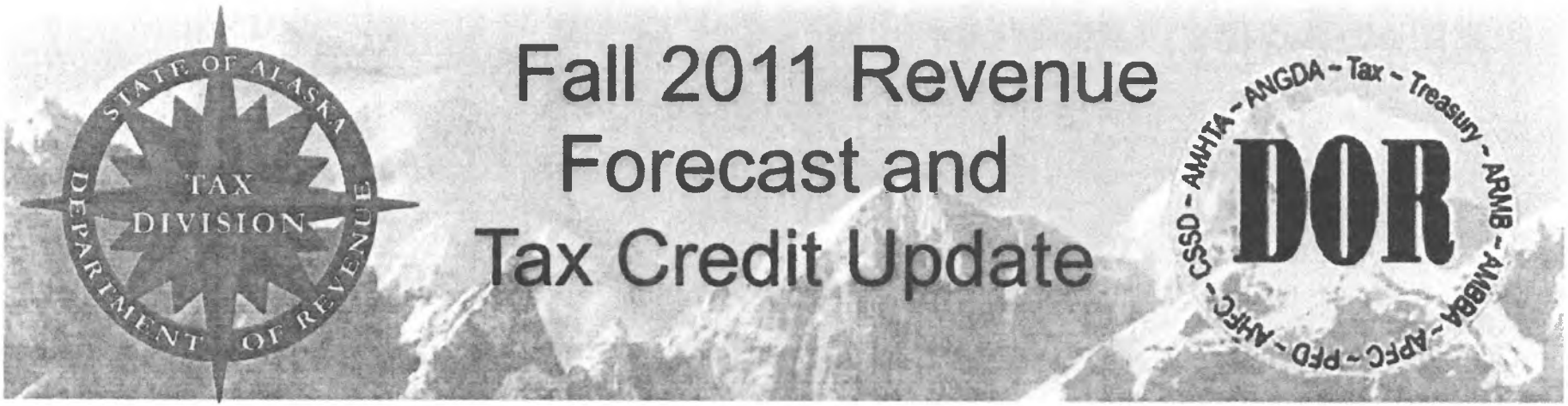
Summary of Alaska Tax Credits in Current Law ($ millions)

Description of Credit	Credit Rate and Maximum Credit	Amount of Credit Claimed		
		FY 2009	FY 2010	FY 2011
Cook Inlet Jack-Up Rig Credit, AS 43.55.025(a)(5) and (l)				
A credit for exploration expenses for the first three wells drilled by the first jack-up rig brought in to Cook Inlet. Expenses only for drilling of wells from a jack-up rig for wells that test pre-Tertiary; all three wells must be drilled by unaffiliated parties.	Credit is 100% of costs for the first well up to $25 million, 90% of costs for the second well up to $22.5 million, and 80% of costs for the third well up to $20 million. If exploration well is brought into production, operator shall repay 50% of the credit over ten years following production start-up.	Credit program began in 2011		
Credits Applicable to the Corporate Income Tax				
Internal Revenue Code Credits Adopted by Reference, AS 43.20.021				
Under Alaska's blanket adoption of the IRC, taxpayers can claim all federal incentive credits. Federal credits that refund other federal taxes are not allowed. Multistate taxpayers apportion their total federal incentive credits.	For most credits, credit is limited to 18% of the amount of the credit determined for federal income tax purposes which is attributable to Alaska.	Not tracked		
Gas Exploration and Development Credit, AS 43.20.043				
A non-transferable credit for qualified expenditures for exploration and development of non-North Slope natural gas reserves.	Credit is 25% of qualified expenditures for investment after January 1, 2010; investments in existing units qualify. Credit is capped at 75% of tax liability as calculated before applying other credits.	Cannot be reported due to taxpayer confidentiality		
Gas Storage Facility Credit, AS 43.20.046				
A credit for the costs incurred to establish a gas storage facility. Does not apply to gas storage related to a gas sales pipeline on the North Slope. Facility shall operate as a public utility regulated by the Alaska RCA with open access for 3rd parties. Effective for facilities placed into service between January 1, 2011 and December 31, 2015.	Credit is $1.50 per thousand cubic feet of "working gas" storage capacity as determined by AOGCC. Maximum credit is the lesser of $15 million or 25% of costs incurred to establish the facility.	Credit program began in 2011		
Film Production Credit, AS 43.98.030				
A transferable credit for expenditures on eligible film production activities in Alaska. Producer must spend at least $100,000 in a consecutive 24-month period to qualify. Expires the earlier of 7/1/2013 or once $100 million of credits have been approved.	Credit is 30% of eligible film production expenditures, plus an additional 10% credit for wages paid to Alaska residents, plus an additional 2% credit for filming in a rural area, plus an additional 2% credit for filming between October 1 and March 30. Program is capped at $100 million for all projects.	$0	<$1	<$1
Credits Applicable to Multiple Tax Programs				
Education Credit, AS 21.89.070 and .075, AS 43.20.014, AS 43.55.019, AS 43.56.018, AS 43.65.018, AS 43.75.018, AS 43.77.045 - Applicable to Corporate Income Tax, Fisheries Business Tax, Fishery Resource Landing Tax, Insurance Premium Tax, Mining License Tax, Oil and Gas Production Tax, Oil and Gas Property Tax				
A non-transferable credit for contributions to vocational educational programs, accredited Alaska universities or colleges for educational purposes or facilities, annual intercollegiate sports tournaments, AK Native educational programs, facilities that qualify under the Coastal American Partnership; under AS 21.89.075 contributions to the Alaska Fire Standards Council also qualify.	Credit is 50% of annual contributions up to $100,000, 100% of the next $200,000 and 50% of annual contributions beyond $300,000. The credit cannot exceed $5,000,000 annually across all eligible tax types. The credit at these rates is effective from January 1, 2011 until December 31, 2020, at which point the maximum credit for any taxpayer is $150,000 per year.	$2	$2	$3

Credits. E-1c

Summary of Alaska Tax Credits in Current Law ($ millions)

Description of Credit	Credit Rate and Maximum Credit	Amount of Credit Claimed		
		FY 2009	FY 2010	FY 2011
Minerals Exploration Incentive Credit, AS 27.30.030, AS 43.20.044 - Applicable to Corporate Income Tax, Mining License Tax and Mineral Production Royalty				
A non-transferable credit for eligible costs of mineral or coal exploration activities. Credit must be used within 15 years.	Credit is 100% of allowable exploration costs with a maximum of $20 million. Credit is limited to: (1) for mining license tax, the lesser of 50% of the MLT liability at the mining operation at which the exploration occurred or 50% of total MLT liability; (2) for corporate income tax, the lesser of 50% of the MLT liability at the mining operation at which the exploration occurred or 50% or total CIT liability, and (3) for mineral royalty, 50% of royalty liability from the mining operation at which the exploration activity occurred.	$0	<$1	<$1
Credits Applicable to Fisheries Taxes				
Scholarship Contributions Credit, AS 43.75.032, AS 43.77.035 - Applicable to the Fisheries Business Tax and Fishery Resource Landing Tax				
A non-transferable credit for contributions to the A.W. "Winn" Brindle memorial education loan account established under AS 14.43.250.	Credit is 100% of contribution amount up to a maximum of 5% of tax liability.	<$1	<$1	<$1
Salmon Product Development Credit, AS 43.75.035 A non-transferable credit for eligible capital expenditures to expand value-added processing of Alaska salmon including ice-making machines. Credit expires December 31, 2015 and may be carried forward for three years.	Credit is 50% of qualified investment up to 50% of tax liability incurred for processing of salmon during the tax year.	$3	$4	$2
Community Development Quota Credit, AS 43.77.040 A non-transferable credit for contributions to an Alaska nonprofit corporation that are dedicated to fisheries industry-related expenditures. Credit is available only for fishery resources harvested under a community development quota (CDQ).	Credit is 100% of contribution amount up to a maximum of 45.45% of tax liability on fishery resources harvested under a CDQ.	$0	<$1	<$1
Other Taxes Credit, AS 43.77.030 A non-transferable credit for taxes paid to another jurisdiction on fishery resources landed in Alaska.	Credit is 100% of taxes paid with a maximum of 100% of the Alaska tax liability on the fishery resources.	Not tracked		
	Total All Credits	$436	$670	$700



Presentation to the
Senate Resources Committee
January 27, 2012
Alaska Department of Revenue

Production Tax Credits Update

Credits Applied Against Production Tax Liability, by Fiscal Year ($M)

	Pre-2008	2008	2009	2010	2011*	2012*	Total
Capital Expenditure Credit	292	219	278	342	345	360	1,837
TIE Credits	171	73	0	0	0	0	244
Small Producer Credits	46	31	27	27	41	35	208
Exploration Credits	48	55	28	42	19	5	196
Totals	557	378	333	412	405	400	2,485

*estimated pending final true-up

Transferable Tax Credits Certificates Claimed by Fiscal Year ($M)

Credit Type	Pre-2008	2008	2009	2010	2011	2012*	Total
Capital Expenditure - .023(a)(1)	52.3	78.4	66.9	114.9	160.7	83.4	556.7
Capital Expenditure Exploration - .023(a)(2)	15.9	13.3	42.6	34.7	4.6	0.4	111.5
Net Operating Loss .023(b)	38.1	85.5	153.8	140.4	188.6	8.3	677.7
Well Lease Expenditure - .023(l)					9.4	23.8	33.2
Exploration -.025	93.2	85.5	56.6	99.5	2.4	2.5	339.7
Total	199.6	325.7	320.0	389.5	365.7	118.4	1,718.9

* through December 2011

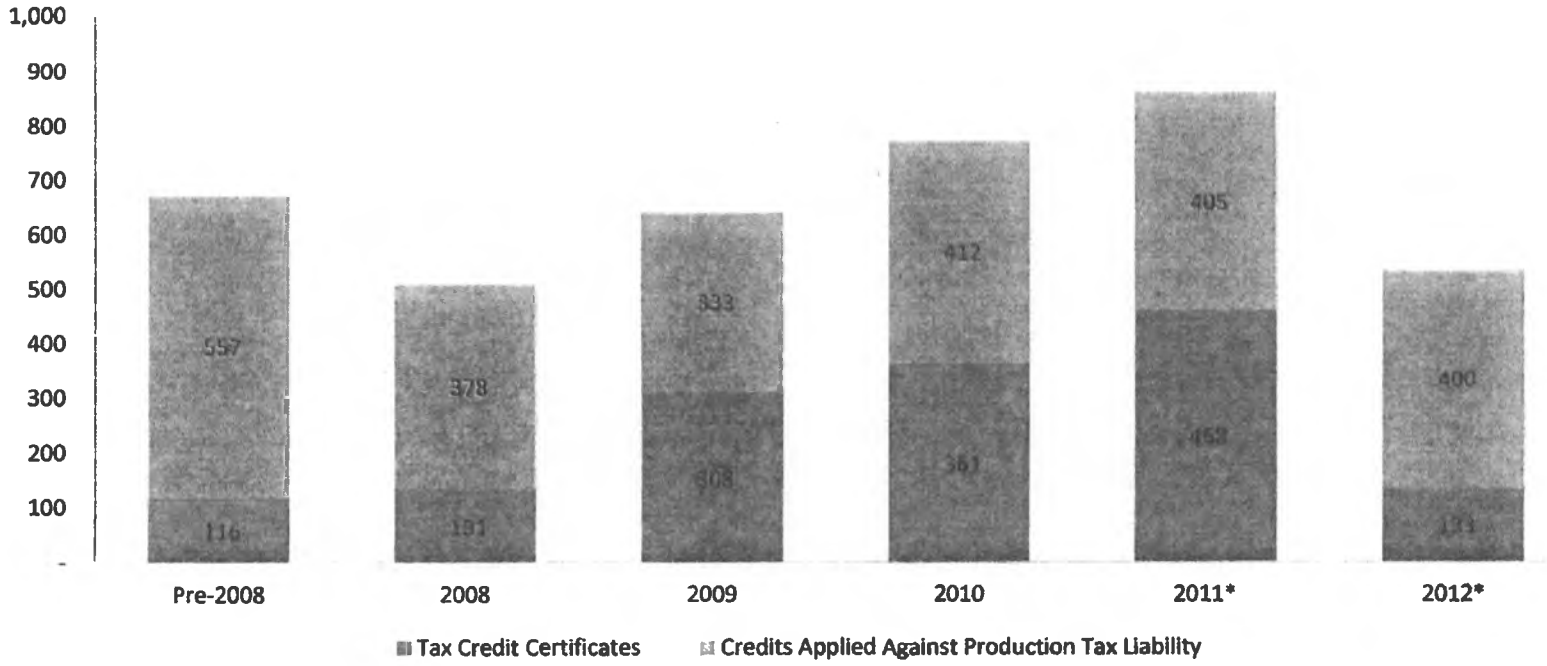
Transferable Tax Credit Certificate Activity by Fiscal Year ($M)

	Pre-2008	2008	2009	2010	2011	2012*	Total
Issued	116.0	130.8	308.0	361.3	458.0	132.9	1,507.1
Refunded	(54.6)	(54.1)	(193.1)	(250.5)	(450.2)	(273.5)	(1276.1)
Transferred/ Applied to Taxes	(52.3)	(62.7)	(46.6)	(20.0)	(7.4)	0	(189.0)
Activity by year	9.1	14.0	68.3	90.8	.3	(140.5)	
Transferable Tax Credit Certificates Outstanding	13.0	13.1	91.5	182.3	182.6	42.0	42.0

* through December 2011

Production Tax Credits

By Fiscal year



* Estimates pending final true-ups

Production Tax Credits

Total Production Tax Credit Impact through FY 2012
($M)

	Pre-2008	2008	2009	2010	2011*	2012*	Total
Tax Credit Certificates	116	131	308	361	458	133	1,507
Credits Applied Against Production Tax Liability	557	378	333	412	405	400	2,485
Total by Year	673	509	641	773	863	533	3,992

*Estimated pending final true-ups

ALASKA
FILM.ALASKA.GOV

The Alaska Film Office
2012 Report to the 27th Legislature

February 15, 2012

Qualification Process
Production companies are required to apply for qualification for the production incentive. To determine if a production meets qualification requirements, a committee reviews the estimated Alaska budget; the script or a synopsis; projected salaries and work history of producers, directors, and actors; and the distribution plan. In addition to the qualification form and documentation, the committee evaluates any anticipated indirect benefits of the production.

A production that completes the process is issued a qualification notice (notice). The notice establishes the two-year period for production and a tax credit estimate. The notice also states the amount of an approved tax credit may vary based on actual qualified expenditures.

Final Application Process
After a production completes its Alaska operations, a final application and supporting documentation are submitted for review, verification, and calculation of the tax credit. In addition to the final application, productions must submit an expense report verified by an independent, Alaska Certified Public Accountant (CPA), a rough assembly of the production, and a sworn certification that the producer followed the laws of Alaska and AFO procedures.

Figure Three
Tax Credits Redeemed by Fiscal Year

FY2011	$ (193,765.00)
FY2012*	$ (2,224,995.41)

*FY2012 data presented is year-to-date as of February 6, 2012

The department initially provided suggested guidelines for CPAs performing expense report verifications. However, based on a program review, the AFO established mandatory CPA training and Agreed Upon Procedures (AUP) that must be followed when preparing the expense report. The training and AUP became mandatory in February 2012. The AFO completed the first CPA training session on January 27, 2012 with 38 attendees.

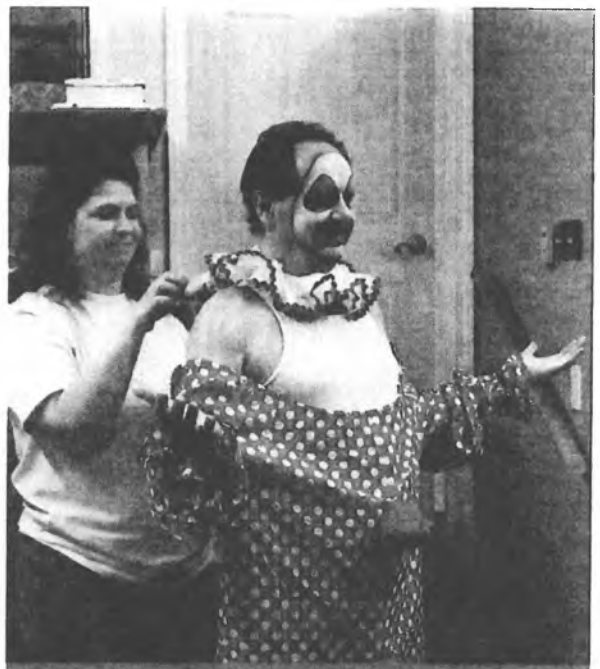
A DCCED committee of at least three people reviews the final application and determines the approved tax credit. In the short history of the program, 94.3 percent of requested tax credits have been awarded. After committee approval, the AFO notifies the production company and Revenue of the tax credit award.

Tax Credit Issuance and Transfer
Revenue issues tax credit certificates to producers and manages subsequent credit transfers. The tax credit may be used by producers or transferees as a credit against corporate income taxes within three years of the original date of issuance. Revenue typically issues both tax credit and transfer requests within two business days.

Tax credit certificates are assigned unique numbers when issued. Transfers are made to taxpayers using a form provided by Revenue. As directed by the transferor, replacement certificates are either returned to the transferor or sent directly to the transferee.

Revenue interprets "redeemed" to mean the date the tax return was filed, not the payment due date. The tax due can be reduced by the amount of the credit. The amounts shown above represent the fiscal year in which a credit was claimed on a return filed with Revenue. The average holding time for a tax credit, as of January 31, 2012, was 298 days.

The administrative duties of the film credit program consume approximately 18 percent of a full-time auditor position.



Chery Manning, producer, helps Ron Holmstrom, actor, don his costume for the award-winning short film, 'Change,' produced by Alaskans with a local cast and crew.

Alaska Film Office Reports

Public Information about the Alaska Film Office and Alaska's Film Production Incentive Program.

Annual Report | Qualified Projects | Approved Tax Credits

Alaska's Film Production Incentive Program Tax Credit Approval Information

Credits Approved by the Alaska Film Office (as of 2/2/12):

FY12 Approved Tax Credits

Project #	Company	Production	Type	Tax Credit $	Approval Date	Eligible Alaska Spend	Credit /Spend	PDF Info
12-015	Icebreaker Films	Big Miracle (aka Everybody Loves Whales)	FF	$9,635,706.35	2/2/12 (FY12)	$29,469,665	32.70%	PDF
12-014	St. Thomas Productions	Ice Jumpers	Doc	$71,624.40	2/1/12 (FY12)	$238,748	30.00%	PDF
12-013	Iditarod Trail Committee	Iditarod 2011: Dream Chaser	NF-TV	$72,568.03	1/13/12 (FY12)	$214,788	33.79%	PDF
12-012	Original Productions	Ice Road Truckers (season 5)	NF-TV	$491,771.71	12/27/11 (FY12)	$1,392,025	35.33%	PDF
12-011	Original Productions	Deadliest Catch (season 7)	NF-TV	$786,441.45	12/12/11 (FY12)	$2,322,117	33.87%	PDF
12-010	Stardust Brands	American Eagle Outfitters	Comm	$46,752.44	11/28/11 (FY12)	$152,692	30.62%	PDF
12-009	Kid Play Entertainment	Young World Sleuths - Baby Geniuses 5	FF	$1,871,717.79	10/31/11 (FY12)	$5,743,823	32.59%	PDF
12-008	Kid Play Entertainment	Tiny Detectives - Baby Geniuses 4	FF	$1,888,885.25	10/5/11 (FY12)	$5,815,858	32.48%	PDF
12-007	Teton Gravity Research	One for the Road	FF	$48,243.84	10/4/11 (FY12)	$160,322	30.09%	PDF
12-006	Bongo, LLC	Flying Wild Alaska (Season 1)	NF-TV	$398,917.43	8/24/11 (FY12)	$1,182,247	33.74%	PDF

12-005	Original Productions	Hillstranded	NF-TV	$53,437.34	8/23/11 (FY12)	$175,681	30.42%	PDF
12-004	Wildlife HD	Alaska BluRay Collection	Doc	$217,472.92	8/18/11 (FY12)	$712,347	30.53%	PDF
12-003	PSG Motion Pictures	Alaska State Troopers (season 2)	NF-TV	$93,273.73	8/8/11 (FY12)	$304,877	30.59%	PDF
12-002b	Kid Play Entertainment	Playkids - Baby Geniuses 3	FF	$1,802,661.01	8/4/11 (FY12)	$6,737,717	30.47%	PDF
12-002a				$250,683.75	7/14/11 (FY12)			PDF
12-001	ZONK! Productions	NAPA's North to Alaska	NF-TV	$91,079.84	7/11/11 (FY12)	$271,269	33.58%	PDF
FY12 Tax Credits Approved (to date):				**$17,821,237.29**		Spend: $54,894,176	32.46%	

FY11 Approved Tax Credits

Project #	Company	Production	Type	Tax Credit $	Approval Date	Eligible Alaska Spend	Credit /Spend	PDF Info
11-007	Pontecorvo Productions, LLC	Bears of the Last Frontier	NF-TV	$112,463.10	05/02/11 (FY11)	$363,950	30.90%	PDF
11-006	Arctic Film Group, LLC	Untitled Arctic Project	FF	$50,492.96	4/26/11 (FY11)	$150,865	33.47%	PDF
11-005	BBC - Natural History unit	Frozen Planet	Doc	$75,029.00	4/13/11 (FY11)	$234,522	31.99%	PDF
11-004	Christmas with a Capital C, LLC	Christmas with a Capital C	FF	$111,689.86	3/2/11 (FY11)	$333,876	33.45%	PDF
11-003	Teton Gravity Research	Light the Wick	FF	$51,829.41	2/17/11 (FY11)	$166,245	31.18%	PDF
11-002	Jean Worldwide	Sarah Palin's Alaska	NF-TV	$1,196,894.27	2/11/11 (FY11)	$3,609,888	33.16%	PDF
11-001	Sun Never Sets Productions	Top Gear (1 episode "Alaska Tough Truck")	NF-TV	$81,003.46	1/13/11 (FY11)	$260,798	31.06%	PDF
10-010	Beyond Indigo Productions	Beyond Indigo (aka Ghost Vision)	FF	$2,140,413.00	12/22/10 (FY11)	$6,602,752	32.42%	PDF
10-009	Original Productions	Ice Road Truckers (season 4)	NF-TV	$898,203.93	12/17/10 (FY11)	$2,692,293	33.36%	PDF
10-008	PSG Motion Pictures	Alaska State Troopers (season 1)	NF-TV	$30,709.30	12/8/10 (FY11)	$100,676	30.50%	PDF

10-007	Original Productions	Deadliest Catch (season 6)	NF-TV	$584,562.74	11/22/10 (FY11)	$1,747,695	33.45% PDF
10-006	Rainy Pass Productions	R5 Sons (season 1)	NF-TV	$150,442.19	11/12/10 (FY11)	$417,743	36.01% PDF
10-005	On the Ice	On the Ice	FF	$171,145.61	10/1/10 (FY11)	$524,628	32.62% PDF
10-004	Diverse Bristol	Man vs. Wild (1 episode "The Last Frontier")	NF-TV	$67,994.04	10/4/10 (FY11)	$223,143	30.47% PDF
10-003	Original Productions	Ice Road Truckers (season 3)	NF-TV	$393,423.75	9/27/10 (FY11)	$1,187,933	33.12% PDF
10-002	Affinityfilms	Survive to Thrive	Doc	$39,693.41	8/4/10 (FY11)	$109,217	36.34% PDF
10-001	Rabbit Content	Prilosec: Fairbanks Project	Comm	$107,277.35	7/9/10 (FY11)	$326,664	32.84% PDF
	FY11 Tax Credits Approved:			**$6,263,267.38**		Spend: $19,052,887	32.87%

FY10 Approved Tax Credits

Project #	Company	Production	Type	Tax Credit $	Approval Date	Eligible Alaska Spend	Credit /Spend	PDF Info
09-004	Proposal Productions	The Proposal	FF	$64,894.93	11/27/09 (FY10)	$179,407	36.17%	PDF
09-003	The Ascending Path	Disaster on K2	NF-TV	$46,009.45	10/28/09 (FY10)	$122,153	37.67%	PDF
09-002	Kaos Entertainment	Grizzly Land	NF-TV	$54,138.08	10/21/09 (FY10)	$178,394	30.35%	PDF
09-001	Moore Huntley Productions	Alaska: Most Extreme	NF-TV	$79,504.07	9/11/09 (FY10)	$233,737	34.01%	PDF
	FY10 Tax Credits Approved:			**$244,546.53**	Spend:	$744,955	32.83%	
Total Tax Credits Approved (to date):				**$24,329,051.20**		Spend: $74,692,018	32.57%	

Legend: NF-TV = Non-Fiction Television | FF = Feature Film | Comm = Commercial | Doc = Documentary

(Note: the "PDF Info" is the publicly available information from the production's Tax Credit Application form.)

Other Questions?

Contact the Alaska Film Office: Call (907) 269-8190 or e-mail AlaskaFilm@alaska.gov

Center for American Progress

Tax Expenditures 101

What They Are and How They Slip Under the Radar

What are tax expenditures?

Tax expenditures are, quite simply, spending programs implemented through the tax code. These programs give people and businesses special tax credits, deductions, exclusions, exemptions, deferrals, and preferential rates in support of various government policies. Some of these programs help people save for retirement, buy a home, or pay for college; others encourage companies to invest in green energy technologies or build nuclear power plants; they even subsidize corporations that drill for oil or purchase real estate; and much more.

The government uses both tax expenditures and direct spending to support its policies. Direct spending is when the government takes taxpayer dollars and gives them to others to spend for a specific purpose. The government uses tax expenditures to accomplish the same goals as direct spending, but it transfers money by lowering taxes for an individual or company instead of giving them the money.

Consider this example to see the similarities between direct spending and tax expenditures: The government wants to create a program that provides $10,000 to every individual who weatherizes his or her home. The government can deliver the subsidy in one of three ways: (1) cut a check for $10,000, (2) create a tax expenditure like a refundable credit worth $10,000, or (3) use a combination of direct spending and tax expenditures. In all three cases the individual who weatherizes his or her home receives $10,000 from the government.

What makes tax expenditures different from other forms of government spending?

The government uses tax expenditures and direct spending for the same purposes, but tax expenditures receive different treatment in two key ways. Most tax expenditures are not subject to the same annual appropriations process as other forms of spending. This means they are less likely to be scrutinized.

Second, tax expenditures appear to be tax cuts instead of spending because they transfer funds to businesses and individuals through tax subsidies. It is therefore generally easier to win votes for tax expenditures than direct spending. And members of Congress often pursue their priorities through tax expenditures as a result, even if direct spending would be more effective and cost less.

What are the consequences of this differential treatment?

The cost of tax expenditures has skyrocketed over the last 20 years partly because they are excluded from the budget process and because they masquerade as tax cuts. Tax expenditures doubled in number between fiscal years 1974 and 2004, and the estimated revenue losses associated with them tripled. The government now spends $1.2 trillion on tax expenditures—more than half as much as it raises ($2.2 trillion) through the tax code. Tax expenditures will make up nearly 25 percent of total government spending this year and more than double the size of the government's nonsecurity discretionary spending.

The exponential growth of these programs is particularly evident in the energy sector where more than half of all energy programs are now funded through tax expenditures. The number of energy tax expenditure line items grew from 12 to 37 between 2000 and 2007, and spending in these areas increased from $3 billion to more than $10 billion.

What can be done to rein them in?

Three recently released reports from the Center for American Progress's Doing What Works project focus on the importance of treating tax expenditures like direct spending. One of these reports stresses the need to evaluate tax expenditures and subject them to the annual budget process. Another offers four questions policymakers should consider in deciding which tax expenditures to keep and which ones to cut. And the third applies these concepts to energy tax expenditures, with suggestions for how government can get energy tax expenditures under control.

But the gist of the reports is that spending programs delivered through tax expenditures should be subject to the same level of scrutiny as direct spending programs. We should make sure tax expenditures are efficiently delivering desired results. Tax expenditures that don't work or are misguided should be scrapped—just the same as ineffective spending programs.

SB

30

<TARGET><BILL>SB 30</BILL><SUBJECT>SB
30</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/19/11

FURTHER: Judiciary

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2-17-11

State Affairs Committee considered SENATE BILL NO. 30

SB 30-RETURN OF SEIZED PROPERTY

"An Act providing for the release of certain property in the custody of a law enforcement agency to the owner under certain conditions."

and recommends:

[✓] be **replaced** with **CS** _____ (SSA) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Gillard Kookesh	Kookesh	X			
Joe Paskvan	Paskvan	X			
K. Meyer	Meyer	X			
Giessel	Giessel	X			
CHAIR:	Wielechowski			✓	

27-LS0344\M
Luckhaupt
2/16/11

CS FOR SENATE BILL NO. 30(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATOR DYSON

A BILL

FOR AN ACT ENTITLED

"An Act providing for the release of certain property in the custody of a law enforcement agency to the owner under certain conditions and relating to requests for that release by the office of victims' rights."

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

* **Section 1.** AS 12.36 is amended by adding a new section to read:

Sec. 12.36.070. Return of property by hearing. (a) The owner of property not belonging to a law enforcement agency that is in the custody of the agency under this chapter may request that the office of victims' rights request that the agency return the property to the owner. The request under this subsection shall be filed by the office of victims' rights on behalf of the owner after the office has conducted an investigation and has concluded that the owner is entitled to the return of the property under the factors listed in (c) of this section.

(b) Within 10 days after receipt of a request under (a) of this section and following reasonable notice to the prosecution, defense, and other interested parties,

the agency shall request a hearing before the court to determine if the property shall be released to the owner. If the property is being held in connection with a criminal case, the hearing shall be before the court with jurisdiction of the criminal case. If no criminal case is pending regarding the property, the hearing shall be before a district or superior court where the property is located.

(c) After a hearing, the court may order the return of the property in the custody of a law enforcement agency to the owner if

(1) the owner by a preponderance of the evidence provides satisfactory proof of ownership; and

(2) the law enforcement agency fails to prove by a preponderance of the evidence that the agency or another interested party is authorized to retain possession of the property.

(d) The court may impose reasonable conditions on an owner claiming property under this section.

* **Sec. 2.** AS 24.65 is amended by adding a new section to read:

Sec. 24.65.115. Authority to request return of property on behalf of certain persons. (a) Notwithstanding another provision of this chapter, the victims' advocate may file a request under AS 12.36.070 with a law enforcement agency for the return of property to an owner after having conducted an investigation and determining that the owner is entitled to the return of the property under the factors listed in AS 12.36.070(c). In fulfilling the requirements of this section, the victims' advocate may use any of the powers granted to the advocate under this chapter.

(b) In this section, "crime victim" includes any person who is the owner of property that is in the custody of a law enforcement agency.

Senate Bill 30

An Act providing for the release of property in the custody of a law enforcement agency to the owner under certain conditions

SENATE STATE AFFAIRS COMMITTEE

Senator Bill Wielechowski, Chair

ALASKA STATE SENATE

SENATOR FRED DYSON

Date: January 24, 2011

To: Senator Bill Wielechowski
Senate State Affairs Committee

From: Senator Fred Dyson

Re: Committee Hearing Request for SB 30

I respectfully request a committee hearing be scheduled for SB 30, "An Act providing for the release of certain property in the custody of a law enforcement agency to the owner under certain conditions."

During Session (January - May): Alaska State Capitol • Juneau, Alaska 99801 • (800) 342-2199 • (907) 465-2199 • (907) 465-4587 (fax)
During Interim (June-December): 10928 Eagle River Road, Suite 238 • Eagle River, Alaska 99577 • (907) 694-6683 • (907) 694-1015 (fax)
senator.fred.dyson@legis.state.ak.us • www.akrepublicans.org

SENATOR FRED DYSON

SPONSOR STATEMENT

SB 30

An Act providing for the release of property in the custody of a law enforcement agency to the owner under certain conditions

SB 30 introduces within the Alaska Code of Criminal Procedure a process for victims of property crime to petition the court for relief in recovering their property held as evidence.

All too often victims of theft and robbery are victimized a second time by bureaucracy. This is particularly true in cases of property crimes where demonstrable loss occurs to the victim's person or business as a result of property being held for a protracted period of time by a law enforcement agency, usually at the direction of prosecution, defense counsel and/or other interested parties.

The law as currently written, provides discretionary authority to the prosecution for release of property, but does not clearly provide a right of hearing for a property owner to directly petition the court in those circumstances when property owners, prosecution and defense cannot come to agreement on return of property to the owner.

Victims of property theft often face the added burden of replacing stolen property. Small business owners who suffer property loss may face bankruptcy if the theft of property results in the inability to consummate a sale, continue their business operations, or the stolen property is uninsured or underinsured.

Property recovered by a law enforcement agency may be held as evidence for months or years. Property owners deserve protections in the law to ensure their property is held as evidence only as long as necessary for the prosecution and defense to physically retain the item, without jeopardizing the case.

SB 30 will provide property owners in the Alaska Code of Criminal Procedure, a clearly identifiable process to petition the court for the recovery of their property in those circumstances where they are otherwise not able to reach agreement with interested parties on the return of the property.

Contact: Chuck Kopp, Staff to Senator Dyson (907)465-6580

During Session (January - May): Alaska State Capitol • Juneau, Alaska 99801 • (800) 342-2199 • (907) 465-2199 • (907) 465-4587 (fax)
During Interim (June-December): 10928 Eagle River Road, Suite 238 • Eagle River, Alaska 99577 • (907) 694-6683 • (907) 694-1015 (fax)
senator.fred.dyson@legis.state.ak.us • www.akrepublicans.org

SENATOR FRED DYSON

SB 30 – SECTIONAL ANALYSIS

Section 1. Provides a right of hearing to property owners to request the return of their property, and requires a law enforcement agency to request a hearing before the court within 10 days of receipt of a request for hearing. It further provides that the court may return the property upon satisfactory proof of ownership, *and* the law enforcement agency does not prove that itself or another interested party is authorized to retain the property. Finally, it provides that the court may impose reasonable conditions on an owner claiming property.

During Session (January - May): Alaska State Capitol • Juneau, Alaska 99801 • (800) 342-2199 • (907) 465-2199 • (907) 465-4587 (fax)
During Interim (June-December): 10928 Eagle River Road, Suite 238 • Eagle River, Alaska 99577 • (907) 694-6683 • (907) 694-1015 (fax)
senator.fred.dyson@legis.state.ak.us • www.akrepublicans.org

SENATOR FRED DYSON

SB 30 NOTES

1. Alaska Statutes - Title 12 *Code of Criminal Procedure*, Chapter 36 *Disposition of Recovered or Seized Property*, Sec. 20 *Return of Property*, provides the legal process for return of property.
2. 12.36.020(a) identifies those circumstances when a law enforcement agency may **not** return property to an owner.
3. 12.36.020(b) provides for the return of property to owners *at the discretion of the prosecuting attorney* where photographs are used as evidence in place of the property, stating *the prosecuting attorney **may** release the property to the owner upon presentation of satisfactory proof of ownership.*
4. 12.36.020(c) states that wrongfully taken or damaged property that is *not* properly photographed and authenticated under 12.45.086 *Photographic evidence of property wrongfully taken or damaged,* and used as evidence in a criminal or children's court proceeding, is to be returned to the owner *within 60 days after the final disposition of the case.*
5. 12.36.020(c) is problematic for two reasons. First, it is the property owner who suffers unjustly if the property was not properly photographed and authenticated; and second, final disposition of the case may be protracted for a long period of time. The return of property to its rightful owner may be hindered by concerns of prosecution, defense, and/or other interested parties.
6. 12.45.086 *Photographic evidence of property wrongfully taken or damaged,* defines the process for admissibility of photographs as evidence in criminal and children's court proceedings. This section states that properly submitted photographs are to be regarded to the same extent as if the property itself was introduced as evidence. This sounds good, but in practice falls short of its intent. 12.45.086(c) seems to recognize this problem by singling out only the theft of commercial fishing gear as being property that *shall be returned to the owner as soon as possible*. Nearly all thefts of property from businesses should be returned to the rightful owners ASAP.
7. SB 158 (last session, endorsed by the Alaska Peace Officers Association) sought to amend 12.36.020(c) by providing an alternative to waiting for final case disposition, which can take years. This allowed for the possibility of a law enforcement agency controlling the property to consult with the prosecuting attorney and defense counsel to determine if the property is no longer required to be retained as evidence, and if agreed on by all parties, returned to the rightful owner. In retrospect, this language placed all the discretion with the criminal justice entities, and still left victim property owners powerless to recover their property.
8. SB 297 corrects that deficiency by *providing directly to the property owner the right of a court hearing to recover possession of the owner's property*, and requiring that the law enforcement agency prove to the court that another parties' interest in the property overrides the owner's interest in having it returned. SB 297 is also endorsed by the Alaska Peace Officers Association.
9. 12.36.090 *Definitions* of "law enforcement agency" includes the Office of District Attorney, Department of Law, as this is a public agency having one of its principal functions being the enforcement of the criminal law.

During Session (January - May): Alaska State Capitol • Juneau, Alaska 99801 • (800) 342-2199 • (907) 465-2199 • (907) 465-4587 (fax)
During Interim (June-December): 10928 Eagle River Road, Suite 238 • Eagle River, Alaska 99577 • (907) 694-6683 • (907) 694-1015 (fax)
senator.fred.dyson@legis.state.ak.us • www.akrepublicans.org

CHUCK - FYI & INCLUSION IN OUR Bill

STATE OFFICE

ALASKA PEACE OFFICERS ASSOCIATION

P.O. Box 240106 Anchorage, Alaska 99524-0106 Phone (907) 277-0515 Fax (907) 272-5355

Business Manager

Joseph Young
Anchorage

Board of Directors
Officers

John Lucking, Jr.
APOA President
Soldotna

Dan Frerich, Vice President
Anchorage

Angella Long, Past President
Wasilla

Directors

John Waldron, President
Aleutian Islands Chapter
Unalaska

Michele Logan, President
Anchorage Chapter
Anchorage

Kris Sell, President
Capital City Chapter
Juneau

Brad Johnson, President
Farthest North Chapter
Fairbanks

Howard Townsend, President
First City Chapter
Ketchikan

Kim Wannamaker, President
Kenai Peninsula Chapter
Kenai

Sam Edwards, President
Mat-Su Chapter
Wasilla

Thecla LaLonde, President
Wrangell Chapter
Wrangell

March 17, 2010

Senator Fred Dyson
Alaska State Senate
State Capitol
Juneau AK 99801-1182

Dear Senator Dyson:

On behalf of the Alaska Peace Officers Association (APOA), I would like to thank you for introducing Senate Bill 297, an act providing for the release of property in the custody of a law enforcement agency to the owner under certain conditions.

The APOA Executive Board's Legislative Committee recently reviewed this proposed legislation and decided to unanimously support this bill.

We thank you for addressing this issue. Please contact the APOA office in Anchorage at 277-0515, if there is anything our organization can do to assist in the passage of this bill.

Sincerely,

John Lucking, Jr.
State President

STATE OF ALASKA
OFFICE OF VICTIMS' RIGHTS

March 25, 2010

Senator Fred Dyson
Chuck Kopp, Chief of Staff
Alaska State Legislature
120 4th Street, State Capitol, Room 3
Juneau, Alaska 99801-1182

Via Fax to (907) 465-4587 and
First Class U.S. Mail

RE: Senate Bill Number 297 – "An Act providing for the release of certain property in the custody of a law enforcement agency to the owner under certain conditions."

Dear Mr. Kopp:

The Alaska Office of Victims' Rights endorses Senate Bill Number 297 entitled, "An Act providing for the release of certain property in the custody of a law enforcement agency to the owner under certain conditions."

The Alaska Office of Victims' Rights appreciated the opportunity to speak with you directly on March 24, 2010 regarding the proposed legislation. The Alaska Office of Victims' Rights views this legislation as providing an important mechanism for crime victims to seek return of property seized during the course of a criminal prosecution.

It is the understanding of the Alaska Office of Victims' Rights that Senate Bill Number 297 is also endorsed by the Alaska Peace Officers Association and the Alaska Department of Law.

Thank you for the opportunity to meaningfully comment on Senate Bill Number 297.

Respectfully submitted,

D. Victor Kester

D. Victor Kester
Executive Director

1007 WEST 3RD AVENUE, SUITE 205 • ANCHORAGE, ALASKA 99501-1936
TELEPHONE: 1-907-272-2620 • FACSIMILE: 1-907-272-2640

Chuck Kopp OFFICE OF VICTIM'S RIGHTS

Subject: FW: SB 30 - Request for OVR Support

From: Victor Kester
Sent: Monday, January 31, 2011 8:04 AM
To: Chuck Kopp
Subject: RE: SB 30 - Request for OVR Support

Mr. Kopp: Thank you for the recent email. Please advise if I may be of assistance with regard to SB 30. The OVR supports the proposed legislation. Senate Bill 30 stands to assist property crime victims. I look forward to hearing from you. Respectfully, D. Victor Kester

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSSB 297(JUD)
(S) Publish Date: 3/30/10

Identifier (file name): SB297-LAW-CRIM-03-15-10
Dept. Affected: Law

Title: An Act providing for the release of property in the custody of a law enforcement agency to the owner under certain conditions.
RDU: CRIMINAL
Component: Criminal Justice Litigation

Sponsor: Senator Dyson
Requester: Judiciary
Component Number: 2202

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2011**	**FY 2011**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
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 Interagency Receipts							
TOTAL	***	***	***	***	***	***	***

Estimate of any current year (FY2010) cost:

POSITIONS

Full-time							
Part-time							
Temporary							

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

This bill provides for a statutory amendment to disposition of recovered or seized property for return of property by hearing. This note is indeterminate because the department may be required to represent law enforcement agencies at the hearings proposed in the bill. At this time we are not sure how many of these proceedings will occur. The issues raised may be complex, particularly if defense counsel opposes the return.

Prepared by: Eileen Donahue, Division Operations Manager
Phone 465-5427
Division: Administrative Services
Date/Time 3/15/10 1:00 PM
Approved by: Daniel S. Sullivan, Attorney General
Department of Law
Date 3/15/2010

(Revised 11/6/2009 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **SB 030**
() Publish Date

Identifier (file name) SB030-DPS-DET-01-31-11
Title "An Act providing for the release of certain property."
Sponsor Senator Dyson
Requester State Affairs

Dept. Affected Public Safety
Appropriation Alaska State Troopers
Allocation AST Detachments
OMB Component Number 2325

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 Interagency Receipts							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Not applicable initial version.

Prepared by Lt. Rodney Dial
Division Alaska State Troopers
Approved by Sue Standcliff, DPS Legislative Liaison
Department of Public Safety

Phone (907) 247-4480
Date/Time 1/31/11 3:38 PM
Date 1/31/2011

(Revised 12/29/2010 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** SB030
2011 LEGISLATIVE SESSION

Analysis

This bill amends AS 12.36 by adding a new section regarding the return of property in the custody of a law enforcement agency. This legislation specifies that the owner of property in the custody of a law enforcement agency may request that the agency return the property. Further, that within 10 days of the request and following reasonable notice to all involved parties, a request for a court hearing shall be made.

Currently It is the standard practice of the department to return seized personal property as soon as possible. This legislation will not have a significant impact on the workload of the department.

AMENDMENT

OFFERED IN THE SENATE BY SENATOR DYSON

TO: SB 30

Page 1, line 7, following "owner":

Insert ", except that the owner of property may not request the return of property that must be preserved under AS 12.36.200(a)"

AMENDMENT

OFFERED IN THE SENATE BY SENATOR DYSON

TO: SB 30

Page 1, line 7, following "request":

Insert "that the Office of Victims' Rights request"

Page 1, line 7, following "owner.":

Insert "The request under this subsection shall be filed by the Office of Victims' Rights on behalf of the owner after the office has conducted an investigation and has concluded that the owner is entitled to the return of the property under the factors listed in (c) of this section."

Page 2, following line 4:

Insert a new bill section to read:

"* **Sec. 2.** AS 24.65 is amended by adding a new section to read:

Sec. 24.65.115. Authority to request return of property on behalf of certain persons. (a) Notwithstanding another provision of this chapter, the victims' advocate may file a request under AS 12.36.070 with a law enforcement agency for the return of property to an owner after having conducted an investigation and determining that the owner is entitled to the return of the property under the factors listed in AS 12.36.070(c). In fulfilling the requirements of this section, the victims' advocate may use any of the powers granted to the advocate under this chapter.

(b) In this section, "crime victim" includes any person who is the owner of property that is in the custody of a law enforcement agency."

27-LS0344\A.4
Luckhaupt
2/15/11

AMENDMENT

OFFERED IN THE SENATE

TO: SB 30

Page 1, line 11, following "owner.":

Insert "If the property is being held in connection with a criminal case, the hearing shall be before the court with jurisdiction of the criminal case. If no criminal case is pending regarding the property, the hearing shall be before a district or superior court where the property is located."

Page 1, line 14, following "owner":

Insert "by a preponderance of the evidence"

Page 2, line 1, following "prove":

Insert "by a preponderance of the evidence"

SYREN LAW OFFICES

♦ ♦ ♦

P.O. Box 112141 ♦ Anchorage, AK 99511
Phone (907) 345-8333 ♦ Fax (907) 345-8952

February 9, 2011

Police Chief Mark Mew
APD
Fax: 786-8667

Re: Long Phung Jewelry Store: APD Number 07-25111

Dear Police Chief Mew:

Some time ago, in I believe in June of 2007, the Anchorage Police Department served a warrant on my clients at their Jewelry store, Long Phung located at 510 East Northern Lights. The police officers removed a number of expensive pieces of jewelry. If I'm not mistaken, this was done in conjunction with an investigation into a suspected theft ring that was believed to be fencing stolen jewelry through jewelry stores.

In any event, over three years have passed. My clients have never been charged, nor were they ever accused of any wrong doing. I wrote to the APD on two occasions in 2007, asking for the return of the jewelry. (See attached.) Because I have had no response to my letters, I am contacting you directly.

Would you be so kind as to assist us in returning the items taken, or provide us with an update as to their status?

Thanks.

Sincerely,

Les Syren

cc: Senator Fred Dyson
Fax: (907) 465-4587

SYREN LAW OFFICES

◆◆◆

P.O. Box 112141◆Anchorage, AK 99511
Phone (907) 345-8333◆Fax (907) 345-8952

June 12, 2007

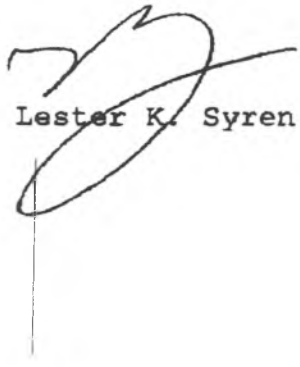
Detective Tammy Dunn
APD
Fax: 786-8667

Re: Long Phung Jewelry Store

Dear Detective Dunn:

The Lam family, including Van Lam, Van Nguyen, Kim Lam, Long Lam and Lan Lam have retained me to assist them with any matter you may wish to contact them about, including but not limited to Case Number 07-25111. Please do not have any contact with them outside of my presence or without my consent.

Sincerely,



Lester K. Syren

SYREN LAW OFFICES

♦ ♦ ♦

P.O. Box 112141 ♦ Anchorage, AK 99511
Phone (907) 345-8333 ♦ Fax (907) 345-8952

October 26, 2007

Detective Tammy Dunn
APD
Fax: 786-8667

Re: Long Phung Jewelry Store

Dear Detective Dunn:

The Lam family, including Van Lam, Van Nguyen, Kim Lam, Long Lam and Lan Lam have retained me to assist them with any matter you may wish to contact them about, including but not limited to Case Number 07-25111. They are wondering if you are finished with the items you seized from their jewelry store.

A couple of weeks ago I called and left a message asking for the return of the property, but I have not heard from you. Would you be so kind as to let us know if my clients can retrieve their property?

Sincerely,

Lester K. Syren

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 February 14, 2011

SUBJECT: Amendment A.3 - Providing for Office of Victims' Rights Participation with Return of Property
(Work Order No. 27-LS0344\A.3)

TO: Senator Fred Dyson
Attn: Chuck Kopp

FROM: Gerald P. Luckhaupt
Assistant Revisor

Enclosed is the amendment you requested. I have one comment. As I told Chuck Kopp of your staff, I am unsure of the constitutionality of this approach. The Office of Victims' Rights is located in the legislative branch, and so there are considerable limitations on the ability of that office to represent crime victims. Clearly, the office can investigate and provide information and assistance to crime victims, but problems develop when we attempt to assign functions to the office that would appear to be beyond the authority of the legislature. Specifically, trying to represent someone in dealings with the executive branch or in court is questionable.

GPL:ljw
11-101.ljw

Enclosure

ALASKA STATE SENATE

SENATOR FRED DYSON

Date: February 16, 2011

To: Senator Bill Wielechowski, Chair
Senate State Affairs Committee

From: Senator Fred Dyson for F.D.

Re: CS for SB 30 (STA)

On February 3, 2011 SB 30 was heard and held in State Affairs. Committee member comments indicated a concern that SB 30 may inadvertently open the door to a significant number of requests for hearing from property owners, and that some type of requirement or intermediary step be considered to prevent the hearings from becoming onerous to the Court system and law enforcement agencies.

In response to State Affairs Committee comments, and further review with the Office of Victims' Rights, private attorneys and various law enforcement entities, the CS for SB 30 (STA) is now before you for consideration. Primary changes to the original SB 30 are as follows:

Section 1

1. Property owners must make a request for hearing through the Office of Victims' Rights (OVR).
2. OVR will conduct an investigation into the request to make an initial determination if the owner is entitled to return of the property being claimed under the requirements of proposed 12.36.070(c): that the owner provides satisfactory proof of ownership, and the law enforcement agency is not able to show that the agency or another interested party is authorized to retain the property.
3. Once OVR makes such a determination, they will request on behalf of the owner that the agency return the property.
4. The court of jurisdiction is identified in cases involving a pending criminal case, and in situations where no criminal case is pending
5. Establishes the burden of proof to be a *preponderance of the evidence,* for both the property owner showing ownership and the law enforcement agency showing that they or another party are authorized to retain possession of the property.

Section 2

1. Establishes within Title 24, Chapter 65 *Office of Victims' Rights,* the authority for OVR to request a law enforcement agency for return of property on behalf of certain persons claiming property using any of the powers granted to OVR under this chapter
2. Establishes that the term *crime victim,* as used in this section, includes any person who is the owner of property that is in the custody of a law enforcement agency.

During Session (January - May): Alaska State Capitol • Juneau, Alaska 99801 • (800) 342-2199 • (907) 465-2199 • (907) 465-4587 (fax)

During Interim (June-December): 10928 Eagle River Road, Suite 238 • Eagle River, Alaska 99577 • (907) 694-6683 • (907) 694-1015 (fax)

senator.fred.dyson@legis.state.ak.us • www.akrepublicans.org

SB 31

<TARGET><BILL>SB 31</BILL><SUBJECT>SB 31</SUBJECT><COMM>SSTA27</COMM></TARGET>

CS FOR SENATE BILL NO. 31(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS THOMAS, FRENCH, MENARD, AND WIELECHOWSKI

A BILL

FOR AN ACT ENTITLED

"An Act relating to the counting of ballots."

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

*** Section 1.** AS 15.15.360(a) is amended to read:

(a) The election board **or director, as may be appropriate,** shall count ballots according to the following rules:

(1) A voter may mark a ballot only by filling in, making "X" marks, diagonal, horizontal, or vertical marks, solid marks, stars, circles, asterisks, checks, or plus signs that are clearly spaced in the oval opposite the name of the candidate, proposition, or question that the voter desires to designate.

(2) A failure to properly mark a ballot as to one or more candidates does not itself invalidate the entire ballot.

(3) If a voter marks fewer names than there are persons to be elected to the office, a vote shall be counted for each candidate properly marked.

(4) If a voter marks more names than there are persons to be elected to the office, the votes for candidates for that office may not be counted.

(5) The mark specified in (1) of this subsection shall be counted only if it is substantially inside the oval provided, or touching the oval so as to indicate clearly that the voter intended the particular oval to be designated.

(6) Improper marks on the ballot may not be counted and do not invalidate marks for candidates properly made.

(7) An erasure or correction invalidates only that section of the ballot in which it appears.

(8) A vote marked for the candidate for President or Vice-President of the United States is considered and counted as a vote for the election of the presidential electors.

(9) Write-in votes are not invalidated by writing in the name of a candidate whose name is printed on the ballot unless the election board **or director** determines, on the basis of other evidence, that the ballot was so marked for the purpose of identifying the ballot.

(10) In order to vote for a write-in candidate, the voter must write in the candidate's name in the space provided and fill in the oval opposite the candidate's name in accordance with (1) of this subsection.

(11) A vote for a write-in candidate, other than a write-in vote for governor and lieutenant governor, shall be counted if the oval is filled in for that candidate and if the name, as it appears on the write-in declaration of candidacy, of the candidate or the last name of the candidate is written in the space provided.

(12) If the write-in vote is for governor and lieutenant governor, the vote shall be counted if the oval is filled in and the names, as they appear on the write-in declaration of candidacy, of the candidates for governor and lieutenant governor or the last names of the candidates for governor and lieutenant governor, or the name, as it appears on the write-in declaration of candidacy, of the candidate for governor or the last name of the candidate for governor is written in the space provided.

(13) In counting votes for a write-in candidate, the election board or director shall disregard any abbreviation, misspelling, or other minor variation in the form of the name of a candidate if the intention of the voter can be ascertained.

* **Sec. 2.** AS 15.15 is amended by adding a new section to read:

Sec. 15.15.365. Counting of write-in votes in general election. (a) Write-in votes on a general election ballot shall be counted by candidate only if the aggregate of all votes cast for all write-in candidates for the particular office is

(1) the highest number of votes received by any candidate for the office; or

(2) the second highest number of votes received by any candidate and the difference between the total number of votes received by the candidate having the highest number of votes and the aggregate of all votes cast for all write-in candidates for the office is less than the percentage necessary for a recount at the state's cost under AS 15.20.450.

(b) Write-in votes that do not meet the requirements of this section may not be individually counted under this section.

(c) If the director determines that the requirements of (a) of this section have been met,

(1) the director shall establish the place and date for counting those write-in votes; and

(2) in an election for federal or statewide office, the director shall count all write-in ballots under AS 15.15.360.

(d) This section does not apply to the counting of federal write-in absentee ballots submitted under 42 U.S.C. 1973ff.

27-LS0350\B
Bullard
1/24/11

CS FOR SENATE BILL NO. 31( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS THOMAS, FRENCH, MENARD, AND WIELECHOWSKI

A BILL

FOR AN ACT ENTITLED

"An Act relating to the counting of ballots."

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

*** Section 1.** AS 15.15.360(a) is amended to read:

(a) The election board **or director, as may be appropriate,** shall count ballots according to the following rules:

(1) A voter may mark a ballot only by filling in, making "X" marks, diagonal, horizontal, or vertical marks, solid marks, stars, circles, asterisks, checks, or plus signs that are clearly spaced in the oval opposite the name of the candidate, proposition, or question that the voter desires to designate.

(2) A failure to properly mark a ballot as to one or more candidates does not itself invalidate the entire ballot.

(3) If a voter marks fewer names than there are persons to be elected to the office, a vote shall be counted for each candidate properly marked.

(4) If a voter marks more names than there are persons to be elected to the office, the votes for candidates for that office may not be counted.

(5) The mark specified in (1) of this subsection shall be counted only if it is substantially inside the oval provided, or touching the oval so as to indicate clearly that the voter intended the particular oval to be designated.

(6) Improper marks on the ballot may not be counted and do not invalidate marks for candidates properly made.

(7) An erasure or correction invalidates only that section of the ballot in which it appears.

(8) A vote marked for the candidate for President or Vice-President of the United States is considered and counted as a vote for the election of the presidential electors.

(9) Write-in votes are not invalidated by writing in the name of a candidate whose name is printed on the ballot unless the election board **or director** determines, on the basis of other evidence, that the ballot was so marked for the purpose of identifying the ballot.

(10) In order to vote for a write-in candidate, the voter must write in the candidate's name in the space provided and fill in the oval opposite the candidate's name in accordance with (1) of this subsection.

(11) A vote for a write-in candidate, other than a write-in vote for governor and lieutenant governor, shall be counted if the oval is filled in for that candidate and if the name, as it appears on the write-in declaration of candidacy, of the candidate or the last name of the candidate is written in the space provided.

(12) If the write-in vote is for governor and lieutenant governor, the vote shall be counted if the oval is filled in and the names, as they appear on the write-in declaration of candidacy, of the candidates for governor and lieutenant governor or the last names of the candidates for governor and lieutenant governor, or the name, as it appears on the write-in declaration of candidacy, of the candidate for governor or the last name of the candidate for governor is written in the space provided.

(13) In counting votes for a write-in candidate, the election board or director shall disregard any abbreviation, misspelling, or other minor variation in the form of the name of a candidate if the intention of the voter can be ascertained.

* **Sec. 2.** AS 15.15 is amended by adding a new section to read:

Sec. 15.15.365. Counting of write-in votes in general election. (a) Write-in votes on a general election ballot shall be counted by candidate only if the aggregate of all votes cast for all write-in candidates for the particular office is

(1) the highest number of votes received by any candidate for the office; or

(2) the second highest number of votes received by any candidate and the difference between the total number of votes received by the candidate having the highest number of votes and the aggregate of all votes cast for all write-in candidates for the office is less than the percentage necessary for a recount at the state's cost under AS 15.20.450.

(b) Write-in votes that do not meet the requirements of this section may not be individually counted under this section.

(c) If the director determines that the requirements of (a) of this section have been met,

(1) the director shall establish the place and date for counting those write-in votes; and

(2) in an election for federal or statewide office, the director shall count all write-in ballots under AS 15.15.360.

(d) This section does not apply to the counting of federal write-in absentee ballots submitted under 42 U.S.C. 1973ff.

ALASKA STATE LEGISLATURE

Senate State Affairs Committee

Senator Bill Wielechowski, Chair

State Capitol Building, Room 101
Juneau, Alaska 99801-1182
Phone (907) 465-2435
Fax (907) 465-6615
sen.bill.wielechowski@legis.state.ak.us

Committee Members:

Senator Joe Paskvan, Vice-chair
Senator Albert Kookesh
Senator Bettye Davis
Senator Kevin Meyer

AGENDA

Tuesday, January 25, 2011
9:00-10:30

1. SB 31: Counting of Write-in Votes

2. SB 33: Disposition of Service Members' Remains

ALASKA STATE LEGISLATURE

SENATOR JOE THOMAS

Senate Bill 31:
An Act relating to the counting of write-in votes.

Sponsor Statement

"We start with the bedrock principle that the right of the citizens to cast their ballot and thus participate in the selection of those who control their government is one of the fundamental prerogatives of citizenship."
- Alaska Supreme Court, (*Miller v. Treadwell)*

Last fall, Alaskans reelected Lisa Murkowski to the United States Senate as a write-in candidate with nearly 100,000 votes statewide, something not witnessed by our nation in over fifty years. Because of the unique nature of write-in votes and confusion in state statute there was substantial debate over the validity of nearly 12,000 ballots. In the suit that followed, (*Miller v. Treadwell)*, Joe Miller argued that these ballots should not be counted because the name written was not *identical* to the way Senator Murkowski's name appeared on her declaration of candidacy. **Superior Court Judge William Carey and the Alaska Supreme Court both ruled against this argument, finding that judging the validity of a ballot based on the intent of the voter is paramount.**

Much of this case centered on the interpretation of state statute regarding the counting of ballots. Each court, in their findings, including Federal District Judge Ralph Bieistline, found that AS 15.15.360 was badly worded and left open for legitimate debate. **Senate Bill 31 looks to address this language by inserting a section that would place the intention of the voter above minor variations, mismarks or abbreviations.**

Senate Bill 31 follows on over fifty years of consistent precedent in support of a voter's intent and enfranchisement. In strengthening this statute by inserting federally recognized language from the Uniformed and Overseas Citizens Absentee Voting Act, **SB 31 will reduce potential future litigation while strengthening the public's perception of Alaska's democratic process.**

I urge you to join me in supporting Senate Bill 31.

January – May: State Capitol – Juneau, Alaska 99801 – (907) 465-2327 – 1 (800) 336-7383 – Fax (907) 465-5241
June – December: 1292 Sadler Way Ste 203 – Fairbanks, Alaska 99701 – (907) 456-8161 – Fax (907) 456-8163
Senator.Joe.Thomas@legis.state.ak.us

Quotes of significance to Senate Bill 31 from the 2010 United States Senate Race Court Findings

"AS 15.15.360(a)(11) may not be well written, and it is clearly subject to different interpretations...AS 15.15.360, in general, is terse and somewhat unclear in comparison to the other state statutues. The statute, as Miller reveals, does lack the express language that most states have adopted which permits minor misspellings and errors." - Miller v. Campbell, pg. 15 Superior Court Judge William Carey

"While the issue may be moot, the public interest exception applies...this scenario is certainly susceptible to repetition any time a major write in effort for election to a public office in Alaska occurs." - Miller v. Campbell, pg. 8 Superior Court Judge William Carey

"We start with the bedrock principle that "the right of the citizens to cast their ballot and thus participate in the selection of those who control their government is one of the fundamental prerogatives of citizenship." - Alaska Supreme Court Miller v. Treadwell pg. 3

"In light of our strong and consistently applied policy of construing statutes in order to effectuate voter intent, we hold that abbreviations, misspellings or other minor variations in the form of the name of a candidate will be disregarded in determining the validity of the ballot, so long as the intention of the voter can be ascertained." - Alaska Supreme Court Miller v. Treadwell pg. 6

"Our interpretation of AS 15.15.360...is also consistent with the federally mandated standard for counting write in votes for those voters living or serving in uniform overseas. The Uniformed and Overseas citizens Absentee Voting Act provides that in counting the ballot of a uniformed voter or other voter who is overseas "any abbreviation, misspelling, or other minor variation in the form of the name of a candidate or political party shall be disregarded in determining the validity of the ballot if the intention of the voter can be ascertained." - Alaska Supreme Court Miller v. Treadwell pg. 7

"The Alaska Supreme Court did not make a finding clearly contrary to the face of the statute and its findings were entirely consistent with the State's past practices of making voter intent a priority. This is not to say that Miller's technical arguments are frivolous, for it is easy to understand his view as to the proper interpretation of AS 15.15.360 (a)(11). But it is just as easy to accept the interpretation given by the Alaska Supreme Court. What we have before us is a poorly drafted state statute. Wisdom would suggest that the Alaska Legislature act to clarify it to avoid similar disputes in the future." – Federal District Court Judge Ralph Bieistline pg. 7

LEGISLATIVE RESEARCH SERVICES

Alaska State Legislature
Division of Legal and Research Services
State Capitol, Juneau, AK 99801

(907) 465-3991 phone
(907) 465-3908 fax
research@legis.state.ak.us

Memorandum

TO: Senator Joe Thomas
FROM: Susan Warner, Legislative Analyst
DATE: January 21, 2011
RE: Legal History of Counting Write-in Votes in Alaska
LRS Report 11.113

You asked about the history in Alaska of write-in vote counting. You were particularly interested in legal precedents, and you asked for copies of pertinent decisions.

Within certain parameters defined by the U.S. Constitution, states have the authority to make their own election laws, and most states allow voters to write in the name of a candidate who is not listed on the ballot. Legal challenges occur most often in close races; courts then attempt to balance the constitutional right of citizens to elect the person of their choice against state laws that are designed to ensure efficient and orderly elections, among other things. The Alaska Supreme Court has consistently held that the right of citizens to select their government representatives is a fundamental prerogative of citizenship and should not be impaired or destroyed by "strained" statutory constructions.[1] As such, the Court in the most recent case (*Miller v. Treadwell,* 2010) held as follows:

> Voter intent is paramount, and any misspelling, abbreviation, or other minor variation in the form of the candidate's name on a write-in ballot does not invalidate a ballot so long as the intention of the voter can be ascertained.[2]

Alaska Voting Law

As you know, Alaska law does not allow write-in voting during primary elections, but provisions must be made for write-in voting on general election ballots. Alaska's rules for counting write-in ballots specify that a vote for a write-in candidate "shall be counted" if the oval is filled in and if the candidate's last name, or the candidate's name as it appears on the declaration of candidacy, is written in the space provided.[3] The law further specifies that the rules on counting ballots are, without exception, mandatory.

Miller v. Treadwell

Voter intent prevailed in litigation over the counting of write-in ballots in Alaska's 2010 U.S. Senate race. Joe Miller, the Republican senate candidate on the general ballot, argued that write-in votes for his opponent should not have been counted unless the candidate's name was spelled flawlessly. The Alaska Supreme Court ruled against Mr. Miller in *Miller v. Treadwell,* and the Court opinion begins with powerful language in support of voter enfranchisement. The Court proclaims that a citizen's right to vote is *of profound importance*; *key to participatory democracy;* and a *polar, cardinal*, and *bedrock principle*. The Court also notes that such longstanding principles have been consistently applied to election issues in Alaska over the past 50 years.

---

[1] *Carr v. Thomas,* 586 P.2d 622, 627(1978). We provide this document as Attachment A.

[2] *Miller v. Treadwell*, Alaska Supreme Court No. S-14112, December 22, 2010. Please note the recitation of pertinent case history entitled "Longstanding Alaska Election Principles" on page 2 of that decision (Attachment B).

[3] 15.15.360(a)(11).

Mr. Miller had argued that Alaska statutory language excludes any vote that is not spelled perfectly. The Superior Court held that if the legislature intended a candidate's name to be spelled perfectly, legislators would have used words like *exactly*, *precisely*, or *perfectly*.[4] The Supreme Court agreed and held that Alaska's statutory language is meant to be *inclusive* rather than *exclusive*:

> It is designed to ensure that ballots are counted, not excluded. And this inclusiveness is consistent with the overarching purpose of an election: to ascertain the public will. . . . Voter intent is paramount, and any misspelling, abbreviation, or other minor variation in the form of the candidate's name on a write-in ballot does not invalidate a ballot so long as the intention of the voter can be ascertained.

Additionally, the Court noted that Alaskan voters arrive at their polling places with a variety of backgrounds and capabilities, including some being raised without English as their first language, and such issues should not take away a person's right to decide which candidate to elect:

> We must construe the statute's language in light of the purpose of preserving a voter's choice rather than ignoring it.

Legal Precedents

The decision reached in *Miller v. Treadwell* reflects the tendency for all U.S. courts to favor voter intent over ambiguous statutory language, but election scholar Richard Hasen asserts that the Alaska Supreme Court—even before *Miller*—appears to have gone the furthest in giving emphasis to voter intent.[5] Alaska's 1978 precedent-setting case, *Carr v. Thomas,* involved the question of counting certain ballots, and Alaska's highest court declared that the state would need "clear and unmistakable" statutory language to take away a citizen's right to have his or her voted counted.

Alaska courts have consistently emphasized the importance of voter intent. The decisions for the following Alaska cases are attached to this document:

- *Willis v. Thomas*, 600 P.2d 1079 (1979). The Alaska Supreme Court depended on a determination of voter intent in ruling on the results of a recount of ballots in Senate District F (Attachment D).

- *Fischer v. Stout*, 741 P.2d 217 (1987). The Alaska Supreme Court ruled on whether certain votes or classes of votes were properly counted or rejected in the 1986 race for Senate District H. The Court held that ballots marked with a pen rather than punched still showed clear voter intent and should be counted (Attachment E).

- *Finkelstein v. Stout*, 774 P.2d 786 (1989). The Alaska Supreme Court ruled on a ballot recount for Seat A in House District 13. The Court considered voter intent with regard to questioned signatures on absentee ballots (Attachment F).

- *Edgmon v. Moses*, 152 P.3d 1154 (2007). The Alaska Supreme Court ruled on the results of a recount in the District 37 Democratic primary. Considering ballot markings, the Court found that marks clearly intended as votes should be counted (Attachment G).

[4] *Joe Miller v. Lieutenant Governor Craig Campbell*, Case No. IJU-10-1007CI, Memorandum of Decision and Order on Motion for Summary Judgment and Cross Motions, December 10, 2010. We provide this document as Attachment C.

[5] Richard L. Hasen, "The Democracy Canon," *Stanford Law Review*, Vol. 62, 2009, p. 87.

Addressing Irregular Write-in Votes in Other States

Although Alaska statute does not address the inevitable misspellings and illegibility of written-in names, many states attempt to clarify how such votes will be counted, and these rules always give primacy to voter intent. There are variations among states, but this directive, by its very nature, is subjective and gives vote-counters the authority to determine who a voter intended to elect. Here are examples from four states:

- California accepts a "reasonable facsimile" of a write-in candidate's name (Cal. Elec. Code § 15342).
- Nebraska will count a write-in vote without the first name of the candidate, and the write-in name must be "reasonably close to the proper spelling" (Neb. Rev. Stat. § 32-615).
- Delaware allows for a "misspelled or minor variation" of a write-in candidate (Del. Code Ann. Title 15, § 4972 (b)(8)).
- Washington election officials are required to "exercise all reasonable efforts to determine the voter's intent (WAC 434-262-160).

Some states provide further guidance on counting irregular write-in votes. Washington State has an extensive, pictorial booklet on how election officials are expected to count nearly every deviation from what might be considered a standard marking, including samples of acceptable and unacceptable write-in votes. Attachment H is the portion of the booklet that deals with write-in votes, and the entire document can be viewed at ***http://www.sos.wa.gov/_assets/elections/2009StatewideStandardsonWhatisaVote.pdf***.

We hope this is helpful. If you have questions or need additional information, please let us know.

adn.com
Anchorage Daily News

Print Page Close Window

Our view: No doubt

State smart to review election, need for any changes in law

(01/03/11 19:17:26)

When federal Judge Ralph Beistline tossed Joe Miller's challenge to Alaska's U.S. Senate election, he granted that Alaska's law could be clearer about the primacy of voter intent.

He was right.

The requirement that a write-in candidate's name be written as it appears in its state-qualified form led to the arguments over spelling and how close voters had to be.

In addition, the state's decision to provide, at voters' request, lists of qualified write-in candidates prompted unsuccessful suits by both the Republican and Democratic parties.

While we disagreed with the Division of Elections on the latter point, state courts upheld their call. And the division ran a straight, fair election.

Lawmakers, however, should revisit the law to make clear that voter intent, not spelling, is the key test in deciding which write-in votes count, and to decide whether write-in lists either will or won't be provided at polling places in the future.

The division did well by Alaskans. But clarity in the law may help keep future elections out of court.

BOTTOM LINE: Election law should leave no room for doubt.

Print Page Close Window

Copyright © Fri Jan 21 13:12:51 UTC-0900 20111900 The Anchorage Daily News (www.adn.com)

Politics

Print

No 'spelling bee' election in Alaska

Ruth Walker | Christian Science Monitor | Dec 7, 2010

The 2010 elections, the gift that keeps on giving, have imparted new meaning to the phrase "all over but the shouting."

At this writing, Lisa Murkowski looks likely to be headed back to Washington as Alaska's senior senator and into the history books as the first candidate since Strom Thurmond in 1954 to win election to the Senate as a write-in. Her victory, if confirmed, as is now expected, will turn in part on a decision to honor ballots from voters who merely approximated the correct spelling of her name.

How should we feel about that? Are standards slipping irretrievably in the republic?

Her Democratic opponent has conceded defeat. But her Republican opponent, Joe Miller, whose own name was easier to spell and was, moreover, actually on the ballot, has had other ideas.

His campaign has challenged all ballots that fall short orthographically. State authorities, on the other hand, have been counting as valid all those who came close to spelling "Murkowski" right.

Alaskan law requires electoral officials to take into account "voter intent" when counting write-in votes. This standard is common across the country, it turns out. The Los Angeles Times quoted Richard Winger, editor of the election law journal Ballot Access News: "I am not aware of any state that says write-ins can't be counted unless the spelling is perfect."

As a copy editor, I'm with Mr. Miller. What kind of democracy can't spell its leaders' names right? As a student of language, though, I understand that spoken language came first, and that the written form of any word is an approximation of the spoken form; it's not the other way around. After all, there's a reason we call it "language" - from the Latin word for "tongue" - and not "scribblage," or something like that.

The case for a more generous interpretation of what counts as a valid vote for a write-in candidate starts with this primacy of spoken language.

Much of what we recognize as democracy began with spoken language, conversations, and debates in halls of assembly and the public square. Democracy was then furthered by written communication, especially after the development of the printing press.

More recently, speech has gained a boost from new forms of communication - from FDR's fireside chats to YouTube - that have let us hear, and hear repeatedly, what we otherwise might only have read.

Of course we need both modes: Writing - "print" - allows for rereading, for reflection and the consideration of nuance. Speech, especially live, in-person speech, provides immediacy and the expression of feelings.

print

Fix the law: Write-in ballot statute needs repair by Legislature

12.30.10 - 11:53 pm
Editorial

Federal Judge Ralph Beistline wrote in his Tuesday ruling dismissing Joe Miller's amended federal lawsuit in the U.S. Senate race that he can understand Mr. Miller's viewpoint regarding the wording of state election law.

Judge Beistline also said he can easily see the state's view when it comes to the law governing how a write-in candidate's name must appear on the ballot in order to be considered a valid vote.

The judge ultimately deferred to the Alaska Supreme Court, which ruled in Mr. Miller's state lawsuit that the name of Sen. Lisa Murkowski didn't have to be spelled correctly. Mr. Miller argued, in both state and federal court, that Alaska law required a precise spelling.

But Judge Beistline found the Alaska Supreme Court "did not make a finding clearly contrary to the face of the statute and its findings were entirely consistent with the state's past practice of making voter intent a priority."

But the judge, in his ruling, pointedly noted a problem:

"This is not to say that Miller's technical arguments are frivolous, for it is easy to understand his view …

"What we have before us is a poorly drafted state statute. Wisdom would suggest the Alaska Legislature act to clarify it to avoid similar disputes in the future. For now we have to work with what we have and that is what the Alaska Supreme Court has done."

Judge Beistline's message is clear and sound: The Legislature should clarify the law. It should do so this coming session while the subject is fresh.

© newsminer.com 2010

Supreme Court takes reasonable approach in election challenge

by Dermot Cole / cole@newsminer.com

Dec 22, 2010 | 757 views | 0 | | 5 | |

FAIRBANKS — The Alaska Supreme Court said it relied on principles applied consistently during the past 50 years to reject Joe Miller's court case and approve the state's approach to counting ballots.

The decision Wednesday helps clear the way for Sen. Lisa Murkowski's re-election to be certified before the next Congress. Miller may pursue a federal court fight, however.

This unanimous ruling is not surprising, given the numerous decisions the court has made in contested elections over the years. The ruling also is reasonable.

The court declared that Miller is dead wrong in claiming state law requires the names of write-in candidates be spelled correctly.

"Our prior decisions clearly hold that a voter's intention is paramount," the four justices said. "In light of our strong and consistently applied policy of construing statutes in order to effectuate voter intent, we hold that abbreviations, misspellings or other minor variations in the form of the name of a candidate will be disregarded in determining the validity of the ballot, so long as the intention of the voter can be ascertained."

The court rejected Miller's argument that anything less than his point of view, supporting correct spelling, would threaten the integrity of the election process.

"But it is Miller's interpretation of the statute that would erode the integrity of the election system, because it would result in disenfranchisement of some voters and ultimately rejection of election results that constitute the will of the people," the judges said. "We have consistently construed election statutes in favor of voter enfranchisement."

The court also found its interpretation of state law is consistent with federal and state rules allowing misspellings on the federal write-in absentee ballot for military voters and civilians overseas.

"Miller's proposed construction of the statute would require us to impose a different, and more rigorous, voting standard on domestic Alaskans than on those who are serving in the military or living abroad," the court said.

Other states use the same approach as Alaska in counting ballots and "we see no basis for Miller to argue that the application of the standard in this election violates equal protection under either the state or federal constitution."

The portion of state law Miller said requires perfect spelling really applies to pseudonyms, the court said.

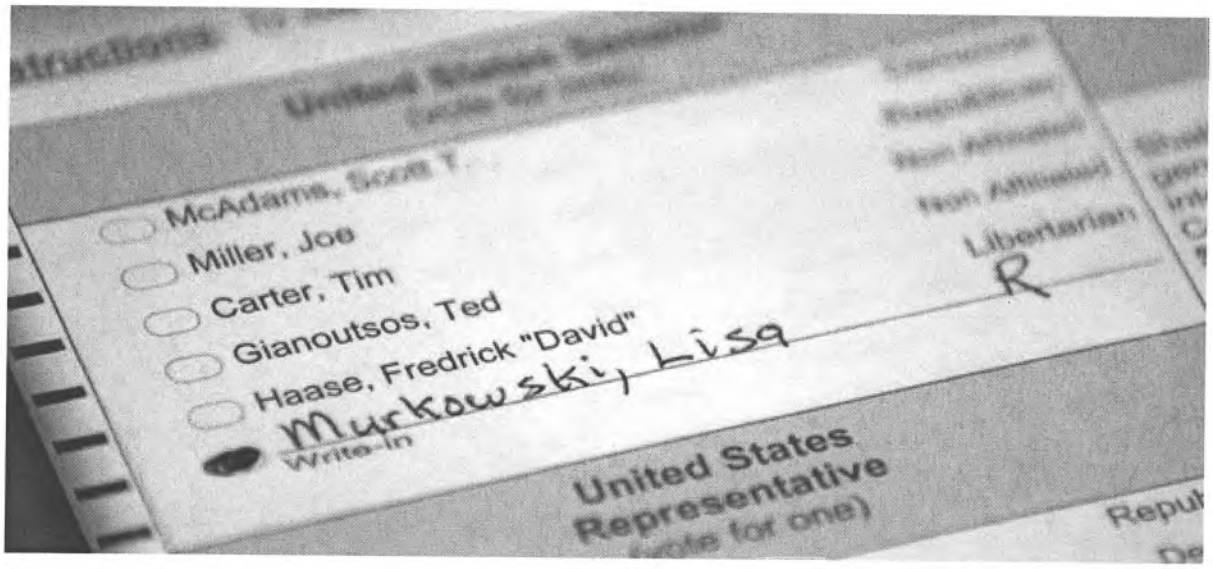
"The 'nickname' field allows a candidate to ensure that his or her pseudonym 'appears on the write-in declaration of candidacy' so that the write-in votes listing that pseudonym will count. Thus, the word 'appears' relates to a pseudonym's possible presence on the ballot, not the particular form of the vote and demonstrates that the statute is inclusive — it is designed to include, rather than exclude, votes."

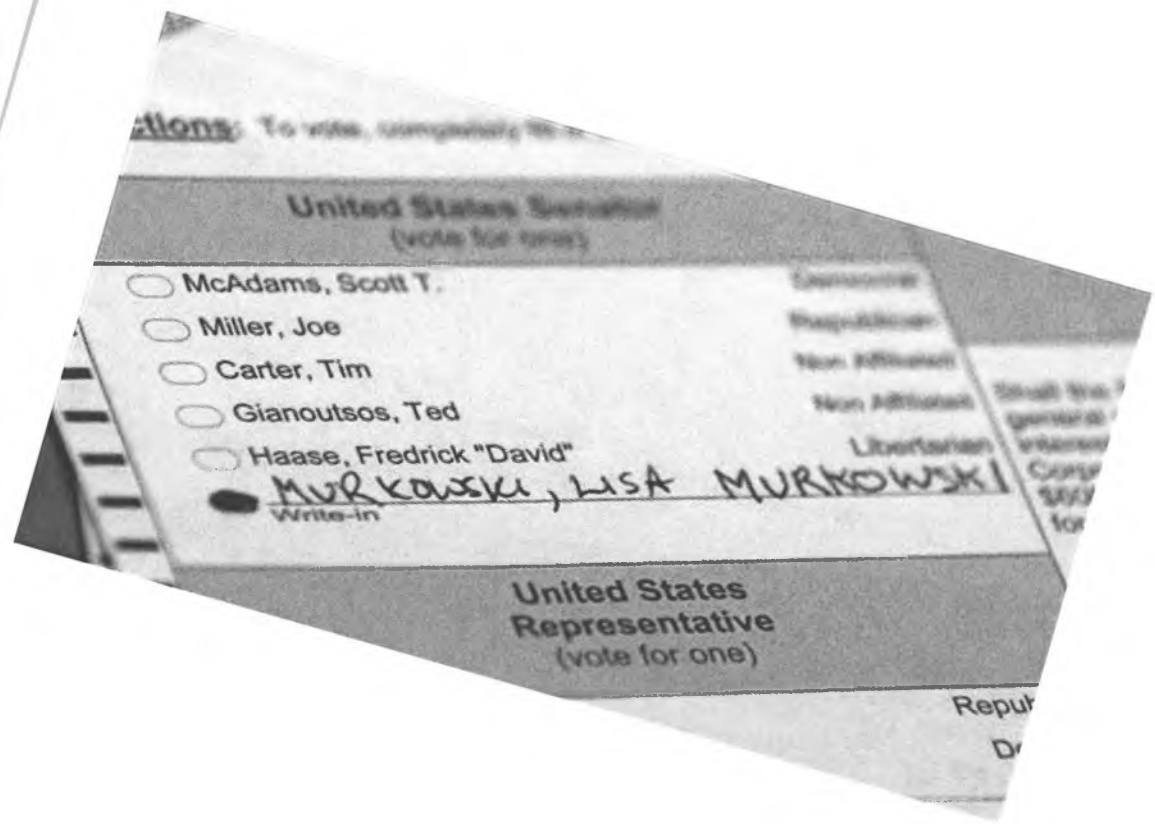
•••

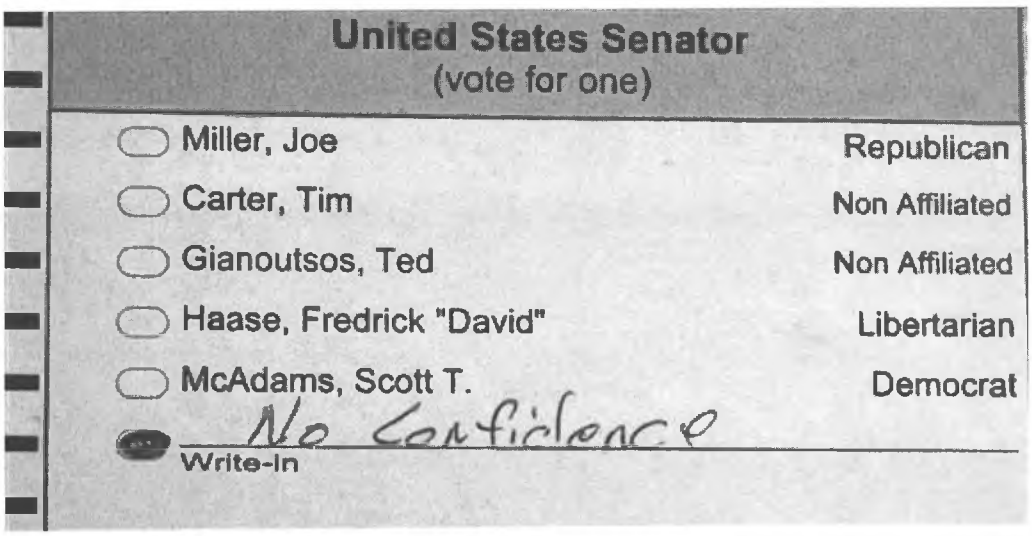
GIVING THANKS: The Mariutto family wants to pass along thanks to the people of Fairbanks for prayers and support for Sabrina, the Monroe High School student who has been stricken with cancer.

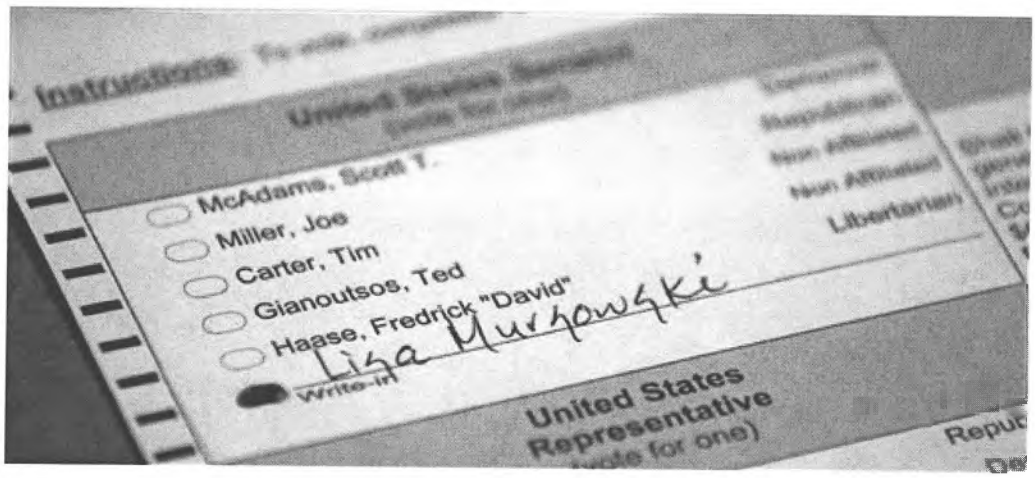
Fabio Mariutto, her father, said he is grateful for the more than $17,000 raised at a spaghetti feed fundraiser Dec. 12 and for the daily notes, cards, prayers and "all the other little but important things necessary for life."

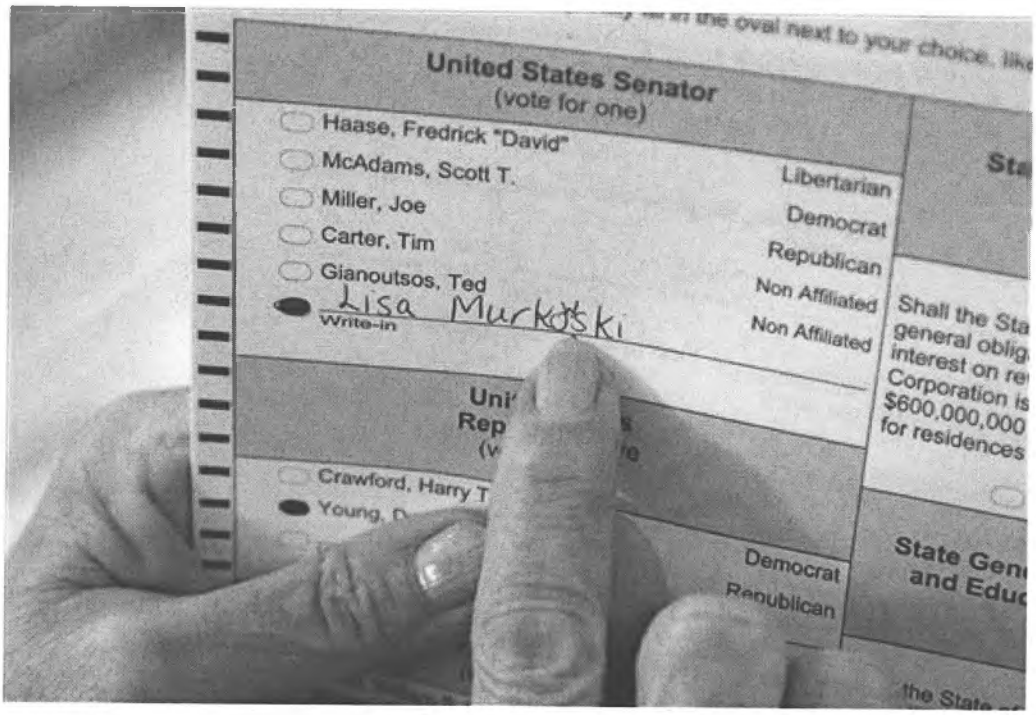
"For Sabrina's friends, thank you for being there for her despite the distance of thousands of

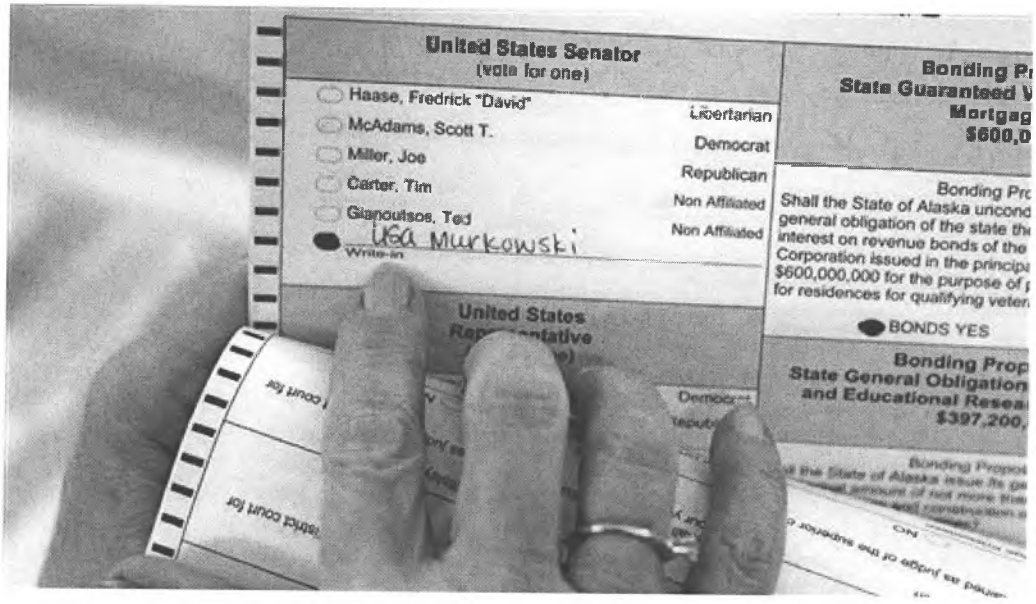

McAdams, Scott T.
Miller, Joe
Carter, Tim
Gianoutsos, Ted
Haase, Fredrick "David"
Murkowski, Lisa
Write-in
Libertarian
R
United States
Representative


United States Senator
(vote for one)
McAdams, Scott T.
Miller, Joe
Carter, Tim
Gianoutsos, Ted
Haase, Fredrick "David"
MURKOWSKI, LISA MURKOWSKI
Write-in
United States
Representative
(vote for one)


United States Senator
(vote for one)
Miller, Joe
Republican
Carter, Tim
Non Affiliated
Gianoutsos, Ted
Non Affiliated
Haase, Fredrick "David"
Libertarian
McAdams, Scott T.
Democrat
No Confidence
Write-In


Instructions:
United States Senator
McAdams, Scott T.
Miller, Joe
Carter, Tim
Gianoutsos, Ted
Haase, Fredrick "David"
Write-in
Lisa Murkowski
Libertarian
United States
Representative


United States Senator
(vote for one)
Haase, Fredrick "David"
McAdams, Scott T.
Miller, Joe
Carter, Tim
Gianoutsos, Ted
Lisa Murkowski
Write-in
Libertarian
Democrat
Republican
Non Affiliated
Non Affiliated
Democrat
Republican
Crawford, Harry T
Young, D
Shall the Sta
general oblig
interest on re
Corporation is
$600,000,000
for residences
State Gen
and Educ


United States Senator
(vote for one)
Haase, Fredrick "David"
Libertarian
McAdams, Scott T.
Democrat
Miller, Joe
Republican
Carter, Tim
Non Affiliated
Giancoulsos, Ted
Non Affiliated
Write-in
Lisa Murkowski
United States
Bonding Pr
State Guaranteed V
Mortgag
$600,0
Bonding Pro
Shall the State of Alaska uncond
general obligation of the state th
interest on revenue bonds of the
Corporation issued in the princip
$600,000,000 for the purpose of
for residences for qualifying veter
BONDS YES
Bonding Prop
State General Obligation
and Educational Resea
$397,200,

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: **SB31**
() Publish Date

Identifier (file name) SB031-OOG-DOE-1-23-11
Dept. Affected: Office of the Governor
Title: "An Act relating to the counting of write-in votes"
Appropriation: Elections
Allocation: Elections
Sponsor: Senators Thomas, French, Menard, Wielechowski
Requester: (S) STA
OMB Component Number: 21

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 Interagency Receipts							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Prepared by: Gail Fenumiai, Director — Phone: 465-2644
Division: Division of Elections — Date/Time: 1/23/11, 10:18pm
Approved by: Linda J. Perez, Administrative Director — Date: 1/23/2011
Office of the Governor

(Revised 12/29/2010 OMB)

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 January 25, 2011

SUBJECT: Providing the Director of Elections the authority to ascertain the intention of a voter under AS 15.15.360(a)
(CSSB 31( ), Work Order No. 27-LS0350\B)

TO: Senator Joe Thomas
Attn: Grier Hopkins

FROM: Alpheus Bullard
Legislative Counsel

You requested a blank committee substitute that would revise Senate Bill 31 (27-LS0350\M) and AS 15.15.360 to provide the Director of Elections (director) the authority, in counting votes for a write-in candidate, to disregard any abbreviation, misspelling, or other minor variation in the form of the name of a candidate if the intention of the voter can be ascertained.

AS 15.15.360 prescribes how an election board shall count ballots. The change you requested required modifications to the bill beyond the substitution of "director" for "election board" in the bill's ultimate paragraph.[1]

While a regulation, 6 AAC 25.085(d),[2] provides the director authority to establish the place and date for counting certain write-in votes, the director is not currently authorized

---

[1] Note the change to the bill's title.

[2] **6 AAC 25.085. Counting of write-in votes in general election.**

(a) Except as provided in 6 AAC 25.670, the provisions of this section apply for the counting of write-in votes in a general election in this state.

(b) Counting write-in votes in a general election by candidate will only be done under this section if the aggregate of all votes cast for all write-in candidates for the particular office is

(1) the highest number of votes received by any candidate for the office; or

(2) the second highest number of votes received by any candidate and the difference between the total number of votes received by the candidate having the highest number of votes and the aggregate of

under statute to count ballots outside of certain statutorily identified situations.[3] Nothing now in statute specifically authorizes the director to count ballots in a close election contest between a candidate on the ballot and a write-in candidate.

For this reason, your requested committee substitute includes an added section codifying the substance of 6 AAC 25.085 and further providing that the director shall count write-in ballots in certain elections for a federal or statewide office.

If I can be of further assistance please do not hesitate to contact me.

TLAB:med
11-006.med

Enclosure

---

all votes cast for all write-in candidates for the office is less than the percentage necessary for a recount at the state's cost under AS 15.20.450.

(c) Write-in votes that do not meet the requirements of this section will not be individually counted under this section.

(d) If the director determines that the requirements of this section have been met, the director will establish the place and date for counting those write-in votes.

[3] While the director has general administrative supervision over the conduct of state elections and may adopt regulations necessary for the administration of state elections (AS 15.15.010) and regulations prescribing the manner in which the precinct ballot count is accomplished so as to ensure accuracy in the ballot count (AS 15.15.350), the director is authorized to review or count ballots only in certain statutorily enumerated areas. The director must (1) count or review certain absentee and vote by mail ballots under AS 15.15.430, AS 15.20.082(c), AS 15.20.201(d), AS 15.20.480, and AS 15.20.800(e); (2) review and count certain ballots under AS 15.15.430; and (3) review all ballots in a recount election (AS 15.20.480).

SB

33

<TARGET><BILL>SB 33</BILL><SUBJECT>SB
33</SUBJECT><COMM>SSTA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

Senate State Affairs Committee

Senator Bill Wielechowski, Chair

State Capitol Building, Room 101
Juneau, Alaska 99801-1182
Phone (907) 465-2435
Fax (907) 465-6615
sen.bill.wielechowski@legis.state.ak.us

Committee Members:

Senator Joe Paskvan, Vice-chair
Senator Albert Kookesh
Senator Bettye Davis
Senator Kevin Meyer

AGENDA

Tuesday, January 25, 2011
9:00-10:30

1. SB 31: Counting of Write-in Votes

2. SB 33: Disposition of Service Members' Remains

ALASKA STATE LEGISLATURE

Session
State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim
716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Admin Reg Review

SENATOR BILL WIELECHOWSKI

Sponsor Statement: SB 33
An Act relating to the disposition of remains of a member of the military if the member dies while in a duty status

The intent of SB 33 is to ensure that active duty service members who make the ultimate sacrifice are properly honored by ensuring that their remains are disposed of by the person of their choosing.

The Department of Defense requires active duty service members, reservists and guard members to complete a Record of Emergency Data (DD Form 93) annually or prior to deployment. This form identifies the person authorized to direct disposition of a service member's remains in the event that service member is killed in the line of duty.

SB 33 will place the state in alignment with Department of Defense procedures, so that the person designated to handle disposition of remains is not called into question. Without compliance with these procedures, the handling of the remains may be delayed, and the service member's wishes not honored.

Twenty-one states have laws which comport with Department of Defense rules on disposition. At least four other states, including Alaska, are pursuing laws to comport.

SB 33 is supported by the Office of the Deputy Under Secretary of Defense.

Please join me in supporting this legislation to ensure the wishes of our service members are upheld and our fallen soldiers receive the proper burial they deserve.

CS FOR SENATE BILL NO. 33(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS WIELECHOWSKI, PASKVAN, AND COGHILL, Menard, Meyer, Dyson, Olson

A BILL

FOR AN ACT ENTITLED

"An Act relating to the disposition of remains of a member of the armed forces if the member dies while in a duty status."

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

*** Section 1.** AS 26.05 is amended by adding a new section to read:

Sec. 26.05.262. Disposition of remains of members of organized militia on duty status under Military Record of Emergency Data Form (DD Form 93). If a member of the organized militia who is in active state service has executed the United States Department of Defense Military Record of Emergency Data Form (DD Form 93), or its successor form, to serve as a record of emergency data and, on that form, has designated a person who is authorized to direct the disposition of the member's remains if the member dies while in a duty status as described in 10 U.S.C. 1481, notwithstanding any other provision of law, the person authorized to direct the disposition of remains on the executed form has the right to make the decisions concerning the disposition of the member's remains.

* **Sec. 2.** AS 26.10 is amended by adding a new section to read:

Sec. 26.10.065. Disposition of remains of state resident armed forces personnel on duty status. (a) Except as provided in (b) of this section, if a state resident who is a member of the armed forces has executed the United States Department of Defense Military Record of Emergency Data Form (DD Form 93), or its successor form, to serve as a record of emergency data and, on that form, has designated a person who is authorized to direct the disposition of the member's remains if the member dies while in a duty status as described in 10 U.S.C. 1481, notwithstanding any other provision of law, the person authorized to direct the disposition of remains on the executed form has the right to make the decisions concerning the disposition of the member's remains.

(b) If a state resident who is a member of the United States Coast Guard has executed the United States Coast Guard Designation of Beneficiaries and Record of Emergency Data Form (CG-2020D), or its successor form, to serve as a record of emergency data and, on that form, has designated a person who is authorized to direct the disposition of the member's remains if the member dies while in a duty status as described in 10 U.S.C. 1481, notwithstanding any other provision of law, the person authorized to direct the disposition of remains on the executed form has the right to make the decisions concerning the disposition of the member's remains.

27-LS0188\I
Bannister
1/24/11

CS FOR SENATE BILL NO. 33(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS WIELECHOWSKI, PASKVAN, AND COGHILL, Menard

A BILL

FOR AN ACT ENTITLED

"An Act relating to the disposition of remains of a member of the military if the member dies while in a duty status."

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

* **Section 1.** AS 26.05 is amended by adding a new section to read:

Sec. 26.05.262. Disposition of remains of members of organized militia on duty status under Military Record of Emergency Data Form (DD Form 93). If a member of the organized militia who is in active state service has executed the United States Department of Defense Military Record of Emergency Data Form (DD Form 93), or its successor form, to serve as a record of emergency data and, on that form, has designated a person who is authorized to direct the disposition of the member's remains if the member dies while in a duty status as described in 10 U.S.C. 1481, notwithstanding any other provision of law, the person authorized to direct the disposition of remains on the executed form has the right to make the decisions concerning the disposition of the member's remains.

* **Sec. 2.** AS 26.10 is amended by adding a new section to read:

Sec. 26.10.065. Disposition of remains of state resident military personnel on duty status under Military Record of Emergency Data Form (DD Form 93). If a state resident who is a member of the military has executed the United States Department of Defense Military Record of Emergency Data Form (DD Form 93), or its successor form, to serve as a record of emergency data and, on that form, has designated a person who is authorized to direct the disposition of the member's remains if the member dies while in a duty status as described in 10 U.S.C. 1481, notwithstanding any other provision of law, the person authorized to direct the disposition of remains on the executed form has the right to make the decisions concerning the disposition of the member's remains.

27-LS0188\M
Bannister
12/30/10

SENATE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY SENATOR WIELECHOWSKI

Introduced:
Referred:

A BILL

FOR AN ACT ENTITLED

"An Act relating to the disposition of remains of a member of the military if the member dies while in a duty status."

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

*** Section 1.** AS 26.05 is amended by adding a new section to read:

Sec. 26.05.262. Disposition of remains of members of organized militia on duty status. (a) Except as provided in (b) of this section, if a member of the organized militia who is in active state service has executed the United States Department of Defense Military Record of Emergency Data Form (DD Form 93), or its successor form, to serve as a record of emergency data and, on that form, has designated a person who is authorized to direct the disposition of the member's remains if the member dies while in a duty status as described in 10 U.S.C. 1481, notwithstanding any other provision of law, the person authorized to direct the disposition of remains on the executed form has the right to make the decisions concerning the disposition of the member's remains.

(b) The Department of Military and Veterans' Affairs may, notwithstanding any other provision of law, contact the National Cemetery Administration of the United States Department of Veterans Affairs to dispose of the remains of a member of the organized militia who is in active state service and who dies while in a duty status as described in 10 U.S.C. 1481, if the following persons are not available or are unable to make the decisions concerning the disposition of the remains of the member:

(1) the person authorized by the member on the United States Department of Defense Military Record of Emergency Data Form (DD Form 93), or its successor form, to make the decisions concerning the disposition of the member's remains; or

(2) a person who is 18 years of age or older and who is related to the member by blood, marriage, or adoption.

* **Sec. 2.** AS 26.10 is amended by adding a new section to read:

Sec. 26.10.065. Disposition of remains of state resident military personnel on duty status. (a) Except as provided in (b) of this section, if a state resident who is a member of the military has executed the United States Department of Defense Military Record of Emergency Data Form (DD Form 93), or its successor form, to serve as a record of emergency data and, on that form, has designated a person who is authorized to direct the disposition of the member's remains if the member dies while in a duty status as described in 10 U.S.C. 1481, notwithstanding any other provision of law, the person authorized to direct the disposition of remains on the executed form has the right to make the decisions concerning the disposition of the member's remains.

(b) The Department of Military and Veterans' Affairs may, notwithstanding any other provision of law, contact the National Cemetery Administration of the United States Department of Veterans Affairs to dispose of the remains of a state resident who is a member of the military and who dies while in a duty status as described in 10 U.S.C. 1481, if the following persons are not available or are unable to make the decisions concerning the disposition of the remains of the member:

(1) the person authorized by the member on the United States Department of Defense Military Record of Emergency Data Form (DD Form 93), or

its successor form, to make the decisions concerning the disposition of the member's remains; or

(2) a person who is 18 years of age or older and who is related to the member by blood, marriage, or adoption.

27-LS0188\B
Bannister
1/18/11

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 33

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY SENATORS WIELECHOWSKI AND PASKVAN

Introduced:
Referred:

A BILL

FOR AN ACT ENTITLED

"An Act relating to the disposition of remains of a member of the military if the member dies while in a duty status."

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

* **Section 1.** AS 26.05 is amended by adding a new section to read:

Sec. 26.05.262. Disposition of remains of members of organized militia on duty status under Military Record of Emergency Data Form (DD Form 93). If a member of the organized militia who is in active state service has executed the United States Department of Defense Military Record of Emergency Data Form (DD Form 93), or its successor form, to serve as a record of emergency data and, on that form, has designated a person who is authorized to direct the disposition of the member's remains if the member dies while in a duty status as described in 10 U.S.C. 1481, notwithstanding any other provision of law, the person authorized to direct the disposition of remains on the executed form has the right to make the decisions concerning the disposition of the member's remains.

* **Sec. 2.** AS 26.10 is amended by adding a new section to read:

Sec. 26.10.065. Disposition of remains of state resident military personnel on duty status under Military Record of Emergency Data Form (DD Form 93). If a state resident who is a member of the military has executed the United States Department of Defense Military Record of Emergency Data Form (DD Form 93), or its successor form, to serve as a record of emergency data and, on that form, has designated a person who is authorized to direct the disposition of the member's remains if the member dies while in a duty status as described in 10 U.S.C. 1481, notwithstanding any other provision of law, the person authorized to direct the disposition of remains on the executed form has the right to make the decisions concerning the disposition of the member's remains.

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 January 21, 2011

SUBJECT: Sectional summary of SSSB 33 relating to the disposition of the remains of a member of the military if the member dies while in a duty status (Work Order No. 27-LS0188\B)

TO: Senator Bill Wielechowski
Attn: Michael Caulfield

FROM: Theresa Bannister
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1. Gives a person the right to make the decisions about the disposition of the remains of a member of the state's organized militia who is in active state service, if the person is authorized by the member on DD Form 93, a Department of Defense emergency data form, to dispose of the member's remains if the member dies while in a duty status under 10 U.S.C. 1481.

Section 2. Gives a person the right to make the decisions about the disposition of the remains of a member of the military who is a state resident, if the person is authorized by the member on DD Form 93, a Department of Defense emergency data form, to dispose of the member's remains if the member dies while in a duty status under 10 U.S.C. 1481.

If I may be of further assistance, please advise.

TLB:plm
11-024.plm

SB 33 – Disposition of Remains of a Member of the Military

BACKGROUND:

- The Department of Defense requires active duty service members, reservists and guard to complete a Record of Emergency Data (DD Form 93), a form that identifies the person authorized to direct disposition of a service member's remains in the event that service member is killed in the line of duty.

- Twenty-one states have laws which comport with DOD rules on disposition. Three are pursuing laws which comport with DOD rules.

- Alaska State law does not currently recognize the DD Form 93.

PROBLEM:

- When there is no one specifically authorized to dispose of remains, the final wishes of the service member may not be followed. Additionally, disputes over the rightful controlling agent may lengthen an already painful process of burial.

STATUTORY SOLUTION:

- SB 33 would place the state in alignment with the Dept. of Defense Emergency Data Form (DD Form 93), so that the person designated to handle disposition of active duty service and guard member's remains is clearly identified.

- Supported by the Office of the Deputy Under Secretary of Defense.

Persons Authorized to Direct Disposition of Remains
DoDI 1300.18

E2.41*E2.42*. Person Authorized to Direct Disposition of Human Remains (PADD). A person, usually the PNOK (see E2.45*E2.46*.), who is authorized to direct disposition of human remains. For disposing of human remains, under the authority of Reference (l), the Secretary of the Military Department concerned is deemed to have such standing if no other such person is available. Service members will *shall* identify a PADD on their DD Form 93. (See instructions at Enclosure 7.) Absent the identification of a PADD by the Service member, then the PADD is recognized in the following order:

E2.41.1*E2.42.1*. Surviving spouse. The legal spouse is one who was married to the deceased as prescribed by civil law, was not divorced from the deceased and has not remarried at the time disposition of remains is to be made. The latter might apply in the case of a Service member who has been declared deceased, body not recovered at the time of the casualty incident, and whose remains are later recovered and identified. If the spouse has remarried at the time disposition is to be made, the right of disposition will go to the next person in order of priority, and the remarried spouse will take priority under paragraph E2.41.8*E2.42.8*.

E2.41.2*E2.42.2*. Children who have reached the age of majority in order of seniority (age).

E2.41.3*E2.42.3*. Parents in order of seniority (age) unless legal custody was granted to another person by reason of court decree or statutory provision. Step-parents, who have not adopted the Service member, serve in *loco parentis* and are not considered parents for PADD purposes.

E2.41.4*E2.42.4*. Blood or adoptive relative of the individual who was granted legal custody of the Service member by reason of a court decree or statutory provision. The person to whom custody was granted remains the PADD despite the fact that the individual had reached the age of majority at the time of death.

E2.41.5*E2.42.5*. Brothers or sisters of legal age in order of seniority (age). When the deceased person has full siblings, half-siblings, or step-siblings, the order of precedence is the full siblings then the half-siblings. Step-siblings are not eligible to direct disposition of remains. Adopted siblings are treated the same as full siblings when adopted by both of the deceased person's biological parents. Adopted siblings are considered as half-siblings when adopted by only one of the deceased person's biological parents.

E2.41.6*E2.42.6*. Grandparents in order of seniority (age).

Change 1, 8/14/09 ENCLOSURE 234 Dodo 1300.18, January 8, 2008

E2.41.7*E2.42.7*. Other adult blood relatives in order of relationship to the individual under the laws of the deceased's domicile. When two individuals are of equal relationship, priority will be determined by age.

E2.41.8*E2.42.8*. Remarried surviving spouse. The remarried surviving spouse is one who was not divorced from the deceased and has remarried at the time disposition of remains is to be made. The latter might apply in the case of a Service member who is declared deceased, body not recovered, and whose remains are later recovered and identified.

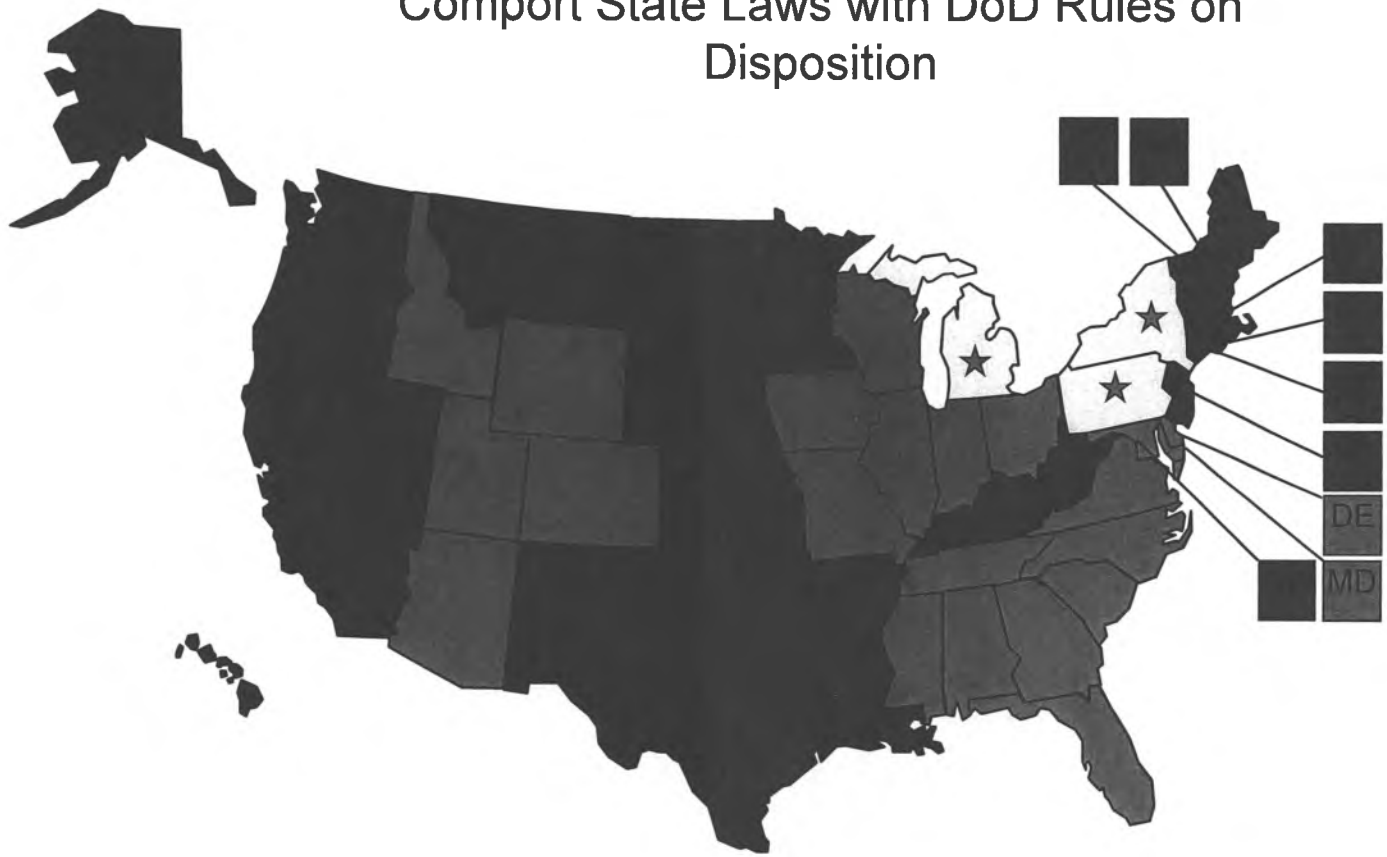
E2.41.9*E2.42.9*. Persons standing in *loco parentis*. *Loco parentis* means any person(s) or institution who acted in place of the member's parent(s) for a period of not less than 1

year at any time before the member joined the military. Seniority in age will control when the persons are of equal relationship.

E2.41.10*E2.42.10.* Legal representative of the estate may make disposition of remains when all efforts to identify or locate a person in categories (1) through (9) are unsuccessful. The legal representative must be properly appointed by a civil court having jurisdiction of the decedent's estate.

E2.41.11*E2.42.11.* When all known persons in categories (1) through (10) relinquish disposition authority or cannot be identified or located, then disposition of the remains will be made by the administrative determination of the Secretary of the Military Department concerned or their designee.

Comport State Laws with DoD Rules on Disposition



- Laws comport with the disposition instructions in Federal statutes and DoD rules
- ★ Legislation pursuing a favorable policy is filed.
- Actively pursuing favorable policy, but no legislation filed as yet.
- Policy not favorable, and Not currently considering favorable adjustments.

As of August 27, 2010

-Search

State Policymakers

Home
News Articles
FAQs
Contact Us
Links For Your Website

Letters from Home Video

Information for Families

Issue 2: By the close of the 2010 legislative sessions, 36 states have adopted some of the measures that ensure deployment separations do not determine custody decisions for military members.

Comport State Laws with DoD Rules on Disposition

Issue: State laws on the disposition of human remains do not currently provide for the accommodation of the expressed, written wishes of service members through execution of the federally prescribed "Record of Emergency Data"

According to Section 564 of Public Law 109-163, effective January 2006, service members [as defined in Title 10, United States Code, Section 1481(a)(1) – (8)] must designate a person authorized to direct disposition of human remains (PADD). The law, Title 10, United States Code, Section 1482(c), specifies a list of possible designees, but does not stipulate any specific order.

States may not recognize the PADD as the legal designee because the state does not recognize the DD Form 93 (Record of Emergency Data) completed by service members to designate a PADD. The DD Form 93 restricts a services member to designating his or her "surviving spouse, blood relative of legal age, or adoptive relatives of the decedent. If neither of these three can be found, a person in loco parentis may be named."

Without a recognized agent, state statutes normally have a prescribed order of who is recognized as the next-of-kin designated to direct disposition, starting with a spouse, followed by adult children and parents. Because some state laws do not currently recognize the federal form as an acceptable one for service members, there have been several instances of civil actions between family members over the ultimate disposition of a fallen service member's remains.

Desired Outcome: Eliminate potential conflict with federal law, which may reduce the potential for family conflict at a time of bereavement, by states amending their laws on disposition of human remains to recognize the DD Form 93 as the authoritative written instrument for service members.

Progress: Ten states currently recognizes the DD 93 as the authoritative document for use by service members; however, we estimate nine states have statutes with sufficient latitude to allow for its use. The remaining states either do not provide for the designation of an agent, require use of a state specific form, or require a certain type of witnessing that might preclude the recognition of the DD Form 93. In order to add clarity for both family members and funeral directors, we believe statutes in all 50 states should include a statement recognizing the authority of the DD Form 93. The map below provides our current estimation of state flexibility for considering designations made on the DD Form 93.

- DD Form 93 (Record of Emergency Data)
- Public Law 109-163 Sec. 564
- Title 10 USC, Sec. 1481(a)(1-8)
- Title 10 USC, Sec. 1482(c)

Best Practice Examples:
The following are bills that were enacted in 2010 that provide for recognition of the DD Form 93:

Arizona HB 2400
Mississippi SB 2418
Maryland SB 408

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: **SB 33**
() Publish Date

Identifier (file name): SB033-DMVA-VS-1-24-11
Title: Disposition of Service Members Remains
Sponsor: Senators Wielechowski, Paskvan, Coghill, Menard
Requester: Senate State Affairs

Dept. Affected: Military & Veterans Affairs
Appropriation: Veterans' Services
Allocation
OMB Component Number: 9

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 Interagency Receipts							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Prepared by: Verdie Bowen, Director — Phone: (907)428-6061
Division: Veterans Services, Department of Military and Veterans Affairs — Date/Time: 1/24/11 11:30 AM
Approved by: McHugh Pierre, Deputy Commissioner — Date: 1/24/2011
Department of Military and Veterans Affairs

(Revised 12/29/2010 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. SB 33

Analysis

There is no fiscal impact.

10 USC § 1481. Recovery, care, and disposition of remains: decedents covered

(a) The Secretary concerned may provide for the recovery, care, and disposition of the remains of the following persons:

(1) Any Regular of an armed force under his jurisdiction who dies while on active duty.

(2) A member of a reserve component of an armed force who dies while—

(A) on active duty;

(B) performing inactive-duty training;

(C) performing authorized travel directly to or from active duty or inactive-duty training;

(D) remaining overnight immediately before the commencement of inactive-duty training, or remaining overnight, between successive periods of inactive-duty training, at or in the vicinity of the site of the inactive-duty training;

(E) hospitalized or undergoing treatment for an injury, illness, or disease incurred or aggravated while on active duty or performing inactive-duty training; or

(F) either—

(i) serving on funeral honors duty under section 12503 of this title or section 115 of title 32;

(ii) traveling directly to or from the place at which the member is to so serve; or

(iii) remaining overnight at or in the vicinity of that place before so serving, if the place is outside reasonable commuting distance from the member's residence.

[(3) Repealed. Pub. L. 99–661, div. A, title VI, § 604(e)(3)(B), Nov. 14, 1986, 100 Stat. 3877.]

(4) Any member of, or applicant for membership in, a reserve officers' training corps who dies while

(A) attending a training camp,

(B) on an authorized practice cruise,

(C) performing authorized travel to or from such a camp or cruise, or

(D) hospitalized or undergoing treatment at the expense of the United States for injury incurred, or disease contracted, while attending such a camp, while on such a cruise, or while performing that travel.

(5) Any accepted applicant for enlistment in an armed force under his jurisdiction.

(6) Any person who has been discharged from an enlistment in an armed force under his jurisdiction while a patient in a United States hospital, and who continues to be such a patient until the date of his death.

(7) A person who—

(A) dies as a retired member of an armed force under the Secretary's jurisdiction during a continuous hospitalization of the member as a patient in a United States hospital that began while the member was on active duty for a period of more than 30 days; or

(B) is not covered by subparagraph (A) and, while in a retired status by reason of eligibility to retire under chapter 61 of this title, dies during a continuous hospitalization of the person that began while the person was on active duty as a Regular of an armed force under the Secretary's jurisdiction.

(8) Any military prisoner who dies while in his custody.

Chapter 904 - Anchorage, Alaska
"An Agenda of Service"

January 24, 2011

Senator Wielechowski
Prime Sponsor
SB33

Senator,

Just wanted to send you a note in support of SB33 and HB27 which you have shown leadership on.

We work with the Alaska Veterans Foundation, Inc. and our local hospitals to ensure that no veteran dies alone. It happens.

Although your bill will not directly address this challenge it does make it clear the process we in Alaska will follow when faced with the remains of a service member and/or in some cases veteran with no next of kin available.

Unfortunately this is a growing problem due to the number of our citizens who are estranged from their immediate family.

Again, thanks for being there in support of our military and veterans.

It is an honor,

Ric Davidge
President, VVA 904

Vietnam Veterans of America Alaska Chapter 904
3705 Arctic Blvd. #415, Anchorage, Alaska 99503 Web Site: www.VVA904.org
Ric Davidge, President (907) 222-6927 Cell 907 29 5328 Fax (907) 222-6933 Email: ricdavidge.ak@gci.net

ALASKA VETERANS FOUNDATION

January 21, 2011

Senator Bill Wielechowski
Chairman
Senate Affairs Committee

REF: SB 33

One of the most frustrating and difficult problems we often face as the state's only statewide Veterans Foundation (501c3) representing about 80,000 veterans and their families, is when a veteran or service member dies or is killed in action and we can not find their family.

This happens more then you would think. It's really part of our culture now that many elderly veterans, as a result of divorce or estrangement, die without an ability to notify their next of kin. Just in December of last year we had a two tour Marine, Vietnam Veteran die at home alone and our best efforts and those of the US Department of Veterans Affairs as well as the Department of Defense were unable to find his ex-wife nor his son so that they could be involved in his internment at our National Cemetery.

We strongly support this bill, introduced by you on behalf of our active duty, guard, and reserves that makes it clear that the State of Alaska is in line with most other states in a process that provides for the disposition of service members remains.

We hope this bill becomes law this session, so that this year we can have a process recognized by the State to address this tragedy.

Paul Sheehan
Executive Director

3705 Arctic Blvd #415, Anchorage, AK 99503 907 222 6945 fax 907 222 6933
Ricdavidge.ak@gci.net

Chapter 904 - Anchorage, Alaska
"An Agenda of Service"

January 24, 2011

Senator Wielechowski
Prime Sponsor
SB33

Senator,

Just wanted to send you a note in support of SB33 and HB27 which you have shown leadership on.

We work with the Alaska Veterans Foundation, Inc. and our local hospitals to ensure that no veteran dies alone. It happens.

Although your bill will not directly address this challenge it does make it clear the process we in Alaska will follow when faced with the remains of a service member and/or in some cases veteran with no next of kin available.

Unfortunately this is a growing problem due to the number of our citizens who are estranged from their immediate family.

Again, thanks for being there in support of our military and veterans.

It is an honor,

Ric Davidge
President, VVA 904

Vietnam Veterans of America Alaska Chapter 904
3705 Arctic Blvd, #415, Anchorage, Alaska 99503 Web Site: www.VVA904.org
Ric Davidge, President (907) 222-6927 Cell 907 29 5328 Fax (907) 222-6933 Email: ricdavidge.ak@gci.net

ALASKA VETERANS FOUNDATION

January 21, 2011

Senator Bill Wielechowski
Chairman
Senate Affairs Committee

REF: SB 33

One of the most frustrating and difficult problems we often face as the state's only statewide Veterans Foundation (501c3) representing about 80,000 veterans and their families, is when a veteran or service member dies or is killed in action and we can not find their family.

This happens more then you would think. It's really part of our culture now that many elderly veterans, as a result of divorce or estrangement, die without an ability to notify their next of kin. Just in December of last year we had a two tour Marine, Vietnam Veteran die at home alone and our best efforts and those of the US Department of Veterans Affairs as well as the Department of Defense were unable to find his ex-wife nor his son so that they could be involved in his internment at our National Cemetery.

We strongly support this bill, introduced by you on behalf of our active duty, guard, and reserves that makes it clear that the State of Alaska is in line with most other states in a process that provides for the disposition of service members remains.

We hope this bill becomes law this session, so that this year we can have a process recognized by the State to address this tragedy.

Paul Sheehan
Executive Director

3705 Arctic Blvd #415, Anchorage, AK 99503 907 222 6945 fax 907 222 6933
Ricdavidge.ak@gci.net

10 USC § 1481. Recovery, care, and disposition of remains: decedents covered

(a) The Secretary concerned may provide for the recovery, care, and disposition of the remains of the following persons:

(1) Any Regular of an armed force under his jurisdiction who dies while on active duty.

(2) A member of a reserve component of an armed force who dies while—

(A) on active duty;

(B) performing inactive-duty training;

(C) performing authorized travel directly to or from active duty or inactive-duty training;

(D) remaining overnight immediately before the commencement of inactive-duty training, or remaining overnight, between successive periods of inactive-duty training, at or in the vicinity of the site of the inactive-duty training;

(E) hospitalized or undergoing treatment for an injury, illness, or disease incurred or aggravated while on active duty or performing inactive-duty training; or

(F) either—

(i) serving on funeral honors duty under section 12503 of this title or section 115 of title 32;

(ii) traveling directly to or from the place at which the member is to so serve; or

(iii) remaining overnight at or in the vicinity of that place before so serving, if the place is outside reasonable commuting distance from the member's residence.

[(3) Repealed. Pub. L. 99–661, div. A, title VI, § 604(e)(3)(B), Nov. 14, 1986, 100 Stat. 3877.]

(4) Any member of, or applicant for membership in, a reserve officers' training corps who dies while

(A) attending a training camp,

(B) on an authorized practice cruise,

(C) performing authorized travel to or from such a camp or cruise, or

(D) hospitalized or undergoing treatment at the expense of the United States for injury incurred, or disease contracted, while attending such a camp, while on such a cruise, or while performing that travel.

(5) Any accepted applicant for enlistment in an armed force under his jurisdiction.

(6) Any person who has been discharged from an enlistment in an armed force under his jurisdiction while a patient in a United States hospital, and who continues to be such a patient until the date of his death.

(7) A person who—

(A) dies as a retired member of an armed force under the Secretary's jurisdiction during a continuous hospitalization of the member as a patient in a United States hospital that began while the member was on active duty for a period of more than 30 days; or

(B) is not covered by subparagraph (A) and, while in a retired status by reason of eligibility to retire under chapter 61 of this title, dies during a continuous hospitalization of the person that began while the person was on active duty as a Regular of an armed force under the Secretary's jurisdiction.

(8) Any military prisoner who dies while in his custody.

SB

36

<TARGET><BILL>SB 36</BILL><SUBJECT>SB
36</SUBJECT><COMM>SSTA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

SENATOR JOE THOMAS

Sponsor Statement

Senate Bill 36

"An Act relating to an opt-out charitable giving program offered by an electric or telephone cooperative"

Senate Bill 36 gives statutory authority for electric and telephone cooperatives to offer an opt-out charitable giving program to their members, when the program has been approved by a majority of the membership. More than 250 electric cooperatives across the U.S. have implemented similar successful programs.

Senate Bill 36 allows the cooperative's members the opportunity to participate in a charitable giving program that will round their monthly bill to the next whole dollar amount, not to exceed 99 cents a month.

Under SB 36, the participating cooperative would clearly have to identify on each monthly billing statement the amount voluntarily added to a member's bill, after rounding to the next whole dollar, and provide instruction on how to opt out of the program, should a member so choose.

The monies collected under SB 36 may only be used for charitable donations and members are given the opportunity to claim a full refund of all amounts they paid under the program for at least the three preceding years.

Based on the collective generosity of cooperative members, charitable donations will add up quickly. Funds will then be disbursed back into the community to benefit qualified organizations and help neighbors in need.

I urge you to join me in supporting this important charitable giving program.

January – May: State Capitol – Juneau, Alaska 99801 – (907) 465-2327 – 1 (800) 336-7383 – Fax (907) 465-5241
June – December: 1292 Sadler Way Ste 203 – Fairbanks, Alaska 99701 – (907) 456-8161 – Fax (907) 456-8163
Senator.Joe.Thomas@legis.state.ak.us

ALASKA STATE LEGISLATURE

SENATOR JOE THOMAS

Sectional Analysis

Senate Bill 36

"An Act relating to an opt-out charitable giving program offered by an electric or telephone cooperative"

Section 1: AS 10.25.010(a) Authorizes and electric or telephone cooperative to offer an charitable giving program.

Section 2: AS10.25.237 Adds a new section to statute that describes the framework and requirements for the cooperative charitable giving program.

Section 3: AS 45.45.930 Clarifies that the this charitable giving program does not conflict with AS 45.45.930.

January – May: State Capitol – Juneau, Alaska 99801 – (907) 465-2327 – 1 (800) 336-7383 – Fax (907) 465-5241
June – December: 1292 Sadler Way Ste 203 – Fairbanks, Alaska 99701 – (907) 456-8161 – Fax (907) 456-8163
Senator.Joe.Thomas@legis.state.ak.us

GVEA | 758 Illinois St. | Fairbanks, AK 99701 | (907) 452-1151

Good¢ents
building a stronger community

Good¢ents at a Glance

January 2011

About the program

Good¢ents, in the sense that it is a round up program, is not new. More than 250 electric cooperatives across the U.S. have implemented similar programs. And they have been wildly successful.

In 2010, GVEA's Member Advisory Committee suggested the co-op initiate a round-up program. The board of directors agreed it would benefit the cooperative and an amendment to the Bylaws allowing such a program was sent out for membership vote in the 2010 elections. This is how it was worded on the ballot:

> **GVEA Bylaw, Section 8. Utility Bill Round-up Program**
> **The Cooperative may establish a program to permit members to round up their bills to the nearest dollar. The monies collected shall be used for charitable purposes in the Cooperative's service area. Members may be automatically included in this program, but may voluntarily choose not to participate in the program by request to the Cooperative.**
>
> Discussion: … "This Section allows GVEA to form a fund to assist community organizations, but members may voluntarily choose not to participate. More than 250 electric co-ops have Operation Round Up programs. Approval of this amendment would make GVEA the first in Alaska with such a community-oriented program."

More than 70 percent of the membership that cast a ballot voted in favor of a round up program.

How the program will work

Good¢ents will round up a monthly electric bill to the next highest dollar. For example, a bill of $97.65 will round up to $98.00 with the additional 35 cents going to the Good¢ents fund. The small change, about 50 cents per bill per month, will add up quickly. The funds will be dispersed to qualified organizations and individuals in need on a quarterly basis by the Good¢ents Board of Trustees. The goal of the program is to help build a stronger community.

RCA Approval

In October, the RCA approved GVEA's amended tariff sheets for Good¢ents. At the same time, they cautioned us that Good¢ents may be in conflict with Alaska Statute 45.45.930, dealing with Opt-out Marketing Plans. Shortly thereafter, we received a letter from Senior Assistant Attorney General, Ed Sniffen, expressing the same concern.

GVEA had two options, hold fast to our attorney's written opinion that Good¢ents was not in conflict with AS 45.45.930, or pursue a legislative fix. We decided the best course of action was a legislative solution.

After meeting with Assistant AG Ed Sniffen and Senator Meyer's chief of staff, Josh Applebee about the situation, both agreed to support our efforts in a legislative solution.

Where we are now

Legislation has been introduced into the 27th Legislative session to formally authorize electric and telephone cooperatives to offer opt-out charitable giving programs. Senate Bill 36 was introduced by Senator Joe Thomas (D), Fairbanks and was referred to the State Affairs and Judiciary Committees.

SB 36 includes two provisions. The first to Alaska Statute 10.25.237, were it provides authorization for telephone or electric cooperatives to offer an opt-out charitable giving program. The second is an amendment to AS 45.45.930, which provides clarification that AS 45.45.930 does not apply to telephone or electric cooperative opt-out charitable giving programs.

http://www.gvea.com/goodcents/

Good¢ents Start Date: March 1, 2011

(earliest anticipated start date)

GVEA President and CEO Brian Newton answers two common questions.

You have good questions about the Good¢ents program. Here are a couple of the most frequently asked questions answered:

What is Good¢ents?
It's a program that rounds up a monthly electric bill to the next highest dollar. For example, a monthly bill of $97.65 would be rounded up to $98.00, with the additional 35 cents going to the Good¢ents fund. This small change, about 50 cents per month, will raise thousands of dollars every year that will go to building a stronger community.

Who chose to implement this round-up program?
In the spring of 2010, all GVEA members were mailed Bylaw election ballots. The addition of a round-up program, or Good¢ents, was one of the ballot initiatives members were asked to vote on. More than 70 percent voted in favor of a round up program.

Why should I participate?
Good¢ents is an inexpensive and easy way to give back to your community. The average member will give $6 per year; that's a mere 50 cents per month.

If I have multiple accounts, will they all be rounded up?
Yes. Every GVEA account will be rounded up to the nearest whole dollar. If you would prefer only certain accounts participate, please contact us.

Are my contributions tax deductible? Come tax time, how will I know how much I contributed over the year?
Yes, these contributions can be considered tax deductible, charitable donations. On your bills during first quarter of each year, we will include a line indicating how much you contributed over the previous year.

Who can apply for funds?
Non-profit groups and individuals/families in need in our service territory are welcome to apply. Groups based outside of our service territory are also welcome to apply if their works affect those in our service territory.

Why is GVEA automatically enrolling everyone in the program and requiring us to opt-out, rather than asking members to join?
Golden Valley's Member Advisory Committee and Board of Directors debated the notion of automatically enrolling all members versus voluntary enrollment. Research among the more than 250 cooperatives nationwide participating in similar programs showed we would have much better involvement if we chose the former. It's not because people don't want to participate, it's because most people simply wouldn't take the initiative to contact us to sign up.
The program is voluntary in the sense that a member can choose not to participate at any time.

What do I do if I don't want to participate in Good¢ents?
If you choose not to participate, all you have to do is call GVEA at (907) 458-4522 or email goodcents@gvea.com.
In addition, if anytime in the first three years you decide you want your money back, let us know and we'll refund the entire amount you've contributed.

Members as of Dec. 31, 2009	Electric Cooperatives
7,639	Alaska Village Electric Cooperative, Inc. AVEC
1,823	Barrow Utilities & Electric Cooperative, Inc. BUECI
81,047	Chugach Electric Association, Inc. CHUGACH
2,966	Copper Valley Electric Association, Inc. CVEA
1,498	Cordova Electric Cooperative, Inc. CEC
43,547	Golden Valley Electric Association, Inc. GVEA
28,648	Homer Electric Association, Inc. HEA
305	Inn Electric Cooperative, Inc. INNEC
1,284	Inside Passage Electric Cooperative, Inc. IPEC
3,991	Kodiak Electric Association, Inc. KEA
1,289	Kotzebue Electric Association KOTZ
70	Levelock Electric Cooperative
55,567	Matanuska Electric Association, Inc. MEA
190	Middle Kuskokwim Electric Cooperative MKEC
1,113	Naknek Electric Association, Inc. NEA
1,456	Nushagak Cooperative, Inc. NC
108	Tanalian Electric Cooperative TEC
351	Unalakleet Valley Electric Cooperative UVEC
232,892	

209,603	90% Participation Rate (members)
$ 104,801	Avg donation of $.50 per month
$ 1,257,617	Annual amount raised if all electric cooperatives adopted an opt-out charitable giving program

CORDOVA
ELECTRIC
COOPERATIVE, INC
P.O. Box 20, 705 Second Street, Cordova, Alaska 99574-0020 * (907) 424-5555 * Fax (907) 424-5527

February 4, 2011

Alaska State House of Representatives
House Labor and Commerce Committee
Representative Kurt Olsen, Chair

RE: House Bill 114, Opt-out Charitable Giving by Cooperatives

Dear Sirs,

Cordova Electric Cooperative supports adoption of HB 114. One of the core tenants of the Cooperative model is that of democratic membership control. As a private, non-profit corporation solely owned by the rate-paying members of the Cooperative, the members are financially vested as equity owners. Members of a Cooperative have the freedom to adopt charitable giving programs to benefit the sustainable development of their communities either by a direct vote to amend their bylaws, or by a vote of their elected board of directors to adopt a policy. The Laws of the State of Alaska should not intervene.

In the opt-out charitable giving programs, the members are free to participate or decline thus retaining their freedom of choice in the matter. I strongly encourage you to recommend this bill for adoption, recognizing that it allows Cooperatives the freedom to exercise their democratic membership control to adopt either opt-in or opt-out charitable giving programs should they choose to engage in charitable giving programs within their communities.

Sincerely,

Clay R. Koplin
CEO
Cordova Electric Cooperative

Homer Electric Association, Inc.

Corporate Office
3977 Lake Street
Homer, Alaska 99603-7680
Phone (907) 235-8551
FAX (907) 235-3313

Central Peninsula Service Center
280 Airport Way
Kenai, Alaska 99611-5280
Phone (907) 283-5831
FAX (907) 283-7122

February 4, 2011

House Labor and Commerce Committee
Representative Kurt Olson, Chair
Capitol Building, Room 24
Juneau, Alaska 99801

Dear Chair Olson, Vice-Chair Johnson and members of the House Labor and Commerce Committee:

I would like to go on record in support of an amendment to House Bill 114 that would add language to the Electric and Telephone Cooperative Act (Act) allowing electric cooperatives to finance the purchase of weatherization and energy efficiency products and services. Currently, the Act only allows cooperatives to finance the purchase of electrical and plumbing appliances, fixtures and apparatus.

Homer Electric Association, Inc. (HEA) has a Line of Credit program that offers financing to its members for the purchase of products covered under the Act. While this is a popular program, many of our members have inquired about using the Line of Credit program to purchase materials and products that would improve the energy efficiency of their home or business. Unfortunately, due to the limitations specified in the Act, HEA is unable to offer any assistance in the purchase of these types of products.

Homer Electric has worked very hard over the past several years to provide its members with information that will help lower their energy usage and manage their electric bill. Along with regular newsletter articles, web site information and media advertisements, HEA has sponsored Energy and Conservation Fairs to promote energy efficiency products and services. The fairs have attracted nearly 1,000 HEA members annually over the past two years.

As we continue to promote conservation, it makes sense to have energy efficiency and weatherization products included in the Line of Credit program.

We believe that HB 114 is an excellent bill and the proposed amendment will be a valuable addition to this legislation. Thank you for considering our request.

Sincerely,

Bradley P. Janorschke
General Manager

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **SB 36**
() Publish Date

Identifier (file name) SB036-CCED-DED-02-24-11
Title Opt-Out Charitable Giving Program
Sponsor Senator Thomas
Requester Senate State Affairs

Dept. Affected DCCED
Appropriation Economic Development
Allocation Economic Development
OMB Component Number 801

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial Version

Prepared by Crystal Koeneman, Special Assistant
Division Commissioner's Office
Approved by Susan K. Bell, Commissioner
Commerce, Community and Economic Development

Phone 465-2503
Date/Time 2/26/11 4:00PM
Date 2/26/2011

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. SB 36

Analysis

Senate Bill 36 gives statutory authority for electric and telephone cooperatives to offer an opt-out charitable giving program to their members, when the program has been approved by a majority of the membership. The agency does not predict a fiscal impact as a result of the proposed legislation. Accordingly, the agency submits a zero fiscal note.

27-LS0342\B
Kane
3/2/11

CS FOR SENATE BILL NO. 36(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATOR THOMAS

A BILL

FOR AN ACT ENTITLED

"An Act relating to an opt-out charitable giving program offered by an electric or telephone cooperative; and allowing for an electric cooperative to assist persons in acquiring and installing weatherization and energy efficiency products and services."

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

* **Section 1.** AS 10.25.010(a) is amended to read:

(a) Except as provided in (b) of this section, an electric or telephone cooperative may

(1) sue and be sued in its corporate name;

(2) have perpetual existence;

(3) adopt a corporate seal and alter it;

(4) construct, buy, lease, or otherwise acquire, and equip, maintain, and operate, and sell, assign, convey, lease, mortgage, pledge, or otherwise dispose of or encumber lands, buildings, structures, electric or telephone lines or systems, dams, plants and equipment, and any other real or personal property, tangible or intangible,

that is necessary, convenient, or appropriate to accomplish the purpose for which the cooperative is organized;

(5) buy, lease, or otherwise acquire, and use, and exercise and sell, assign, convey, mortgage, pledge or otherwise dispose of or encumber franchises, rights, privileges, licenses, and easements;

(6) borrow money and otherwise contract indebtedness, and issue evidences of indebtedness, and secure the payment of the indebtedness by mortgage, pledge, or deed of trust of, or any other encumbrance upon its real or personal property, assets, franchises, or revenues;

(7) construct, maintain, and operate electric transmission and distribution lines, or telephone lines along, upon, under and across publicly owned lands and public thoroughfares, including, without limitation, all roads, highways, streets, alleys, bridges, and causeways;

(8) exercise the power of eminent domain;

(9) become a member of other cooperatives or corporations or own stock in them;

(10) conduct its business and exercise its powers inside or outside the state;

(11) adopt, amend, and repeal bylaws;

(12) make all contracts necessary, convenient, or appropriate for the full exercise of its powers;

(13) make donations for the public welfare or for charitable, scientific, or educational purposes;

(14) **offer an opt-out charitable giving program as described in AS 10.25.237;**

(15) do and perform any other act and thing, and have and exercise any other power that may be necessary, convenient, or appropriate to accomplish the purpose for which the cooperative is organized.

*** Sec. 2.** AS 10.25.020 is amended to read:

Sec. 10.25.020. Powers of electric cooperative. An electric cooperative may

(1) generate, manufacture, purchase, acquire, accumulate, and transmit

electric energy, and distribute, sell, supply, and dispose of electric energy to its members, to governmental agencies and political subdivisions, and to other persons not exceeding 10 percent of the number of its members; however, a cooperative that acquires existing electric facilities may continue service to persons, not in excess of 40 percent of the number of its members, who are already receiving service from these facilities without requiring them to become members, and these persons may become members upon the terms as may be prescribed in the bylaws;

(2) assist persons to whom electric energy is or will be supplied by the cooperative in wiring their premises and in acquiring and installing electrical and plumbing appliances, equipment, fixtures, and apparatus**, and weatherization and energy efficiency products and services** by financing them, and, in connection with these services, wire or have wired the premises, and buy, acquire, lease, sell, distribute, install, and repair electric and plumbing appliances, equipment, fixtures, and apparatus**, and weatherization and energy efficiency products and services**;

(3) assist persons to whom electric energy is or will be supplied by the cooperative in constructing, equipping, maintaining, and operating electric cold storage or processing plants by financing them or otherwise;

(4) operate a waste heat distribution system;

(5) operate a heating distribution system that was in existence on June 9, 1988;

(6) provide sewer, water, or gas utility service if the cooperative has received a certificate of convenience and necessity under AS 42.05.221 - 42.05.281 from the former Alaska Public Utilities Commission or the Regulatory Commission of Alaska for each type of service provided;

(7) provide direct satellite television programming services; in this paragraph, "direct satellite television programming services" means a video broadcast signal that is received directly from a satellite by an end user.

* **Sec. 3.** AS 10.25 is amended by adding a new section to article 1 to read:

Sec. 10.25.237. Electric or telephone cooperative opt-out charitable giving program. (a) Notwithstanding AS 45.45.930 and if approved by the membership of the cooperative in accordance with this chapter, an electric or telephone cooperative

may offer its members an opportunity to participate in an opt-out charitable giving program that rounds the monthly bill of a member to the next whole dollar amount but does not exceed 99 cents a month.

(b) To qualify as an allowable opt-out charitable giving program under this section, the cooperative shall

(1) clearly identify on each monthly billing statement the amount added after rounding to the next whole dollar amount and provide instructions on each monthly billing statement explaining how to opt out of the program in person at the cooperative, in writing, by telephone, or by using the Internet;

(2) include a notation on each monthly billing statement informing the member that the amount rounded to the next whole dollar is a voluntary contribution by the member;

(3) use the program's proceeds only for the public welfare or charitable, scientific, or educational purposes but not for any political purpose or for the pecuniary profit of any individual or organization; in this paragraph, a charitable purpose includes the relief of poverty, distress, or other condition of public concern in the state; and

(4) allow a member the opportunity to claim a full refund of all amounts paid by the member under the program for at least the three preceding years.

*** Sec. 4.** AS 45.45.930 is amended by adding a new subsection to read:

(f) This section does not apply to an opt-out charitable giving program offered by an electric or telephone cooperative under AS 10.25.237.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: **SB 36**
() Publish Date

Identifier (file name) SB036-CCED-DED-02-24-11
Title: Opt-Out Charitable Giving Program
Sponsor: Senator Thomas
Requester: Senate State Affairs

Dept. Affected: DCCED
Appropriation: Economic Development
Allocation: Economic Development
OMB Component Number: 801

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial Version

Prepared by: Crystal Koeneman, Special Assistant — Phone: 465-2503
Division: Commissioner's Office — Date/Time: 2/26/11 4:00PM
Approved by: Susan K. Bell, Commissioner — Date: 2/26/2011
Commerce, Community and Economic Development

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** SB 36
2011 LEGISLATIVE SESSION

Analysis

Senate Bill 36 gives statutory authority for electric and telephone cooperatives to offer an opt-out charitable giving program to their members, when the program has been approved by a majority of the membership. The agency does not predict a fiscal impact as a result of the proposed legislation. Accordingly, the agency submits a zero fiscal note.

From Senator Thomas

Proposed amendment:

(b) To qualify as an allowable opt-out charitable giving program under this section, the cooperative shall

(1) clearly identify on each monthly billing statement the amount added after rounding to the next whole dollar amount and provide instructions on each monthly billing statement explaining how to opt out of the program in person at the cooperative, in writing, by telephone, or by using the Internet;

(2) include a notation on each monthly billing statement informing the member that the amount rounded to the next whole dollar is a voluntary contribution by the member;

(3) use the program's proceeds only for [THE RELIEF OF POVERTY, DISTRESS, OR OTHER CONDITIONS OF GENERAL PUBLIC CONCERN BUT NOT FOR RELIGIOUS ORGANIZATIONS, POLITICAL ORGANIZATIONS, ORGANIZED LABOR UNIONS, OR OTHER LABOR ORGANIZATIONS, OR FOR ANY POLITICAL PURPOSE; AND] **the public welfare or charitable, scientific, or educational purposes. For the purposes of this section, a charitable purpose is the relief of poverty, distress, or other condition of public concern in the state. Notwithstanding the above, proceeds shall not be used for any political purpose or for the pecuniary profit of any individual or organization.**

(4) allow a member the opportunity to claim a full refund of all amounts paid by the member under the program for at least the three preceding years.

one or 2 yrs.

Grier Hopkins

From: Jane Pierson
Sent: Wednesday, February 23, 2011 10:40 AM
To: Grier Hopkins
Subject: FW: HB 114 amendment
Attachments: Proposed amendment.doc

Grier,

FYI. Attached is an amendment that will be offered in HJUD for HB114.

Jane

From: Sniffen, Clyde E (LAW) [mailto:ed.sniffen@alaska.gov]
Sent: Tuesday, February 22, 2011 4:50 PM
To: Jane Pierson
Subject: HB 114 amendment

Hi Jane. I'm attaching a proposed amendment to HB 114 to address the concerns that were discussed in House L&C about the definition of "charitable purpose." I had a chance to dig into this a little, and also collaborated with our charities guru, and the attached is what we think will do the best job. Here's a little of our research and reasoning:

It seems clear that the intent is for cooperatives to be able to distribute funds for charitable purposes, but not necessarily strictly to charitable organizations or 501(c)(3)s. Round-up programs in other states have grant programs that don't require funds to go strictly to 501(c)(3) organizations. If you were to limit distributions to charities, you might cut out other community organizations like public schools. I think the definition is not as important as the purpose of the actual giving. If it benefits the public, it is probably charitable. What is not charitable is benefiting the private interests of the members, specific individuals or groups—generally organizations should have conflict of interest policies to prevent that.

AS 10.25.010(a)(13) gives telephone and electric cooperatives the power to distribute funds for the "public welfare or for charitable, scientific, or educational purposes." So, the proposed amendment fits with that, and is consistent with the definition used by Alaska's gaming and the charitable solicitations acts.

The definition of a charity—whether it is found in charitable trust law, the internal revenue code/IRS regulations, state charitable solicitations laws, or Alaska Supreme Court decisions, is very broad. The Alaska Supreme Court has defined "other conditions of general public concern" to encompass a "vast array of possible programs and allows proceeds to be used for a broad range of uses, including 'political, educational, civic, public, charitable, patriotic, or religious uses'" *Roberts v. State Department of Revenue*, 162 P.3d 1214, 1222. There are two other AK supreme court cases that also define "charity" broadly—*Matanuska-Susitna Borough v. King's Lake Camp* and *Fairbanks North Star Borough v. Dena Nena Henash* that apply the "common law" definition of charity which they define as a "gift to the general public use" or "what is done out of good will and a desire to add to the improvement of the moral, mental, and physical welfare of the public generally." The Third Restatement of Trusts (which the Alaska Supreme Court relies on in defining "general public concern") states that charitable trust purposes include the relief of poverty, advancement of

knowledge or education, advancement of religion, promotion of health, governmental or municipal purposes, and other purposes that are beneficial to the community.

It is really going to be up to the cooperatives to organize the programs and set parameters on how they want to distribute the funds. If a cooperative was collecting funds claiming they were for a charitable purpose, but not actually using the funds for a charitable purpose, that would fall within the Attorney General's authority to enforce a charitable trust in addition to violating the Charitable Solicitations Act and Consumer Protection Act.

There may also be a constitutional equal protection issue with excluding religious and labor organizations. If they are similarly situated to other charities, the only reason they are being excluded is because they have some religious or labor affiliation. For example, the Salvation Army is a religious organization and Catholic Social Services is the social service arm of the Archdiocese of Anchorage. Providence Hospital and the Brother Francis Shelter in Anchorage may also be religious organizations. Churches and religious organizations are usually 501(c)(3) organizations. And some smaller communities may rely on religious organizations to do charitable work like providing soup kitchens, taking care of disaster victims, etc. The committee may be inadvertently be cutting out a number of charities with religious affiliations. It sounds like the reason the committee wants to exclude them is because Tanana Valley said religious organizations are excluded under their bylaws. Other cooperatives may not have that type of exclusion. If the issue of who to exclude should be something for the cooperatives to decide for themselves, then include in their bylaws (or the bylaws of the related organization they form to handle the grants).

I don't think there is a problem with excluding political campaigns. 501(c)(3) organizations are prohibited from giving money to political campaigns.

I hope this helps! Let me know if you have any questions. Feel free to share with the Judiciary Committee.

Clyde "Ed" Sniffen, Jr.
Senior Assistant Attorney General
Commercial and Fair Business Section
Alaska Department of Law
1031 W. 4th Ave. # 200
Anchorage, AK 99501
(907) 269-5200
(907) 276-8554 (fax)

SB 39

<TARGET><BILL>SB 39</BILL><SUBJECT>SB 39</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/19/11

FURTHER: Judiciary
Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 2-10-11

State Affairs Committee considered SENATE BILL NO. 39

SB 39-U.S. PRESIDENTIAL ELECTION COMPACT

"An Act ratifying an interstate compact to elect the President and Vice-President of the United States by national popular vote; and making related changes to statutes applicable to the selection by voters of electors for candidates for President and Vice- President of the United States and to the duties of those electors."

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Joe Paskvan	PASKVAN	X			
K. Meyer	Meyer			X	
D. Giessel	Giessel			X	
CHAIR:	Wielechowski			✓	

Senator Hollis French

Capitol Room 417
465-3892
465-6595 fax

MEMORANDUM

Date: 1/27/2011

To: Senator Bill Wielechowski
Senate State Affairs Committee

From: Senator Hollis French HSF

RE: Hearing Request for SB 39 – U.S. Presidential Election Compact

---

This is a request that you schedule a hearing for SB 39 – U.S. Presidential Election Compact - at the earliest possible time. For the committee's use, I have attached a copy of the bill, a sponsor statement, a one page summary of the legislation, some news articles on the topic, Alaska specific poll data and a partial list of people who will be present to testify. No audio/visual equipment will be necessary for a bill hearing. A sectional analysis is forthcoming.

If you have any questions, please contact Andy Moderow in my office at 907-465-4923.

Senator Hollis French

Sponsor Statement

SB 39 – U.S. Presidential Election Compact

If there is one bedrock rule in elections it is this: the person with the most votes is the winner. This legislation would guarantee the Presidency to the candidate who receives the most votes in the United States.

The concept of 'the person with the most votes wins' is simple, but it hasn't always worked out that way in our Presidential elections.

In 1876 Samuel Tilden received 254,000 more votes that Rutherford Hayes; however, Hayes won the Electoral College tally by one vote by having won a number of states by very small margins. In 1888 Grover Cleveland led in the popular vote over Benjamin Harrison, 48.6 percent to 47.8 percent, but Harrison won the Electoral College by a 233-168 margin, largely by virtue of his 1 percent win in Cleveland's home state of New York. In 2000 Al Gore won the popular vote by just over 500,000 votes but lost in the Electoral College to George Bush 266-271. In 2004 a shift of only 60,000 votes in Ohio from George Bush to John Kerry would have resulted in Kerry winning the Electoral College despite losing the popular vote by over 3 million votes.

SB 39 corrects this defect in our Presidential elections not by doing away with the Electoral College but by modifying how each state's electoral votes are cast. Currently the state's Electoral College votes are cast 100% in favor of the popular vote winner in the state. The bill would have Alaska join a compact made up of states that have pledged to cast their electoral votes in favor of the national popular vote winner. The compact would not go into effect until enough states have joined to put a majority of the Electoral College votes in the compact.

The choice of how to allocate our vote within the Electoral College was given to us by Article II, Section I of the US Constitution. The founding fathers of our country left the decision on how to select electors up to each individual state legislature. The US Supreme Court has written that "the appointment and mode of appointment of electors belong exclusively to the states under the constitution of the United States." *McPherson v. Blacker*, 146 U.S. 1 at 29 (1892).

Many believe that the current system causes candidates to focus on swing states, and swing state issues, instead of approaching the country as a whole. It is beyond dispute that under the current system candidates spend their campaign funds on just a few states. Here's an example of how this plays out in Alaska. During the final 40 days of the 2008 election, 99% of all media expenditures were made in 17 states. Alaska, needless to say, was not one of them.

In a close presidential election that decides our country's future, all states should be swing states. Every vote should count, and should be sought by every candidate. This bill will promote truly national presidential campaigns, and it will ensure that the person sent to occupy the most powerful office in the world is the one who got the most votes in the election.

SENATE BILL NO. 39

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY SENATOR FRENCH

Introduced: 1/19/11
Referred: State Affairs, Judiciary, Finance

A BILL

FOR AN ACT ENTITLED

"An Act ratifying an interstate compact to elect the President and Vice-President of the United States by national popular vote; and making related changes to statutes applicable to the selection by voters of electors for candidates for President and Vice-President of the United States and to the duties of those electors."

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

*** Section 1.** AS 15.30 is amended by adding new sections to read:

Article 1A. Agreement Among the States to Elect the President by National Popular Vote.

Sec. 15.30.095. Agreement Among the States to Elect the President by National Popular Vote. The Agreement Among the States to Elect the President by National Popular Vote contained in this section is enacted into law and entered into on behalf of the State of Alaska with other states joining in it in a form substantially as set out in this section.

ARTICLE I. MEMBERSHIP

Any state of the United States and the District of Columbia may become a member of this agreement by enacting this agreement.

ARTICLE II. RIGHT OF THE PEOPLE IN MEMBER STATES TO VOTE FOR PRESIDENT AND VICE-PRESIDENT

Each member state shall conduct a statewide popular election for President and Vice-President of the United States.

ARTICLE III. MANNER OF APPOINTING PRESIDENTIAL ELECTORS IN MEMBER STATES

Before the time set by law for the meeting and voting by the presidential electors, the chief election official of each member state shall determine the number of votes for each presidential slate in each state of the United States and in the District of Columbia in which votes have been cast in a statewide popular election and shall add those votes together to produce a "national popular vote total" for each presidential slate.

The chief election official of each member state shall designate the presidential slate with the largest national popular vote total as the "national popular vote winner."

The presidential elector certifying official of each member state shall certify the appointment in that official's own state of the elector slate nominated in that state in association with the national popular vote winner.

At least six days before the day fixed by law for the meeting and voting by the presidential electors, each member state shall make a final determination of the number of popular votes cast in the state for each presidential slate and shall communicate an official statement of that determination within 24 hours to the chief election official of each other member state.

The chief election official of each member state shall treat as conclusive an official statement containing the number of popular votes in a state for each presidential slate by the day established by federal law for making a state's final determination conclusive as to the counting of electoral votes by Congress.

In event of a tie for the national popular vote winner, the presidential elector certifying official of each member state shall certify the appointment of the elector slate nominated in association with the presidential slate receiving the largest number

of popular votes within that official's own state.

If, for any reason, the number of presidential electors nominated in a member state in association with the national popular vote winner is less than or greater than that state's number of electoral votes, the presidential candidate on the presidential slate that has been designated as the national popular vote winner shall have the power to nominate the presidential electors for that state and that state's presidential elector certifying official shall certify the appointment of such nominees.

The chief election official of each member state shall immediately release to the public all vote counts or statements of votes as they are determined or obtained.

This article shall govern the appointment of presidential electors in each member state in any year in which this agreement is, on July 20, in effect in states cumulatively possessing a majority of the electoral votes.

ARTICLE IV. OTHER PROVISIONS

This agreement takes effect when states cumulatively possessing a majority of the electoral votes have enacted this agreement in substantially the same form and the enactments by those states have taken effect in each state.

Any member state may withdraw from this agreement, except that a withdrawal occurring six months or less before the end of a President's term shall not become effective until a President or Vice-President shall have been qualified to serve the next term.

The chief executive of each member state shall promptly notify the chief executive of all other states of when this agreement has been enacted and has taken effect in that official's state, when the state has withdrawn from this agreement, and when this agreement takes effect generally.

This agreement shall terminate if the electoral college is abolished.

If any provision of this agreement is held invalid, the remaining provisions shall not be affected.

ARTICLE V. DEFINITIONS

(A) "Chief election official" means the state official or body authorized to certify the total number of popular votes for each presidential slate.

(B) "Chief executive" means the Governor of a State of the United States or the Mayor of the District of Columbia.

(C) "Elector slate" means a slate of candidates who have been nominated in a state for the position of presidential elector in association with a presidential slate.

(D) "Presidential elector" means an elector for President and Vice-President of the United States.

(E) "Presidential elector certifying official" means the state official or body that is authorized to certify the appointment of the state's presidential electors.

(F) "Presidential slate" means a slate of two persons, the first of whom has been nominated as a candidate for President of the United States and the second of whom has been nominated as a candidate for Vice-President of the United States, or any legal successors to those persons, regardless of whether both names appear on the ballot presented to the voters in a particular state.

(G) "State" means a state of the United States and the District of Columbia.

(H) "Statewide popular election" means a general election in which votes are cast for presidential slates by individual voters and counted on a statewide basis.

Sec. 15.30.098. Implementation of agreement. In AS 15.30.095, "chief election officer" means the director of the division or other person appointed under this title to serve as the chief election official of the state.

*** Sec. 2.** AS 15.30.060 is amended to read:

Sec. 15.30.060. Notification of electors. **Except as provided in (b) of this section, when** [WHEN] the results of the election of presidential electors have been determined, the director shall send a certificate of election to each elector and shall notify the electors of the time and place of their meeting and of their duties as electors.

*** Sec. 3.** AS 15.30.060 is amended by adding a new subsection to read:

(b) Whenever the provisions of art. III of the Agreement Among the States to

Elect the President by National Popular Vote as set out in AS 15.30.095 relating to certification of the appointment of the elector slate nominated in that state in association with the national popular vote winner of a presidential election apply to determine the election of presidential electors, this subsection applies and the provisions of (a) of this section do not apply. If this subsection applies, notwithstanding AS 15.15.450, mandating that the director provide a certificate of election to the candidate receiving the largest number of votes, the director shall send a certificate of election to each elector determined under AS 15.30.095 and shall notify the electors of the time and place of their meeting and their duties as electors.

*** Sec. 4.** AS 15.30.090 is amended to read:

Sec. 15.30.090. Duties of electors. **Except as provided in (b) of this section, after** [AFTER] any vacancies have been filled, the electors shall proceed to cast their votes for the candidates for the **offices** [OFFICE] of President and Vice-President of the party that selected them as candidates for electors, or for the candidates for the **offices** [OFFICE] of President and Vice-President under AS 15.30.026 if the electors were named under AS 15.30.026, and shall perform the duties of electors as required by the constitution and laws of the United States. The director shall provide administrative services and the Department of Law shall provide legal services necessary for the electors to perform their duties.

*** Sec. 5.** AS 15.30.090 is amended by adding a new subsection to read:

(b) Whenever the provisions of art. III of the Agreement Among the States to Elect the President by National Popular Vote as set out in AS 15.30.095 relating to certification of the appointment of the elector slate nominated in that state in association with the national popular vote winner of a presidential election apply and determine the election of presidential electors, this subsection applies and the provisions of (a) of this section do not apply. If this subsection applies, after any vacancies have been filled, the electors shall proceed to cast their votes for the candidates for the offices of President and Vice-President of the party as provided in AS 15.30.095, and shall perform the duties of electors as required by the constitution and laws of the United States. The director shall provide administrative services and the Department of Law shall provide legal services necessary for the electors to

perform their duties.

National Popular Election of the President

National Popular Vote!

www.NationalPopularVote.com

March 9, 2010

"Agreement Among the States to Elect the President by National Popular Vote"

The National Popular Vote bill would guarantee the Presidency to the candidate who receives the most popular votes in all 50 states (and the District of Columbia).

The bill has passed 29 legislative chambers in 19 states (AR, CA, CO, CT, DE, HI, IL, ME, MD, MA, MI, NV, NJ, NM, NC, OR, RI, VT, WA) and been endorsed by 1,825 state legislators.

The bill has been enacted by state legislatures representing 61 electoral votes — 23% of the 270 necessary to activate the law (Hawaii, Illinois, Maryland, New Jersey, and Washington).

The shortcomings of the current system stem from the winner-take-all rule (i.e., awarding all of a state's electoral votes to the candidate who receives the most popular votes in each state).

Because of the winner-take-all rule, a candidate can win the Presidency without winning the most popular votes nationwide. This has occurred in 4 of the nation's 56 presidential elections (and 1 in 7 of the non-landslide elections). A shift of fewer than 60,000 votes in Ohio in 2004 would have defeated President Bush despite his nationwide lead of 3,500,000 votes.

Another shortcoming of the winner-take-all rule is that presidential candidates have no reason to poll, visit, advertise, or organize in states where they are comfortably ahead or hopelessly behind. In 2008, candidates concentrated over two-thirds of their campaign visits and ad money in just six closely divided "battleground" states. A total of 98% went to just 15 states. In other words, voters in two thirds of the states were essentially spectators to the election.

The U.S. Constitution gives the states exclusive and plenary control over the manner of awarding their electoral votes. The winner-take-all rule is not in the Constitution. It was not the Founder's choice and was used by only 3 states in the nation's first presidential election in 1789. Maine and Nebraska currently award electoral votes by congressional district — a reminder that an amendment to the U.S. Constitution is not required to change the way the President is elected.

Under the National Popular Vote bill, all the electoral votes from the enacting states would be awarded, as a bloc, to the presidential candidate who receives the most popular votes in all 50 states (and DC). The bill would take effect only when enacted by states possessing a majority of the electoral votes — that is, enough electoral votes to elect a President (270 of 538). The bill would replace the current state-by-state system of awarding electoral votes with a system based on winning the most individual votes in all 50 states (and DC).

The bill has been endorsed by the *New York Times*, *Chicago Sun-Times*, *Minneapolis Star-Tribune*, *Los Angeles Times*, *Boston Globe*, *Sacramento Bee*, Common Cause, and Fair Vote.

State polls show strong support for a national popular vote (AK–70%, AR–80%, CA–70%, CO–68%, CT–74%, DC–76%, DE–75%, ID–77%, IA–75%, KY–80%, ME–77%, MA–73%, MI–73%, MS–77%, MO–70%, NH–69%, NE–74%, NV–72%, NM–76%, NY–79%, NC–74%, OH–70%, OK–81%, PA–78%, RI–74%, SD–75%, UT–70%, VT–75%, VA–74%, WA–77%, WI–71%, and WV–81%). Support is strong in every partisan and demographic group.

The National Advisory Board of National Popular Vote includes former congressmen John Anderson (R–Illinois and later independent presidential candidate), John Buchanan (R–Alabama), Tom Campbell (R–California), and Tom Downey (D–New York) and former Senators Birch Bayh (D–Indiana), David Durenberger (R–Minnesota), and Jake Garn (R–Utah).

Additional information is available in our book *Every Vote Equal: A State-Based Plan for Electing the President by National Popular Vote* and at `www.NationalPopularVote.com`.

In summary, the National Popular Vote bill will guarantee that every voter in every state will be politically relevant in every presidential election and that every vote will be equal.

The New York Times

Drop Out of the College

New York Times Editorial
March 14, 2006

The Electoral College is an antidemocratic relic. Everyone who remembers 2000 knows that it can lead to the election of the candidate who loses the popular vote as president. But the Electoral College's other serious flaws are perhaps even more debilitating for a democracy. It focuses presidential elections on just a handful of battleground states, and pushes the rest of the nation's voters to the sidelines.

There is an innovative new proposal for states to take the lead in undoing the Electoral College. Legislatures across the country should get behind it.

Both parties should have reason to fear the college's perverse effects. In 2000, the Democrats lost out. But in 2004, a shift of 60,000 votes in Ohio would have elected John Kerry, even though he lost the national popular vote decisively.

Just as serious is the way the Electoral College distorts presidential campaigns. Candidates have no incentive to campaign in, or address the concerns of, states that reliably vote for a particular party. In recent years, the battleground in presidential elections has shrunk drastically. In 1960, 24 states, with 327 electoral votes, were battleground states, according to estimates by National Popular Vote, the bipartisan coalition making the new proposal. In 2004, only 13 states, with 159 electoral votes, were. As a result, campaigns and national priorities are stacked in favor of a few strategic states. Ethanol fuel, a pet issue of Iowa farmers, is discussed a lot. But issues of equal concern to states like Alabama, California, New York and Indiana are not.

The Electoral College discourages turnout because voters in two-thirds of the nation know well before Election Day who will win their states. It also discriminates among voters by weighing presidential votes unequally. A Wyoming voter has about four times as much impact on selecting that state's electors as a California voter does on selecting that state's.

The answer to all of these problems is direct election of the president. Past attempts to abolish the Electoral College by amending the Constitution have run into difficulty. But National Popular Vote, which includes several former members of Congress, is offering an ingenious solution that would not require a constitutional amendment. It proposes that states commit to casting their electoral votes for the winner of the national popular vote. These promises would become binding only when states representing a majority of the Electoral College signed on. Then any candidate who won the popular vote would be sure to win the White House.

The coalition is starting out by trying to have laws passed in Illinois and a few other states. Americans are rightly cautious about tinkering with mechanisms established by the Constitution. But throughout the nation's history, there have been a series of reforms affecting how elections are conducted, like the ones that gave blacks and women the vote and provided for the direct election of United States senators. Sidestepping the Electoral College would be in this worthy tradition of making American democracy more democratic.

The Fayetteville Observer

Our View: Electoral vote change would be good for the state and its people

The Fayette Observer Editorial
May 16, 2007

Four times since the framers met in Philadelphia in 1787, the presidency has gone to the candidate on the losing end of the popular vote. The republic still stands.

That's hardly a compelling argument for leaving things as they are. The Electoral College less than perfectly reflects the will of the people, and the threat of the "faithless elector" who tips an election the way his partisan bias dictates is real, if remote. Both threats would vanish if the election automatically went to the candidate for whom most registered voters pulled the lever.

This is the point at which the conversation normally would turn to amending the federal Constitution to abolish the Electoral College. But the state Senate has just passed a bill that would achieve a comparable effect by simple statute.

The bill provides that, if enough states join in to command a majority in the Electoral College, all of North Carolina's electoral votes will be awarded to the winner of the popular vote — not the statewide winner, but the one who wins nationwide. More than 40 states are already looking at substantially the same bill.

If it works as planned, the problem goes away, with no violence done to the Constitution.

Something else happens, too. North Carolina will less often find itself in political obscurity when the nation chooses its top leader.

During the 2000 election, one analyst noted that the candidates were focusing most of their time and effort on 11 swing states. Ironically, only three of those had more electoral votes than North Carolina, which was not one of the 11. If candidates understand that they have a real shot at our 15 electoral votes right up until the polls close on that fateful Tuesday in November, we are unlikely to be shrugged off or taken for granted again.

The arguments against it are no stronger than those for retaining the Electoral College in all its supreme majesty: (1) it's different; and (2) it means that North Carolina could end up giving its 15 votes to someone not favored by the majority of Tar Heel voters. The first argument lacks heft. The second would make perfect sense, but only if one could ignore the fact that presidential elections are held to enable individual Americans to put someone in the White House, not merely to express each state's collective pique or pleasure.

This is worth a try — for the sake of simplicity and fairness, and in the interest of raising our state's political profile.

Public Policy Polling

Alaska Survey Results

Q1 How do you think we should elect the President: should it be the candidate who gets the most votes in all 50 states, or the current electoral college system? If you think it should be the candidate who gets the most votes in all 50 states, press 1. If you think it should be the current electoral college system, press 2.

Candidate who gets the most votes in all 50 states	70%	*Current electoral college system*	30%

Q2 If you are a woman, press 1, if a man, press 2.

Women	54%	*Men*	46%

Q3 If you are a Democrat, press 1. If a Republican, press 2. If nonpartisan, press 3. If Alaskan Independent Party, press 4. If Republican Moderate Party, press 5. If Green Party, press 6. If other, press 7.

Democrat	18%
Republican	33%
Nonpartisan	44%
Alaskan Independent Party	1%
Other	4%

Q4 If you are white, press 1. If black, press 2. If Alaska native, press 3. If Asian, press 4. If other, press 5.

White	80%	*Asian*	1%
Black	4%	*Other*	10%
Alaska Native	5%		

Q5 If you are 18 to 29 years old, press 1 now. If you are 30 to 45, press 2. If you are 46 to 65, press 3. If older than 65, press 4.

18-29	9%	*46-65*	41%
30-45	34%	*Older than 65*	15%

Q6 Are you or is someone in your household a member of a labor union? If yes, press 1. If no, press 2.

Yes	28%
No	72%

January 27-28, 2010
Survey of 800 Alaska voters

3020 Highwoods Blvd.
Raleigh, NC 27604
information@publicpolicypolling.com / 888 621-6988

Senator Hollis French

Capitol Room 417
465-3892
465-6595 fax

MEMORANDUM

Date: 1/27/2011

To: Senator Bill Wielechowski
Senate State Affairs Committee

From: Senator Hollis French

RE: Partial List of Witnesses – SB 39 – US Presidential Election Compact

---

For a bill hearing on Senate Bill 39, the following individuals have expressed an interest in testifying:

- Laura Brod- former State Representative from Minnesota
- Derrick Kitts- former State Representative from Oregon
- Dr. John Koza - author of "Every Vote Equal: A State-Based Plan for Electing the President by National Popular Vote"

I will contact your office if additional witnesses approach our office and wish to testify.

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 January 27, 2011

SUBJECT: Sectional summary of SB 39 (Work Order No. 27-LS0372/A)

TO: Senator Hollis French
Attn: Andy Moderow

FROM: Alpheus Bullard
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Ratifies an interstate compact to elect the President and Vice-President of the United States by national popular vote. Under the compact (and the bill), the presidential candidate who receives the most popular votes in all 50 states and the District of Columbia will win the presidency. Under the compact, all of the state's electoral votes would be awarded to the presidential candidate who receives the most popular votes in all 50 states and the District of Columbia. This compact would take effect only when enacted by states possessing a majority of the electoral votes, that is, enough electoral votes to elect a President, which is 270 of 538 electoral votes.

Sections 2 - 5. Conform statutes to the changes made by section one of the bill.

TLAB:ljw
11-051.ljw

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **SB39**
() Publish Date

Identifier (file name) SB039OOG-DOE-1-29-11
Title "An Act ratifying an interstate compact to elect the President and Vice President of the United States by national popular.."
Sponsor Senator French
Requester Senate State Affairs Committee

Dept. Affected OOG
Appropriation Elections
Allocation Elections
OMB Component Number 21

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by Gail Fenumiai, Director
Division Division of Elections
Approved by Linda Perez, Administrative Director
Office of the Governor

Phone 465-2644
Date/Time 1/29/2011, 4:41pm
Date 1/29/2011

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** SB39
2011 LEGISLATIVE SESSION

Analysis

This legislation has no fiscal impact for the Division of Elections.

THE STATE OF ALASKA
SENATE STATE AFFAIRS COMMITTEE

SB 39: An Act ratifying an interstate compact to elect the President and Vice-President of the United States by national popular vote
February 2011

Submitted By: Tara Ross
Author of *Enlightened Democracy: The Case for the Electoral College*

Overview

I urge you to vote against SB 39. It would create many new, logistical problems for our presidential election process. It would also essentially eliminate the Electoral College, an institution that protects less densely populated states such as Alaska and is critical to the success of our republican democracy.

Problems Created by SB 39. The National Popular Vote plan proposed by SB 39 contains many hidden problems. NPV awards the presidency to the winner of any plurality—even a very small one. Alaska could be required to cast its electoral votes for a candidate who did not qualify for the ballot in Alaska. Recounts would be controlled by 51 different standards (50 states plus D.C.), rather than one national standard. Chaos, litigation, and confusion would result. Some voters would be disenfranchised because their votes would be counted in different ways, depending on their state of residence.

Applying the Electoral College Today. The Electoral College provides many benefits that still serve Americans:

- *The Benefits of Federalism.* Presidential candidates must build national coalitions of voters. Historically speaking, the candidate who builds the broadest coalition will win. Thus, presidents are good representatives for all Americans; they do not merely represent one region, state, or special interest group.
- *Moderation and Compromise.* The Electoral College encourages Americans to work together, across state lines. A direct election system, by contrast, would result in multi-party presidential races, a fractured electorate, increasingly extremist third-party candidates, and constant recounts.
- *Stability and Certainty in Elections.* The Electoral College typically produces quick and undisputed outcomes. Any problems are isolated to one or a handful of states. Fraud is minimized because it is hard to predict where stolen votes will matter.

Conclusion. We must not allow the Electoral College to be eliminated through legislation such as SB 39. This important aspect of our Constitution continues to protect our freedom, just as it did when it was created in 1787.

THE SENATE OF THE STATE OF ALASKA
COMMITTEE ON GOVERNMENT OPERATIONS

SB 39: An Act Relating to the Agreement Among the States to Elect the President by National Popular Vote
February 2011

Submitted By: Tara Ross
Author of *Enlightened Democracy: The Case for the Electoral College*

Full Testimony

The bill before you, SB 39, represents the latest attempt to eliminate America's unique and successful presidential system. Abolishing the Electoral College would be unhealthy for the country and especially detrimental to less densely populated states such as Alaska. But eliminating the Electoral College through this roundabout manner, without going through a formal constitutional amendment process, carries its own special dangers.

Proponents claim the National Popular Vote plan outlined in SB 39 will ensure that all voters receive equal attention because each vote will be weighted equally. But the truth is the precise opposite. NPV will lessen the need of presidential candidates to obtain the support of voters in rural areas and in states such as Alaska.

Problems Created by NPV

The plan proposed by NPV is fraught with difficulties—some logistical, some philosophical. I will discuss these latter issues—arguments "for" and "against" the Electoral College—in a moment. But the logistical difficulties of changing the presidential election process without a constitutional amendment need to be fully explored.

The current presidential election process blends federalist and democratic principles. America holds 51 completely separate, purely democratic elections each presidential election year (one in each state, plus D.C.). Local election laws impact the manner in which each of these elections is held, but any differences among states' election codes don't matter. The unique laws of any particular state impact only voters within that state. The country holds 51 completely separate elections, and it achieves 51 different sets of results. Each state's single goal is to select a slate of electors that will represent it in the later, national election among the states. NPV would change this. America would still hold 51 separate elections, but NPV would attempt to derive one single result from these 51 elections. Suddenly, internal variances among states' processes—previously irrelevant—would matter a great deal. Seeking change through a constitutional amendment would avoid these problems. An amendment would help establish one set of national laws to govern one national election. Instead, consider just a few of the logistical problems that could occur with NPV in place:

First, note that NPV can't force states that have rejected NPV to participate in a run-off. Thus, it gives the presidency to the candidate winning *any* plurality, even a very small one. **NPV is not looking for a majority winner. It is not even looking for a minimum plurality.** As a practical and logistical matter, it can't. Thus, a candidate could win with only 15 or 20 percent of votes nationwide. But it gets worse. Under this scheme, Alaska could be forced to award its entire slate of electors to a candidate who was not on its own ballot. Imagine, for instance, that Ron Paul qualifies for the ballot in Texas and obtains a winning plurality solely from Texas voters. Paul did not bother to qualify for the ballot in a place like Alaska. Voters in that state did not have the chance to vote for—or against—him. Yet Alaska would *still* be forced to award its entire slate of electors to the choice of Texas voters. Alaska probably did not nominate a slate of electors for Paul because he was not on its ballot. NPV's compact offers a solution, but it is doubtful that voters in Alaska will like it. Paul would be entitled to personally appoint the three electors who will represent Alaska in the Electoral College vote. In all likelihood, he would select Texans to represent Alaska in the presidential election so that he would not be undermined by a "faithless" elector who was determined to vote for the choice of Alaska's voters.

There are other inconsistencies among states' ballots that would skew the election results. Some states allow felons to vote. Some states do not. States differ in their requirements for ballot qualification. Inevitably, Alaska would have to abide by national election results derived from policies with which it disagrees.

I wish I were done, but I am not. It gets even worse. States have different criteria for what does (or does not) trigger recounts within their borders. These differences could cause a whole host of problems. What if the national total is close—close enough to warrant a recount—but a recount can't be conducted because the margins in individual states were not close? Or perhaps recounts are conducted, but only in two or three states, each with a different idea of how to count a hanging chad. Perhaps a fourth state would see what is going on and choose to conduct a recount that its statutes previously deemed optional. Maybe this fourth state has a different definition of "hanging chad," and its sole goal is to counteract the efforts of the other states.

Such a state of affairs invites chaos, litigation, and confusion each and every election year. Some voters will be disenfranchised by the widely differing ideas of how to count a vote. What if such problems caused one state to pull out of the compact in violation of its terms? How would compliance be enforced? How much litigation would ensue before the presidential election could be resolved?

Formally eliminating the Electoral College through a constitutional amendment would be unhealthy for the country. But NPV's efforts to skirt the constitutional amendment process altogether would create added difficulties. These logistical nightmares could haunt the country each and every presidential election year.

The Benefits of the Electoral College

I do not mean to imply that the only problem with NPV is its logistical difficulties. Eliminating the Electoral College would do serious harm to a country as diverse as our own. The system provides our country with many great benefits that tend to remain unnoticed and thus unappreciated by most Americans.

The history of the Electoral College must be understood if its benefits are to be appreciated. The Founders sought to reconcile two seemingly irreconcilable goals: They wanted the people to govern themselves, but they also wanted to protect minority interests. A pure democracy would not accomplish this objective because it allows 51 percent of the people to rule the other 49 percent—all the time, without exception. If America were a pure democracy, imagine what could happen in the wake of an event like 9/11. A bare majority could enact any law it desired, even if that law were tyrannical, racist, or penalized some for their religious beliefs. The Founders thus did not create a pure democracy. Instead, their Constitution tempers its democratic aspects with republican and federalist characteristics. Safeguards such as the Senate (one state, one vote representation), supermajority requirements to amend the Constitution, and the Electoral College allow the majority to rule, but only while it acts reasonably. Minority political interests are protected.

The Electoral College provides three benefits that still protect Americans today.

The Benefits of Federalism

Electoral College opponents argue that presidential elections are undemocratic. They are wrong. America holds 51 purely democratic elections each presidential election year (each state, plus D.C.). Such a process combines democracy and federalism into one process. The result is that candidates can't win without nationwide support. Obama can't rely solely on big cities in California. Republicans can't rely solely on Texas. They must win simultaneous, concurrent majorities nationwide. They can't achieve those victories unless they reach out to a wide variety of voters. They will fail if they rely upon isolated pockets of support in one region or among voters in one special interest group.

Many dispute that our system creates national coalition-building, arguing that it instead causes a disproportionate focus on mid-sized "swing" states. These arguments appear true if we focus on one or a handful of election years in isolation. But if we look at the states' full histories of voting, we see that the identity of "swing" and "safe" states changes all the time. California is often viewed as irreversibly Democrat, but it voted for Republican candidate George H.W. Bush as recently as 1988. Texas used to be as undeniably Democrat as it is Republican today. States such as Georgia, Kentucky, and Louisiana all voted for Bill Clinton in the 1990s, but they were considered very safe Republican states in 2008.

Ultimately, the Electoral College ensures that the political parties must reach out to all the states. As a matter of history, no political party has ever been able to ignore any state for too long without feeling the ramifications at the polls.

Moderation and Compromise

The most likely consequence of a change to a direct popular vote is the breakdown of the two-party system. Today, third-party candidates do not receive much support. In a direct popular election, everything changes. A vote for Ross Perot or Ralph Nader is no longer "wasted," and the number of presidential candidates would increase. Voters would fracture their votes across many candidates. The result will be lower vote totals per candidate and an increased likelihood that two or more candidates will have close popular vote totals. Recounts would proliferate. Worse, extremist candidates could more easily sway an election, because no candidate is required to obtain majority support.

NPV proponents argue that the President should have the support of most Americans. But in real life, "most" Americans will never agree on their ideal candidate. Individuals' opinions differ too greatly. Given the general inability to obtain majority consensus (or even the consensus of a large plurality), the Electoral College provides the country with the next best alternative. Electing Presidents by states' electoral votes, rather than individuals' votes, creates a method of electing a President who is a good compromise candidate for most Americans, as represented by their states. The Electoral College requires moderation, compromise, and coalition-building from any candidate before he can be successful.

Stability and Certainty in Elections.

The Electoral College encourages stability and certainty in our political system. Events such as those that occurred in 2000 are rare. The Electoral College typically produces quick and undisputed election outcomes for two reasons: First, the system (along with the winner-take-all rule) tends to magnify the margin of victory, giving the victor a certain and demonstrable election outcome. Such certainty can't be provided by a direct popular election. Popular votes are often close, and these close votes can result in constant litigation and recounts. Second, the system controls the impact of fraud and error. In part, this is because it is difficult to predict where stolen votes will make a difference to the national outcome. But if one person can identify a problematic state (think Ohio in 2004), then, in all likelihood, everyone knows and that area is closely watched. It becomes harder to steal votes. To the degree that fraud and errors do occur, the Electoral College makes it possible to isolate the problem to one or a handful of states. The country is given a clear set of problems to resolve one way or another before moving on to a definitive election outcome.

Conclusion

The Electoral College is an important safeguard in our constitutional system of checks and balances, and it is critical to the success of our nation's republican democracy. I urge you to protect the Electoral College by voting "no" on SB 39.

JUNEAU CHAMBER OF COMMERCE

3100 Channel Drive, Suite 300 • Juneau AK 99801• (907) 463-3488 • Fax (907) 463-3489
E-mail: iuneauchamber@gci.net • icc@alaska.com • Web site: http://www.iuneauchamber.com

Board Members

Tim McLeod, *President*
AEL&P
Bob Martin, *Past Pres.*
Goldbelt
Sheldon Winters, *Pres. Elect*
Lessmeier & Winters
Chuck Collins
Key Bank
Neil MacKinnon, *Treasurer*
Alaska Laundry
Sharon Burns, *Secretary*
ABC Stations
Jeremy Hansen
Hansen Gress
Dick Knapp
Petro Marine
Max Mertz
Elgee Rehfeld Mertz
Lance Stevens
Alaska USA FCU.
Nathan McCowan
Sealaska
Karen Hansen
Wings of Alaska
Murray Walsh
Walsh Consulting
Kelly Shattuck
Shattuck & Grummett
Wade Bryson
Subway of Juneau

Benefactor Members
ACS
Allen Marine
Exxon Mobil
Juneau Empire
GCI Communications
Juneau Radio Center
Sealaska

Platinum Members
AEL&P
Alaska Litho
Alaska Marine Lines
Alaska Pacific Bank
Alaska USA FCU
Alaskan Brewing Company
Bartlett Regional Hospital
BP Alaska
CBJ (Manager's Office)
Capital Office Supply
Coeur Alaska, Inc.
Coogan Construction
Copy Express
Elgee Rehfeld & Mertz
Exxon Mobil
First National Bank of Alaska
Hecla Greens Creek Mining
Goldbelt, Inc.
Huna Totem
Shattuck & Grummett
Taku Oil
True North FCU
UAS
Wells Fargo Bank of Alaska
Wostmann and Associates

February 8, 2011

Alaska State Legislature
Senator Gary Stevens
State Capitol Room 111
Juneau AK, 99801

RE:SB18

Dear Senator Stevens,

It is my pleasure to tell you what a great job your aide Tim Lamkin did last week at chamber lunch presenting information on SB18 extending the second session of the Legislature back to 120 days.

I have represented the Juneau Chamber of Commerce as well as served on the Marine Transportation Advisory Board for the past 6 years. I have had the honor of visiting many legislators during this time regarding issues important to my community as well as all other communities served by the Alaska Marine Highway.

Before the legislative sessions were shortened to 90 days I could call on not only my delegation but legislators from around the state and felt confident that they would have time to hear what I had to say.

Since the change from 120 to 90 days I seldom go directly to any of my legislators during session. If I do I must be prepared to chase them down the hall or if I get lucky I might get 5 minutes of their time. Legislators and their staff seem to be racing from one meeting to the next. I can only imagine how difficult this must be for folks traveling to Juneau to see their legislators especially when I know legislators want to spend time with their constituents.

In conclusion, we whole heartedly support SB18 and hope that at least one year of each session is extended to 120 days. The ideal would be to revert back to 120 days every year.

Thank you so much for your service to the State of Alaska.

Respectfully,

Cathie Roemmich, CEO
Juneau Chamber of Commerce

SB

50

<TARGET><BILL>SB 50</BILL><SUBJECT>SB
50</SUBJECT><COMM>SSTA27</COMM></TARGET>

ALASKA STATE SENATE

SENATOR FRED DYSON

Date: January 26, 2011

To: Senator Bill Wielechowski
Senate State Affairs Committee

From: Senator Fred Dyson

Re: Committee Hearing Request for SB 50

I respectfully request a committee hearing be scheduled for SB 50, "An Act relating to the powers and duties of the legislative audit division."

Contact: Chuck Kopp, Staff to Senator Dyson, (907)465-2199

During Session (January - May): Alaska State Capitol • Juneau, Alaska 99801 • (800) 342-2199 • (907) 465-2199 • (907) 465-4587 (fax)
During Interim (June-December): 10928 Eagle River Road, Suite 238 • Eagle River, Alaska 99577 • (907) 694-6683 • (907) 694-1015 (fax)
senator.fred.dyson@legis.state.ak.us • www.akrepublicans.org

SENATOR FRED DYSON

SPONSOR STATEMENT

SB 50

An Act relating to the powers and duties of the legislative audit division

This bill clarifies that the Division of Legislative Audit, under the direction of the Legislative Budget and Audit Committee, may audit not only state agencies, but also non-state entities who are recipients of grants and funds that are either provided by the state or funneled through the state. The audits are intended to ensure that the appropriate, ethical, and intended expenditures of grants and funds are in accordance with the purposes for which those funds were provided. Without this clarification there is some question about whether Legislative Audit has this authority.

The Legislature has, in the past, requested Legislative Audit to conduct audits as a result of allegations that non-profit organizations were disbursing grant funds inappropriately, such as "steering grants" to family members, or that grantees failed to follow state policy.

As state law is not clear in this area, the Division of Legislative Audit has expressed concerns regarding the authority to conduct such audits, particularly of non-state organizations that receive or utilize state funds or public funds that are administered by state departments.

Legislative Legal Services issued a memorandum opinion on December 18, 2007, and again on January 22, 2010 that if the Division of Legislative Audit is to be able to perform audits of private organizations receiving money from or through the state, the powers and duties of Legislative Audit, as identified in AS 24.20.271, should be amended to clearly state this authority.

Passage of SB 50 will make it clear that the Division of Legislative Audit, at the direction of the Legislative Budget and Audit Committee, has the authority to audit private organizations receiving money from or through the state.

Contact: Chuck Kopp, Staff to Senator Dyson (907)465-6580

During Session (January - May): Alaska State Capitol • Juneau, Alaska 99801 • (800) 342-2199 • (907) 465-2199 • (907) 465-4587 (fax)
During Interim (June-December): 10928 Eagle River Road, Suite 238 • Eagle River, Alaska 99577 • (907) 694-6683 • (907) 694-1015 (fax)
senator.fred.dyson@legis.state.ak.us • www.akrepublicans.org

LEGAL SERVICES

COPY

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 December 18, 2007

SUBJECT: Authority of the Legislative Audit Division to audit persons, other than state agencies, who receive money from the state (Work Order No. 25-LS1259\A)

TO: Senator Fred Dyson

FROM: Theresa Bannister
Legislative Counsel

This memo accompanies a bill addressing the subject described above.

1. AS 24.20.271, the section that describes the powers and duties of the legislative audit division (LAD), is generally limited to state entities, including boards and commissions, and custodians of public funds and disbursing officers of the state.[1] However, AS 24.20.271(8) authorizes LAD to "complete studies and prepare reports, memoranda, or other materials as directed by the Legislative Budget and Audit Committee" (LB&A).

Under AS 24.20.281, a member of the legislature may "request that LB&A direct a special audit of any state agency or determine the propriety of any expenditure of state funds received by any political subdivision or other entity obtaining state funds." It is possible that "other entity" could be interpreted to cover private entities. Whether determining the propriety of the expenditure of state funds received by the entity would be interpreted to cover audits is not clear. Although "determining the propriety" appears to be an alternative to "special audit" in the sentence, the conclusion of the section appears to identify the legislator's request for either purpose with an "audit."

AS 24.20.201(a)(4) authorizes LB&A to review the expenditure of state funds. AS 24.20.201(a)(7) authorizes LB&A to prepare reports. It is possible that one of these could be broadly interpreted to cover private audits, but it is not a solid basis for the authority.

I recommend that, if you want LAD to be able to perform audits of private organizations receiving money from the state, you amend AS 24.20.271 (or AS 24.20.281) to clearly

---

[1] I would interpret "custodians" to include private persons who receive money from the state, because the term suggests a holder of money rather than a user (recipient) of money.

state that. Therefore, I have prepared a bill to authorize LAD to perform these additional audits.

2. Coverage of private audits. Your request mentioned "organizations." Do individuals ever receive money that you might want to have audited?

If I may be of further assistance, please advise.

TLB:ljw
07-421.ljw

Enclosure

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 January 22, 2010

SUBJECT: Authority of the Legislative Audit Division to audit non-governmental entities (CSSB 78(STA), Work Order No. 26-LS0194\P)

TO: Senator Fred Dyson

FROM: Jack Chenoweth
Assistant Revisor

Question Presented

Chuck Kopp of your office staff asked legislative research what authority the Legislative Audit Division has, at the direction of the Budget and Audit Committee, to conduct audits of non-governmental agencies, such as non-profit organizations, that receive state funds. Legislative research asked us to respond. I understand that you specifically would like to know whether Senate Bill 78 needs to pass in order to allow Legislative Audit to perform these types of audits.

Answer

It is more probable than not that an amendment based on or similar to the content of Senate Bill 78 is required before the auditor could investigate nongovernmental agencies. I reach this conclusion principally on the basis of a 1982 Opinion of the Attorney General, 1982 Op. (Inf.) May 20, 1982, the reasoning of which reads, in relevant part:

> The Office of Legislative Auditor is established by article IX, section 14, of the Alaska Constitution. Under section 14, the auditor has the power to conduct post-audits as prescribed by law. The Alaska Constitution has been implemented by the legislature by the enactment of AS 24.20.201. Under that section, the legislative budget and audit committee is established by law to supervise the work of the legislative auditor. The powers of that interim committee are specifically enumerated in AS 24.20.201(a)(1) - (12). The purpose of your proposed investigation apparently is to review the contracting practices of the Department of Natural Resources in regard to the sale of state royalty oil. Under AS 24.20.201(a)(6), the legislative budget and audit committee may make recommendations concerning appropriations, their expenditure and the fiscal policies and procedures of state government to the governor when appropriate and to the legislature. Unless it can be determined that the

> investigation concerns the "fiscal policies and procedures of state government," then it is our opinion that the legislative budget and audit committee has no power to conduct an investigation of this nature. . . .
>
> The legislative auditor has historically been used to carry out the post-audit function. However, under AS 24.20.271 the legislative audit division, under the direction of the legislative auditor, has the power to carry out the audit function assigned to the legislative auditor. Under AS 24.20.271(8), the audit division "shall complete studies and prepare reports, memoranda or other materials as directed by the legislative budget and audit committee." Under AS 24.20.271(6), the legislative audit division has access at all times to the books, accounts, reports or other records, whether confidential or not, of every state agency. In addition, the legislative audit division has the authority necessary to audit banks to verify a deposit of state money with a bank. [Currently authorized by AS 24.20.271(7).] No other provision of section 271 authorizes the division to obtain the books and papers of an entity which is not a state agency.
>
> . . . .

The opinion concludes that, while the power is clearly one that the legislature may grant, it did not then (and arguably still does not now) exist, and would need to be explicitly authorized before it could be exercised. I assume also that legal counsel for a private entity that would choose to resist an audit could find and would cite the reasoning of the 1982 opinion to avoid examination by state auditors.

While a credible argument could be offered that sufficient authority already exists in the current statutes, notably under existing AS 24.20.281,[1] to conduct these post-audits, given that the constitutional provision directs that audits may be conducted "as provided by

---

[1] AS 24.20.281 provides:

> **Special audit.** A member of the legislature may, in writing and with at least six days notice, request that the budget and audit committee direct a special audit of any state agency or determine the propriety of any expenditure of state funds received by any political subdivision or other entity obtaining state funds. Should a majority of the committee vote to approve the request, the legislative audit division shall make the audit.

This section did exist at the time of the 1982 opinion but is not cited or relied upon in it.

law," this office, too, has in the past recommended that the legislature amend AS 24.20.271,[2] to provide a statement of authority to exercise that authority, at least comparable to the authority prescribed to audit banks.

JBC:plm
10-027.plm

Enclosures

[2] *See* memo from Theresa Bannister dated December 18, 2007, relating to Work Order 25-LS1259\A, SB 213 from the 25th Legislature, which became the basis of SB 78 and CSSB 78(STA) in the current legislature. Copies of these materials are enclosed, along with a December 2, 2008, memo outlining some of the potential constitutional and legal issues that could arise.

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 January 25, 2011

SUBJECT: Bill relating to the powers of the Legislative Audit Division (SB 50 - Work Order No. 27-LS0401\A)

TO: Senator Fred Dyson
Attn: Chuck Kopp

FROM: Doug Gardner
Director

This memo pertains to the bill described above, sent to you under separate cover.

1. Right to privacy. Please be aware that the new paragraph at AS 24.20.271(11) may raise a federal or state constitutional right to privacy issue if an audit under that paragraph covers information where there is a legitimate expectation of privacy. Alaska's guarantee of privacy is broader than the federal constitution's.[1] This state applies a three-part test to determine whether a person's privacy rights have been violated:[2]

> (1) whether a party seeking protection has a legitimate expectation that materials or information will not be disclosed; (2) whether disclosure is nonetheless required to serve a compelling state interest; and (3) if so, whether disclosure will occur in the least-intrusive manner with respect to the right of privacy.

The record confidentiality provisions of AS 24.20.301 require the agency to keep the information confidential and may be sufficient to cure the privacy issue. However, this may not be sufficient if the records include medical, school, children's, or other sensitive records.

To avoid the privacy issue when the new language is applied, you could limit the audit to financial records connected with the state money and to information that has had the personal indicators removed.

---

[1] See Myers v. Alaska Psychiatric Institute, 138 P.3d 238, 245 (Alaska 2006), quoting Anchorage Police Dep't. Employees Ass'n. v. Anchorage, 537 P.2d 494, 514 - 15 (Alaska 2001).

[2] Lawson v. Lawson, 108 P.3d 883, 887 (Alaska 2005), citing Alaska Wildlife Alliance v. Rue, 948 P.2d 976, 980 (Alaska 1997).

2. Other confidentiality considerations. Depending on the activities of the organization involved, there may be state statutory confidentiality provisions that would affect the application of the new language. And, if a private organization is heavily regulated by federal law or receives federal money through the state, federal law may limit or preempt an audit.

If I may be of further assistance, please advise.

DDG:plm
11-032.plm

LEGISLATIVE RESEARCH REPORT

FEBRUARY 22, 2010 REPORT NUMBER 10.178

STATE AUTHORITY TO AUDIT NON-PROFITS THAT RECEIVE STATE FUNDS

PREPARED FOR SENATOR FRED DYSON

BY TIM SPENGLER, LEGISLATIVE ANALYST

You asked whether other states audit non-profit and non-governmental agencies that receive state funds. Specifically, you wanted to know if states define this audit authority in statute.

According to Kinney Poynter, executive director or the National Association of State Auditors, Comptrollers and Treasures, most, if not all states have the authority to audit non-profits agencies that receive state funds although some do not define this authority in statute.[1] Some states provide auditing authority in their constitutions while many include language in *grant contracts* between state agencies and non-profit or non-governmental entities that specify the state's authority to audit. We identified 16 states that have statutory provisions that outline their ability to audit non-profit and non-governmental agencies that receive state funds.[2]

In some of the states we identified the language allowing audits is quite broad while in others it is more specific. We include, as Attachment A, the statutes from seven of the states (Georgia, Indiana, Kansas, Kentucky, Minnesota, Montana, and Wisconsin) that specify in statute the state's audit authority of non-profit agencies that receive state funds. Below we highlight the provisions in these states.

- **Georgia**: Georgia Code 50-20-4(a) states: "The state auditor shall review the nonprofit organization's reporting package or financial statements to ensure compliance with the requirements for audits and financial statement presentation for nonprofit organizations. If the state auditor finds such requirements have not been met, the state auditor within 60 days of receipt of the reporting package or financial statements shall submit a list of

[1] Kinney Poynter, executive director or the National Association of State Auditors, Comptrollers and Treasures can be reached at (859) 276-1147.

[2] The 16 states we identified that have statutory provisions defining their ability to audit non-profit entities are California, Colorado, Georgia, Hawaii, Indiana, Kansas, Kentucky, Louisiana, Massachusetts, Minnesota, Montana, New Jersey, New York, Pennsylvania, Texas, and Wisconsin. This should not be considered an exhaustive list of states with statutory provisions regarding auditing non-profits.

deficiencies to be corrected to the nonprofit organization and, if appropriate, to the auditor who performed the audit and to the affected state organizations."

- **Indiana**: Indiana Annotated Code 5-11-1-9(a) allows the state examiner to, ". . . examine all accounts and all financial affairs of every public office and officer, state office, state institution, and entity."

- **Kansas**: Kansas Statute 46.1114(c) (2) allows an audit of "any person who receives any grant of gift from the state. "Person" is defined in 46-1112 as ". . . an individual, proprietorship, partnership, limited partnership, association, trust, estate, business trust, group, or corporation, **whether or not operated for profit** . . ." (emphasis added)

- **Kentucky**: Kentucky Statute 43.050(2)(a) allows state auditors the authority to conduct audits and reviews of all state agencies that receives state funds, even indirectly. "State agency" is defined in 6.900(5)(b) "Any entity which receives any part of its funding or resources from state tax dollars, from funds or resources entrusted to the Commonwealth from other sources. . . "

- **Minnesota**: Minnesota Statute 3.978(2) states: "...All public officials and their deputies and employees, and all corporations, firms, and individuals having business involving the receipt, disbursement, or custody of public funds shall at all times afford reasonable facilities for examinations by the legislative auditor, make returns and reports required by the legislative auditor, attend and answer under oath the legislative auditor's lawful inquiries, produce and exhibit all books, accounts, documents, data of any classification, and property that the legislative auditor may need to inspect, and in all things aid the legislative auditor in the performance of duties."

- **Montana**: Montana Statute 5-13-304(8), states the auditor shall: "have the authority to audit records of organizations and individuals receiving grants from or on behalf of the state to determine that the grants are administered in accordance with the grant terms and conditions. Whenever a state agency enters into an agreement to grant resources under its control to others, the agency shall obtain the written consent of the grantee to the audit provided for in this subsection."

- **Wisconsin**: Wisconsin Statute 13.94(4)(a) allows the legislative auditor to audit ". . . every nonprofit corporation or cooperative or unincorporated cooperative association to which moneys are specifically appropriated by state law;"

Again, we provide these statutes in their entirety in Attachment A.

In Alaska, the state's ability to audit non-profit entities that receive state money is not codified in statute. Alaska Administrative Code 2 AAC 45.010, however, provides that any entity that receives a cumulative total of $300,000 or more from the state during a fiscal year **shall** submit an audit. Additionally, Pat Davidson, legislative auditor, points out that language included in the

majority of grant contracts between state agencies and non-profits specifies that the state has a right to perform audits.[3]

We hope you find this information to be useful. Please let us know if you have questions or need additional information.

[3] Pat Davidson, legislative auditor, can be reached at (907) 465-3830.

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSSB 78(STA)
(S) Publish Date: 3/20/09

Identifier (file name): SB78-LBA-DLA-03-13-09
Dept. Affected: Legislature
Title: An Act relating to the powers and duties of the Legislative Audit Division
RDU: Budget and Audit Committee
Component: Legislative Audit
Sponsor: Senator Dyson
Requester: Senate State Affairs
Component Number: 773

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2010**	**FY 2010**	**FY 2011**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 Interagency Receipts							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2009) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

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

This legislation has zero fiscal impact on the Division of Legislative Audit.

Prepared by: Pat Davidson, Legislative Auditor
Phone 465-3816
Division: Division of Legislative Audit
Date/Time 3/13/09 9:34 AM
Approved by: Pat Davidson, Legislative Auditor
Date 3/13/2009
Division of Legislative Audit

(Revised 9/10/2008 OMB)

SB

53

<TARGET><BILL>SB 53</BILL><SUBJECT>SB
53</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/19/11

FURTHER: Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 3-29-11

State Affairs Committee considered SENATE BILL NO. 53

SB 53 COMMISSION ON THE STATUS OF WOMEN

"An Act reestablishing the Alaska Commission on the Status of Women; and relating to the purpose and powers of the Alaska Human Relations Commission."

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
Gov.	X			

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Kookesh	X			
	Parkinson	X			
	Meyer			X	
	Giessel		X		
CHAIR:	Wielechowski	X			

Alaska State Legislature

Senate
Health & Social
Committee
Chair
•
Senate
Education Committee
Vice-Chair

Legislative Council
Vice-Chair
•
Senate
Transportation
Committee
•
Senate
Labor & Commerce
Committee

Senator_Bettye_Davis@legis.state.ak.us
http://www.aksenate.org/

Senator Bettye Davis

SPONSOR STATEMENT

SB53 – REESTABLISHMENT OF THE ALASKA COMMISSION ON THE STATUS OF WOMEN

Senate Bill 53 "An Act reestablishing the Alaska Commission on the Status of Women; and relating to the purpose and powers of the Alaska Human Relations Commission."

Senate Bill 53 reestablishes the Alaska Commission on the Status of Women. The Alaska Legislature established the Alaska Commission on the Status of Women in 1978 (ch 120 SLA 1978). The Commission was tasked with implementing the recommendations contained in the preliminary study on the status of women. The Commission aimed to improve the status of women in the state by conducting research, serving as a referral service for information and education on existing resources for women, and making and implementing recommendations on the opportunities, needs, problems, and contributions of women in Alaska. The Commission was dedicated to the achievement of equal legal, economic, social and political status specifically for women in Alaska and was a statewide network for study and action on a variety of issues. In 1983, the Commission was renewed and renamed the Alaska Women's Commission (ch 52 SLA 1983).

The Commission conducted many public hearings and trainings, developed manuals on violence against women, education and welfare, conducted research to help women avail themselves of existing resources to meet their needs and implemented recommendations on the opportunities, needs, problems and contributions of women in the areas of education, homemaking, civil and legal rights, and labor and employment. The Commission developed a comprehensive statewide plan that identified the needs of children and youth and made recommendations to enhance the quality of life for women and children, as well as produced annual reports on the status of women and children in Alaska. The Alaska Women's Commission merged with the Alaska Human Relations Commission in 1993. The Alaska Human Relations Commission continues to exist in State Statue, but has never been funded and was declared inactive in 1996.

Over the past several decades, the participation and roles of women in the workforce has changed dramatically. Women are employed in more varied occupations and are more likely to work year-round than they have in the past. In addition, women have attained higher levels of education, and receive the majority of bachelor degrees granted. More mothers are part of the workforce, and thus, a women's contribution to family incomes have increased and is often critical for families' economic well-being. In 2008, working wives contributed 29 percent of their families' incomes, up from 24 percent in 1988. Nonetheless, even though more women are in the workforce than ever before, the difference in wages men and women receive for their work remains substantial. The gender wage gap persists in Alaska, and across a wide spectrum of occupations and industries. According to *Invest in Women, Invest in America,* women working full-time, year-round earn only 77 cents for

every dollar earned by men. In Alaska, men continue to earn significantly more on average than women in 2009. According to data obtained from the Alaska Department of Labor and workforce Development, the wage difference between men and women has not changed much since 2000. On average, women earned 66.6 percent of what men earned in 2009, which was the same as in 2006. Women and children continue to be the most common victims of domestic abuse. Women in Alaska lead the nation as victims of sexual assaults. Alaska has a struggling foster child system and Alaska's high school students, both male and female, drop out at alarming rates. Alaska has one of the lowest percentages of students entering and completing higher education programs and Alaska has a significant economic divide between our urban and rural communities, which negatively impacts all of us. These are a few areas of concerns facing women and children in our state and simply put, Alaska can no longer afford to ignore these statistics.

Alaska with its unique culture, history and challenges, combined with its large size and small population, calls for innovative forward thinking to deal with many of the difficult issues facing women and children throughout Alaska. Reestablishing the Alaska Commission on the Status of Women will allow Alaskans to focus attention on these critical issues that have negatively impacted women and children for decades.

Session: (January – April)
State Capitol, Room #30, Juneau, AK 99801-1182 Phone: (907) 465-3822 · Fax: (907) 465-3756 · Toll Free: (800) 770-3822
Interim: (April – December)
716 West 4th Avenue, Anchorage, AK 99501-2133 · Phone: (907) 269-0144 · Fax: (907) 269-0148

LIST OF ATTACHMENTS

Attachment A

AS § 39.05.100

AS § 44.19.600 through AS § 44.19.619

AS § 47.18.010

Executive Order No. 84 (1993)

Attachment B

State of Alaska
Boards and Commissions
Membership Roster
Alaska Human Relations Commission
Revised December 23, 1993

Attachment A

AS § 39.05.100

AS § 44.19.600 through AS § 44.19.619

AS § 47.18.010

Executive Order No. 84 (1993)

1 of 1 DOCUMENT

ALASKA STATUTES
2009 by The State of Alaska
and Matthew Bender &
Company, Inc
a member of the LexisNexis
Group.
All Rights Reserved.

*** Current through the 2008 Regular Session of the Twenty-fifth State Legislature and the 2008 Fourth Special Session ***
*** Annotations current through opinions posted on Lexis.com as of January 9, 2009 ***

TITLE 39. PUBLIC OFFICERS AND EMPLOYEES
CHAPTER 05. QUALIFICATIONS, APPOINTMENT, AND TENURE

Go to the Alaska Code Archive Directory

Alaska Stat. § 39.05.100 (2009)

Sec. 39.05.100. Qualifications for appointment

(a) A person appointed to a board or commission of the state government shall be and have been before the last general election, (1) a registered voter in the state, if the appointment is made at large or (2) a registered voter from the judicial district, if the appointment is made from a specific judicial district. The student member of the Board of Regents of the University of Alaska appointed under *AS 14.40.150(b)*, the student member of the Alaska Commission on Postsecondary Education appointed under *AS 14.42.015(d)*, and a member of the Alaska Human Relations Commission appointed under *AS 44.19.600*, are exempt from the requirement of this subsection if the member was not old enough to be a registered voter in the last general election.

(b) A member of a board or commission of the state government who ceases to reside in the state during the member's term terminates membership on the board or commission. For the purposes of this section, the acceptance of employment outside the state for a six-month period or longer, or physical absence from the state for one year or longer, or registration as a voter in a municipal, county, district, state, or national election in a voting precinct outside the state is considered as discontinuing residence in the state.

HISTORY: (§ 5 ch 64 SLA 1955; am § 1 ch 167 SLA 1957; am § 68 ch 14 SLA 1987; am §§ 10, 11 ch 16 SLA 1990; am E.O. No. 84 § 6 (1993))

NOTES:
REVISOR'S NOTES. --In 2008, in subsection (a), "*AS 14.42.015(d)*" was substituted for "*AS 14.42.015(e)*" to reflect the 2008 relettering of *AS 14.42.015(e)*.

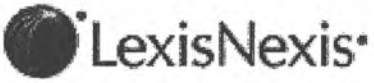
OPINIONS OF ATTORNEY GENERAL. --An individual is eligible for appointment to a state board or commission where his voter registration was administratively cancelled and he has not reregistered to vote. *1987 Alaska AG Lexis*

255; 1987-1 Op (Inf.) Atty Gen. Alas 367.

Where the governor has appointed a person to a state board or commission and that appointee has been confirmed by the legislature, that person is in fact a member of the board or commission even though the appointee's voter registration was administratively cancelled. *1987 Alaska AG Lexis 255;* 1987-1 Op (Inf.) Atty Gen. Alas 367.

COLLATERAL REFERENCES. --*63C Am. Jur. 2d, Public Officers and Employees, §§ 48* to *84.*

USER NOTE: For more generally applicable notes, see notes under the first section of this article, chapter or title.



1 of 11 DOCUMENTS

ALASKA STATUTES
2009 by The State of Alaska
and Matthew Bender &
Company, Inc
a member of the LexisNexis
Group.
All Rights Reserved.

*** Current through the 2008 Regular Session of the Twenty-fifth State Legislature and the 2008 Fourth Special Session ***
*** Annotations current through opinions posted on Lexis.com as of January 9, 2009 ***

TITLE 44. STATE GOVERNMENT
CHAPTER 19. OFFICE OF THE GOVERNOR
ARTICLE 5. ALASKA HUMAN RELATIONS COMMISSION

Go to the Alaska Code Archive Directory

Alaska Stat. § 44.19.600 (2009)

Sec. 44.19.600. Creation of commission; composition

(a) There is created in the Office of the Governor the Alaska Human Relations Commission.

(b) The commission consists of two executive-branch members and seven public members, appointed by the governor, who serve at the pleasure of the governor.

(c) At least one public member must be a person who manages a household that includes the person's spouse and at least one child and who is not otherwise employed. At least one public member must be under the age of 21 at the time of appointment.

HISTORY: (E.O. No. 84 § 7 (1993))

NOTES:
REVISOR'S NOTES. --This section number has been used twice, once for the material added by sec. 2, ch. 69, SLA 1964, amended by sec. 1, ch. 101, SLA 1965, and repealed by sec. 10, ch. 200, SLA 1972; and the second time for the material added by E.O. 84.

NOTES APPLICABLE TO ENTIRE TITLE

REVISOR'S NOTES. --The provisions of this title were redrafted in 1984 to remove personal pronouns pursuant to § 4, ch. 58, SLA 1982, and in 1984, 1989, 1993, and 2004 to make other minor word changes.

NOTES APPLICABLE TO ENTIRE CHAPTER

ADMINISTRATIVE CODE. --For governor, see 6 AAC, part 8.

NOTES APPLICABLE TO ENTIRE ARTICLE

CROSS REFERENCES. --For transitional provisions relating to the transfer of powers and duties of the Alaska Women's Commission and the Alaska Commission on Children and Youth to the Alaska Human Relations Commission, see § 10(b), E.O. No. 84 (1993) in the Executive Order Pamphlet.

2 of 11 DOCUMENTS

ALASKA STATUTES
2009 by The State of Alaska
and Matthew Bender &
Company, Inc
a member of the LexisNexis
Group.
All Rights Reserved.

*** Current through the 2008 Regular Session of the Twenty-fifth State Legislature and the 2008 Fourth Special Session ***
*** Annotations current through opinions posted on Lexis.com as of January 9, 2009 ***

TITLE 44. STATE GOVERNMENT
CHAPTER 19. OFFICE OF THE GOVERNOR
ARTICLE 5. ALASKA HUMAN RELATIONS COMMISSION

Go to the Alaska Code Archive Directory

Alaska Stat. § 44.19.602 (2009)

Sec. 44.19.602. Appointment; officers

(a) The members shall be appointed on a nonpartisan and nondiscriminatory basis by the governor. In making the appointments, the governor shall give due consideration to

(1) the recommendations made by civic organizations, women's organizations, educational and vocational groups, employer groups, labor unions, church groups, homemaker's clubs and organizations, and other groups having an interest in the welfare and status of women;

(2) statewide geographical representation of the commission;

(3) minority and low-income representation;

(4) representation of senior citizens, persons with disabilities, and persons from a variety of occupational categories; and

(5) representation of persons with different marital statuses and persons with various numbers of children.

(b) The commission shall elect one of its members as chair. The chair may appoint other officers as necessary.

HISTORY: (E.O. No. 84 § 7 (1993))

USER NOTE: For more generally applicable notes, see notes under the first section of this article, chapter or title.

3 of 11 DOCUMENTS

ALASKA STATUTES
2009 by The State of Alaska
and Matthew Bender &
Company, Inc
a member of the LexisNexis
Group.
All Rights Reserved.

*** Current through the 2008 Regular Session of the Twenty-fifth State Legislature and the 2008 Fourth Special Session ***
*** Annotations current through opinions posted on Lexis.com as of January 9, 2009 ***

TITLE 44. STATE GOVERNMENT
CHAPTER 19. OFFICE OF THE GOVERNOR
ARTICLE 5. ALASKA HUMAN RELATIONS COMMISSION

Go to the Alaska Code Archive Directory

Alaska Stat. § 44.19.604 (2009)

Sec. 44.19.604. Terms of office; compensation

(a) The term of office of a member of the commission is three years. Terms shall be staggered. A member may not serve more than six consecutive years.

(b) A vacancy shall be filled in the same manner as the original appointment. A person appointed to a vacancy serves for the unexpired portion of a term.

(c) Public members of the commission receive no compensation for their services but are entitled to per diem and travel allowances authorized by law for other boards and commissions.

HISTORY: (E.O. No. 84 § 7 (1993))

USER NOTE: For more generally applicable notes, see notes under the first section of this article, chapter or title.

4 of 11 DOCUMENTS

ALASKA STATUTES
2009 by The State of Alaska
and Matthew Bender &
Company, Inc
a member of the LexisNexis
Group.
All Rights Reserved.

*** Current through the 2008 Regular Session of the Twenty-fifth State Legislature and the 2008 Fourth Special Session ***
*** Annotations current through opinions posted on Lexis.com as of January 9, 2009 ***

TITLE 44. STATE GOVERNMENT
CHAPTER 19. OFFICE OF THE GOVERNOR
ARTICLE 5. ALASKA HUMAN RELATIONS COMMISSION

Go to the Alaska Code Archive Directory

Alaska Stat. § 44.19.606 (2009)

Sec. 44.19.606. Meetings

A majority of the members constitutes a quorum for conducting business and exercising the powers of the commission. The commission shall meet at the call of the chairperson, at the request of the majority of the members, or at a regularly scheduled time as determined by a majority of the members.

HISTORY: (E.O. No. 84 § 7 (1993))

USER NOTE: For more generally applicable notes, see notes under the first section of this article, chapter or title.

5 of 11 DOCUMENTS

ALASKA STATUTES
2009 by The State of Alaska
and Matthew Bender &
Company, Inc
a member of the LexisNexis
Group.
All Rights Reserved.

*** Current through the 2008 Regular Session of the Twenty-fifth State Legislature and the 2008 Fourth Special Session ***
*** Annotations current through opinions posted on Lexis.com as of January 9, 2009 ***

TITLE 44. STATE GOVERNMENT
CHAPTER 19. OFFICE OF THE GOVERNOR
ARTICLE 5. ALASKA HUMAN RELATIONS COMMISSION

Go to the Alaska Code Archive Directory

Alaska Stat. § 44.19.608 (2009)

Sec. 44.19.608. Purpose and powers relating to women's issues

(a) A purpose of the commission is to improve the status of women in the state by conducting research, by serving as a referral service for information and education that will help women avail themselves of existing resources to meet their needs, and by making and implementing recommendations on the opportunities, needs, problems, and contributions of women in the state including

(1) education;

(2) homemaking;

(3) civil and legal rights; and

(4) labor and employment.

(b) To accomplish this purpose, the commission may

(1) act as a clearinghouse and coordinating body for government and nongovernment information relating to the status of women;

(2) cooperate with public and private agencies in joint efforts to study and resolve problems relating to the status of women in Alaska;

(3) accumulate and compile information concerning discrimination against women;

(4) disseminate the results of research and compilation of data acquired under (3) of this subsection by publication and other methods such as public hearings, conferences, and seminars;

(5) study and analyze all facts relating to Alaska laws, regulations, and guidelines with respect to equal protection for women under the state constitution;

(6) recommend legislative and administrative action on equal treatment and opportunities for women;

(7) encourage women to utilize their capabilities and to assume leadership roles;

(8) encourage the development of regional and municipal women's councils or commissions.

HISTORY: (E.O. No. 84 § 7 (1993))

USER NOTE: For more generally applicable notes, see notes under the first section of this article, chapter or title.

LexisNexis®

6 of 11 DOCUMENTS

ALASKA STATUTES
2009 by The State of Alaska
and Matthew Bender &
Company, Inc
a member of the LexisNexis
Group.
All Rights Reserved.

*** Current through the 2008 Regular Session of the Twenty-fifth State Legislature and the 2008 Fourth Special Session ***
*** Annotations current through opinions posted on Lexis.com as of January 9, 2009 ***

TITLE 44. STATE GOVERNMENT
CHAPTER 19. OFFICE OF THE GOVERNOR
ARTICLE 5. ALASKA HUMAN RELATIONS COMMISSION

Go to the Alaska Code Archive Directory

Alaska Stat. § 44.19.610 (2009)

Sec. 44.19.610. Duties relating to children's issues

(a) The commission shall develop a comprehensive statewide plan that identifies the needs of children and youth, individually and as they relate to their families, and make recommendations to enhance their quality of life. In meeting this charge, the commission may

(1) recommend the services and programs that should be available for children and families in the areas of child care, health, social services, education, special education, child protection, parent and staff training, nutrition, poverty, mental health, safety, and employment of youth;

(2) identify the service needs of children and where gaps and overlaps in services exist;

(3) monitor the emerging needs of and problems facing children, and develop effective, comprehensive, and coordinated strategies to address those needs and problems;

(4) develop and recommend adoption of a process for monitoring and evaluating children's programs;

(5) provide opportunities for the public to participate in the planning and development of children's programs and policies;

(6) receive and act upon requests for recommendations from parents, state officials, members of state advisory committees, legislators, representatives of the state court system, and providers of children's services on matters related to children and youth;

(7) meet with and make recommendations to state officials and members of advisory committees who are responsible for the expenditure of state and federal money and provide recommendations to the legislature and the department on structural and procedural changes, contracting of services, establishment of standards, and the consolidation of efforts designed to deliver services in a more cost-effective manner;

(8) serve as a statewide clearinghouse for government and nongovernment programs and resources relating to

children, youth, and families;

(9) serve as an advocate for the interests of children by informing the public, including leaders of the business community, educators, local and state officials, the legal system, and the communications media of the nature and scope of problems faced by children;

(10) coordinate efforts and consult and cooperate with persons, departments, organizations, and groups, including other boards and commissions, interested in the problems and concerns of children and youth; and

(11) make recommendations to the governor, legislature, and state officials with respect to legislation, regulations, and appropriations for programs or services that benefit children and youth.

HISTORY: (E.O. No. 84 § 7 (1993))

NOTES:
REVISOR'S NOTES. --This section number has been used twice, once for the material added by sec. 2, ch. 69, SLA 1964, amended by secs. 2-4, ch. 101, SLA 1965, and repealed by sec. 10, ch. 200, SLA 1972; and the second time for the material added by E.O. 84.

USER NOTE: For more generally applicable notes, see notes under the first section of this article, chapter or title.

7 of 11 DOCUMENTS

ALASKA STATUTES
2009 by The State of Alaska
and Matthew Bender &
Company, Inc
a member of the LexisNexis
Group.
All Rights Reserved.

*** Current through the 2008 Regular Session of the Twenty-fifth State Legislature and the 2008 Fourth Special Session ***
*** Annotations current through opinions posted on Lexis.com as of January 9, 2009 ***

TITLE 44. STATE GOVERNMENT
CHAPTER 19. OFFICE OF THE GOVERNOR
ARTICLE 5. ALASKA HUMAN RELATIONS COMMISSION

Go to the Alaska Code Archive Directory

Alaska Stat. § 44.19.612 (2009)

Sec. 44.19.612. General powers

The commission may

(1) use voluntary and uncompensated services of private persons and organizations as may be made available to the commission;

(2) select and retain the services of consultants whose advice is considered necessary to assist the commission in obtaining information;

(3) establish standing committees among the members to investigate and make recommendations on various areas of concern;

(4) create task forces composed of commission members and other experts as needed;

(5) hold public hearings;

(6) establish and maintain an office in Anchorage, or at a location determined to be the most appropriate location by a majority vote of the commission, and hire an executive director and technical and clerical staff that are necessary to perform the duties of the commission;

(7) accept monetary gifts or grants from the federal government or an agency of it, from any charitable foundation or professional association or from any other reputable sources for implementation of any program necessary or desirable for carrying out the purposes of the commission;

(8) take other actions reasonably necessary to carry out the duties of the commission.

HISTORY: (E.O. No. 84 § 7 (1993))

USER NOTE: For more generally applicable notes, see notes under the first section of this article, chapter or title.

8 of 11 DOCUMENTS

ALASKA STATUTES
2009 by The State of Alaska
and Matthew Bender &
Company, Inc
a member of the LexisNexis
Group.
All Rights Reserved.

*** Current through the 2008 Regular Session of the Twenty-fifth State Legislature and the 2008 Fourth Special Session ***
*** Annotations current through opinions posted on Lexis.com as of January 9, 2009 ***

TITLE 44. STATE GOVERNMENT
CHAPTER 19. OFFICE OF THE GOVERNOR
ARTICLE 5. ALASKA HUMAN RELATIONS COMMISSION

Go to the Alaska Code Archive Directory

Alaska Stat. § 44.19.614 (2009)

Sec. 44.19.614. Methodology

(a) When conducting research, acting as a referral service, serving as a forum for ideas, and developing recommendations related to the welfare of women, the commission shall solicit and consider information and views from a variety of constituencies in order to represent the broad spectrum of diversity that exists with respect to possible approaches for meeting women's needs in the state.

(b) In formulating the strategy to address the needs of and problems facing children, the commission shall actively solicit advice and information from children and youth of all ages and socioeconomic backgrounds. The commission shall also seek advice and information from parents and children's services providers, including those with expertise in the areas of mental health, health care, prenatal care, adolescent drug and alcohol treatment, education, special education, early childhood education, early childhood special education, nonprofit funding sources, child abuse and neglect, domestic violence, child care, dependence, delinquency and the justice system, minority issues, and family support systems.

HISTORY: (E.O. No. 84 § 7 (1993))

USER NOTE: For more generally applicable notes, see notes under the first section of this article, chapter or title.

ALASKA STATUTES
2009 by The State of Alaska
and Matthew Bender &
Company, Inc
a member of the LexisNexis
Group.
All Rights Reserved.

*** Current through the 2008 Regular Session of the Twenty-fifth State Legislature and the 2008 Fourth Special Session ***
*** Annotations current through opinions posted on Lexis.com as of January 9, 2009 ***

TITLE 44. STATE GOVERNMENT
CHAPTER 19. OFFICE OF THE GOVERNOR
ARTICLE 5. ALASKA HUMAN RELATIONS COMMISSION

Go to the Alaska Code Archive Directory

Alaska Stat. § 44.19.616 (2009)

Sec. 44.19.616. Annual report

The commission shall prepare and publish an annual report on the status of children and women in the state, the commission's proceedings for the previous calendar year, and its recommendations and proposals for change. The commission shall provide the governor with copies of the report by the 15th day of each regular legislative session and

notify the legislature that the report is available.

HISTORY: (E.O. No. 84 § 7 (1993); am § 86 ch 21 SLA 1995)

USER NOTE: For more generally applicable notes, see notes under the first section of this article, chapter or title.

10 of 11 DOCUMENTS

ALASKA STATUTES
2009 by The State of Alaska
and Matthew Bender &
Company, Inc
a member of the LexisNexis
Group.
All Rights Reserved.

*** Current through the 2008 Regular Session of the Twenty-fifth State Legislature and the 2008 Fourth Special Session ***
*** Annotations current through opinions posted on Lexis.com as of January 9, 2009 ***

TITLE 44. STATE GOVERNMENT
CHAPTER 19. OFFICE OF THE GOVERNOR
ARTICLE 5. ALASKA HUMAN RELATIONS COMMISSION

Go to the Alaska Code Archive Directory

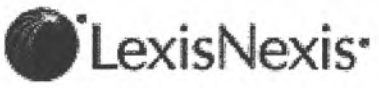
Alaska Stat. § 44.19.618 (2009)

Sec. 44.19.618. Technical assistance and staff support

The executive branch departments shall cooperate with the commission and provide technical assistance to the commission upon the request of the commission. The commission may use legal, technical, secretarial, and administrative services as may be provided by the governor.

HISTORY: (E.O. No. 84 § 7 (1993))

USER NOTE: For more generally applicable notes, see notes under the first section of this article, chapter or title.



11 of 11 DOCUMENTS

ALASKA STATUTES
2009 by The State of Alaska

and Matthew Bender &
Company, Inc
a member of the LexisNexis
Group.
All Rights Reserved.

*** Current through the 2008 Regular Session of the Twenty-fifth State Legislature and the 2008 Fourth Special Session ***
*** Annotations current through opinions posted on Lexis.com as of January 9, 2009 ***

TITLE 44. STATE GOVERNMENT
CHAPTER 19. OFFICE OF THE GOVERNOR
ARTICLE 5. ALASKA HUMAN RELATIONS COMMISSION

Go to the Alaska Code Archive Directory

Alaska Stat. § 44.19.620 (2009)

Secs. 44.19.620 -- 44.19.627. Establishment of council, appointment, compensation, officers, meetings, council as state planning entity, functions of council, and administration. [Repealed, § 85 ch 58 SLA 1999.]

USER NOTE: For more generally applicable notes, see notes under the first section of this article, chapter or title.

[Repealed]

Attachment B

State of Alaska
Boards and Commissions
Membership Roster
Alaska Human Relations Commission
Revised December 23, 1993

STATE OF ALASKA
Boards and Commissions

Membership Roster
HUMAN RELATIONS COMMISSION (179)

Member	Appointed	Reappointed	Term Exp.
Sheryl L. Cowan Public P.O. Box 113181 Anchorage, AK 99511-3181	09/01/93		09/01/94
Robert W. Head Public – Chair P.O. Box 20218 Juneau, AK 99802-0218	09/01/93		09/01/94
Aaron S. Kusano Public 1831 North Salem Drive Anchorage, AK 99508	09/01/93		09/01/95
Virginia C. Phillips Public 404 Lake Street, # 2D Sitka, AK 99835	09/01/93		09/01/95
Kari Repplinger Executive Branch Member 8790 Duran Juneau, AK 99801	09/01/93		09/01/96
Darcy Sjoblom Public 1239 Lakloey Drive North Pole, AK 99705	10/11/93		09/01/94
Steve Strube Public P.O. Box 521155 Big Lake, AK 99652	09/01/93		09/01/95
Denny A. Terry Public 350 Knudson Cove Road Ketchikan, AK 99901	09/01/93		09/01/96
Brenda H. Wilcox Executive Branch Member P.O. Box 20967 Juneau, AK 99802	09/01/93		09/01/96

(Revised December 23, 1993)

STATE OF ALASKA
Boards and Commissions

HUMAN RELATIONS COMMISSION

BOARD: Alaska Human Relations Commission

BOARD IDENTIFICATION NUMBER: 179

DEPARTMENT: OFFICE OF THE GOVERNOR

AUTHORITY: AS 44.19.600

STATUS: Active

TERM: 3 years

DESCRIPTION: 9 members appointed by the governor: 2 executive branch members and 7 public members. At least 1 public member must be a person who manages a household that includes the person's spouse and at least 1 child and who is not otherwise employed. At least 1 public member must be under the age of 21 at the time of appointment.

FUNCTION: To improve the status of women in Alaska by conducting research; by serving as a referral service for information and education that will help women avail themselves implementing recommendations on the opportunities, needs, problems, and contributions of women in Alaska. To develop a comprehensive statewide plan that identifies the needs of children and youth individually and as they relate to their families, and make recommendations to enhance their quality of life.

CHAIR: Commission elects.

SPECIAL FACTS: Quorum - majority. Annual report to the governor and the legislature by the 15th day of each regular legislative session. A member may not serve more than 6 consecutive years. Commission elects chair. Commission formed March 13, 1993, the effective date of Executive Order No. 84, combining the functions and duties of the Alaska Women's Commission and the Alaska Commission on Children and Youth.

COMPENSATION: Standard Travel and Per Diem. No additional compensation.

MEETINGS: Meets at call of the chair, at the request of majority of members, or at regularly scheduled times.

FOR FURTHER INFORMATION CONTACT: Boards and Commissions, Office of the Governor, P.O. Box 110001, Juneau, AK, 99811 0001, Phone: 907 465 3500, Fax: 907 463 3454

1 of 1 DOCUMENT

ALASKA STATUTES
2009 by The State of Alaska
and Matthew Bender &
Company, Inc
a member of the LexisNexis
Group.
All Rights Reserved.

*** Current through the 2008 Regular Session of the Twenty-fifth State Legislature and the 2008 Fourth Special Session ***
*** Annotations current through opinions posted on Lexis.com as of January 9, 2009 ***

TITLE 47. WELFARE, SOCIAL SERVICES AND INSTITUTIONS
CHAPTER 18. PROGRAMS AND SERVICES RELATED TO ADOLESCENTS
ARTICLE 1. COMPREHENSIVE PLANNING

Go to the Alaska Code Archive Directory

Alaska Stat. § 47.18.010 (2009)

Sec. 47.18.010. Development of statewide plan

(a) With the advice of the Alaska Human Relations Commission, the department shall develop a comprehensive statewide plan to ensure the effectiveness and efficiency of state programs that relate to the prevention of adolescent pregnancy and the provision of services to adolescent parents and their children under *AS 47.18.100 -- 47.18.140*, and to peer counseling under *AS 47.18.200*.

(b) The plan developed under (a) of this section must

(1) review and include existing programs and services of state government;

(2) examine and consider the achievements and experiences of projects that are similar to those authorized under *AS 47.18.100 -- 47.18.140* and *47.18.200*;

(3) give priority to the consolidation and improvement of existing programs;

(4) make recommendations with regard to the need for new or expanded programs and services within the existing level of funding;

(5) consider the findings and recommendations of the Alaska's Adolescent Pregnancy and Parenthood Task Force; and

(6) make recommendations concerning the incremental implementation of the plan.

(c) The Department of Education and Early Development, the Department of Commerce, Community, and Economic Development, and the Department of Labor and Workforce Development shall assist the department in

developing the plan required under (a) of this section. In addition, through appropriate means, the department shall solicit advice from teens, parents, educators, school administrators, taxpayers, civic groups, community organizations, Native organizations, officials of local governments, religious institutions, and other concerned persons about how state programs can be coordinated and operated in a manner that will enhance their effectiveness and efficiency in addressing the many needs associated with adolescent parenting, the prevention of adolescent pregnancies, and the provision of adolescent peer counseling.

HISTORY: (§ 1 ch 94 SLA 1991; am E.O. No. 84 § 8 (1993))

NOTES:

REVISOR'S NOTES. --In 1999, in (c) of this section, "Department of Education" was changed to "Department of Education and Early Development" and "Department of Labor" was changed to "Department of Labor and Workforce Development" in accordance with §§ 89 - 90, ch. 58, SLA 1999, and "Community and Regional Affairs" was changed to "Community and Economic Development" in accordance with § 91(a)(14), ch. 58, SLA 1999.

In 2004, in (c) of this section, "Department of Community and Economic Development" was changed to "Department of Commerce, Community, and Economic Development", in accordance with § 3, ch. 47, SLA 2004.

NOTES APPLICABLE TO ENTIRE TITLE

REVISOR'S NOTES. --The provisions of this title were redrafted in 1984 to remove personal pronouns pursuant to § 4, ch. 58, SLA 1982, and in 1984, 1990, 1995, and 2008 to make other minor word changes.

ADMINISTRATIVE CODE. --For health and social services, see 7 AAC.

For hearings, see 7 AAC 49.

E.O. 084 (1993)

EXECUTIVE ORDER NO. 084

EXECUTIVE ORDER NO. 84

Under the authority of art. III, sec. 23, of the Alaska Constitution, and in accordance with AS 24.08.210 , I order the following:

* Section 1. FINDINGS. As governor, I find that it would be in the best interests of efficient administration to consolidate the duties and functions of the Alaska Women's Commission and the Alaska Commission on Children and Youth into a new Alaska Human Relations Commission in the Governor's Office. The consolidation should result in coordinated programs related to the welfare of children, youth, women, and families, and should maximize the effectiveness of federal and state money that is available for those programs.

* Sec. 2. AS 37.14.220 is amended to read:

Sec. 37.14.220. ADMINISTRATION OF THE FUND. The fund shall be administered by the Alaska Human Relations Commission [ALASKA COMMISSION ON CHILDREN AND YOUTH].

* Sec. 3. AS 37.14.230 is amended to read:

Sec. 37.14.230. POWERS AND DUTIES OF THE COMMISSION. When acting as administrator of the fund, the commission shall

(1) hold regular and special meetings it considers necessary; the commission may hold meetings by teleconference;

(2) award grants from the net income of the fund to community-based programs and projects that the commission finds will aid in the prevention of child abuse and neglect;

(3) monitor approved programs and projects for compliance with AS 37.14.200 - 37.14.270;

(4) before providing assistance to a program or project, approve written findings on the program or project that include a consideration of the means of measuring the effectiveness of the program or project;

(5) apply for, and use net income from the fund to obtain, private and federal grants for the prevention of child abuse and neglect;

(6) solicit contributions, gifts, and bequests to the fund;

(7) keep audio tape recordings of each meeting of the commission to be made available on request; and

(8) submit to the governor and the legislature by February 1 each year a report describing

(A) the child abuse and neglect prevention services that were provided by the programs and projects to which the commission awarded grants; and

(B) the annual level of contributions, income, and expenses of the fund.

* Sec. 4. AS 37.14.240 (d) is amended to read:

(d) Up to $150,000 per year may be appropriated from the principal of the fund for the administrative expenses of the commission relating to AS 37.14.200 - 37.14.270.

* Sec. 5. AS 37.14.270 (3) is amended to read:

(3) "commission" means the Alaska Human Relations Commission [ALASKA COMMISSION ON CHILDREN AND YOUTH] established under AS 44.19.600 [AS 44.19.521];

* Sec. 6. AS 39.05.100 (a) is amended to read:

(a) A person appointed to a board or commission of the state government shall be and have been before the last general election, (1) a registered voter in the

state, if the appointment is made at large or (2) a registered voter from the judicial district, if the appointment is made from a specific judicial district. The student member of the Board of Regents of the University of Alaska appointed under AS 14.40.150 (b), the student member of the Alaska Commission on Postsecondary Education appointed under AS 14.42.015 (e), and a member of the Alaska Human Relations Commission [ALASKA COMMISSION ON CHILDREN AND YOUTH] appointed under AS 44.19.600 [AS 44.19.521], are exempt from the requirement of this subsection if the member was not old enough to be a registered voter in the last general election.

* Sec. 7. AS 44.19 is amended by adding new sections to read:

ARTICLE 18. ALASKA HUMAN RELATIONS COMMISSION.

Sec. 44.19.601. CREATION OF COMMISSION; COMPOSITION. (a) There is created in the Office of the Governor the Alaska Human Relations Commission.

(b) The commission consists of two executive-branch members and seven public members, appointed by the governor, who serve at the pleasure of the governor.

(c) At least one public member must be a person who manages a household that includes the person's spouse and at least one child and who is not otherwise employed. At least one public member must be under the age of 21 at the time of appointment.

Sec. 44.19.602. APPOINTMENT; OFFICERS. (a) The members shall be appointed on a nonpartisan and nondiscriminatory basis by the governor. In making the appointments, the governor shall give due consideration to

(1) the recommendations made by civic organizations, women's organizations, educational and vocational groups, employer groups, labor unions, church groups, homemaker's clubs and organizations, and other groups having an

interest in the welfare and status of women;

(2) statewide geographical representation of the commission;

(3) minority and low-income representation;

(4) representation of senior citizens, persons with disabilities, and persons from a variety of occupational categories; and

(5) representation of persons with different marital statuses and persons with various numbers of children.

(b) The commission shall elect one of its members as chair. The chair may appoint other officers as necessary.

Sec. 44.19.604. TERMS OF OFFICE; COMPENSATION. (a) The term of office of a member of the commission is three years. Terms shall be staggered. A member may not serve more than six consecutive years.

(b) A vacancy shall be filled in the same manner as the original appointment. A person appointed to a vacancy serves for the unexpired portion of a term.

(c) Public members of the commission receive no compensation for their services but are entitled to per diem and travel allowances authorized by law for other boards and commissions.

Sec. 44.19.606. MEETINGS. A majority of the members constitutes a quorum for conducting business and exercising the powers of the commission. The commission shall meet at the call of the chairperson, at the request of the majority of the members, or at a regularly scheduled time as determined by a majority of the members.

Sec. 44.19.608. PURPOSE AND POWERS RELATING TO WOMEN'S ISSUES. (a) A purpose of the commission is to improve the status of women in the state by conducting research, by serving as a referral service for information and education that will help women avail themselves of existing resources to meet their

needs, and by making and implementing recommendations on the opportunities, needs, problems, and contributions of women in the state including

(1) education;

(2) homemaking;

(3) civil and legal rights; and

(4) labor and employment.

(b) To accomplish this purpose, the commission may

(1) act as a clearinghouse and coordinating body for government and nongovernment information relating to the status of women;

(2) cooperate with public and private agencies in joint efforts to study and resolve problems relating to the status of women in Alaska;

(3) accumulate and compile information concerning discrimination against women;

(4) disseminate the results of research and compilation of data acquired under (3) of this subsection by publication and other methods such as public hearings, conferences, and seminars;

(5) study and analyze all facts relating to Alaska laws, regulations, and guidelines with respect to equal protection for women under the state constitution;

(6) recommend legislative and administrative action on equal treatment and opportunities for women;

(7) encourage women to utilize their capabilities and to assume leadership roles;

(8) encourage the development of regional and municipal women's councils or commissions.

Sec. 44.19.611. DUTIES RELATING TO CHILDREN'S ISSUES. (a) The commission shall develop a comprehensive statewide plan that identifies the needs of

children and youth, individually and as they relate to their families, and make recommendations to enhance their quality of life. In meeting this charge, the commission may

(1) recommend the services and programs that should be available for children and families in the areas of child care, health, social services, education, special education, child protection, parent and staff training, nutrition, poverty, mental health, safety, and employment of youth;

(2) identify the service needs of children and where gaps and overlaps in services exist;

(3) monitor the emerging needs of and problems facing children, and develop effective, comprehensive, and coordinated strategies to address those needs and problems;

(4) develop and recommend adoption of a process for monitoring and evaluating children's programs;

(5) provide opportunities for the public to participate in the planning and development of children's programs and policies;

(6) receive and act upon requests for recommendations from parents, state officials, members of state advisory committees, legislators, representatives of the state court system, and providers of children's services on matters related to children and youth;

(7) meet with and make recommendations to state officials and members of advisory committees who are responsible for the expenditure of state and federal money and provide recommendations to the legislature and the department on structural and procedural changes, contracting of services, establishment of standards, and the consolidation of efforts designed to deliver services in a more cost-effective manner;

(8) serve as a statewide clearinghouse for government and nongovernment programs and resources relating to children, youth, and families;

(9) serve as an advocate for the interests of children by informing the public, including leaders of the business community, educators, local and state officials, the legal system, and the communications media of the nature and scope of problems faced by children;

(10) coordinate efforts and consult and cooperate with persons, departments, organizations, and groups, including other boards and commissions, interested in the problems and concerns of children and youth; and

(11) make recommendations to the governor, legislature, and state officials with respect to legislation, regulations, and appropriations for programs or services that benefit children and youth.

Sec. 44.19.612. GENERAL POWERS. The commission may

(1) use voluntary and uncompensated services of private persons and organizations as may be made available to the commission;

(2) select and retain the services of consultants whose advice is considered necessary to assist the commission in obtaining information;

(3) establish standing committees among the members to investigate and make recommendations on various areas of concern;

(4) create task forces composed of commission members and other experts as needed;

(5) hold public hearings;

(6) establish and maintain an office in Anchorage, or at a location determined to be the most appropriate location by a majority vote of the commission, and hire an executive director and technical and clerical staff that are necessary to perform the duties of the commission;

(7) accept monetary gifts or grants from the federal government or an agency of it, from any charitable foundation or professional association or from any other reputable sources for implementation of any program necessary or desirable for carrying out the purposes of the commission;

(8) take other actions reasonably necessary to carry out the duties of the commission.

Sec. 44.19.614. METHODOLOGY. (a) When conducting research, acting as a referral service, serving as a forum for ideas, and developing recommendations related to the welfare of women, the commission shall solicit and consider information and views from a variety of constituencies in order to represent the broad spectrum of diversity that exists with respect to possible approaches for meeting women's needs in the state.

(b) In formulating the strategy to address the needs of and problems facing children, the commission shall actively solicit advice and information from children and youth of all ages and socioeconomic backgrounds. The commission shall also seek advice and information from parents and children's services providers, including those with expertise in the areas of mental health, health care, prenatal care, adolescent drug and alcohol treatment, education, special education, early childhood education, early childhood special education, nonprofit funding sources, child abuse and neglect, domestic violence, child care, dependence, delinquency and the justice system, minority issues, and family support systems.

Sec. 44.19.616. ANNUAL REPORT. The commission shall prepare and publish an annual report on the status of children and women in the state, the commission's proceedings for the previous calendar year, and its recommendations and proposals for change. The commission shall provide the governor and the legislature with copies of the report by the 15th day of each regular legislative

session.

Sec. 44.19.618. TECHNICAL ASSISTANCE AND STAFF SUPPORT. The executive branch departments shall cooperate with the commission and provide technical assistance to the commission upon the request of the commission. The commission may use legal, technical, secretarial, and administrative services as may be provided by the governor;

* Sec. 8. AS 47.18.010 (a) is amended to read:

(a) With the advice of the Alaska Human Relations Commission [ALASKA COMMISSION ON CHILDREN AND YOUTH], the department shall develop a comprehensive statewide plan to ensure the effectiveness and efficiency of state programs that relate to the prevention of adolescent pregnancy and the provision of services to adolescent parents and their children under AS 47.18.100 - 47.18.140, and to peer counseling under AS 47.18.200 .

* Sec. 9. AS 39.50.200 (b)(50); AS 44.19.165 , 44.19.166, 44.19.167, 44.19.168, 44.19.169, 44.19.170, 44.19.171, 44.19.175, 44.19.180, 44.19.521, 44.19.523, 44.19.525, 44.19.527, and 44.19.529 are repealed. Sections 2, 4, 7, 9, 11, 16, and 21 of ch. 16, SLA 1990 are repealed.

* Sec. 10. TRANSITION. (a) The terms of the members of the Alaska Women's Commission established under AS 44.19.165 and of the Alaska Commission on Children and Youth established under AS 44.19.521 terminate on the effective date of this Order. Unless the appointment would be prohibited by AS 44.19.169 , repealed by this Order, or by AS 44.19.604 (a), added by this Order, the governor may appoint to the Alaska Human Relations Commission created under this Order a former member of the Alaska Women's Commission or of the Alaska Commission on Children and Youth. The terms of persons initially appointed to the Alaska Human Relations Commission must be set as provided in AS 39.05.055 , so as to establish the staggering of terms required by AS 44.19.604 (a).

(b) Contracts, rights, liabilities, and obligations created by or under a law amended

or repealed by this Executive Order, and in effect on March 12, 1993, remain in effect notwithstanding this Order's taking effect. Records, equipment, appropriations, and other property of agencies of the state whose functions are transferred under this Order shall be transferred to implement the provisions of this Order.

* Sec. 11. EFFECTIVE DATE. This Order takes effect March 13, 1993.

DATED: January 11, 1993

/s/ Walter J. Hickel

Walter J. Hickel, Governor

CIRC. DOC.
ALASKA STATE
LIBRARY

ANNUAL REPORT

ALASKA WOMEN'S COMMISSION

STATUS REPORT VOLUME 7, NUMBER 1 JANUARY 1988

1978-88: A Decade of Advocacy for Women's Equity

Futures Trading

In October 1987 the members of the Alaska Women's Commission elected Paula Ziegler as their new chair. Ziegler was first appointed to the Commission in July of 1986 and chaired the Legislative Committee during 1987. Ziegler is former state president of the League of Women Voters of Alaska. She also serves on the regional council of her church and is chair of women's issues for the local chapter of the American Association of University Women. Ziegler lives in Juneau.

The beginning of a new year is often the time to evaluate the past and reflect upon the future. Included with this newsletter is the annual report of the Alaska Women's Commission, evaluating our recent past. Even in a wind-down year, it is easy to quantify the accomplishments of the Commission and the positive impact this agency has had on economic, social, political and legal equality for women in Alaska.

Reflecting upon the future, however, is not as easy. If the legislature does not pass House Bill 4 this year, thereby reauthorizing the Commission in the Alaskan statutes, the Commission, its programs, publications and research will end. What will not end, though, are the reasons the Commission was established in the first place. The progress made to date improves some situations, but also reveals others where inequity still exists. The Commission's work is not done.

What would the future look like without the Alaska Women's Commission? It would be a future without the only agency in state government that speaks to that government about issues, policies and situations affecting women. It would be a future without an office that receives more than 1000 calls a year for information and help. It would be a future without the essential follow-up needed to rectify the inequities revealed by the recently concluded divorce study.

It would be a future without agency-sponsored statewide and regional conferences on such subjects as legal rights for women, equal educational opportunities, and women in the political process, and it would be a future without publications such as the Women's Legal Rights Handbook, the Economic Status of Alaska Native Women and An Assessment of Sex Equity in Alaska's Educational Institutions.

We can also say about the future, based on facts from the present, that the signs for women, children and families are challenging:

- of the 35 million people living in poverty in our country, 20 million are women;
- 70% of households in America headed by women live in poverty;
- 72% of women over 65 live on less than $5000 a year;
- in Alaska, more than half of all women participate in the labor force;
- between 1960 and 1980 in Alaska, the greatest increase in labor force participation was among women of childbearing age.

What we are left with is a question of trading—trading a future with a Women's Commission, and therefore with an agency in place to help meet these challenges, or a future with the challenges in place and no Commission.

The Alaska Women's Commission has a future because the only trade that makes sense is for a future *with* a Commission.

What's Inside:

1987: A Challenge for Us All
Annual Report 1987
- Legislative Advocacy
- Focus: Forced into Wind-Down
- The Question of a Merger
- Commission Research in the Forefront
- Education: A Year in Review
- Commission Budget

Events And People
Thanks

L. to R. Loretta Bullard, Nome; Mary Pete, Bethel; Chris Callahan, Executive Director; and Chairperson Paula Ziegler, Juneau, outside the Tundra Women's Coalition Shelter at the Commission meeting in Bethel, May 1987.

Commission Members and Staff 1987

Commission Members As of December 31, 1987

Paula Ziegler, Chair
Juneau

Joy Green-Armstrong, Vice Chair
Anchorage

Loretta Bullard, Member-at-Large
Nome

Kris Chatfield
Anchorage

Linda Freed
Kodiak

Pat Kennedy (Ex Officio)
Anchorage

Mary Pete
Bethel

Betty Ramage
Anchorage

Wendy Redman
Fairbanks

Susan Smalley
Kenal

January–October 1987

Kris Chatfield, Chair
Anchorage

Joy Green-Armstrong, Vice Chair
Anchorage

Loretta Bullard
Nome

Marcia Johnson
Sitka

Pat Kennedy, (Ex Officio)
Anchorage

Mary Pete
Bethel

Betty Ramage, Member-at-Large
Anchorage

Wendy Redman
Fairbanks

Paula Ziegler
Juneau

Commission Staff

Full Time

Christine Callahan
Executive Director

Barbara Baker
Research Analyst

Hilda Gayton
Secretary

Part-Time

Dorothy Campbell, Title V
Information Assistant

Susan Smalley was appointed to the Commission by Governor Steve Cowper in October 1987. A former teacher, married with two sons, Smalley is a professional volunteer in the Kenai schools. A member of the United Methodist Church statewide planning committee, Smalley also helped establish the local chapter of League of Women Voters and served as President of it for two years. She currently coordinates a "parents day out" program at her church.

Linda Freed was appointed to the Commission in January 1988. Freed is the Director of the Community Development Department for the Kodiak Island Borough. A Kodiak resident since 1980, Freed is an active community volunteer, serving on the boards of the Kodiak Women's Resource Center & the Kodiak Public Broadcasting Corporation. Freed was also one of the founders of the Kodiak Women's Network, and is a member of AAUW, the Kodiak Arts Council and the Kodiak Council on Alcoholism.

The Alaska Women's Commission is dedicated to the achievement of equal legal, economic, social and political status for women in Alaska.

Established by the legislature in 1978, the Commission was reaffirmed and renewed in 1983 by the Legislature and the Governor.

Nine public members and one representative from the Attorney General's office are appointed by the Governor to staggered five year terms. They represent a wide range of backgrounds, interests and geographic areas. Meetings are held quarterly in various locations throughout the state and are open to the public.

The development of regional and municipal women's councils is being encouraged by the Commission. Councils advise the Women's Commission and coordinate local efforts to improve the status of women in Alaskan communities.

The Commission is a statewide network for study and action on a variety of issues. Current priorities include work on legislation, employment, civil and legal rights and issues relating to the family.

ALASKA STATE LIBRARY
3 3500 00134 4548

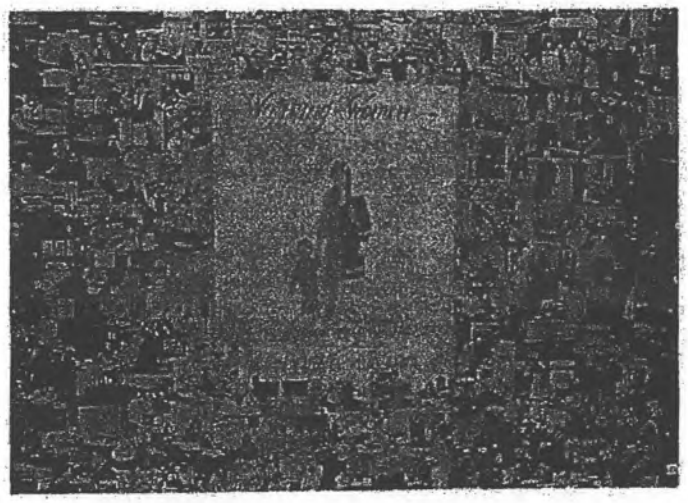
1987: A Challenge For Us All

Christine Callahan, Executive Director

Plummeting oil prices and vanishing jobs did not leave many Alaskans untouched in 1987. Families had to face problems they never faced before. Many lost their jobs and homes and continue to confront devastating financial hardships. The stress experienced by Alaskan families in 1987 was enormous.

Policymakers have spent long hours attempting to develop programs and strategies to help ease the pain and prevent more problems from developing. In the midst of this turmoil, equity has sometimes appeared to take a back seat. But equity is not a luxury for times of plenty. Its importance becomes even more apparent in adversity.

What is occurring on a large scale in our current economy has for too long been everyday reality for many of the women in our state. Based on research conducted by the Alaska Women's Commission we know that single parents have been struggling to make ends meet. We know that numerous women with inadequate or non-existent child support have faced monthly bills with well-founded fear and anxiety. We know the extent of women's unequal earning power. We know that, combined with the costs of such necessities as child care, these circumstances too often force women to seek public assistance and sacrifice their hard-won independence and self sufficiency.



Hundreds of women and the roles they fulfill are pictured in this collage from the North Slope Borough's Women's Conference, September 1987.

As recently as 1987, the Women's Commission conducted the first research to document the economic inequities of divorce in Alaska. What we found was, in Gov. Steve Cowper's words, ". . .eye opening evidence that women and children in Alaska are on the verge of becoming the state's New Poor." Divorced women faced with enormous mortgage payments on unsellable family homes see their meager resources eaten away while they try to keep their children in familiar neighborhoods and schools with at least their network of friends intact. Women who never dreamed it possible are unable to provide enough food for their children. Unless we change the laws regarding termination of marriage, we continue to condemn thousands of women and children to life on the edge of poverty.

Because of these problems in 1987 the Alaska Women's Commission stepped up its efforts to pass HB189, a bill that would make significant improvements in the laws governing divorce. The Commission included several seminars on this issue in its comprehensive Legal Rights Conference for Women, sponsored in partnership with community, educational and legal resources in the spring of 1987.

It is encouraging to see Alaskan leaders devoting their energy and imagination to solving these problems and ensuring that things do not get any worse. However it is important that the lessons learned from grappling with an austere economy are in turn applied to the situations that women have been struggling with for years. In addressing the dramatic problems of 1987, we must not overlook the quiet desperation that many women experienced long before oil prices dropped.

At this critical juncture it is unthinkable that the legislature would take any but the most positive action in assisting the populace to deal with serious economic adversity. This action should include reauthorizing the Alaska Women's Commission to continue its work for equity. Its work provides an important foundation for a sound and healthy economy and for economic development in which all Alaskans can share equally.

Legislative Advocacy 1987

The Commission's legislative committee undertakes various efforts in advocating for legislative reform. Basing much of its work on the Statutory Review which it completed in 1985, the Commission has proposed major legislative reforms to the Governor since 1986. The Commission also analyzes and advocates any pending legislation which impacts women in the state. It provides legislative information to women's organizations throughout the state through the Legislative Alliance for Women Statewide (LAWS).

Few bills in general passed both legislative bodies in 1987. However, Commission supported legislation will be considered again in the second session of the 15th Alaska Legislature.

Legislation	Prime Sponsor	House	Senate
HB 4 Alaska Women's Commission: Extends the Commission until June 30, 1991. Must pass Senate HESS, Judiciary and Finance before being scheduled for floor vote. Without passage, the Commission will terminate on June 30, 1988.	Rep. Davis	Passed 3/2/87	In S. HESS
HB 189 Divorce and Dissolution: Would require court to give greater scrutiny to dissolution cases. Makes career assets part of marital estate. Provides for interim spousal support.	Governor	H. HESS Subcommittee	
HB 224 Parental Leave: Provides for 18 weeks of unpaid leave for either parent after birth or adoption of a child. Exempts firms with less than 15 employees.	Rep. Brown	Passed 5/15/87	In S. HESS
SB 124 Parental Leave: Provisions are similar to HB 224	Sen. Josephson	S. HESS	

Legislative Alliance For Women Statewide

In 1987 the Commission continued its leadership role in the Legislative Alliance for Women Statewide.

Established by the Commission in 1985, the Alliance is a coalition representing nearly 20 women's organizations throughout Alaska. This organization analyzes and takes positions on legislation, and monitors budget and policy decisions which have direct impact on women's lives.

By providing a forum in which these diverse organizations can participate and work together, the Commission helps mobilize the tremendous energy and commitment contained in these groups. The Commission provides these organizations with an access point to the policy and decision makers whose actions affect their lives. In turn, policymakers benefit from having the information and feedback that this group provides to them.

Local Women's Councils

The Alaska Women's Commission statute was amended by the Alaska legislature in 1983 to include the development of local women's councils around the state. The purpose of the local councils is to ensure that local priorities and issues are addressed at that level. Initially, the councils were established in Commissioners' home communities in order to foster coordination.

During 1984 the Commission worked to establish councils in Anchorage and Sitka. In 1985 Juneau was successfully targeted. In 1986 the North Slope Borough Assembly passed an ordinance establishing the North Slope Borough Women's Council and in 1987 the Commission assisted women's organizations in the North Slope to form a task force to encourage recruitment and appointments to the Women's Council there.

Each council functions independently of the Women's Commission, consists of at least nine members, and meets quarterly. The duties of the local councils are to:

1. analyze and prioritize the needs of women at the local level;
2. recommend legislative and administrative action on women's issues to the Alaska Women's Commission;
3. disseminate research and publications of the Alaska Women's Commission to local women, and
4. serve as a clearinghouse for information relating to the status of women in local communities.

Focus '87–Women's Commission Forced into Wind-Down

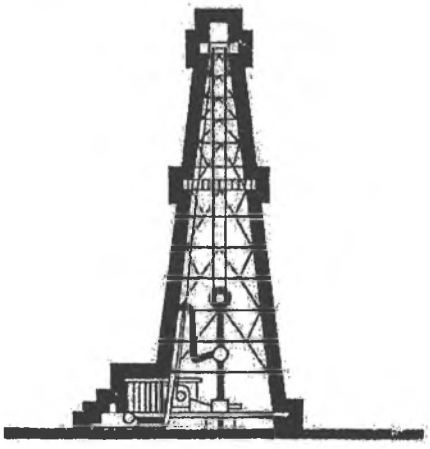
For the first time in Alaska's history, a substantive policy making board was forced into "wind-down" when the Alaska Women's Commission sunset bill was bottled up in two Senate committees during the legislative session.

Despite widespread support from thousands of people around the state, bipartisan support from a majority of legislators, the efforts of Governor Cowper and more than 20 statewide service and professional organizations, the bill to extend the Alaska Women's Commission did not pass the first session of the 15th legislature.

House Bill 4, sponsored by Representatives Mike Davis, Fran Ulmer, Niilo Kopenen, Johnny Ellis, Kay Brown, Dave Donley and Cliff Davidson sailed through the House with a resounding 33 to 2 vote on March 2, 1987. After nine weeks, two teleconferences and numerous scheduling delays, the bill passed out of Senate State Affairs. A last-minute measure to combine the Commission with two other agencies was introduced by Senator Paul Fischer on May 15 and forward action on House Bill 4 was halted.

As of July 1, 1987, the Commission officially entered its "wind-down" year with a budget of $196,800 — a 36 percent decrease from the previous fiscal year. With resources strapped and a depleted publication budget, the Commission launched a concerted drive to develop a statewide speaker's bureau.

Commissioners and staff have stepped up their efforts to bring the results of the Commission's research to as many people as possible. Hundreds of people have been reached personally, many thousands more through print and other media. The commitment and dedication to fostering equity have not diminished, and the Commission and its advocates will be back in January 1988 to urge swift passage of HB4 and reinstatement of the Commission's budget.



"At the current price of oil, only 9 minutes of pipeline flow would fund the entire annual budget of the Alaska Women's Commission."

The Question of a Merger

During the first session of the 15th Alaska Legislature, suggestions were made to consolidate the Alaska Women's Commission with the Alaska State Commission for Human Rights and the Office of Equal Employment Opportunity.

The agencies involved are functionally dissimilar. They provide different services to distinct target populations. History demonstrates that consolidation of these agencies is unworkable.

In 1972 the advisory board functioning as a Women's Commission was abolished and its funds and responsibilities transferred to the Human Rights Commission. Because of its own workload, the Human Rights Commission was unable to deal effectively with those responsibilities. In 1976, the shocking results of the *Preliminary Study on the Status of Women in Alaska* (a study commissioned by the Alaska State Legislature) led to the creation of a separate and independent Women's Commission. Since its creation in 1978, the Alaska Women's Commission's success and widespread recognition are fitting testimony to the need for a separate, independent commission targeted to a unique population distinct from that served by either the Human Rights Commission or the Office of EEO.

Governor Steve Cowper, the members of the Human Rights Commission and the Alaska Women's Commission, Representative Mike Davis (prime sponsor of AWC's reauthorization bill) and the membership of the Alaska Federation of Natives at their annual convention, are among the dozens of individuals and organizations who have opposed consolidation of these agencies.

The chart below illustrates the major differences among the agencies in question.

	Alaska Women's Commission	Human Rights Commission	Office of Equal Employment Opportunity
Enabling Legislation	44.19.165-180	AS 18.80.010-300	44.19.441-449
Type of Agency	Research, Advocacy and Education	Enforcement	Administrative and Compliance
Purpose	To implement the recommendations in the preliminary study of the status of women in Alaska mandated by the 9th legislature. To improve the status of women in Alaska by further research and by implementing additional recommendations on the opportunities, needs, problems and contributions of women in Alaska.	To prevent and eliminate discrimination on the basis of race, color, national origin, religion, sex, physical or mental disability, marital status, changes in marital status, pregnancy, parenthood and age in public and private sector employment, public accommodations, housing, finance and credit, and practices by the state and its political subdivisions.	To ensure fair employment practices in state government and to ensure compliance with AS 44.19.441-449 and Administrative Orders 75 and 81; To monitor the state affirmative action plan for the employment, retention and advancement of women, minorities, the handicapped, other disadvantaged workers; To develop and administer the state's federally required internal equal employment opportunity programs.
Target Population	The entire female population in Alaska.	All persons and classes of persons suffering discrimination in Alaska.	State employees, applicants for state employment, and former state employees.
Commission	Nine members and an ex officio member representing the attorney general's office who serve at the pleasure of the governor; commissioners not compensated for services.	Seven public members appointed by the Governor for staggered five-year terms and confirmed by the legislature; commissioners not compensated for services.	N/A

	Alaska Women's Commission	Human Rights Commission	Office of Equal Employment Opportunity
Role of Commissioners	Bring diverse perspectives, including those of homemakers, and interest, knowledge, or experience in the issues. Hire an executive director and other staff necessary to the commission's function. Establish standing committees and task-forces to research and make recommendations on the status of women. Establish policy and program direction.	Adjudicate cases of discrimination at public hearing and issue commission decisions and orders enforceable in court. Adopt regulations implementing and interpreting Alaska Human Rights Law. Appoint executive director approved by the governor and hire other staff. Establish policy and program direction.	N/A
Major Activities	Conduct research, accumulate and compile data about discrimination against women; Study and analyze Alaska laws, regulations and guidelines with respect to equal protection for women; Disseminate the results of research and compilation of data by publications, public hearings, conferences and seminars; Recommend legislative and administrative action on equal treatment and opportunities for women; Act as clearinghouse and coordinating body for governmental and non-governmental information relating to the status of women in Alaska; Encourage the development of regional and municipal women's councils or commissions; Encourage women to assume leadership roles, and conduct joint efforts to study and resolve women's problems with public and private sector agencies.	Accept complaints of discrimination from public; executive director may file on behalf of persons; Identify and eliminate discriminatory policies and practices of major impact; Conduct impartial investigations and attempt early resolution of cases; Determine violations of Human Rights Law and conciliate cases of discrimination; Obtain relief for complainants (back pay, lost jobs, pay differentials, a bias free workplace and other remedies); Counsel inquirers about Human Rights Law and redirect them to other sources of redress; Inform the public about rights and provide technical assistance to employers, landlords, businesses, lending institutions, and state/local governments.	Assist state officials to carry out EEO responsibilities and train state managers and supervisors in affirmative action; Offer orientation programs to employees to inform them of their rights; Monitor state personnel practices, analyze workforce composition and implement performance evaluation standards for affirmative action requirements; Prepare federally mandated EEO reports and plans; Prepare the affirmative action plan for the executive branch and ensure agency compliance with affirmative action plans and programs; Assist the Division of Labor Relations in collective bargaining negotiations; Accept, investigate and resolve informal complaints; Serve as primary state liaison with civil rights agencies and with community groups; Recommend action to the Governor relating to affirmative action and report to the Governor and legislature on progress.
Major Issues	Improving the status of women in Alaska; addressing the opportunities, needs, problems and contributions of Alaskan women. Issues include but are not limited to education, homemaking, civil and legal rights, labor and employment, health, economic equity, families and work, child care, family equity (divorce reform), welfare reform.	Discriminatory discharge and unfair employment policies and practices, denial of jobs to minorities, women and the disabled, sexual harassment and racial bias in the workplace, pay equity for women, mandatory retirement, accessibility for the disabled.	Equal employment opportunity and affirmative action in state employment practices; Meeting the federal EEO regulatory requirements as a condition for the state's receipt of federal funds.
Type of Staffing	3 full-time paid staff: one administrator/ program developer, one researcher, one support staff, 1 part-time paid staff (Senior Employment Program); An additional 600 to 1,000 hours of volunteer time is donated each year; 20 statewide women's organizations work on Commission issues and projects each year.	19 full-time paid staff: 1 administrator, 1 staff attorney, 3 supervisors, 8 investigators, 1 docket officer, 5 support staff with headquarters in Anchorage and Juneau and Fairbanks field offices; Worksharing agreements with EEOC and HUD and the Anchorage Equal Rights Commission increase staff case processing capability.	10 full-time paid staff: one administrator, six equal opportunity employment specialists, one data specialist, two support staff.
Proposed FY89 Budget	$204,600 General Funds $11,200 I/A Receipts	$945,700 General Funds $88,900 Federal Receipts	$551,800 General Funds

Research in the Forefront: Family Equity

When the Alaska Women's Commission was first established in 1978, it faced an appalling lack of data and statistics. While the *Preliminary Report on the Status of Women in Alaska*, authored in 1976, was a goldmine of information, it could not begin to approach the detail needed to correct discriminatory laws and establish equitable policies across the board. It was for this reason that the legislature directed the Commission to conduct further research. Since that time the Commission has made research a priority.

Good research builds on earlier findings. Early Commission studies on the status of Alaskan homemakers and problems with child support enforcement have been supplemented by Commission analysis of the social and economic status of all Alaskan women, Native women in particular. Because of Commission research, it was discovered in 1984 that Alaskan women were earning only $11,000 compared to $22,000 earned by male counterparts.

In 1985 the Commission worked with the Alaska Bar Association to review all of the Alaska statutes to uncover numerous laws which diminished or jeopardized economic equity. Setting out to correct these problems constituted the Commission's legislative platform of 1986. Commission research has been a catalyst for legislative advocacy and action.

Because education can open the door to better opportunity in life, in 1986 the Commission directed its research efforts to educational equity. Administrators throughout the educational system are working to improve their track records because of the 1986 report, "Commitment or Complacency?" which the Commission authored.

This year, 1987, saw the Commission turn its attention to the critical issue of family equity. Research from other areas in the country began to suggest that divorce reforms of earlier years were having unintended results. Women and children were being thrown into poverty because, it seemed, of the very efforts to make divorce laws more equitable.

The study of divorce and its economic impact on families is vitally important because of the number of people whose lives are affected by it. In Alaska, more than 11,000 people are affected each year, 3,000 of them children.

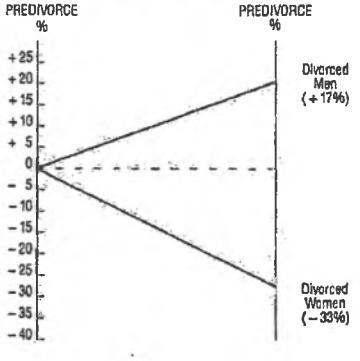
The results of the study, titled "Family Equity at Issue," were startling and disturbing. The Commission discovered that divorce in Alaska results in a significant drop in income for women and children. Men, on the other hand, usually benefit financially. Inadequate and poorly enforced child support awards, the near absence of alimony and unequal division of marital property are creating financial disaster for many women and their children.

Included in the findings was the alarming fact that the average child support award in Anchorage does not cover even half the cost of out-of-home day care (child care) necessary for most parents who work outside the home. Without this most basic element of financial support, single mothers with custody of their children can hardly hope to raise themselves out of poverty.

The study confirmed the importance of continuing the Commission's efforts to change the laws regarding divorce and dissolution in Alaska. In an effort to tap all available resources, the Women's Commission has contacted the Alaska Judicial Council to explore whether that agency can collaborate with the Commission in expanding the research on family equity to a statewide scope. It is essential to determine what impact divorce laws and procedures are having on the lives of rural women. Additional resources must be found to extend this research to rural Alaska, particularly since the Rural Research Agency no longer exists.

The results of the study on family equity have been presented to numerous groups throughout the state in an attempt to educate women and men regarding this critical issue. Future plans dependent on funding, include the development of brochures, videos and other materials to help people make more informed decisions when they go through a divorce.

Percentage Change in per Capita Income of Divorced Men and Women



Education: A Year In Review

One of the major components of the Commission's work is public education, getting information out to thousands of women each year on what their rights and opportunities are. This year Commission members and staff provided, attended or sponsored seminars, workshops and educational events as far north as Barrow and as far west as Bethel.

Commission-Sponsored Panels and Seminars

At each of its meetings during 1987, the Alaska Women's Commission invited community leaders and representatives to discuss issues of importance to women and families. These panels are offered as a dialogue between the Commission, policy makers and the public.

In March 1987, Senator Rick Halford, Representative Johnny Ellis, Commissioner Myra Munson, Barbara Miklos, Executive Director of the Council on Domestic Violence and Sexual Assault, and Sherrie Goll, lobbyist for the Alaska Women's Lobby, presented information on the Human Services Budget and how it impacts women and families.

In May 1987, now-Mayor Diane Carpenter, Cathy Feaster, director, Bethel Health Center, and Lorraine Beaver, head counselor, Tundra Women's Coalition Shelter, joined Commission member Mary Pete to discuss issues for women and children in Bethel and in the Yukon-Kuskokwim region of the state.

In September 1987, Assistant Commissioner Karen Perdue presented and discussed Welfare Reform with the Commission and the public.

Members of statewide women's organizations were invited to participate in a Commission sponsored seminar on Public Speaking at the September meeting as well.

Panelists Sherrie Goll, Rep. Johnnie Ellis, Sen. Rick Halford, Myra Munson and Barbara Miklos discuss budget cuts at the March 1987 Commission meeting in Juneau.

Members of women's organizations joined commissioners and staff for an October 1987 training session on effective public speaking.

Women's Legal Rights

In Alaska, women have the legal right to be treated equally with men. Yet, in practice, women often face problems obtaining that right. Nearly 100 women and men attended a free, one-day conference entitled "Legal Rights for Women" to learn more about women and the law. Sponsored by the Alaska Women's Commission, the conference was held at the Anchorage Community College Campus Center on Saturday, April 25th.

Local experts presented vital information on many legal issues of concern to women. Participants attended sessions on topics as wide ranging as divorce and dissolution, job discrimination, domestic violence, sexual harassment, juvenile law, welfare and other legal entitlement programs, property and custody issues, and equal employment opportunity.

Highpoints of the conference included keynote addresses on women's legal rights by Patty Kastelic, Executive Assistant to Governor Steve Cowper, and Nancy Gordon, Assistant Attorney General. Kastelic's comments focused on the historical perspective of women's rights. Gordon discussed recent Supreme Court decisions and their impact on women in Alaska.

Responses from conference participants reflect the need for continued opportunities to provide legal information to women.

Women's History Month

For the second year in a row, the Alaska Women's Commission distributed its "Celebration Series" portraying the lives and accomplishments of thirty Alaskan women. All television stations in the state carried the series of biographical spots during Women's History Month.

The profiles are representative of thousands of women whose courage and determination to make a difference inspire us all to strive for excellence. The "celebration stories" are made possible by a grant from the National Bank of Alaska.

Listed below are the women whose accomplishments were profiled in this Commission series.

Orah Dee Clark, Founder of Anchorage Schools; Mary Louise Rasmuson, Women's Army Corps and Arts Patron; Harriet Pullen, Skagway Entrepreneur; Erinia Callahan, Gold Miner; Mary Antisarlook, Reindeer Herder; Irene Ryan, Geologist; Lil Angerman, Union Organizer; Blanche McSmith, Activist; Rusty Dow, Truck Driver; Nettie Jones Ellison, Ketchikan Native Who Fought Discrimination; Lorene Harrison, Musician and Educator; Dora Keen and Barbara Washburn, Mountaineers; Lucy Cuddy, Teacher and First Bank Board Chairwoman; Marie Drake and Elinor Dusenbury, Alaska Flag Song Composers; Della Keats, Healer; Sadie Neakok, Magistrate; Margaret Murie, Arctic Explorer; Lydia Fohn-Hanson, Pioneer Homemaker; Amanda McFarland, Missionary; Edith Bullock, Tug and Barge Operator; Frances Howard, First Woman State Trooper; Evangeline Atwood, Author and Statehood Organizer; Barrett Willoughby, Author; Isabelle Barnett, Co-Founder of Fairbanks; Nell Scott, First Woman Legislator; Mahala Ashley Dickerson, Attorney; Pioneer Women Aviators; Women's Voting Rights; Women of the Constitutional Convention; Sisters of Providence and St. ann.

In Passing:

1987 saw the passing of statehood advocate and Alaskan historian Evangeline Atwood.

Born of Swedish missionaries, Atwood started many organizations in Alaska including the Alaska Statehood Association, the Anchorage P.T.A., the League of Women Voters and Alaskan World Affairs Council.

Profiled by the Commission in its "Celebration Series," Atwood worked to preserve the history of the state in her books and columns. Her books help us all to better appreciate and understand the history of the people and the state.

Alaska State Association of Colored Women's Clubs Holds State Convention

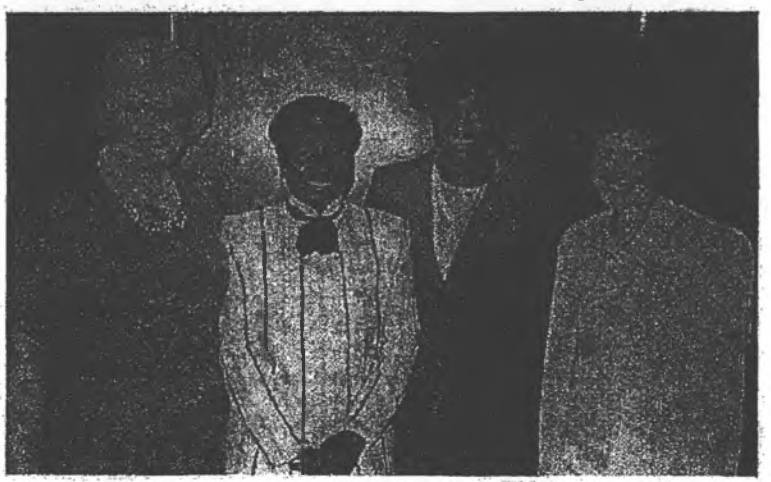
Christine Callahan updates convention delegates on HB4.

Patricia Ray was elected to serve as President of the organization for an additional two-year term at the Association's fourth biennial state convention in April 1987 in Anchorage.

Christine Callahan, executive director of the Alaska Women's Commission, addressed convention delegates on Commission legislation and activities.

Business And Professional Women's Clubs Honor National Vice President

In September 1987 the Business and Professional Women's Clubs of Alaska honored the national first vice president of the organization with a dinner in Anchorage. La Verne Collins, a member of the Anchorage Women's Commission, was elected to this post in 1987 and is working to effect change in national policies that impact women and families. She gave a stirring speech on parental leave and how to make it a national reality. "It has been said that this country does not have a family policy but I disagree," Collins said. "It does. Families are ON THEIR OWN." Along with the coalition of women's organizations working on this issue, BPW hopes to change that.



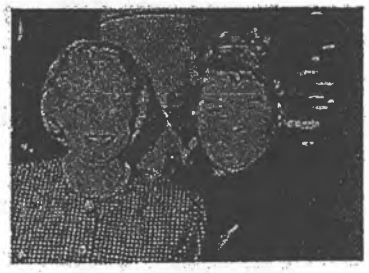
L. to R. Janet Bradley, Executive Director of the Alaska Human Rights Commission; Joy Green-Armstrong, Vice-Chair of the Alaska Women's Commission; La Verne Collins, First Vice President of Business and Professional Women's Clubs of America; and Christine Callahan, Executive Director of the Women's Commission share a moment at the dinner honoring Collins.

National Association of Commissions for Women

Paula Ziegler attended the June 1987 meeting of the National Association of Commissions for Women in Lexington, Kentucky as the Commission's representative. She attended sessions on the work force in the year 2,000 and implications for women, and on the implementation of pay equity in number of states. Ziegler had the opportunity to meet with Shirley Dennis, the chief of the Women's Bureau, about pending Welfare Reform legislation.

Jeannine Dowling, left, director of public affairs for Philip Morris U.S.A., and Paula Ziegler, Chair of the Alaska Women's Commission, joined more than 120 delegates from commissions across the United States and Puerto Rico at the 18th annual convention of the National Association of Commissions for Women in June 1987.

Women and the Constitution



Sandra Day O'Connor and Kay Linton at the Anchorage celebration of the Constitutional bicentennial, September 1987.

Celebrations surrounding the bicentennial of the Constitution of the United States were highlighted by the presence of Supreme Court Justice Sandra Day O'Connor, who spoke to a standing-room-only crowd at the Loussac Library in Anchorage in September 1987. Kay Linton, the past president of the Alaska Federation of Women's Clubs, has attempted to bring Justice O'Connor to Alaska for years. She succeeded this year in organizing this event for the Friends of the Library, on whose board of directors she currently serves.

The Alaska Women's Commission helped publicize and "broadcast" Justice O'Connor's appearance so that as many women as possible could attend this historic event.

The View from the Top of the World

In Barrow, the North Slope Borough Health Department, Substance Abuse and Treatment Service sponsored "A Delicate Balance — A Conference for Women" on September 25 & 26. Over 125 women from villages throughout the North Slope Borough attended workshops on family concerns, legal issues, health care and women's roles.

Christine Callahan, Commission Executive Director, and Charlotte Brower, former member of the Alaska Women's Commission, conducted a workshop with the entire conference group on how to establish an effective local women's commission.

The conference participants elected Charlotte Brower and Elsie Itta to a steering committee to recruit applicants for the North Slope Borough Women's Commission. Jeanne Cross of the Abused Women in Crisis program will serve as an alternate on the recruitment committee.

L. to R. Elsie Itta, Jeanne Cross and Charlotte Brower plan recruitment efforts for the North Slope Borough Women's Commission, September 1987.

Transitions

In October 1987 Kris Chatfield stepped down from her position as Chair of the Alaska Women's Commission. Elected to chair the group in September 1986, Chatfield has made extraordinary contributions to the Commission's work since her appointment by Governor Sheffield in September 1983.

Serving first as the Commission's Vice-Chair from 1984 through 1986, Chatfield chaired the Program Committee and served on the Native Issues Task Force. She helped craft the Commission's legislative agenda and was instrumental in helping to promote issues to the public through use of the media. She co-chaired the steering committee of the 1985 Statewide Women's Conference and helped make that huge undertaking an unqualified success. Kris will complete her term as a Commissioner in June 1988.

Christine Callahan, left, presents gavel to outgoing chairperson Kris Chatfield.

Education — Support

Speakers' Bureau

Providing information about the condition of women to the general public is essential to improving the status of women. In 1987, the Commissioners and staff gave 89 presentations and media interviews to present information on women's issues. Following is a list of the topics addressed by various organizations:

Divorce Research
Federal Aviation Administration Federal Women's Program

Forming a local women's council
North Slope Borough Women's Conference

Legislative Platform
Bering Sea Women's Group; Federal Aviation Administration Federal Women's Program; Soroptimists, Anchorage; Alaska Native Health Services / Federal Women's Program; Church Women United; First Congregational Christian Women's Fellowship; Business and Professional Women's Club, Fairbanks; American Association of University Women, Fairbanks; National Organization of Women Regional Conference; Soroptimists, Juneau; Business and Professional Women, Anchorage; Alaska Assoc. of Colored Women's Club; Alaska Women's Political Caucus; Business and Professional Women; League of Women Voters; Human Rights Commission; Business and Professional Women, Juneau; Republican Association of Professional and Business Women; Alaska Bar Association; Kenai Women's Coalition; Alaska Federation of Natives

Minority Women
Alaska Women's Resource Center; LaVerne University

Pay Equity
Unitarian Fellowship

Women's History
American Assoc. of University Women

Information And Referral

The Alaska Women's Commission increasingly has become a clearinghouse for information on services, programs, legislation, and issues which relate to women's concerns in the state of Alaska today.

In 1987, 1,206 calls and/or walk-in contacts were received on a wide range of topics. A predominant number of requests were for statistical and research information on Alaskan women. These requests came from individuals, legislators, educators, attorneys, researchers, the media, and other groups. Listed below are the number of requests by topic.

Commission programs/events.....159
Children.....37
Economics.....32
Small Business.....23
Education.....54
Employment.....74
Health.....25
Legal & civil rights.....113
Legislation.....157
Minority women.....43
Older women.....18
Politics.....47
Requests for Publications.....200
Violence/Sexual Assault.....19
Media contacts.....46
Women in history.....49
Other contacts.....110

The Commission also maintains a resource library of more than 500 books, periodicals, and files on issues affecting women. All materials are available to the general public.

Media Presentations

Divorce Research
KTUU Television Anchorage "Newsmakers"
KTVA Television Anchorage "Viewpoint"
KTVA Television Anchorage
Anchorage Daily News
Anchorage Times
Alaska Public Radio Network
Fairbanks News Miner
Frontiersman, Wasilla/Palmer
KENI Radio Anchorage
Associated Press
Ketchikan Daily News
Juneau Empire

Legislative Platform
KTUU Television Anchorage "Newsmakers"
KTVA Television Anchorage "Viewpoint"
KNOM Radio, Nome
Anchorage Daily News
Anchorage Times
Associated Press
Ketchikan Daily News
Juneau Empire

Legislative Research
Alaska Public Radio Network

Maternity Leave
Fairbanks News Miner

Women's History Profiles
KTUU Television Anchorage "Newsmakers"
KTVA Television Anchorage
Anchorage Daily News
Anchorage Times
Fairbanks News Miner
KTOO - Juneau
KAKM Television, Anchorage
KYUK Television, Bethel
KUAC Television, Fairbanks
KJUD Television, Juneau
KTNL Television, Sitka

Publications

1987 Commission Publications

Family Equity at Issue: A Study of the Economic Consequences of Divorce on Women and Children. Results of research on economics of divorce in Alaska. (508 dist.)

Family Equity at Issue: Research Summary. (2,258 dist.)

Directory of Women's Organizations. Statewide directory of women's organizations. (175 dist.)

Newsletter: Status Report. Provides information on state and federal legislation, programs, services and issues that pertain to equity for women. It is provided free of charge to approximately 2500 individuals and organizations. (4,700 dist.)

Highlights of the Alaska Women's Commission. Historical summary of events, activities and actions of the Commission. (790 dist.)

Position Paper: Status of HB4. Updates the status and progress of the Commission reauthorization bill. (165 dist.)

Additional Commission Publications

Profiles in Change: Names, Notes and Quotes for Alaskan Women. (1983) Profiles of 60 Alaskan women who have contributed to the State's economic, social, and political development. The publication includes journal pages for the reader to record reflections and impressions. (394 dist.)

Report on the Economic Status of Alaska Native Women. (1983) Findings from the study of the economic condition of Alaska Native Women, with actions recommended to improve their economic status. (46 dist.)

Summary of the Report on the Economic Status of Alaska Native Women. (1983) (61 dist.)

Women in Labor Unions: Seminar Report. (1984) Summary of the seminar that focused on the role of women in labor organizations, what problems women face, and how to make unions more responsive to women. Includes profiles of speakers, descriptions of workshops and a list of participants. (21 dist.)

Women's Legal Rights in Alaska. (1984) Outlines legal rights affecting women in Alaska in such areas as employment, credit, inheritance, adoption, marriage, divorce, criminal law and violence against women. (470 dist.)

Alaska Women: A Databook. (1984) Demographic profile of Alaska Women based upon the 1980 Census; includes statistical appendix. (59 dist.)

A Review of the Alaska Statutes for Sex Discrimination. (1985) Final report of the comprehensive review of Alaska Statutes. (77 dist.)

A Sense of History: A Reference Guide to Alaska's Women 1896–1985. (1985) An annotated bibliography of books, articles, audio-visual aids, and photo displays about Alaska women in history. (75 dist.)

At the Edge of Opportunity: A Statewide Conference on Women, The Economy and Public Policy. (1985) A summary of the workshops, activities, and recommendations from the March 1985 conference. (42 dist.)

Commitment or Complacency?. (1986) An assessment of sex equity in Alaska's educational institutions with recommendations for future action. (124 dist.)

Making a Difference: A Primer for Women in Public Life. (1986) A handbook for political involvement. Includes information on campaign planning, voter contact, and working with volunteers. (172 dist.)

Regional Conferences 1986. (1986) Activities and recommendations from the rural women's conferences funded by the Commission in 1986—Bethel, Huslia, Sitka, and Wasilla. (456 dist.)

Women in Prison: Does the Justice System Do Them Justice?. (1986) A report on the current status of female offenders in Alaska and the United States. (109 dist.)

Annual Report 1986. (1986) A review of the major accomplishments of the Women's Commission from January 1 to December 31, 1986. (886 dist.)

Brochures and Fact Sheets:

Alaska Women's Commission. (1984) (269 dist.)

Alaska Women: A Profile. (1984) (272 dist.)

Alaska Women in Politics. (1984) (247 dist.)

Alaska Women & Education. (1985) (195 dist.)

Alaska Women & Insurance. (1985) (170 dist.)

Alaska Women & Pensions. (1985) (190 dist.)

In Celebration of Alaskan Women. (1986) (25 dist.)

Posters:

Legal Rights for Women Conference. (1986) Announcements of conference on legal rights for women held in Anchorage. (4000 dist.)

Families—A Shared Experience. ((1983)) Multi-colored poster aimed at a young audience, emphasizing non-sexist choices in career and family living. (70 dist.)

Be What You Want to Be. (1984) Multi-colored poster aimed at a young audience, emphasizing non-sexist choices in career and family living. (85 dist.)

Women: Alaska Women's Commission. (1984) (37 dist.)

Women in Alaska History. (1986) (175 dist.)

Total Distributed 17,363

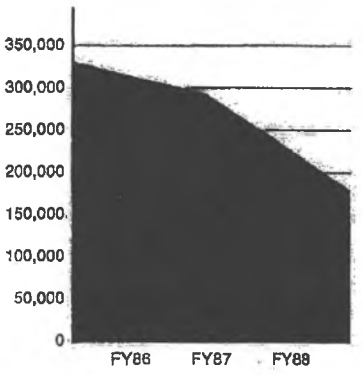
The Budget–A Successful Public-Private Partnership

The FY87 Commission budget was $262,600. Of this amount, $251,500 was state general funds and $11,100 was a federal grant which enabled the Commission to hire a Senior Employee in a job-readiness training program.

This amount was supplemented by generous in-kind donations of time, expertise and services from a large number of individuals, businesses, professionals and organizations. The Commission is at the forefront of state agencies in successfully pursuing alternative and creative sources of support. In fact, the reason the Commission has produced the quantity and quality of work for which it is known has been a successful public-private partnership involving countless volunteers.

In 1987 more than $22,000 of in-kind volunteer services were donated to Commission projects. Including all alternative sources of revenue and in-kind services, the Commission generated more than $100,000 in additional programmatic money to supplement its state budget.

In 1988 the Commission anticipates receiving a state budget of approximately $200,000, losing nearly 25% of its base funds. Reductions of this type have occurred over each of the past three years. Each major reduction of the basic programmatic and staff budget also reduces the Commission's ability to seek and secure additional sources of revenue.



The budget for the Alaska Women's Commission authorized by the legislature has declined by nearly 40% since FY86.

Upcoming Events

February 6—Alaska Women's Political Caucus will be holding its annual meeting in Anchorage. A distinguished panel of former women candidates will be discussing "When Winners Don't Win." Election and installment of new officers will follow the panel discussion. For further information call 277-1330.

February 21-24—Power of Politics and Government in Washington D.C. will be the first of three seminars on Power in America sponsored by the educational Foundation for Women's Resources. The seminars will provide opportunities to strengthen individual leadership skills and create avenues for women leaders to exert their influence and talents. For more information contact (703) 549-1102.

March—Women's History Month in Alaska. The Commission's T.V. spots on "Profiles of Alaskan Women" will air in communities throughout the state. Contact local women's organizations for other activities scheduled within your community.

March 3-5—Juneau residents can take a one-credit course in Women's History at the University of Alaska, Southeast. Registration is $15.00

March 5—Staying Power, Part I. A conference to unite and encourage women in their personal, professional and political lives will be held in Anchorage. This conference will discuss issues that unite all women and will create an action agenda to sustain the quest for equity in Alaska.

The conference will also prepare participants for Staying Power, Part II in October. Nationally known Bella Abzug and Shirley Chisholm will join other renowned speakers to inspire a recommitment to activism among professional women. Musical artist, Libby Roderick will also appear in concert.

Both conferences are sponsored by the University of Alaska, Anchorage, Alaska Pacific University and both the Alaska and Anchorage Women's Commissions. Call 786-1060.

March 14-16—Alaska Women's Commission will meet in Juneau.

March 17-18—Making Choices for Your Future, a leadership conference for young minority women will be sponsored by the Anchorage School District. Topics will include preparation for careers, peer pressure, self esteem, sex and race bias, health issues and communication with parents. For more information contact Jean Marie Crumb at 269-2265.

March 19—Women's Health Fair will be held in Juneau. Free health screening and health education will be provided.

March 25-27—Women: Exploring Options, Building Our Dreams, is the theme of Kodiak's women's conference. Sponsored by the Kodiak Area Native Association, the conference will feature as its keynote speakers, Senator Arliss Sturgulewski, Rosita Worl and Christine Callahan, Executive Director of the Alaska Women's Commission.

April 14-16—Southeast Alaska Native Women's Conference will be held in Juneau. Contact Patty Adkisson at 789-3377.

Action Agenda Survey

1988 marks the 10th anniversary of the Alaska Women's Commission. Over the past decade the Commission has witnessed dramatic changes resulting from its efforts in research, education and legislative advocacy to improve the status of women. The challenge now before us is to insure that the equity gained can be preserved and that appropriate social change can continue into the future. Targeting issues and concerns important to Alaskan women is essential if we are to continue achieving these results.

This survey solicits your viewpoint about issues important to women of Alaska, issues that personally concern you or which affect your community or the entire state of Alaska. The survey also asks how effective you believe the Women's Commission has been in addressing issues through its activities. By completing this survey, you will provide important direction to the Women's Commission as it establishes its Action Agenda for the 90's.

Issues

Under each of the following issues prioritize your top three concerns using a number scale, where #1 is the highest, #2 is of lesser priority and so on. Please include any other issues of concern if not stated.

FAMILY EQUITY
- ____ Child support
- ____ Child custody
- ____ Equal credit opportunity
- ____ Homemaker's rights
- ____ Equity in divorce laws
- ____ Other (please explain):

CHILD CARE
- ____ Employer sponsored child care
- ____ Publicly-subsidized child care
- ____ Parental Leave
- ____ State regulations of quality and licensing
- ____ Affordability
- ____ Latch key
- ____ Other (please explain):

ECONOMIC
- ____ Housing-affordability
- ____ Insurance and pensions
- ____ Economic development
- ____ Loan programs for women-owned businesses
- ____ Employment, job creation
- ____ Employment discrimination
- ____ Welfare Reform
- ____ Pay equity
- ____ Other (please explain):

EDUCATION
- ____ Access to education and training
- ____ Educational equity
- ____ Affordability of education
- ____ Other (please explain):

JUSTICE
- ____ Child abuse
- ____ Domestic violence/sexual assault
- ____ Victims' rights
- ____ Women in prison
- ____ Gender bias in the courts
- ____ Other (please explain):

HEALTH
- ____ Teen pregnancy
- ____ Reproductive rights
- ____ Occupational health hazards
- ____ Alcohol and substance abuse
- ____ Other (please explain):

Commission Activities

The Alaska Women's Commission provides education, research and advocacy to improve the status of women. Please rate their value to you.

EDUCATION — Indicate whether you attended any of the following conferences and rate their value to you.

	Attended		Value					
	Yes	No	Low				High	
Legal Rights Conference, Anchorage, 1987	☐	☐	1	2	3	4	5	N/A
Women In Prison, Juneau, 1986	☐	☐	1	2	3	4	5	N/A
Making a Difference: A Primer for Women In Public Life, Fairbanks, 1986	☐	☐	1	2	3	4	5	N/A
Regional Women's Conferences held in Bethel, Huslia, Sitka and Wasilla, 1986	☐	☐	1	2	3	4	5	N/A
At the Edge of Opportunity: A Statewide Women's Conference, March, 1985	☐	☐	1	2	3	4	5	N/A

What are your suggestions for future conferences?

_____

_____

Indicate whether you received the following informational reports and materials published by the Commission and rate their value to you.

	Received Report/ Material		Value					
	Yes	No	Low				High	
Status Report Newsletter	☐	☐	1	2	3	4	5	N/A
Women's Legal Rights Handbook	☐	☐	1	2	3	4	5	N/A
Making A Difference: A Primer for Women In Public Life, 1986	☐	☐	1	2	3	4	5	N/A
Regional Conferences 1986	☐	☐	1	2	3	4	5	N/A
Women In Prison: Does the Justice System Do Them Justice, 1986	☐	☐	1	2	3	4	5	N/A
Directory of Women's Organizations	☐	☐	1	2	3	4	5	N/A
Profiles In Change: Names, Notes and Quotes for Alaskan Women	☐	☐	1	2	3	4	5	N/A
A Sense of History: A Reference Guide to Alaska's Women 1896-1985	☐	☐	1	2	3	4	5	N/A
Fact Sheets: Women in Politics, Demographic Profile of Women, Education, Insurance, Pensions	☐	☐	1	2	3	4	5	N/A
Posters	☐	☐	1	2	3	4	5	N/A

RESEARCH — Rate the value of the following research performed by the Women's Commission.

	Value of Research Low				High	
Family Equity at Issue: A Study of the Economic Consequences of Divorce on Women & Children	1	2	3	4	5	N/A
Commitment or Complacency: An Assessment Of Sex Equity in Alaska's Educational Institutions	1	2	3	4	5	N/A
Review of Alaska Statutes for Sex Discrimination	1	2	3	4	5	N/A
Alaska Women: A Databook	1	2	3	4	5	N/A
A Report on the Economic Status of Alaska Native Women	1	2	3	4	5	N/A

What are your suggestions for future research?

ADVOCACY — Indicate the value of the following legislative proposals advocated by the Alaska Women's Commission.

	Value of Advocacy Low				High	
HB4 - Extension of the Alaska Women's Commission	1	2	3	4	5	N/A
HB189 - Equity in divorce laws	1	2	3	4	5	N/A
HB224 & SB124 - Parental leave provisions	1	2	3	4	5	N/A

What are your suggestions for other legislative proposals?

Rate the value of the following advocacy services.

	Value of Advocacy Low				High	
Development of Women's Councils - Anchorage, Juneau, Sitka, Barrow	1	2	3	4	5	N/A
Development of Coalition of Women's Organization (LAWS) to advocate legislative and policy issues important to women	1	2	3	4	5	N/A

Rate the overall value of services the Alaska Women's Commission provided in the following areas.

	Value of Service Low				High	
Research	1	2	3	4	5	N/A
Education	1	2	3	4	5	N/A
Advocacy	1	2	3	4	5	N/A

Please indicate the community in which you reside _____

Other Comments _____

This is a self-mailing survey. Please fold and staple, no postage is required.

fold along line

Alaska Women's Commission
3601 C Street
Anchorage, AK 99503

NO POSTAGE NECESSARY IF MAILED IN THE UNITED STATES

BUSINESS REPLY MAIL
FIRST CLASS PERMIT NO. 664 ANCHORAGE, ALASKA

Postage will be paid by addressee..

Alaska Women's Commission
3601 C Street, Suite 742
Anchorage, Alaska 99503

Please staple closed here only

Thanks

There are hundreds of people, organizations and businesses who helped the Alaska Women's Commission accomplish its goals in 1987. Thanks to all of those in Houston, Wasilla, Wrangell, Sitka, Kenai-Soldotna, Homer, Ketchikan, Petersburg, Port Alexander, North Pole, Kodiak, Bethel, Nome, Barrow, Fairbanks, Eagle River, Kotzebue, Juneau and Anchorage who contributed time, money or support to the Commission's efforts.

Thanks especially to the following for their contribution to conferences, workshops, legislative advocacy, seminars, research and media projects and/or to the effort to extend the Commission's life and work until 1991.

Governor Steve Cowper • Rep. Mike Davis, Prime sponsor HB4 • Rep. Fran Ulmer, Co-sponsor HB4 • Rep. Niilo Koponen, Co-sponsor HB4 • Rep. Johnny Ellis, Co-sponsor HB4 • Rep. Kay Brown, Co-sponsor HB4 • Rep. Dave Donley, Co-sponsor HB4 • Rep. Cliff Davidson, Co-sponsor HB4 • Abused Women's Aid in Crisis • Alaska Assoc. of Colored Women's Clubs • Alaska Bar Assoc. • Alaska Court System • Alaska Division of Vital Records • Alaska Federation of Business and Professional Women, Inc. • Alaska Foundation for Youth and Parents • Alaska Home Economics Assoc. • Alaska Legal Services • Alaska Network on Domestic Violence and Sexual Assault • Alaska Nurses' Assoc. • Alaska State Commission for Human Rights • Alaska Women's Lobby • Alaska Women's Resource Center • Alaska Women's Political Caucus • American Assoc. of University Women • Anchorage Community College Center for Women and Men • Anchorage Women's Commission • Blacks in Government • Church Women United • Cinamatech • Division of Child Support Enforcement • Family Community Leadership Program • Federal Women's Programs • First Congregational Christian Women's Fellowship • Henry Lancaster, Inc. • Johnson and Holen • Juneau Bar Assoc. • Juneau Women's Council • Kay, Saville, Coffey, Hopwood and Schmid • League of Women Voters, Alaska • Mother's Christian Fellowship • National Education Assoc.—Women's Caucus • National Organization for Women • North Slope Borough Dept. of Health and Social Services, Substance Abuse Treatment Service • Native Women of Alaska • Office of Public Advocacy • Older Alaskans Commission • Pay Equity Coalition • Reese, Rice and Volland • Republican Assoc. of Professional and Business Women • Social Research Institute • Soroptomists International Clubs • S.T.A.R. (Standing Together Against Rape) • The Growth Company • Thwaites and Motyka • United Methodist Women • United Way of Anchorage • Videoplex • Katie Hurley • Ann Matthew-Johansen • Dorothy Jones • Joan Cottman Coston • Candy Rutledge • Kathleen Tarr • Laurel A. Murphy • Thelma G. Buchholdt • Jan Erickson • Ruth Lister • Heather Flynn • Sonya LaMarr • Janet M. Campbell • Charlotte Brower • Jan Foster • Gay Leslie • Thelma Langdon • Ann Skoe • Susan Clark • Julia Ayer • Barbara Brazington • Julie Spratt • Laurie Anderson • Sue Ayer • Brenda Sokolowski • Kimbra Truby • Nancy Peters • Nathana Kayutak-Suel • Mary Grisco • Ginger Halterman • Diana Wood • Janet Creeps • Grace West • Marcia McKenzie • Sylvia Fink • Paula Easley • Mayor John Williams • Lidia Selkregg • Caleb Pungowiyi • Janet Kowalski • Cecilia "Pudge" Kleinkauf • Ilene Sackett • Jody Marcello • Naomi Stockdale • Carole Greene • Kathryn Lizik • Karla Forsythe • Marilyn Heiman • Donna Williams • Sharon Macklin • Susan Clarke • Kathy Marshall • Mayor Diane Carpenter • Cathy Feaster • Eileen Brewer • Bonnie Jack • Rhonda Roberts • Elizabeth Hickerson • Lois Knapp • Lorraine Beaver • Karla Huntington • Joanne F. Lopez • LaVerne Collins • Jean F. Craciun • Carrie D. Longoria • Joyce M. Rivers • Jana Varrati • Carol Waters • Elaine Hopson • Karen Rich • Carla Timpone • Carol Jorgenson • Jane Evanson • Glen Ray • Fred Jenkins • Peggy Burgin • James E. Fischer • Mia Oxley • Sherrie Goll • Pat Corbett • Roberta Graham • Marla Huss • Peggy Rogers • Anne Jansen • Ruth McKenzie • Charo Wongittilin • Karen Kirby • Drena McIntyre • Sheila Nickerson • Pam Van Wechel • Wanda Jansen • Margaret Hall • Bernice Linn • Susan Alexander • Mary Welch • Emmie White • Joan Bennett Schrader • Sandra Armstrong • Deanne L. Adams • Susan McClear • Marilyn George • Jan McCrimmon • Christina Loris • Mary Jane Landstrom • Jill Cunningham • Barbara Miklos • Margo Waring • Patty Kastelic • Karen Perdue • Susan Heavey • Jeanne Cross • Victoria Eubank • Mary Katzke • Janet Bradley • Ann Brazeale • Cheryl Thompson • Sandra Saville • Marge Hays • Sammy Crawford • Myra Munson • Marsha Hubbard • Vera Hollingshead • Pamela Tesche • Leila Wise • Lynne Curry-Swann • Rae Maness • Sharon Richards • Alicia Iden • Hazel Heath • Susan McGinnis • Barbara Schuhmann • Leslie Bogda • Marcia Johnson • Sarah Jordan • Mary Monroe • Jean Marie Crumb • Bea Halkett • Nancy Gordon • Marilou Shea • Teresa Sockpealuk-Perry • Gail K. Evanoff • C.R. Dotson • Delia Iyapana • Johnny Leonard • Louie Weyopuk • Arlene Adam • John Iyapana, Sr. • Emily Hughes • Perry Mendenhall • Marilyn Koezuna-Irelan • Isaac Okleasik Jr. • Ken Shoogukwruk • Robert S. Amarok • Rebecca Craven • Mary Miller • Lillian Paniptchuk • Doreen Buffas • Bessie Piscoya • Eileen Norbert • Nellie Olanna • Betty Hannigan • Bernice Allred • Brenda Gologergen • Jeanette S. Carter • Leona Schick • Kathy Holmes • Maggie Kawchee • Maggie Ferry • Josephine Stiles • Vera Metcalf • Lola Tobuk • Nancy Mendenhall • Leora Kenick • Theresa Lane • Rev. James E. Poole • Kathy Johnson • Lillian Tiulana • Susan Alexander • Sister Claire Gagnon • Vivan Teeland • Norma Goodman • Beverly Michaels • Susan Humphrey-Barnett • Elaine Atwood • Suzan Nightingale • Pat Hiebert • Pat Berkley • Mickey Sleeper • Cathy Rasmuson • Esther Combs • Carolyn Guess • Andonia Harrison • Diane Benson • Janie Leask • Bonnie Bernholz • Roberta Sheldon • Laurel Cuddy Stutzer • Gloria Marinacci Allen • Gloria Pushruk • Suzanne Perry • Marianne McNabb • Marcia Ellingboe • Pauline S. Lee • J.K. Brown • Cynthia Lee Mathisen • Catherine Lee Barth • Ronn Buschmann • Gloria E. Shrine • Charlotte Tanner • Elder Lee • Harold Bergmann • Cheri G. Greer • Paul W. Bowen • Tyler Henshaw • Eli Ribich • Carolyn I. Pritchett • Suzanne Paulsen • Neva J. Bowen • Dortha T. Claypool • Linda Henshaw • Claire Strand • Kerri Gregg • Alyce Todd • Ruth W. Sandvik • Victoria McDonald • John A. McDonald • Susan B. Kittams • Jay A. Kittams • Diane S. Hoelting • Kurt Hoelting • Rebecca J. Knight • Janet Dait • Linda Martinson • Roxanne L. Lee • Harold M. Lee • Tom Greer • Anne Lee • D.P. Buschmann • Dianne J. Dzur • Miriam A. Hubbard • Nancy Berg • B. Joyce Jenkins • Roxann M. Dunham • Marilyn E. George • Marian Estelle • Marjorie F. Faust • M. Edgington • Karl Johnson • Jean Remund • Mary Kay Reynolds • Karen Smith • Judith Wallan • Linda Wallan • Jackie Garneck • Lorraine Hughes • Phillis Mulligan • Mike Stempe • Bud Jodway • Nelson Leroy • Pam & Bill Jenkins • Joanne F. Lopez • Deborah Kloby, D.C. • Richard Newman, D.C. • Cheryl Mann • Evelyn Ramos • Lee Holen • Mark Ertischek • John Reese • Terri Pollock • Holli Ploog • Sheila Gaddis • Nancy Hopperstad • Bill Hitchcock • Henry Lancaster • Frances Purdy • Dick Thwaites • Linda Becher • J. McCarthy • Carla Grosch • Hilary Hardwick

A Job Well Done

LaVerne Collins of Anchorage was recently elected first vice-president of the National Association of Business and Professional Women's Clubs of America.

Adele Bacon, state plumbing inspector in Fairbanks was recently installed as the first woman Vice-President of the International Association of Plumbing and Mechanical Officials. Bacon was also Alaska's first apprentice graduate in plumbing and the state's first female plumbing inspector.

Newly elected women mayors include: Valerie Bergman, Allakaket; Diane Carpenter, Bethel; Dora Ahkinga, Diomede; Maggie Scholtz, Goodnews Bay; Liv Gray, Hoonah; Marcella Padie, Houston; Elinor Okavik, Napaskiak; Carleta Lewis, North Pole; Mary Beaver, Russian Mission; Sarah Okbaok, Teller; Emma Ayojiak-Carolos, Toglak; Fern Neimeyer, Wrangell. Women hold 16 percent of the mayor's seats in Alaska.

Heather Flynn, Anchorage assemblywoman, was recently installed as President of the Alaska Municipal League.

Lorraine "Sammy" Crawford, a social studies teacher at Soldotna High School has been named 1988 Alaska Teacher of the year. She also is one of four finalists for National Teacher of the Year.

Mary Pete of Bethel was recently appointed to the State Council on Domestic Violence and Sexual Assault.

Ayana Augustine-Warren of Anchorage was recently honored at the Blacks in Government Conference with a Presidential Award for her advocacy on behalf of children with special needs. Augustine-Warren also serves as the Anchorage Chapter President of Blacks in Government.

Kay Kennedy of Fairbanks has been named Woman of Achievement by the National Federation of Press Women.

The award is the national groups highest honor.

Joan McCoy of Anchorage was elected treasurer of the National Federation of Press Women. She is the first national officer to come from Alaska.

Alaskan Rotary Clubs have opened their doors to women. Women members have been installed throughout the state including Eagle River, Fairbanks, Anchorage and Petersburg. Karen Van Meter of Eagle River was the first woman admitted to a Rotary Club in Alaska.

Patricia Ray, state president of the National Association of Colored Women's Club announced the formation of a new chapter in Juneau. Anita Price was elected president of the Juneau Chapter.

Donna Meyer, Anchorage, received the Outstanding Community School Urban Personnel award from the Alaska Association for Community Education.

AWC
ALASKA WOMEN'S COMMISSION
3601 "C" STREET, SUITE 742
ANCHORAGE, AK 99503

BULK RATE
U.S. POSTAGE
PAID
Permit No. 691
Anchorage, AK

Members of Commission:
Paula Ziegler, chair
Juneau
Joy Green-Armstrong, vice chair
Anchorage
Loretta Bullard
Nome
Kris Chatfield, Anchorage
Linda L. Freed, Kodiak
Elizabeth (Pat) Kennedy, Anchorage
Mary Pete, Bethel
Betty Ramage, Anchorage
Wendy Redman, Fairbanks
Susan Smalley, Kenai
Executive Director
Christine Callahan

State of Alaska
Steve Cowper, Governor
Stephen McAlpine, Lt. Governor

ADDRESS CORRECTION REQUESTED

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: **SB 53**
() Publish Date

Identifier (file name) SB053-OOG-WC-3-25-11
Title "An Act reestablishing the Alaska Commission on the Status of Women;..."
Sponsor Senator Davis
Requester (S) STA

Dept. Affected: Office of the Governor
Appropriation: Commission and Special Offices
Allocation: Women's Commission
OMB Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services	264.9		279.0	288.2	297.7	307.3	316.3
Travel	25.3		25.3	25.3	25.3	25.3	25.3
Services	159.3		159.3	159.3	159.3	159.3	159.3
Commodities	7.2		7.2	7.2	7.2	7.2	7.2
Capital Outlay	52.4		0.0	0.0	0.0	0.0	0.0
Grants							
Miscellaneous							
TOTAL OPERATING	**509.1**	**0.0**	**470.8**	**480.0**	**489.5**	**499.1**	**508.1**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF	509.1		470.8	480.0	489.5	499.1	508.1
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other (please identify)							
TOTAL	**509.1**	**0.0**	**470.8**	**480.0**	**489.5**	**499.1**	**508.1**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time	**3.0**		3	3	3	3	3
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by Linda Perez, Administrative Director — Phone 465-3876
Division Division of Administrative Services — Date/Time 3/25/11 2:45 PM
Approved by Linda Perez, Administrative Director — Date 3/25/2011
Division of Administrative Services

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** SB 53
2011 LEGISLATIVE SESSION

Analysis

Fiscal Note assumes:

3 Commission staff:
Program Manager Rg. 24
Research Analyst Rg. 18
Admin. Assist. Rg. 15

7 public members with geographic representation: 3 Anchorage/valley, 1 Juneau, 1 Nome, 1 Ketchikan, 1 Fairbanks

4 face-to-face meetings annually. Additional meetings as required via teleconference.

2 Anchorage meetings (one winter, one summer)
transportation: $2,451 x 2 = $4,902
lodging: $1,448 + $800 = $2,248
M&IE: $720 x 2 = $1,440

1 Juneau meeting (during legislative session)
tranportation: $4,999
lodging: $1,680
M&IE: $1,440

1 Fairbanks meeting (during summer)
transportation: $4,724
lodging: $2,400
M&IE: $1,440

All meetings assume full commission and 2 staff attendance, and further assumes 2 Executive Branch members travel costs paid by employing agencies.

Contractual includes core services charges, communications, advertising, printing, office space lease, and postage.

Initial equipment costs reflects set-up of office work stations, computers, phones, fax, copier, etc.

AARP Alaska
3601 C Street
Suite 1420
Anchorage, AK 99503

T 1-866-227-7447
F 907-341-2270
TTY 1-877-434-7598
www.aarp.org/ak

March 25, 2011

The Honorable Bill Wielechowski, Chair
Senate State Affairs Committee
Alaska State Capitol, Room 101
Juneau, AK 99801-1182

RE: SB 53 (Davis)—Support

Dear Chair Wielechowski:

On behalf of the members of AARP in Alaska, we encourage you and your colleagues on the Senate State Affairs Committee to support SB 53, authored by Senator Bettye Davis and co-sponsored by Senator Johnny Ellis.

SB 53 would reestablish the Alaska Commission on the Status of Women.

Women's issues are different from those of the entire population. AARP has always paid particular attention to women's issues simply because they are often unique and need to be viewed through a different lens.

We understand that the Alaska Commission on the Status of Women would address issues of importance to Alaska women of all ages.

But simply from the standpoint of women over the age of 50, we believe the Commission is worthwhile and should be re-established:

- Women are at a higher risk of poverty as they age. Nearly twice as many women as men will face poverty in their retirement years. Women earn 77 cents on the dollar compared to men. This translates as an average of $250,000 less over their work lives to invest in retirement.
- Women over age 50 are more than twice as likely as men over 50 to frequently miss activities due to a lack of transportation.
- Older women face particular challenges in getting access to training and educational programs that enable them to increase their job skills. The AARP Foundation has a scholarship program for older women with low incomes. A third of the recipients are grandparents and almost half of the recipients were in dead-end jobs.
- Working women are often the sole or primary economic support for their families, yet they tend to be concentrated in low-paying occupations. More than two-thirds of the part-time workforce is made up of women, with less job security and little or no access to employer-provided benefits.
- The vast majority of family caregivers are women. Many are forced to drop out of the labor force altogether to take on family caregiving responsibilities.

Health care access, displaced homemakers, widowhood, credit issues, economic vulnerability, out-of-pocket health costs, retirement system disparities, Social Security disparities, spousal pension rights…the list goes on and on…all good reasons to have an Alaska Commission on the Status of Women.

AARP recommends an "AYE" vote on SB 53.

Jennie Chin Hansen, President
Addison Barry Rand, Chief Executive Officer

Should you have any questions about our position, please feel free to contact me (586-3637) or Patrick Luby, AARP Advocacy Director (907-762-3314).

Thank you for your consideration.

Sincerely,

Marie Darlin

Marie Darlin, Coordinator
AARP Capital City Task Force
415 Willoughby Avenue, Apt. 506
Juneau, AK 99801
586-3637 (voice)
463-3580 (fax)

CC: Vice-Chair Joe Paskvan
Senator Albert Kookesh
Senator Kevin Meyer
Senator Cathy Giessel
Senator Bettye Davis

Sen. Bettye Davis

From: Connie Ozer [ozerck@gci.net]
Sent: Tuesday, March 22, 2011 10:04 PM
To: Senator_Bill_Wielechowski@legis.state.ak.us)
Cc: Sen. Bettye Davis
Subject: SB53

I am writing in support of SB 53 which will be the subject of a hearing March 24. This is a great time to reestablish the Alaska Commission on the Status of Women. There are unique problems facing women and children in Alaska in the 21st century and it is right that the Legislature is moving forward with this.

Thank you for your efforts.

Connie Ozer
2770 Pelican Drive
Anchorage, AK 99502

Sen. Bettye Davis

From: Rose Stokes [rlstokes@gci.net]
Sent: Wednesday, March 23, 2011 5:14 PM
To: Sen. Bill Wielechowski; Sen. Bettye Davis
Cc: Celeste Hodge
Subject: Senate Bill 53

Dear Senators,

This message is in support of SB53 to reestablish the Alaska Women's Commission because of the needs delineated in this bill. I believe the Commission can offer support to women and children in many ways. In addition, women have many challenges maintaining small businesses in Alaska. We need resources that will focus on the many critical issues that negatively impact women entrepreneurs.

Please let me know if I can offer further assistance.

Sincerely,
Rose Stokes

Sen. Bettye Davis

From: Ramona Duby [doobegone@gmail.com]
Sent: Wednesday, March 23, 2011 5:07 PM
To: Senator_Bill_Wielechowski@legis.state.ak.us
Cc: Sen. Bettye Davis
Subject: Support SB53 Re-establishment of the Alaska Commission on the Status of Women

Re: SB 53

Reestablishment of the Alaska Commission on the Status of Women

Dear Committee Members:

My name is Ramona (Miss Mona) Duby . i live in Anchorage. I am a daughter, sister, auntie and according to some, their "greatest auntie". I am **"NOW"** also proud to be a member of the Koniag, Inc. and Leisnoi, Inc. , corporations formed under the Alaska Native Claims Settlement Act. I say "NOW" because if you were here in the '60's, you may recall the prejudice faced by Alaska Natives and I had a very hard time being proud of my heritage. It took a long time, especially being a woman those years to come to grips with my heritage/womanhood.

I am the past president of Business and Professional Women/Anchorage Local Organization, past chartering president and president of Denali (Wasilla) Business and Professional Women, the '92-'93 President of the Alaska Federation of Business and Professional Women, an ATHENA Society Member, currently on the Board of Directors of Anchorage Community Mental Health Services, Inc., the Alaska Mental Health Board and have served on a variety of other boards and committees over the years.

I regret that I cannot testify in person on the important piece of legislation, however would like to offer my written testimony in support of SB53, the Reestablishment of the Alaska Commission on the Status of Women.

Because of the value of the information in the publications, I still have some that were published by the former Commission under the Cowper and Sheffield administration. The Legal Handbook and the Alaska Women's History Booklet are both excellent references that I have referred to on many occasions over the years. For years, we've heard how Alaska leads most other states in domestic violence and sexual assault not to mention substance abuse, and wage discrimination.

Unfortunately, I am one of the women who has faced every single one of the "issues" personally that are addressed in the statistics gathered on the status of women. From sexual assault / abuse when I was a child to wage and employment discrimination, domestic violence, alcohol and drug abuse, [illegible]e, mental illness, financial exploitation prior to the fair credit act of 1981, etc. Some of these issues I am still battling through on a daily basis. Perhaps with the re-establishment of the Alaska Commission on the Status of Women, providing the valuable and useful information as it did in the past, it will assist policy makers and funding organizations that with just a few hundred million dollars invested in treatment rather than billions of dollars in building prisons, Alaska will be not just the Great Land, but the GREATEST Land.

Please, I strongly urge you to join me in supporting the reestablishment of the commission.

Yours Sincerely,

Ramona (Miss Mona) S. Duby

P.O. Box 93016

2009 Wildwood Lane

Anchorage, AK 99517

[illegible]7-279-1380 (w)

907-952-1850

Sen. Bettye Davis

From: carolyn V Brown [cvbrown1937@yahoo.com]
Sent: Wednesday, March 23, 2011 6:45 PM
To: Kathy Ruddy
Subject: Senate to Consider Reestablishing Alaska Women's Commission

Kathy:

This is very, very good. I was involved with the original establishment of the Women's Commission in Alaska and was a member of that group with Lillie McGarvey (a powerful Native woman).

When we were in Vermont, I was on the Governor's Commission for Women for 4-5 years and that was extremely productive. We did a lot to advance payment for women's services, domestic violence prevention work, legislative discussion in Montpelier and leadership skills for women in Vermont. It was a good experience for me.

I would expect that, if this costs a dime, it won't go anywhere. But we do have to keep trying.

Thank you for sharing and I will welcome any update as there is movement.

carolyn V Brown MD MPH
1640 Second Street
Douglas Alaska 99824 USA

-364-2726
907-364-2727 fax
907-321-0784 cellular

cvbrown1937@yahoo.com

--- On **Tue, 3/22/11, Kathy Ruddy <*ruddys99801@yahoo.com*>** wrote:

From: Kathy Ruddy <ruddys99801@yahoo.com>
Subject: Fw: Senate to Consider Reestablishing Alaska Women's Commission
To: "carolyn V Brown" <cvbrown1937@yahoo.com>, "Marjorie Menzi" <marjoriemenzi@msn.com>, "Marie Olson" <naayadi3@gci.net>, "Ed Kunz" <seitaan@hotmail.com>, "Mickelyn Kunz" <micdale@gci.net>, "Doloresa Cadiente" <dcadiente@gci.net>, "Barbara Cadiente-Nelson" <cadiente.nelson@gmail.com>, "Jackie Dailey" <krcjd@gci.net>
Date: Tuesday, March 22, 2011, 6:38 PM

Thank you all who helped with the event honoring Elizabeth Peratrovich-
-
what a successful working together of the Alaska Native Sisterhood and the League of Women Voters!
Here is some news about the Alaska Women's Commission that I think as come to me because of Sen. Bettye Davis' sponsorship of the Elizabeth Peratrovich Day 2011 legislative citation, so I wanted to pass it along to all of you.

Sen. Bettye Davis

Celeste Hodge
Subject: FW: SB 53
Attachments: SB 53 Commission on Women.rtf

From: Jana Varrati [mailto:janav@nome.net]
Sent: Wednesday, March 23, 2011 7:12 PM
To: Sen. Bill Wielechowski
Cc: Sen. Bettye Davis; Sen. Donny Olson; nealwfoster@yahoo.com
Subject: SB 53

Please find attached a letter of support for SB 53 from the Arctic Business & Professional Women (Nome)

I am very ill with some kind of persistent pneumonia (7 weeks now!) but will crawl out of my sick bed to testify for this bill in the AM.

The impact of the reestablishment of the Commission will be immense not only for urban areas but especially for those of us in the rural areas. I live it!

Jana

Arctic Business & Professional Women
Post Office Box 814
Nome, Alaska 99762

Bill Wielechowski
Chair
House Committee on Health & Social Services

Dear Chairman Wielekowski and members of the HSS Committee,

The Arcitic Business & Professional Women (Nome) are in full support of reestablishing the Commission on the Status of Women - SB 53.

The purpose of the Commission was and still is important to the lives of women and children in this state. Unfortunately, since the demise of the Commission, the type of research focusing on the status of women in this state has been sorely lacking. That lack is reflected in general statistical information which does not clearly represent issues as we see and live them.

Our state is a vast one. It covers so many cultures, so many economic bases, and a wide range of ages and needs. The State of Alaska provides general services to all members of our societies but does ***not*** focus on the special needs of its women citizens.

I will bring up the unspoken truth: Without Women and Children, we would have ***no*** Society. No families. No enforcement of rules/laws except Thou Shall Not Kill!

Those of us who live in rural Alaska, the Frontier, as it were, understand and constantly battle against domestic violence, sexual assault, incest, other forms of women and child abuse. We fight against racial discrimination, hiring prejudices, and brushing under the rug violations of law, regulation, and policy.

To pursue a grievance means a woman must be able and willing to file with myriad state agencies for relief. It's confusing and oh so frustrating!

Before its demise, the ACSW provided a central clearing house for those women. Without it, women are left to try to make sense of federal, state, local laws and ordinances to even file a complaint, let alone receive relief.

The Arctic Business & Professional Women has taken on this task as our First Issue - untangling bureaucratic red tape for the women in our Region. We are a clearing house for information, relying on our contacts, our backgrounds, on the Blue Book, advising on how things are supposed to work

I will respectfully remind you that there is NO Community without women and children! The sustainability of any community relies and is based on the health and well-being of its women and children. Without us, it's just a camp, not a community.

As economies suffer, so does the status of women in this state! If you truly believe that women are an integral part of the future and of the economic and social bases of the State of Alaska, you will reinstate the Commission on the Status of Women.

Sincerely,
Jana Varrati
President,
Arctic Business & Professional Women
(907) 443-3961

Sen. Bettye Davis

From: D. Robbins [drobbins.r@gmail.com]
Sent: Wednesday, March 23, 2011 8:14 PM
To: Sen. Bill Wielechowski; Sen. Joe Paskvan; Sen. Albert Kookesh; Sen. Kevin Meyer; Sen. Cathy Giessel
Cc: Sen. Bettye Davis
Subject: SB 53: Reestablish the Alaska Commission on Women
Attachments: Support for SB 53 Reestablish the Alaska Commission on Women.doc

Senate State Affairs
Chair: Senator Wielechowski
Vice-Chair: Senator Paskvan
Members:
Senator Kookesh
Senator Meyer
Senator Giessel

Please accept my attached letter of testimony in support of SB 53: Reestablish the Alaska Commission on Women. This is likely the best legislation that you will hopefully pass for families in years because of the value it casts in the lives of many Alaskans; women and children in particular.

Thank you for your consideration.

Sincerely,

Doris Robbins

1281 Overhill Dr.
Fairbanks AK 99709-6753
(907) 374-0597
drobbins@gci.net

--
Doris Robbins

(907) 374-0597
Fairbanks AK 99709-6753
drobbins.r@gmail.com

Natural Soaps Soothing to the Skin
www.alaskasoaps.com

Doris Robbins
1281 Overhill Dr., Fairbanks, AK 99709-6753
(907) 374-0597
drobbins@gci.net

March 23, 2011

Senate State Affairs
Chair: Senator Wielechowski
Vice-Chair: Senator Paskvan
Member: Senator Kookesh
Member: Senator Meyer
Member: Senator Giessel

Senators,

I Support SB 53: Reestablish the Alaska Commission on Women

I support Senate Bill 53 to Reestablish the Alaska Commission on Women. There should be no question about this as it should have never gone away!

There was the survey that was recently done that shows a majority of Alaska women have been abused or are being abused at some time.

We know that women earn about 67 cents on the dollar for the same work that men do. I think it may have actually gotten worse in recent years and had been at 70 cents one time.

I'm hearing again the excuse that men are the breadwinners so they are being hired over women more than ever after the recession. Many women are the breadwinners; and regardless of that they deserve equal pay for equal work. If a man is single, do you expect him to take a lesser salary?

I have seen recently that there are still practices of assuming the woman, in an issue such as divorce or financial disagreements, is the one that is the problem. She is too often assumed to be the one at fault. It isn't just the ditzy blond prejudice but that women are fickle or some other excuse.

In fact, my daughter who is the owner of her house that she signed the mortgage on and continues to pay off, being the only one who ever paid a dime on it and holds all the paperwork, had the experience when her husband moved out of being treated as if she had no say in that house.

When she went to have the power, phone, TV, put in her name alone she had to argue the point and actually take her ownership paper work to the aforesaid companies before she could eventually have the changes made so she would not be without necessary services. (He was no longer there and had demonstrated he could care less, other than continuing to find ways to charge things to her.)

You may think I am prejudiced, but if you talk to other women you will see that this is typical. We certainly do need a Commission to help see that women get fair treatment regardless of their status.

Often women fear abandonment and tolerate too much mistreatment. Others attempt to better things and find the mountain they have to climb is just too steep. Years later perhaps the police investigate abuse that had gone on and wondered why a woman would tolerate such.

The climate, through conditions that sometimes continue to exist today, gives sanction to bad treatment. You still hear things like: "That's a woman for you!" "Must have been a woman driver!" "She just blew the whole paycheck!"

When do you hear: "She is the one who does the books and manages the check book!" "I can't believe how she holds down her full time job and goes home to fix a dinner from scratch!" "The best military pilots are women!" (They are equal or above the performance of men if you check.)

No more and no less, just treat women fair; the Commission will help make that happen.

Sincerely,

Doris Robbins

SB53 RECEIVED

MAR 23 2011

Sen. Bettye Davis

From: hattietaylor@ups.com
Sent: Wednesday, March 23, 2011 11:32 AM
To: Sen. Bill Wielechowski
Cc: Sen. Bettye Davis
Subject: I SUPPORT -- SB53 (Reestablish the Alaska Commission on the Status of Women)

Senator Wielechowski,

Please acknowledge this communication to reflect my support for SB53 (Reestablish the Alaska Commission on the Status of Women).

Kind Regards,

Hattie Taylor
UPS Corporate
Global Sales Operations
hattietaylor@ups.com

Celeste Hodge

From: Sen. Bettye Davis
Sent: Wednesday, March 23, 2011 2:54 PM
To: Celeste Hodge
Subject: FW: I SUPPORT -- SB53 (Reestablish the Alaska Commission on the Status of Women)

From: hattietaylor@ups.com [mailto:hattietaylor@ups.com]
Sent: Wednesday, March 23, 2011 11:32 AM
To: Sen. Bill Wielechowski
Cc: Sen. Bettye Davis
Subject: I SUPPORT -- SB53 (Reestablish the Alaska Commission on the Status of Women)

Senator Wielechowski,

Please acknowledge this communication to reflect my support for SB53 (Reestablish the Alaska Commission on the Status of Women).

Kind Regards,

Hattie Taylor
UPS Corporate
Global Sales Operations
tietaylor@ups.com

SB53

Sen. Bettye Davis

From: Connie Ozer [ozerck@gci.net]
Sent: Tuesday, March 22, 2011 10:04 PM
To: Senator_Bill_Wielechowski@legis.state.ak.us)
Cc: Sen. Bettye Davis
Subject: SB53

I am writing in support of SB 53 which will be the subject of a hearing March 24. This is a great time to reestablish the Alaska Commission on the Status of Women. There are unique problems facing women and children in Alaska in the 21st century and it is right that the Legislature is moving forward with this.

Thank you for your efforts.

Connie Ozer
2770 Pelican Drive
Anchorage, AK 99502

SB53

Sen. Bettye Davis

From: Ann [apstrick@yahoo.com]
Sent: Wednesday, March 23, 2011 8:04 AM
To: Sen. Bill Wielechowski
Cc: Sen. Bettye Davis
Subject: I support SB 53

3-23-2011

I AM EMAILING THIS LETTER IN MY SUPPORT OF SB53 REESTABLISHMENT OF THE ALASKA COMMISSION ON THE STATUS OF WOMEN.

ANN STRICKLAND
P O BOX 34997
JUNEAU, AK 99803

apstrick@yahoo.com

RECEIVED

MAR 22 2011

Celeste Hodge

From: Ramona Duby [doobegone@gmail.com]
Sent: Monday, March 21, 2011 8:13 PM
To: Jana Varrati
Cc: Celeste Hodge
Subject: Re: SB53
Attachments: SB0053A.PDF

Hi Jana:

You are just so awesome!!!!! Attached is the bill.

It will be heard on Thursday the 24th at 9:30

Please send letters to committee chair and copy Bettye. You can call Celeste Hodge in Senator Davis office for information if you are unable to access the bill from basis.

Hugs to you and thanks for all you do!

Ramona (Miss Mona) Duby
279-1380

On Mon, Mar 21, 2011 at 6:54 PM, Jana Varrati <janav@nome.net> wrote:

mona,

es, it's me, Jana. I'm trying to help on this bill but can't get the info about it reestablishing the AWC. I have our BPW members here ready to write letters, etc to support but I can't give them the basic info on which to base those letters. I lobbied the creation of the AWC, worked with them on so many issues, and was a member of first Anch. Women's Commission.

Help me, Sister!

Jana

Re: SB 53
Reestablishment of the Alaska Commission on the Status of Women

Dear Committee Members,

My name is Sue C. Johnson and I live in Anchorage. I am a mother, daughter, sister, wife, and very recently a grandmother, I am the Past President of the Alaska Women's Political Caucus, a member of the Athena Society (a program of the Anchorage Chamber of Commerce dedicated to encouraging the potential of women as valued members and leaders of the business community), a member of the League of Women Voters and the Business and Professional Women of Alaska.

I regret that I cannot testify in person on the important piece of legislation, but for the record, I have the following comments supporting the Reestablishment of the Alaska Commission on the Status of Women.

In my view, the Alaska Commission is a vehicle for addressing some of the very critical key issues facing Alaska as a society. That the Commission focuses on women's issues does not mean it is just some vehicle to "study women" - my husband says he has been doing that unsuccessfully his whole life. Rather, the focus on women encourages evaluation of important issues facing Alaska as a community.

During recent months and during election time, we heard over and over again about how we lead most other states in domestic violence and how most Alaskan women have experienced it firsthand. We have also heard about the astronomical number of rapes and sexual assaults that occur in our state. Rather than being leaders in sexual assault and rape of women, let's be leaders in how we treat the women of Alaska. I believe this commission would put us on track to do that.

We also know that many Alaskan women are the single wage earner for families and that the numbers of women in the workforce, as well as their chosen career paths have dramatically changed over the past several years. However, they still fall far behind men when it comes to wages and benefits, especially as they related to health care and retirement. One of the biggest complaints I hear regularly from young mothers is the difficulty in locating reliable, affordable and safe child care for their children. I've been hearing that same complaint for the thirty five plus years I have lived in Alaska and I have personally had the same experience. We can do better than that.

These are only small samplings of concerns facing Alaskan women and families. It is time to stop ignoring them. Alaskan women have made numerous contributions and sacrifices for the State of Alaska and they deserve to know the government is looking out for their best interests.

I urge you to support the reestablishment of the commission.

Respectfully Submitted,

Sue C Johnson
2131 Belmont Drive
Anchorage AK 99517
907.301.5005

SB

61

<TARGET><BILL>SB 61</BILL><SUBJECT>SB
61</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/24/11

FURTHER: Judiciary

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2-17-11

State Affairs Committee considered SENATE BILL NO. 61

SB 61-2011 REVISOR'S BILL

"An Act making corrective amendments to the Alaska Statutes as recommended by the revisor of statutes; and providing for an effective date."

and recommends:

[√] be **replaced** with **CS** _____ (STA) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Kookesh			X	
	PASKVAN			X	
	Meyer	X			
				X	
CHAIR:	Wielechowski	✓			

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

SEAN PARNELL, GOVERNOR

P.O. BOX 110300
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3600
FAX: (907) 465-2075

February 11, 2011

Senator Bill Wielechowski, Chair
Senate Judiciary Committee
Alaska State Legislature
State Capitol, Room 101
Juneau, Alaska 99801-1182

Re: SB 61 - 2011 Revisor's Bill

Dear Senator Wielechowski:

The Department of Law has reviewed SB 61, the 2011 revisor's bill.

The bill presents no legal issues and makes important technical improvements to the law.

Sincerely,

JOHN J. BURNS
ATTORNEY GENERAL

By: Deborah E. Behr
Deborah E. Behr
Chief Assistant Attorney General

DEB:ajh

cc: Kathryn Kurtz, Assistant Revisor of Statutes
Heather Brakes, Legislative Director, Office of the Governor
Mike Ford, Assistant Attorney General

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 February 16, 2011

SUBJECT: 2011 Revisor's Bill, Section 3
(SB 61 (Work Order No. 27-LS0152\B.1))

TO: Senator Bill Wielechowski
Chair of the Senate State Affairs Committee
Attn: Michelle Sydeman

FROM: Kathryn L. Kurtz KK
Assistant Revisor

At Tuesday's hearing on SB 61, you raised a question as to the effect of sec. 3, and whether it makes a substantive change in the law.

In my response, I believe I indicated that the change was intended to bring the language of AS 08.29.200(b) into line with that of AS 47.24, as amended in 1994. I have since had a chance to look further into the history of the two provisions, and noticed that AS 08.29.200(b) was not enacted until 1998. It is not clear to me why it was not drafted using terminology consistent with AS 47.24. However, on further reflection, I believe it is possible that it was a deliberate drafting choice, and that changing the language of this provision might have a substantive effect.

For this reason, I recommend removing section 3. An amendment to do this is enclosed.

Thank you for your careful reading of the bill.

KLK:plm
11-095.plm

Enclosure

27-LS0152\B.1
Kurtz
2/16/11

AMENDMENT #1

OFFERED IN THE SENATE

TO: SB 61

Page 2, lines 2 - 7:

Delete all material.

Renumber the following bill sections accordingly.

SENATE BILL NO. 61

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE LEGISLATIVE COUNCIL

Introduced: 1/24/11
Referred: State Affairs, Judiciary

A BILL

FOR AN ACT ENTITLED

"An Act making corrective amendments to the Alaska Statutes as recommended by the revisor of statutes; and providing for an effective date."

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

*** Section 1.** AS 03.22.050 is amended to read:

Sec. 03.22.050. Department to cooperate. The department shall cooperate with the college or department of the University of Alaska responsible for the Agricultural and Forestry Experiment Station and the **United States Department of Agriculture, Natural Resources Conservation Service** [UNITED STATES SOIL CONSERVATION SERVICE] by a formal memorandum of understanding and may cooperate with any department or agency of federal, state, or local government, research organization, or other organization concerned with conservation or agriculture.

*** Sec. 2.** AS 08.02 is amended by adding a new section to read:

Sec. 08.02.090. Definition. In this chapter, "department" means the

Department of Commerce, Community, and Economic Development.

* **Sec. 3.** AS 08.29.200(b) is amended to read:

(b) Notwithstanding (a) of this section, a person licensed under this chapter shall report incidents of

(1) child abuse or neglect as required by AS 47.17;

(2) harm or assaults suffered by **a vulnerable adult** [AN ELDERLY PERSON OR DISABLED ADULT] as required by AS 47.24.

* **Sec. 4.** AS 08.40.120(a) is amended to read:

(a) Each applicant shall be examined to determine the applicant's

(1) ability to understand plans, design specifications, and engineering terms commonly used in the electrical field;

(2) knowledge of electrical installations and wiring;

(3) familiarity with the regulations contained in the National Electrical Code and the National Electrical Safety Code, as approved by the **American National Standards Institute** [AMERICAN STANDARDS ASSOCIATION];

(4) familiarity with other installation and safety regulations approved by the **American National Standards Institute** [AMERICAN STANDARDS ASSOCIATION];

(5) personal skill and ability.

* **Sec. 5.** AS 08.42.060(a) is amended to read:

(a) The department shall examine applicants for an embalmer's license; the examination may include any or all of the following subjects: (1) theory and practice of embalming, (2) anatomy, (3) pathology, (4) bacteriology, (5) hygiene, including sanitation and public health, (6) chemistry, including toxicology, (7) restorative arts, including plastic surgery and demi-surgery, (8) funeral service arts and sciences [,] and funeral service administration, including accounting, funeral law, psychology, funeral principles, directing, and management, (9) Alaska vital statistics law, and (10) the provisions of this chapter and the regulations adopted by the department under this chapter. The department shall examine applicants for a funeral director's license; the examination may include any or all of the subjects included in (8), (9), and (10) of this subsection. The department may use the examination provided by the **International**

Conference of Funeral Service Examining Boards [CONFERENCE OF FUNERAL SERVICE EXAMINING BOARDS OF THE UNITED STATES, INC.] where it is applicable to the subjects in this section.

*** Sec. 6.** AS 08.86.180(b) is amended to read:

(b) This section does not apply to

(1) a person employed as a school psychologist, if the school district maintains appropriate supervision of psychological activities and professional conduct, and if the person is performing the psychological activities as part of the duties for which the person was employed, is performing the activities solely within the facilities of the school district in which the person is employed or under the supervision of the school district, and does not render or offer to render psychological services to the public for compensation in addition to the salary the person receives from the school district;

(2) an officer or employee of the United States government practicing psychology while in the discharge of the officer's or employee's official duties;

(3) a student, intern, or resident in psychology pursuing a course of study approved by the board as qualifying training and experience for a psychologist, if that person's activities constitute a part of that person's supervised course of study and that person is designated by titles such as "psychology intern" or "psychology trainee";

(4) a qualified member of another profession, in doing work of a psychological nature consistent with that person's training and consistent with the code of ethics of that person's profession, if the person does not hold out to the public by a title or description of services incorporating the words "psychology," "psychological," "psychologist," "psychometry," "psychotherapy," "psychotherapeutic," "psychotherapist," "psychoanalysis," or "psychoanalyst" or represent to be trained, experienced, or qualified to render services in the field of psychology; or

(5) a physician engaged in the normal practice of medicine for which the physician is licensed under AS 08.64.

*** Sec. 7.** AS 09.20.050(a) is amended to read:

(a) At such times as need may require, but not later than November 30 of each

year, the administrative director of **the Alaska Court System** [COURTS] shall prepare for each judicial district a list of the names of the residents of the district who are qualified by law for jury service. If the superior court is located in different cities in the same judicial district, the administrative director shall prepare for each location of the court a list of the names of the qualified residents of that portion of the district considered to be appropriate.

* **Sec. 8.** AS 09.20.050(c) is amended to read:

(c) A copy of the appropriate portion of the jury list shall be transmitted to the presiding judge of each judicial district and shall only be used to summon jurors and for other purposes of judicial administration. Duplicate names and the names of deceased persons and persons permanently excused from jury service shall be eliminated from the list before it is transmitted to the presiding judge. A questionnaire for prospective jurors may be adopted and submitted to them by the administrative director of **the Alaska Court System** [COURTS].

* **Sec. 9.** AS 09.20.080(b) is amended to read:

(b) If the list of prospective jurors for a court location does not produce sufficient names for a jury panel of minimum size, the administrative director of **the Alaska Court System** [COURTS] may authorize that additional names of prospective jurors be randomly selected from sources other than those listed in AS 09.20.050.

* **Sec. 10.** AS 14.07.020(a)(16) is amended to read:

(16) establish by regulation criteria, based on low student performance, under which the department may intervene in a school district to improve instructional practices, as described in AS 14.07.030(14) or (15); the regulations must include

(A) a notice provision that alerts the district to the deficiencies and the instructional practice changes proposed by the department;

(B) an end date for departmental intervention, as described in AS 14.07.030(14)(A) and (B) and (15), after the district demonstrates three consecutive years of improvement consisting of not less than two percent increases in student proficiency on standards-based assessments in **mathematics** [MATH], reading, and writing as provided in AS 14.03.123(f)(2)(A); and

(C) a process for districts to petition the department for continuing or discontinuing the department's intervention;

* **Sec. 11.** AS 14.40.809(b) is amended to read:

(b) The board shall

(1) make appropriate arrangements as necessary to fulfill the board's obligations under an advance college tuition savings contract;

(2) establish and adopt a formal plan for administration of the advance college tuition savings program; the terms and conditions of the plan shall be considered a part of an advance college tuition savings contract;

(3) establish investment objectives, criteria, and asset allocation guidelines for the fund based on prudent institutional investor guidelines and actuarial analysis of the earnings requirements for the advance college tuition savings plan;

(4) enter into contracts or agreements considered necessary for the investment of the fund, including contracts or agreements with investment managers, consultants, and other custodians of the fund;

(5) engage a financial advisor to [ANNUALLY] report **annually** on the investment performance of the fund;

(6) engage an independent firm of certified public accountants to audit the financial position of the fund;

(7) do all acts, whether or not expressly authorized, that the board considers necessary or proper in administering the assets of the fund;

(8) enter into reciprocal agreements with [SHELDON JACKSON COLLEGE,] Alaska Pacific University [,] and other eligible educational institutions or state tuition programs that the board determines to be beneficial to the advance college tuition savings program;

(9) coordinate savings options established under the Alaska advance college tuition savings program and the administration of the fund with the Alaska Higher Education Savings Trust (AS 14.40.802) including the creation of common administrative and record-keeping systems, marketing programs, and operating reserves.

* **Sec. 12.** AS 14.42.015(a) is amended to read:

(a) There is in the Department of Education and Early Development the Alaska Commission on Postsecondary Education consisting of

(1) two members of the Board of Regents of the University of Alaska designated by the members of that body;

(2) one person representing private higher education in the state selected **by the Board of Trustees** [JOINTLY BY THE BOARDS OF TRUSTEES] of Alaska Pacific University [AND SHELDON JACKSON COLLEGE] from among **its** [THEIR] membership;

(3) one person representing the Department of Education and Early Development selected by the state Board of Education and Early Development;

(4) four persons broadly and equitably representative of the general public appointed by the governor;

(5) one member of the Alaska Workforce Investment Board established by AS 23.15.550 designated by the members of that body;

(6) one person from the members of the local community college advisory councils appointed by the governor;

(7) two members from the legislature, one of whom shall be appointed by the president of the senate and one by the speaker of the house of representatives;

(8) one person appointed in accordance with (e) of this section who is a full-time student as defined in AS 14.43.160;

(9) one administrator appointed by the governor from a proprietary institution of postsecondary education that has an authorization to operate in the state issued under AS 14.48.

* **Sec. 13.** AS 14.42.015(d) is amended to read:

(d) A full-time postsecondary student shall be appointed to the Alaska Commission on Postsecondary Education from a list of nominees submitted to the governor. The governor shall make the appointment from the list within 60 days after it is submitted. The list must consist of the names of two nominees from Alaska Pacific University [, TWO NOMINEES FROM SHELDON JACKSON COLLEGE,] and two nominees from each campus of the University of Alaska. The nominees shall be selected by the students at Alaska Pacific University [, SHELDON JACKSON

COLLEGE,] and each campus of the University of Alaska by an election held on each campus. Elections under this subsection shall be held concurrently with student regent elections required under AS 14.40.150(b) and conducted under rules established by the Office of the Governor. The term of office of the student member of the commission is two years and begins June 1 of the year in which the appointment is made. Membership on the commission is immediately forfeited by a student member who ceases to be a full-time student. Within 60 days after a vacancy occurs, the governor shall appoint a successor from those students appearing on the list of nominees to serve for the unexpired term of the original appointee. The term "campus" used in this subsection means a portion of the University of Alaska designated as a "campus" by the Board of Regents.

*** Sec. 14.** AS 16.20.070 is amended to read:

Sec. 16.20.070. Relationship to other laws. AS 16.20.050 and **16.20.060** [16.05.060] do not affect AS 16.05.871 - 16.05.891.

*** Sec. 15.** AS 18.56.855(j) is amended to read:

(j) In this section, "authorized state officer" means

(1) the commissioner of the department of the state for a building owned by the state;

(2) the executive director of a public corporation for a building owned by the public corporation;

(3) the legislative council for a building owned by the legislature;

(4) the administrative director of **the Alaska Court System** [COURTS] for a building owned by the judicial system;

(5) any other person designated in writing by a person listed in (1) - (4) of this subsection.

*** Sec. 16.** AS 21.09.210(e) is amended to read:

(e) Payment to the director by an insurer of the tax upon its premiums required by this section shall be in lieu of all other taxes imposed by the state upon premiums, franchise, privilege, or other taxes measured by income of the insurer [COMMENCING WITH THE TAXABLE YEAR BEGINNING JANUARY 1, 1967].

*** Sec. 17.** AS 21.22.065(j) is amended to read:

(j) This section does not apply to

(1) an acquisition subject to approval or disapproval by the director under AS 21.22.010;

(2) a purchase of securities solely for investment purposes if the securities are not used by voting or otherwise to cause or attempt to cause the substantial lessening of competition in an insurance market in this state; if a purchase of securities for investment purposes results in a presumption of control under **AS 21.22.200(3)** [AS 21.22.200(2)], it is not solely for investment purposes unless the insurance supervisory official of the insurer's state of domicile accepts a disclaimer of control or affirmatively finds that control does not exist and the disclaimer action or affirmative finding is communicated by the domiciliary insurance supervisory official to the director;

(3) the acquisition of a person by another person resulting in a change of control of an insurer when both persons are neither directly nor through affiliates primarily engaged in the business of insurance if preacquisition notification is filed with the director under (c) of this section 30 days before the proposed effective date of the acquisition; however, the preacquisition notification is not required for exclusion if the acquisition would otherwise be excluded under this subsection;

(4) the acquisition of an already affiliated person;

(5) an acquisition if, as an immediate result of the acquisition,

(A) the combined market share of the involved insurers would not exceed five percent of a market;

(B) there would not be an increase in a market share of the larger writer; or

(C) the combined market share of the involved insurers would not exceed 12 percent of a market and the market share of the larger writer would not increase by more than two percent of a market;

(6) an acquisition for which a preacquisition notification would be required under this section due solely to the resulting effect on the ocean marine insurance line of business; or

(7) an acquisition of an insurer whose domiciliary supervisory

insurance official affirmatively finds that the insurer is in a failing condition, there are no feasible alternatives to improving this condition, the public benefits of improving the insurer's condition through the acquisition exceed the public benefits that would arise from not lessening competition, and these findings are communicated by the domiciliary supervisory insurance official to this state's director.

* **Sec. 18.** AS 21.34.900(6) is amended to read:

(6) "reciprocal state" means a state that the director has determined has enacted provisions substantially similar to those contained in AS 21.34.170 **and** [,] 21.34.180 [, AND 21.34.210];

* **Sec. 19.** AS 21.39.040(k) is amended to read:

(k) The director

(1) may adopt regulations detailing the format and content of a rating system filing under this section;

(2) shall [, BY JULY 1, 2002,] adopt regulations consistent with the National Association of Insurance Commissioners Property and Casualty Model Rate and Policy Form Act, including those provisions relating to the format and content of informational filings for rates for commercial insurance; the provisions of AS 21.39.030(a) apply to an informational filing authorized by the director; in this paragraph, "informational filing" means a filing that the director does not approve before its use and that meets the format and content requirements of regulations adopted by the director.

* **Sec. 20.** AS 21.40.010 is amended to read:

Sec. 21.40.010. Filing statement of ownership of equity securities. Every person who is directly or indirectly the beneficial owner of more than 10 percent of a class of an equity security of a domestic stock insurance company, or who is a director or an officer of the company, shall file with the department [ON OR BEFORE JULY 1, 1966, OR] within 10 days after becoming the beneficial owner, director, or officer, a statement of the amount of all equity securities of the company of which the person is the beneficial owner. Within 10 days after the close of each calendar month, if there has been a change in ownership during the month, the beneficial owner, director, or officer shall file with the department a statement indicating ownership at the close of

the calendar month, the changes in ownership that have occurred during the calendar month, and any other information required by the department. Statements shall be made in a form prescribed by the department.

*** Sec. 21.** AS 21.45.300(k) is amended to read:

(k) All adjusted premiums and present values referred to in this section shall for all policies of ordinary insurance be calculated on the basis of the Commissioner's 1958 Standard Ordinary Mortality Table, except that for any category or ordinary insurance issued on female risks, adjusted premiums and present values may be calculated according to an age not more than six years younger than the actual age of the insured. Except as provided in (*l*) [(1)] of this section, the calculations for all policies of industrial insurance shall be made on the basis of the 1941 Standard Industrial Mortality Table. All calculations shall be made on the basis of the rate of interest specified in the policy for calculating cash surrender values and paid-up nonforfeiture benefits. The rate of interest specified in the policy may not exceed three and one-half percent a year except that (1) a rate of interest not exceeding five and one-half percent a year may be used for policies issued on or after July 1, 1978, and (2) a rate of interest not exceeding six and one-half percent a year may be used for a single premium whole life or endowment insurance policy. In calculating the present value of paid-up term insurance with accompanying pure endowment, if any, offered as a nonforfeiture benefit, the rates of mortality assumed in the case of a policy of ordinary insurance, may be not more than those shown in the Commissioner's 1958 Extended Term Insurance Table. In the case of a policy of industrial insurance, the rates of mortality may be not more than 130 percent of the rates of mortality according to the 1941 Standard Industrial Mortality Table. The calculation of the adjusted premiums and present values for insurance issued on a substandard basis may be based on another table of mortality as may be specified by the insurer and approved by the director. This subsection does not apply to policies issued on or after the operative date of (w) of this section.

*** Sec. 22.** AS 21.45.300(m) is amended to read:

(m) Except as provided in (s) of this section, the adjusted premiums for a policy shall be calculated on an annual basis and shall be a uniform percentage of the

respective premiums specified in the policy for each policy year, excluding amounts payable as extra premiums to cover impairments or special hazards and also excluding a uniform annual contract charge or policy fee specified in the policy in a statement of the method to be used in calculating the cash surrender values and paid-up nonforfeiture benefits, that the present value, at the date of issue of the policy, of all adjusted premiums shall be equal to the sum of (1) the then present value of the future guaranteed benefits provided for by the policy; (2) one percent of either the amount of insurance, if the insurance be uniform in amount, or the average amount of insurance at the beginning of each of the first 10 policy years; and (3) 125 percent of the nonforfeiture net level premium as defined in (n) - (t) of this section. In applying the percentage specified in (3) of this **subsection** [PARAGRAPH] a nonforfeiture net level premium **may** [SHALL] not exceed four percent of either the amount of insurance, if the insurance is uniform in amount, or the average amount of insurance at the beginning of each of the first 10 policy years. The date of issue of a policy for the purpose of this subsection shall be the date as of which the rated age of the insured is determined. This subsection applies to all policies issued after the operative date of (w) of this section.

*** Sec. 23.** AS 21.96.070(f)(1) is amended to read:

(1) "school district" **means a borough school district, a city school district, a regional educational attendance area, or a state boarding school** [HAS THE MEANING GIVEN IN AS 14.03.126];

*** Sec. 24.** AS 22.15.100 is amended to read:

Sec. 22.15.100. Functions and powers of district judge and magistrate. Each district judge and magistrate has the power

(1) to issue writs of habeas corpus for the purpose of inquiring into the cause of restraint of liberty, returnable before a judge of the superior court, and the same proceedings shall be had on the writ as if it had been granted by the superior court judge under the laws of the state in such cases;

(2) of a notary public;

(3) to solemnize marriages;

(4) to issue warrants of arrest, summons, and search warrants

according to manner and procedure prescribed by law and the supreme court;

(5) to act as an examining judge or magistrate in preliminary examinations in criminal proceedings; to set, receive, and forfeit bail and to order the release of defendants under bail;

(6) to act as a referee in matters and actions referred to the judge or magistrate by the superior court, with all powers conferred upon referees by laws;

(7) of the superior court in all respects including but not limited to contempts, attendance of witnesses, and bench warrants;

(8) to order the temporary detention of a minor, or take other action authorized by law or rules of procedure, in cases arising under AS 47.10 or AS 47.12, when the minor is in a condition or surrounding dangerous or injurious to the welfare of the minor or others that requires immediate action; the action may be continued in effect until reviewed by the superior court in accordance with rules of procedure governing these cases;

(9) to issue a protective order in cases involving

(A) domestic violence as provided in AS 18.66.100 - 18.66.180; or

(B) stalking or sexual assault as provided in AS 18.65.850 - 18.65.870; -

(10) to review an administrative revocation of a person's driver's license or nonresident privilege to drive, and an administrative refusal to issue an original license, when designated as a hearing officer by the commissioner of administration and with the consent of the administrative director of the **Alaska Court System** [STATE COURT SYSTEM];

(11) to establish the fact of death or inquire into the death of a person in the manner prescribed under AS 09.55.020 - 09.55.069;

(12) to issue an ex parte testing, examination, or screening order according to the manner and procedure prescribed by AS 18.15.375.

*** Sec. 25.** AS 22.15.250 is amended to read:

Sec. 22.15.250. Disposition of fines. When by law any fees, fines, forfeitures, or penalties are levied and collected by the district judge or magistrate, the proceeds

and all other money collected shall be accounted for and transmitted to the administrative director of the **Alaska Court System** [JUDICIAL SYSTEM] for transfer to the general fund of the state except as provided in AS 22.15.270.

* **Sec. 26.** AS 22.20.037(a) is amended to read:

(a) Judicial employees shall be employed subject to classification and wage plans based on the merit principle and adapted to the special needs of the judiciary, as determined by the administrative director of **the Alaska Court System** [COURTS]. Except as otherwise provided by law, all employees of the **Alaska Court System** [ALASKA COURT SYSTEM] and the judicial council are subject to the general state laws regarding leave, retirement, and travel.

* **Sec. 27.** AS 22.20.037(c) is amended to read:

(c) The administrative director of **the Alaska Court System** [COURTS] shall conduct a salary survey annually to ensure that employees of the **Alaska Court System** [ALASKA COURT SYSTEM] receive salaries consistent with those paid to employees in the classified and partially exempt state service.

* **Sec. 28.** AS 22.20.037(d) is amended to read:

(d) The administrative director of the **Alaska Court System** [COURT SYSTEM] shall file a travel and compensation report with the legislature by January 31 of each year. The report must contain detailed information for the previous calendar year of the salaries, per diem, travel expenses, relocation expenses, and any additional allowances for

(1) each justice of the supreme court;

(2) each judge of the court of appeals; and

(3) the administrative director of the **Alaska Court System** [COURT SYSTEM].

* **Sec. 29.** AS 22.20.300 is amended to read:

Sec. 22.20.300. Administrative director. The chief justice of the supreme court shall, with the approval of the supreme court, appoint an administrative director to serve at the pleasure of the supreme court and to supervise the administrative operations of the **Alaska Court System** [JUDICIAL SYSTEM].

* **Sec. 30.** AS 22.20.310 is amended to read:

Sec. 22.20.310. Court system report. The administrative director **of the Alaska Court System** shall, not later than March 15 of each year, make available to the public and file with the senate secretary and the chief clerk of the house of representatives a report regarding the Alaska Court System. The report must include

(1) a profile of the Alaska Court System and its justices, judges, and magistrates;

(2) a summary description of the administration of the court system, including detailed descriptions of its facilities, programs, and personnel;

(3) average, mean, minimum, and maximum time periods between initial receipt and final disposition of cases classified by courts and by each justice, judge, and magistrate;

(4) information identifying each justice, judge, or magistrate who has had salary withheld under the authority of AS 22.05.140(b), AS 22.07.090(b), AS 22.10.190(b), or AS 22.15.220(c) and the number of times and the time periods of the occurrences;

(5) other information and data relevant to aiding the public and the legislature in understanding the organization, administration, caseload, disposition of cases, and accomplishments of the court system;

(6) the travel expenses and per diem for each justice, judge, or magistrate for the previous calendar year.

* **Sec. 31.** AS 22.20.320 is amended to read:

Sec. 22.20.320. Information systems guidelines and plan. The administrative director of **the Alaska Court System** [COURTS] shall establish information systems guidelines and prepare a short-range and long-range information systems plan for the court system. The guidelines and plan must be consistent with the telecommunications information guidelines and plan adopted by the commissioner under AS 44.21.350 - 44.21.390 and must be adapted to the special needs of the judicial branch as determined by the administrator of **the Alaska Court System** [COURTS].

* **Sec. 32.** AS 22.20.430 is amended to read:

Sec. 22.20.430. Bond. Before entering upon the duties of a public administrator, the public administrator shall execute and file with the administrative

director of the **Alaska Court System** [COURT SYSTEM] a surety bond in the form and amount to be determined by rule of the supreme court. The costs of the bond shall be paid by the court system.

* **Sec. 33.** AS 22.25.090(f) is amended to read:

(f) In this section, "dependent child" means an unmarried child of a justice, judge, or administrative director **of the Alaska Court System** who is dependent on the justice, judge, or administrative director for support and who is either (1) less than 19 years old, or (2) less than 23 years old and registered at and attending on a full-time basis an accredited educational or technical institution recognized by the Department of Education and Early Development. The age limits set out in this subsection do not apply to a child who is totally and permanently disabled.

* **Sec. 34.** AS 24.08.330(a) is amended to read:

(a) The Department of Education and Early Development is responsible for making official distribution of the Alaska Statutes to state executive branch agencies. The administrative director of the **Alaska Court System** [COURT SYSTEM] is responsible for distribution to the court system. Distribution shall be made on the basis of written lists submitted by the department and the court system to the Legislative Affairs Agency within 90 days after the last day of each regular session of the legislature. A legislator is entitled to receive one set of the statutes for the member's personal use, and this entitlement is restricted to the one set issued during a member's entire legislative service. The commissioner of education and early development may deposit one set of the statutes in each free public library within the state. The right of sale to persons and organizations remains exclusively with the publisher.

* **Sec. 35.** AS 33.05.030(b) is amended to read:

(b) The appointment of a probation officer shall be entered on the journal of the court in the judicial district where the probation officer shall be assigned, and one copy of the journal entry sent to the administrative director of **the Alaska Court System** [COURTS].

* **Sec. 36.** AS 36.30.030 is amended to read:

Sec. 36.30.030. Court system. The administrative director of **the Alaska Court System** [COURTS] shall adopt and publish procedures to govern the

procurement of supplies, services, professional services, and construction by the judicial branch. The procedures must be based on the competitive principles consistent with this chapter and must be adapted to the special needs of the judicial branch as determined by the administrative director of **the Alaska Court System** [COURTS]. The procedures must contain provisions for prohibiting procurement from a person that has headquarters in a country listed in Tier 3 of the most recent Trafficking in Persons Report published by the United States Secretary of State under 22 U.S.C. 7107(b)(1)(C). The procedures may contain provisions for restricting procurement from a person that conducts business in but does not have headquarters in a country listed in Tier 3 of the most recent Trafficking in Persons Report published by the United States Secretary of State under 22 U.S.C. 7107(b)(1)(C). The procedures must be consistent with the provisions of AS 36.30.080(c) - (e) and 36.30.085. Notwithstanding the other provisions of this section, the judicial branch shall comply with AS 36.30.170(b).

*** Sec. 37.** AS 38.07.010(a) is amended to read:

(a) The commissioner may select areas of state land classified as agricultural and contract for the land to be cleared or drained or both at state expense. In this selection and contracting, the commissioner shall be guided by the recommendations of the **United States Department of Agriculture, Natural Resources Conservation Service** [U.S. SOIL CONSERVATION SERVICE].

*** Sec. 38.** AS 38.07.050 is amended to read:

Sec. 38.07.050. Regulations. The commissioner shall, guided by recommendations of the **United States Department of Agriculture, Natural Resources Conservation Service** [U.S. SOIL CONSERVATION SERVICE], adopt regulations necessary to carry out the purpose of this chapter.

*** Sec. 39.** AS 38.07.060(3) is amended to read:

(3) **"crop"** ["CROPPED"] means **to manage** [THE MANAGEMENT OF] a domestic planting including harvest.

*** Sec. 40.** AS 39.35.680(22) is amended to read:

(22) "member" or "employee"

(A) means a person eligible to participate in the plan and who

is covered by the plan;

(B) includes

(i) an active member;

(ii) an inactive member;

(iii) a vested member;

(iv) a deferred vested member;

(v) a nonvested member;

(vi) a disabled member;

(vii) a retired member;

(viii) an elected public officer under AS 39.35.381;

(C) does not include

(i) former members;

(ii) persons compensated on a contractual or fee basis;

(iii) casual or emergency workers or nonpermanent employees as defined in AS 39.25.200;

(iv) persons covered by the Alaska Teachers' Retirement System except as provided under AS 39.35.131 and 39.35.381, or persons covered by a university retirement program;

(v) employees of the division of marine transportation engaged in operating the state ferry system who are covered by a union or group retirement system to which the state makes contributions;

(vi) justices of the supreme court or judges of the court of appeals or of the superior or district courts of Alaska;

(vii) the administrative director of **the Alaska Court System** [COURTS] appointed under art. IV, sec. 16 of the state constitution unless the director becomes a member under AS 39.35.158;

(viii) members of the elected public officers' retirement system (former AS 39.37); and

(ix) contractual employees of the legislative branch of state government under AS 24.10.060(f);

(D) may include employees of the division of marine transportation excluded under (C)(v) of this paragraph provided that

(i) the State of Alaska formally agrees to their inclusion through the process of collective bargaining; and

(ii) no collective bargaining agreement has the effect of obligating contributions made by the state under AS 39.30.150 in the event the state resumes participation in the federal social security system;

* **Sec. 41.** AS 40.25.123(c) is amended to read:

(c) The administrative director of **the Alaska Court System** [COURTS] shall supervise and adopt procedures for the operation and implementation of AS 40.25.110 - 40.25.140 by public agencies in the judicial branch.

* **Sec. 42.** AS 42.04.080(b) is amended to read:

(b) The commission shall adopt regulations [BY DECEMBER 31, 1999,] that establish standards of timeliness for the types of cases that come before the commission. The commission shall establish standards based in part on degrees of complexity of the cases.

* **Sec. 43.** AS 42.06.430 is amended to read:

Sec. 42.06.430. General provisions as to accounts, records, and reports. To the extent necessary to the performance of the duties of the commission as provided in this chapter:

(1) the commission by regulation shall, for the purposes of this section, classify pipeline facilities, and may designate the pipeline facilities or groups of pipeline facilities within the state that constitute a pipeline system for the purposes of this section;

(2) the commission may by regulation prescribe a uniform system of accounts for any classification of pipeline facilities which best represents and clearly reveals the investment, revenues, direct operating costs and other expenses of the subject classification of facilities, and may prescribe the manner in which the accounts and supporting records are kept in order to clearly show the investment, revenues, and costs pertaining to the subject facilities or to a pipeline system constituting a part of it;

accounts shall be maintained on the calendar year basis unless the commission specifically authorizes the maintenance of accounts on the basis of a fiscal year other than the calendar year;

(3) the commission may by regulation require a pipeline carrier or affiliated interest engaged in activities relating to pipelines to establish and maintain as part of its system of accounts continuing property records showing, as to property units which are actually being used in pipeline activity in this state, the year of placement in service, original cost and current location, and, as to a pipeline system, accounts and records in a manner showing, on a current basis, the original cost of the system in the state and related reserves for depreciation; from time to time the commission shall determine the proper and adequate rates of depreciation for each major class of property of an oil or gas pipeline facility;

(4) the pipeline carrier shall keep its accounts for its pipeline facilities located in this state separate from any accounts relating to any other business (including another pipeline facilities business, or a subsidiary business) it engages in, directly or indirectly; except as the commission provides, property, expense or revenue used in or derived from the other business may not be considered in establishing the rates and charges of the facility;

(5) the pipeline carrier shall keep books, accounts, papers, and records required by this chapter or by regulations adopted by the commission under this chapter in an office in this state and may not remove them from the state except upon written authority by the commission;

(6) for pipelines subject to the Interstate Commerce Act or the Natural Gas Act, the uniform system of accounts and manner of maintaining them and the property records kept and maintained shall, where considered practicable by the commission, be the same as required under regulations prescribed by the applicable federal agency; however, where federal law permits a pipeline carrier to consolidate its reporting for more than one pipeline in which it has an ownership interest, the commission shall require the reports to be made on an individual pipeline basis for any pipeline located wholly or in part in the state;

(7) within 90 days after the close of its authorized annual accounting

period, or within additional time granted by the commission for good cause shown, a pipeline carrier shall file a verified annual report with the commission; the annual report must consist of the following:

(A) for a pipeline subject to **the Interstate Commerce Act** [49 U.S.C. 1-1240 (INTERSTATE COMMERCE ACT)] or 15 U.S.C. 717 - 717w (Natural Gas Act), a copy of the annual report as filed with the appropriate federal agency under the applicable Act, and, for other pipelines, a report of general corporation information and financial statements in the same general format as the report of pipelines of the same classification subject to the jurisdiction of the appropriate federal agency;

(B) in the same general format as the report referred to in (A) of this paragraph, a statement of income and investment applicable to pipelines in this state, and a statement of investment, revenues, direct operating costs and other expenses, detailed in accordance with the uniform system of accounts to be applied under this chapter, for each pipeline system designated by the commission under (1) of this section; and

(C) such additional accounts and information as may be required under (2) of this section;

(8) the commission may require such additional accounts and information as may be necessary.

* **Sec. 44.** AS 43.55.023(a) is amended to read:

(a) A producer or explorer may take a tax credit for a qualified capital expenditure as follows:

(1) notwithstanding that a qualified capital expenditure may be a deductible lease expenditure for purposes of calculating the production tax value of oil and gas under AS 43.55.160(a), unless a credit for that expenditure is taken under AS 38.05.180(i), AS 41.09.010, AS 43.20.043, or AS 43.55.025, a producer or explorer that incurs a qualified capital expenditure may also elect to apply a tax credit against a tax levied by AS 43.55.011(e) in the amount of 20 percent of that expenditure; however, not more than half of the tax credit may be applied for a single calendar year;

(2) a producer or explorer may take a credit for a qualified capital expenditure incurred in connection with geological or geophysical exploration or in connection with an exploration well only if the producer or explorer

(A) agrees, in writing, to the applicable provisions of AS 43.55.025(f)(2); **and**

(B) submits to the Department of Natural Resources all data that would be required to be submitted under AS 43.55.025(f)(2).

* **Sec. 45.** AS 44.37.025(c) is amended to read:

(c) The department, with the concurrence of the administrative director of **the Alaska Court System** [COURTS], may appoint judicial employees to perform services in connection with recording, providing access to, and copying documents in locations where the department has not otherwise designated a public office to perform those functions.

* **Sec. 46.** AS 45.68.120(a) is amended to read:

(a) Registration is not required under AS 45.68.010 for

(1) a church or religious organization that is exempt from filing a federal annual information return under **26 U.S.C. 6033(a)(3)(A)** [26 U.S.C. 6033(a)(2)(A);]

(2) a candidate for national, state, or local office, and a political party or other committee or group if the candidate, party, committee, or group is required to file financial information with the Alaska Public Offices Commission under AS 15.13 or with the Federal Election Commission under 2 U.S.C. 431 - 456 (Federal Election Campaign Act);

(3) a charitable organization that does not intend to raise or receive contributions, excluding government grants, in excess of $5,000 during a fiscal year of the charitable organization, or that does not intend to receive contributions from more than 10 persons during a fiscal year of the charitable organization if, in either situation,

(A) all of the organization's functions, including solicitation, are performed by persons who are not paid for their services; and

(B) an officer or member of the organization is not paid or does

not otherwise receive all or a part of the assets or income of the charitable organization;

(4) a person or municipality who has a permit under AS 05.15.100.

* **Sec. 47.** This Act takes effect immediately under AS 01.10.070(c).

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 January 24, 2011

SUBJECT: Sectional Summary of the 2011 Revisor's Bill
(SB 61 - Work Order No. 27-LS0152\B)

TO: Senator Bill Wielechowski
Chair of the Senate State Affairs Committee
Attn: Michelle Sydeman

FROM: Kathryn L. Kurtz KLC
Assistant Revisor

The following is a sectional summary of the 2011 revisor's bill. The bill is prepared under AS 01.05.036, which provides, in part, that the revisor of statutes

> . . . shall prepare for submission to the legislature legislation for the correction or removal of the deficiencies, conflicts, or obsolete provisions, or to otherwise improve the form or substance of any portion of the statute law of this state.

To assist the reader in understanding the bill, I have summarized the contents by listing sections that have similar purposes or effects.

Sections that delete, repeal, or update obsolete provisions: Sections 1, 3 - 5, 11 - 13, 16, 18 - 20, 37, 38, 42, and 46 amend provisions that have become obsolete.

Sections that correct errors or oversights: Sections 6, 14, 17, and 21 - 23 correct errors or oversights.

Sections that improve the form or substance of the law: Sections 2, 7 - 9, 10, 15, 24 - 36, 39 - 41, and 43 - 45 propose amendments to improve the form or substance of the statutory law of Alaska.

Section 1. Changes a reference in AS 03.22.050 from "United States Soil Conservation Service" to "United States Department of Agriculture Natural Resources Conservation Service" to reflect the renaming of the service in 1994.

Section 2. Defines "department" for purposes of AS 08.02 as the Department of Commerce, Community, and Economic Development (DCCED). The term "department" is used but not defined in AS 08.02.010 and 08.02.050.

In AS 08.02.010, the effect of adding the definition will be to clarify that it is DCCED and not some other department that is responsible for enforcing compliance with professional designation requirements outlined in that section if there is a violation by a person who is not regulated by a board. Currently, only three of the affected professional groups are not regulated by boards: acupuncturists (AS 08.06), audiologists and speech pathologists (AS 08.11), and dietitians and nutritionists (AS 08.38). Chapters AS 08.06, AS 08.11, and AS 08.38 each define "department" as DCCED, so the addition of the definition in AS 08.02 is consistent with existing law.

For AS 08.02.050, the legislature's intent was explicit in the title of the Act enacting the section: "Authorizing the *Department of Community and Economic Development* to issue permits to certain agencies. . . ." Ch. 62, SLA 2002 (emphasis added).

Section 3. Amends AS 08.29.200(b) to use the term "vulnerable adult" rather than "elderly or disabled adult" for consistency with the terminology in AS 47.24.010 (as amended by sec. 2, ch. 129, SLA 1994).

Section 4. Changes two references to the "American Standards Association" in AS 08.40.120 to "American National Standards Institute" to reflect the current name of that organization.

Section 5. Amends AS 08.42.060(a) to change a reference to "Conference of Funeral Services Examining Boards" to "International Conference of Funeral Service Examining Boards" to reflect the change in that organization's name.

Section 6. Redesignates the last clause of AS 08.86.180(b)(4) as paragraph (b)(5), to correct an error in ch. 26, SLA 2010 (which showed two paragraphs designated (4), that were then combined into one editorially).

Section 7. Amends AS 09.20.050(a) in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 8. Amends AS 09.20.050(c) in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 9. Amends AS 09.20.080(b) in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 10. Changes "math" to "mathematics" in AS 14.07.020(a)(16)(B) to conform to the usage found elsewhere in the Alaska Statutes.

Section 11. Removes the requirement in AS 14.40.809(b) that the University of Alaska Board of Regents enter into a reciprocal agreement with Sheldon Jackson College.

Sheldon Jackson College closed in 2007. Also changes "to annually report" to "to report annually" to remove the split infinitive.

Section 12. Amends AS 14.42.015(a) to remove Sheldon Jackson College from the selection process for the member of the Alaska Commission on Postsecondary Education representing private higher education. Sheldon Jackson College closed in 2007.

Section 13. Amends AS 14.42.015(d) to remove Sheldon Jackson College students from the selection process for the postsecondary student member of the Alaska Commission on Postsecondary Education. Sheldon Jackson College closed in 2007.

Section 14. Corrects a typographical error in Executive Order 114 in a cross-reference in AS 16.20.070. Until Executive Order 114, AS 16.20.070 correctly referred to AS 16.20.050 and 16.20.060, and not to AS 16.05.060.

Section 15. Amends AS 18.56.855(j) in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 16. Deletes obsolete date reference in AS 21.09.210(e).

Section 17. Corrects an erroneous paragraph reference in AS 21.22.065(j)(2). This should have been changed in 1992 when paragraphs were added to AS 21.22.220 by ch. 67, SLA 1992.

Section 18. Deletes reference in AS 21.34.900(6) to AS 21.34.210, which has been repealed. This corrects an error in ch. 67, SLA 1992 (which repealed and reenacted AS 21.34.900(6) and repealed AS 21.34.210).

Section 19. Deletes obsolete date reference in AS 21.39.040(k)(2).

Section 20. Deletes obsolete date reference in AS 21.40.010.

Section 21. Changes a reference in AS 21.45.300(k) from "(1) of this section" to "(*l*) of this section" to correct an error in ch. 28, SLA 1984. Subsections in the Alaska Statutes are lettered, not numbered.

Section 22. Changes a reference in AS 21.45.300(m) from "(3) of this paragraph" to "(3) of this subsection" to correct an error in ch. 28, SLA 1984. In the Alaska Statutes, paragraphs are numbered subparts of lettered subsections. Also changes "shall not" to "may not" to conform to the drafting manual's style for imposing a prohibition.

Section 23. Deletes a reference in AS 21.96.070(f) to AS 14.03.126, which has been repealed, and inserts instead the text of the definition from former AS 14.03.126.

Section 24. Amends AS 22.15.100(10) in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 25. Amends AS 22.15.250 in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 26. Amends AS 22.20.037(a) in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 27. Amends AS 22.20.037(c) in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 28. Amends AS 22.20.037(d) in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 29. Amends AS 22.20.300 in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 30. Amends AS 22.20.310 in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 31. Amends AS 22.20.320 in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 32. Amends AS 22.20.430 in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 33. Amends AS 22.25.090(f) in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 34. Amends AS 24.08.330(a) in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 35. Amends AS 33.05.030(b) in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 36. Amends AS 36.30.030 in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 37. Changes a reference in AS 38.07.010 from "United States Soil Conservation Service" to "United States Department of Agriculture Natural Resources Conservation Service" to reflect the renaming of the service in 1994.

Section 38. Changes a reference in AS 38.07.050 from "United States Soil Conservation Service" to "United States Department of Agriculture Natural Resources Conservation Service" to reflect the renaming of the service in 1994.

Section 39. Changes "cropped" to "crop" in AS 38.07.060, a definitions section, to match the usage in AS 38.07.020(b). The word "cropped" is not used in the chapter to which the definitions apply.

Section 40. Amends AS 39.35.680(22) in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 41. Amends AS 40.25.123(c) in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 42. Deletes obsolete date reference in AS 42.04.080(b).

Section 43. Changes a reference in AS 42.06.430(7)(A) from "49 U.S.C. 1-1240 (Interstate Commerce Act)" to "Interstate Commerce Act." The enacting law, sec. 5, ch. 6, FSSLA 1973, simply referred to "pipelines subject to the Interstate Commerce Act or the Natural Gas Act", without offering specific numbered citations to federal statutes. The specific U.S.C. references were apparently added editorially. Since then, the U.S.C. sections that comprised the Interstate Commerce Act have been revised, renumbered, and in some cases, repealed, so the spanned reference to the previous location of those sections is no longer useful.

Section 44. Amends AS 43.55.023(a)(2) to insert the word "and" between subparagraphs (A) and (B). This change is suggested at the request of the Department of Law. Although "and" can be inferred from the structure and content of the paragraph, and "or" would not make sense in this context, adding the word "and" is consistent with usage elsewhere in the section (for example, in subsection (*l*)(2)) and is intended to facilitate ease of use.

Section 45. Amends AS 44.37.025(c) in an effort to create uniformity among statutory references to the administrative director of the Alaska Court System.

Section 46. Amends a reference to federal law in AS 45.68.120(a). The cite to 26 U.S.C. 6033(a)(2)(A) was correct when enacted. However, that paragraph was renumbered in 2006 as 26 U.S.C. 6033(a)(3)(A). The text of the provision did not change.

Section 47. Provides an immediate effective date.

KLK:plm
11-030.plm

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **SB 61**
() Publish Date

SB 61 -- An Act making corrective amendments to Alaska Statutes as recommend
Title

Dept. Affected
Appropriation
Allocation

Sponsor Senate Rules Committee
Requester Legislative Council

OMB Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by Senate State Affairs Committtee
Division
Approved by Senator Wielechowski, Chair

Phone 465-6881
Date/Time 2/15/11 8:00 AM
Date

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. _____

Analysis

No fiscal impact. This bill simply makes corrective changes to existing statutes.

SB

89

<TARGET><BILL>SB 89</BILL><SUBJECT>SB
89</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 2/16/11 FURTHER: Judiciary

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 3-31-11

State Affairs Committee considered SENATE BILL NO. 89

SB 89-LEGISLATIVE ETHICS ACT

"An Act clarifying that a legislator or legislative employee is allowed to accept certain compassionate gifts; allowing legislators and legislative employees to use legislative mailing lists for campaign purposes and nonlegislative purposes; allowing legislators and legislative employees who are representing persons in an administrative hearing to contact hearing officers and attempt to influence the outcome of the hearing if they are professionals licensed in the state, and allowing legislators and legislative employees who are not professionals licensed in the state to contact hearing officers for the purpose of influencing the outcome of the hearing in certain instances; allowing legislators and legislative employees, in certain circumstances, to participate in partisan political activity while on state travel; prohibiting a public member of the Select Committee on Legislative Ethics from disclosing confidential information without authorization; clarifying the ethics disclosure requirements for tickets to or gifts in connection with charity events; amending disclosure deadlines under the Legislative Ethics Act; relating to requests to refrain from disclosure under the Legislative Ethics Act; and establishing a seat for an alternate public member on the Select Committee on Legislative Ethics and clarifying the requirements related to participation by alternate members in the proceedings of the committee."

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ SCS/CS- Forthcoming _____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Kookan			X	
	Paskvan			X	
	Meyer	X			
	Giessel			X	
CHAIR:	Wielechowski			X	

ALASKA STATE LEGISLATURE

SENATOR JOHN COGHILL

State Capitol, Room 504, Juneau, AK 99801-1182 (907) 465-3719
3340 Badger Road Suite #290, North Pole, AK 99705 (907) 488-5725

SUMMARY OF CHANGES IN CSSB 89 (27-LS0452\I)

Page 5, line 27, after "(a)(2)", language is amended to include subsection (a)(3) to clarify that limitations include (a)(2) – (a)(4); not (a)(2) and (a)(4).

Page 5, line 30, after "campaign activity," **during the state travel** has been added to make language consistent with language in section 4.

Page 7, lines 9 – 17, this subsection was rewritten to make it very clear a charity event ticket or charitable event gift may be received from a lobbyist, immediate family member, or person acting on behalf of a lobbyist, but the gift cannot be valued at $250 or more.

The new version deleted sections 9 and 10 of the original bill which extended deadlines for filing of disclosures for service on boards and commissions, interest in state contracts, participation in state loans, close economic associations, and representation of someone, as well as other disclosures, from 30 to 60 days.

Under the current bill, the only disclosure headlines extended to 60 days are travel gifts for the person of educating a legislator and charity tickets and charity gifts for charity activities sanctioned by the ethics committee.

27-LS0452\I
Wayne
2/22/11

CS FOR SENATE BILL NO. 89( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR COGHILL

A BILL

FOR AN ACT ENTITLED

"An Act clarifying that a legislator or legislative employee is allowed to accept certain compassionate gifts; allowing legislators and legislative employees to use legislative mailing lists for campaign purposes and nonlegislative purposes; allowing legislators and legislative employees who are representing persons in an administrative hearing to contact hearing officers and attempt to influence the outcome of the hearing if they are professionals licensed in the state, and allowing legislators and legislative employees who are not professionals licensed in the state to contact hearing officers for the purpose of influencing the outcome of the hearing in certain instances; allowing legislators and legislative employees, in certain circumstances, to participate in partisan political activity while on state travel; prohibiting a public member of the Select Committee on Legislative Ethics from disclosing confidential information without authorization; clarifying the ethics disclosure requirements for tickets to or gifts in connection with

charity events; amending disclosure deadlines under the Legislative Ethics Act; relating to requests to refrain from disclosure under the Legislative Ethics Act; and establishing a seat for an alternate public member on the Select Committee on Legislative Ethics and clarifying the requirements related to participation by alternate members in the proceedings of the committee."

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

*** Section 1.** AS 24.60.030(a) is amended to read:

(a) A legislator or legislative employee may not

(1) solicit, agree to accept, or accept a benefit other than official compensation for the performance of public duties; this paragraph may not be construed to prohibit lawful solicitation for and acceptance of campaign contributions, solicitation or acceptance of contributions for a charity event, as defined in AS 24.60.080(a)(2)(B), or the acceptance of a **gift** [LAWFUL GRATUITY] under **AS 24.60.075 or 24.60.080** [AS 24.60.080];

(2) use public funds, facilities, equipment, services, or another government asset or resource for a nonlegislative purpose, for involvement in or support of or opposition to partisan political activity, or for the private benefit of [EITHER] the legislator, legislative employee, or another person; this paragraph does not prohibit

(A) limited use of state property and resources for personal purposes if the use does not interfere with the performance of public duties and either the cost or value related to the use is nominal or the legislator or legislative employee reimburses the state for the cost of the use;

(B) the use of **a legislator's legislative mailing list for campaign purposes, or the use of** mailing lists, computer data, or other information lawfully obtained from a government agency and available to the general public for nonlegislative purposes;

(C) the legislative council, notwithstanding AS 24.05.190, from designating a public facility for use by legislators and legislative employees for

health or fitness purposes; when the council designates a facility to be used by legislators and legislative employees for health or fitness purposes, it shall adopt guidelines governing access to and use of the facility; the guidelines may establish times in which use of the facility is limited to specific groups;

(D) a legislator from using the legislator's private office in the capital city during a legislative session, and for the 10 days immediately before and the 10 days immediately after a legislative session, for nonlegislative purposes if the use does not interfere with the performance of public duties and if there is no cost to the state for the use of the space and equipment, other than utility costs and minimal wear and tear, or the legislator promptly reimburses the state for the cost; an office is considered a legislator's private office under this subparagraph if it is the primary space in the capital city reserved for use by the legislator, whether or not it is shared with others;

(E) a legislator from use of legislative employees to prepare and send out seasonal greeting cards;

(F) a legislator from using state resources to transport computers or other office equipment owned by the legislator but primarily used for a state function;

(G) use by a legislator of photographs of that legislator;

(H) reasonable use of the Internet by a legislator or a legislative employee except if the use is for election campaign purposes;

(I) a legislator or legislative employee from soliciting, accepting, or receiving a gift on behalf of a recognized, nonpolitical charitable organization in a state facility;

(J) a legislator from sending any communication in the form of a newsletter to the legislator's constituents, except a communication expressly advocating the election or defeat of a candidate or a newsletter or material in a newsletter that is clearly only for the private benefit of a legislator or a legislative employee; or

(K) full participation in a charity event approved in advance by the Alaska Legislative Council;

(3) knowingly seek, accept, use, allocate, grant, or award public funds for a purpose other than that approved by law, or make a false statement in connection with a claim, request, or application for compensation, reimbursement, or travel allowances from public funds;

(4) require a legislative employee to perform services for the private benefit of the legislator or employee at any time, or allow a legislative employee to perform services for the private benefit of a legislator or employee on government time; it is not a violation of this paragraph if the services were performed in an unusual or infrequent situation and the person's services were reasonably necessary to permit the legislator or legislative employee to perform official duties;

(5) use or authorize the use of state funds, facilities, equipment, services, or another government asset or resource for the purpose of political fund raising or campaigning; this paragraph does not prohibit

(A) limited use of state property and resources for personal purposes if the use does not interfere with the performance of public duties and either the cost or value related to the use is nominal or the legislator or legislative employee reimburses the state for the cost of the use;

(B) the use of **a legislator's legislative mailing list, or the use of** mailing lists, computer data, or other information lawfully obtained from a government agency and available to the general public for nonlegislative purposes;

(C) storing or maintaining, consistent with (b) of this section, election campaign records in a legislator's office;

(D) a legislator from using the legislator's private office in the capital city during a legislative session, and for the 10 days immediately before and the 10 days immediately after a legislative session, for nonlegislative purposes if the use does not interfere with the performance of public duties and if there is no cost to the state for the use of the space and equipment, other than utility costs and minimal wear and tear, or the legislator promptly reimburses the state for the cost; an office is considered a legislator's private office under this subparagraph if it is the primary space in the capital city reserved for use

by the legislator, whether or not it is shared with others; or

(E) use by a legislator of photographs of that legislator.

*** Sec. 2.** AS 24.60.030(i) is amended to read:

(i) **A** [EXCEPT FOR SUPPLYING INFORMATION REQUESTED BY THE HEARING OFFICER OR THE INDIVIDUAL, BOARD, OR COMMISSION WITH AUTHORITY TO MAKE THE FINAL DECISION IN THE CASE, OR WHEN RESPONDING TO CONTACTS INITIATED BY THE HEARING OFFICER OR THE INDIVIDUAL, BOARD, OR COMMISSION WITH AUTHORITY TO MAKE THE FINAL DECISION IN THE CASE, A] legislator or legislative employee may not attempt to influence the outcome of an administrative hearing by directly or indirectly contacting or attempting to contact the hearing officer assigned to the hearing or the individual, board, or commission with authority to make the final decision in the **matter** [CASE] unless [THE]

(1) **the legislator or legislative employee is representing another person for compensation subject to AS 24.60.100 and as a professional who is licensed in the state;**

(2) the contact is made in the presence of all parties to the hearing or the parties' representatives **while the legislator or legislative employee is acting as a party or a witness in the matter or responding to a question asked of the legislator or legislative employee by the hearing officer, individual, board, or commission** and the contact is made a part of the record; or

(3) the contact is inadvertent and ex parte and the [(2)] fact and substance of the contact **are** [IS] promptly disclosed by the legislator or legislative employee to all parties to the hearing and [THE CONTACT IS] made a part of the record.

*** Sec. 3.** AS 24.60.030 is amended by adding a new subsection to read:

(j) Notwithstanding the limitations under (a)(2) - (4) and (c) of this section and subject to other laws of the state or the United States, a legislator or legislative employee who is on state travel may participate in partisan political activity, including campaign activity during the state travel, if the legislator or the legislative employee does not use or authorize the use of state resources to pay for the activity and if the

legislator or legislative employee does not participate in the activity

(1) during a normal workday between 8:00 a.m. and 5:00 p.m., excluding meal breaks;

(2) on a state or municipal election day;

(3) during the 30 days immediately preceding an election in which the participating legislator or the legislator for whom the participating employee works is a candidate for elective office; or

(4) by fund raising for a political party or campaign.

* **Sec. 4.** AS 24.60.031 is amended by adding a new subsection to read:

(d) Notwithstanding the limitations under (a) and (b) of this section and subject to other laws of the state or the United States, a legislator or legislative employee who is on state travel may participate in partisan political activity, including campaign activity, during the state travel if the legislator or the legislative employee does not use or authorize the use of state resources to pay for the activity and if the legislator or legislative employee does not participate in the activity

(1) during a normal workday between 8:00 a.m. and 5:00 p.m., excluding meal breaks;

(2) on a state or municipal election day;

(3) during the 30 days immediately preceding an election in which the participating legislator or the legislator for whom the participating employee works is a candidate for elective office; or

(4) by fund raising for a political party or campaign.

* **Sec. 5.** AS 24.60.060(a) is amended to read:

(a) A legislator**,** [OR] legislative employee**, or public member of the committee** may not knowingly make an unauthorized disclosure of information that is made confidential by law and that the person acquired in the course of official duties. A person who violates this section is subject to a proceeding under AS 24.60.170 and may be subject to prosecution under AS 11.56.860 or another law.

* **Sec. 6.** AS 24.60.080(a) is amended to read:

(a) Except as otherwise provided in this section, a legislator or legislative employee may not

(1) solicit, accept, or receive, directly or indirectly, a gift worth $250 or more, whether in the form of money, services, a loan, travel, entertainment, hospitality, promise, or other form, or gifts from the same person worth less than $250 that in a calendar year aggregate to $250 or more in value;

(2) solicit, accept, or receive a gift with any monetary value from a lobbyist, an immediate family member of a lobbyist, or a person acting on behalf of a lobbyist, except

(A) food or beverage for immediate consumption;

(B) a contribution to a charity event, [FROM ANY PERSON AT ANY TIME, AND] tickets **to** [FOR] a charity event**, and** [AT ANY TIME, EXCEPT THAT TICKETS TO OR] gifts **to which the tickets may entitle the bearer; however, under this subparagraph a legislator or legislative employee may not solicit, accept, or receive from the same lobbyist, an immediate family member of the lobbyist, or a person acting on behalf of the lobbyist, tickets to a charity event, gifts to which the tickets may entitle the bearer, or both, that in a calendar year aggregate to $250 or more in value** [RECEIVED AT A CHARITY EVENT UNDER THIS SUBPARAGRAPH ARE SUBJECT TO THE CALENDAR YEAR LIMIT ON THE VALUE OF GIFTS RECEIVED BY A LEGISLATOR OR LEGISLATIVE EMPLOYEE IN (1) OF THIS SUBSECTION]; in this subparagraph, "charity event" means an event the proceeds of which go to a charitable organization with tax-free status under 26 U.S.C. 501(c)(3) and that the Alaska Legislative Council has approved in advance; the tickets may entitle the bearer to admission to the event, to entertainment, to food or beverages, or to other gifts or services **in connection with** [INVOLVED IN] the charity event;

(C) a gift that is unconnected with the recipient's legislative status and is from a member of the legislator's or legislative employee's immediate family;

(D) a gift delivered on the premises of a state facility and accepted on behalf of a recognized nonpolitical charitable organization; or

(E) a compassionate gift under AS 24.60.075.

* **Sec. 7.** AS 24.60.080(c) is amended to read:

(c) Notwithstanding (a)(1) of this section, it is not a violation of this section for a person who is a legislator or legislative employee to accept

(1) hospitality, other than hospitality described in (4) of this subsection,

(A) with incidental transportation at the residence of a person; however, a vacation home located outside the state is not considered a residence for the purposes of this subparagraph; or

(B) at a social event or meal;

(2) discounts that are available

(A) generally to the public or to a large class of persons to which the person belongs; or

(B) when on official state business, but only if receipt of the discount benefits the state;

(3) food or foodstuffs indigenous to the state that are shared generally as a cultural or social norm;

(4) travel and hospitality primarily for the purpose of obtaining information on matters of legislative concern;

(5) gifts from the immediate family of the person; in this paragraph, "immediate family" means

(A) the spouse of the person;

(B) the person's domestic partner;

(C) a child, including a stepchild and an adoptive child, of the person or of the person's domestic partner;

(D) a parent, sibling, grandparent, aunt, or uncle of the person;

(E) a parent, sibling, grandparent, aunt, or uncle of the person's spouse or the person's domestic partner; and

(F) a stepparent, stepsister, stepbrother, step-grandparent, step-aunt, or step-uncle of the person, the person's spouse, or the person's domestic partner;

(6) gifts that are not connected with the recipient's legislative status;

(7) a discount for all or part of a legislative session, including time immediately preceding or following the session, or other gift to welcome a legislator or legislative employee who is employed on the personal staff of a legislator or by a standing or special committee to the capital city or in recognition of the beginning of a legislative session if the gift or discount is available generally to all legislators and the personal staff of legislators and staff of standing and special committees; this paragraph does not apply to legislative employees who are employed by the Legislative Affairs Agency, the office of the chief clerk, the office of the senate secretary, the legislative budget and audit committee, the office of victims' rights, or the office of the ombudsman;

(8) a gift of legal services in a matter of legislative concern and a gift of other services related to the provision of legal services in a matter of legislative concern;

(9) a gift of transportation from a legislator or a legislative employee to a legislator or a legislative employee if the transportation takes place in the state on or in an aircraft, boat, motor vehicle, or other means of transport owned or under the control of the donor; this paragraph does not apply to travel described in (4) of this subsection or travel for political campaign purposes; or

(10) a contribution to a charity event**, a ticket to a charity event, or a gift in connection with a charity event** [FROM ANY PERSON AT ANY TIME]; in this paragraph, "charity event" has the meaning given in (a)(2)(B) of this section.

*** Sec. 8.** AS 24.60.080(d) is amended to read:

(d) A legislator or legislative employee who accepts a gift under (c)(4) **of this section that has a value of $250 or more or a ticket to a charity event or gift in connection with a charity event under (c)(10)** of this section that has a value of $250 or more shall disclose to the committee, within **60** [30] days after receipt of the gift, the name and occupation of the donor and the approximate value of the gift. A legislator or legislative employee who accepts a gift under (c)(8) of this section that the recipient expects will have a value of $250 or more in the calendar year shall disclose to the committee, within 30 days after receipt of the gift, the name and

occupation of the donor, a general description of the matter of legislative concern with respect to which the gift is made, and the approximate value of the gift. The committee shall maintain a public record of the disclosures it receives relating to gifts under (c)(4), (c)(8), **(c)(10),** and (i) of this section and shall forward the disclosures to the appropriate house for inclusion in the journal. The committee shall forward to the Alaska Public Offices Commission copies of the disclosures concerning gifts under (c)(4), (c)(8), **(c)(10),** and (i) of this section that it receives from legislators and legislative directors. A legislator or legislative employee who accepts a gift under (c)(6) of this section that has a value of $250 or more shall, within 30 days after receiving the gift, disclose to the committee the name and occupation of the donor and a description of the gift. The committee shall maintain disclosures relating to gifts under (c)(6) of this section as confidential records and may only use, or permit a committee employee or contractor to use, a disclosure under (c)(6) of this section in the investigation of a possible violation of this section or in a proceeding under AS 24.60.170. If the disclosure under (c)(6) of this section becomes part of the record of a proceeding under AS 24.60.170, the confidentiality provisions of that section apply to the disclosure.

*** Sec. 9.** AS 24.60.105 is amended by adding a new subsection to read:

(d) A person may submit a written request to refrain from making a disclosure that is required by this chapter if making the disclosure would violate the United States Constitution, the Constitution of the State of Alaska, or other state or federal law. The committee shall approve or deny the request, or require further justification from the person making the request. At the request of the committee or a person authorized to act on behalf of the committee, a person who seeks to refrain from making a disclosure under this subsection shall provide the committee with justification in writing, and the committee may review the written justification to determine whether it is sufficient.

*** Sec. 10.** AS 24.60.130(n) is amended to read:

(n) **A member who participates at the commencement of a proceeding under AS 24.60.170 shall participate for the duration of the proceeding unless disqualified or unable to continue participating for any reason; however,**

provision shall be made for service by alternate members on the committee or on a subcommittee, as follows:

(1) when [WHEN] appointing members of the legislature to serve on the committee, the speaker of the house or the president of the senate, as appropriate, shall appoint an alternate member for each regular member**; an** [. AN] alternate must have the same qualifications as the regular member for whom the alternate stands as alternate and is subject to confirmation as required for the regular member**;**

(2) when selecting public members to serve on the committee, the Chief Justice of the Alaska Supreme Court shall also select one alternate public member; the alternate public member's selection is subject to ratification as required for selection of the regular public members;

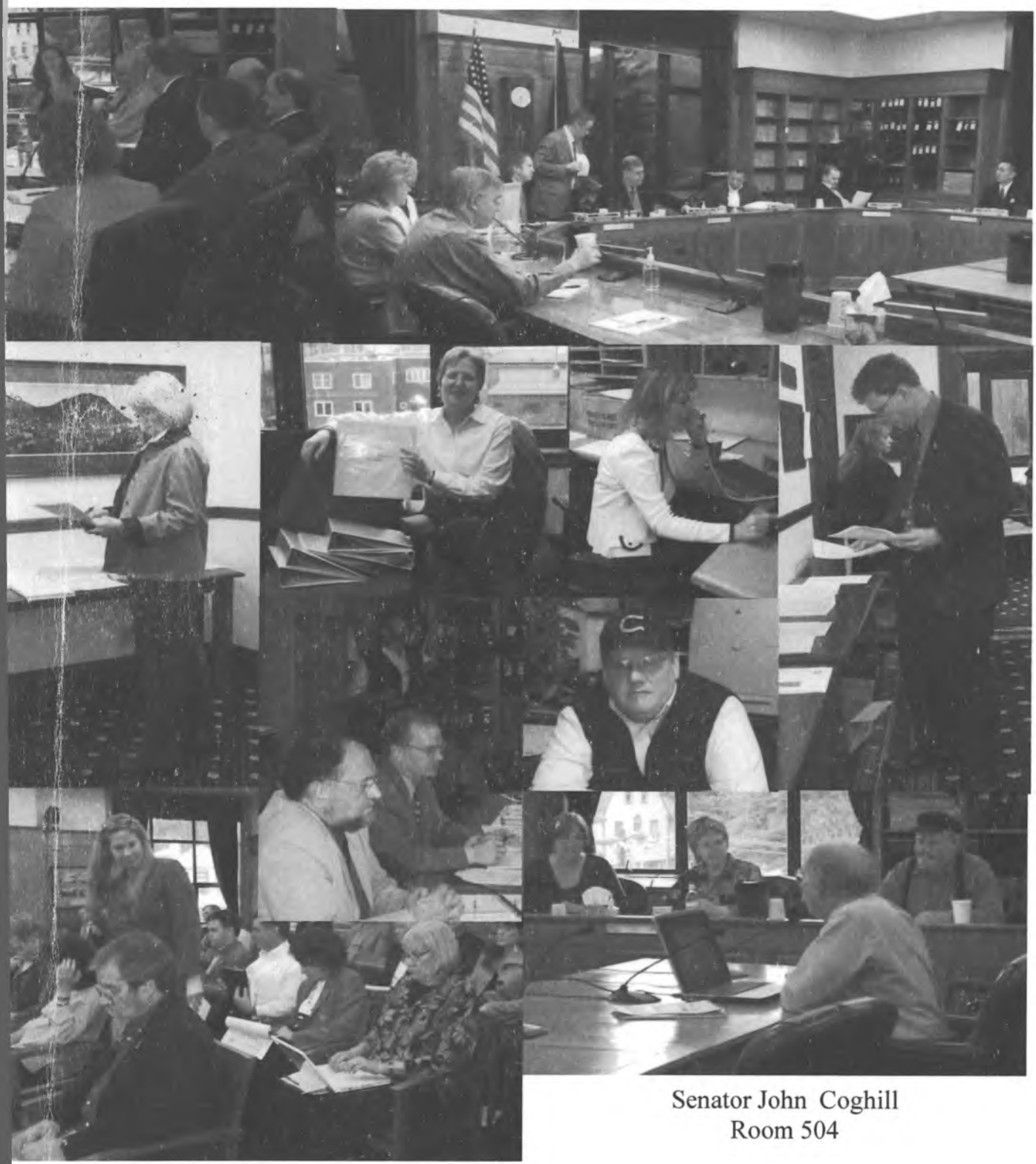
(3) if, except as to a proceeding under AS 24.60.170, [. IF] a regular [LEGISLATIVE] member of the committee or a subcommittee is unable to **participate in** [ATTEND] a meeting, the chair of the committee or a subcommittee shall designate the regular member's alternate to **participate** [SERVE] in place of the regular member at the meeting, and the designated alternate**, unless for any reason unable to participate,** shall **participate for the duration of that meeting; if** [SERVE UNLESS UNABLE TO SERVE FOR ANY REASON. IF] a regular [LEGISLATIVE] member of the committee or a subcommittee is disqualified under (h) of this section from **participating in** [SERVING ON THE COMMITTEE OR THE SUBCOMMITTEE CONCERNING] a proceeding under AS 24.60.170 or if the regular member is unable to **participate** [ATTEND], the chair of the committee or a subcommittee shall designate the regular member's alternate to **participate** [SERVE] in place of the regular member **for the duration of** [IN] the proceeding unless the alternate is [ALSO] disqualified **or is for any reason unable to participate; the** [FROM SERVING. THE] designation shall be treated as confidential to the same extent that the identity of the subject of a complaint is required to be kept confidential.

*** Sec. 11.** AS 24.60.990(a) is amended by adding a new paragraph to read:

(17) "state travel" means travel with transportation or overnight lodging that is provided or paid for with state resources.

First Session 27th Alaska Legislature

SB 89 Ethics Amendments



Senator John Coghill
Room 504

27-LS0452\D
Wayne
3/3/11

CS FOR SENATE BILL NO. 89( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR COGHILL

A BILL

FOR AN ACT ENTITLED

"An Act clarifying that a legislator or legislative employee is allowed to accept certain compassionate gifts; allowing legislators and legislative employees to use legislative mailing lists for campaign purposes and nonlegislative purposes; allowing legislators and legislative employees who are representing persons in an administrative hearing to contact hearing officers and attempt to influence the outcome of the hearing if they are professionals licensed in the state, and allowing legislators and legislative employees who are not professionals licensed in the state to contact hearing officers for the purpose of influencing the outcome of the hearing in certain instances; allowing legislators and legislative employees, in certain circumstances, to participate in partisan political activity while on state travel; requiring the Select Committee on Legislative Ethics to maintain a public record of certain ethics disclosures made by legislators and legislative employees; prohibiting a public member of the Select Committee on Legislative Ethics

from disclosing confidential information without authorization; clarifying the ethics disclosure requirements for tickets to or gifts in connection with charity events; amending disclosure deadlines under the Legislative Ethics Act; relating to requests to refrain from disclosure under the Legislative Ethics Act; eliminating an exemption for certain legislative employees, volunteers, and interns from the requirement under the Legislative Ethics Act that legislative employees attend a legislative ethics course; establishing a seat for an alternate public member on the Select Committee on Legislative Ethics; clarifying the requirements related to participation by alternate public members and alternate legislative members in the proceedings of the committee; amending the definition of 'legislative employee' in the Legislative Ethics Act; and repealing a procedure for appointment of alternate legislative members."

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

Prohibited conduct and conflict of interest.

*** Section 1.** AS 24.60.030(a) is amended to read:

(a) A legislator or legislative employee may not

(1) solicit, agree to accept, or accept a benefit other than official compensation for the performance of public duties; this paragraph may not be construed to prohibit lawful solicitation for and acceptance of campaign contributions, solicitation or acceptance of contributions for a charity event, as defined in AS 24.60.080(a)(2)(B), or the acceptance of a **gift** [LAWFUL GRATUITY] under **AS 24.60.075 or 24.60.080** [AS 24.60.080];

(2) use public funds, facilities, equipment, services, or another government asset or resource for a nonlegislative purpose, for involvement in or support of or opposition to partisan political activity, or for the private benefit of [EITHER] the legislator, legislative employee, or another person; this paragraph does not prohibit

(A) limited use of state property and resources for personal purposes if the use does not interfere with the performance of public duties and

adds compassionate gifts exceptions 24.60.075

either the cost or value related to the use is nominal or the legislator or legislative employee reimburses the state for the cost of the use;

(B) the use of **a legislator's legislative mailing list for campaign purposes, or the use of** mailing lists, computer data, or other information lawfully obtained from a government agency and available to the general public for nonlegislative purposes;

(C) the legislative council, notwithstanding AS 24.05.190, from designating a public facility for use by legislators and legislative employees for health or fitness purposes; when the council designates a facility to be used by legislators and legislative employees for health or fitness purposes, it shall adopt guidelines governing access to and use of the facility; the guidelines may establish times in which use of the facility is limited to specific groups;

(D) a legislator from using the legislator's private office in the capital city during a legislative session, and for the 10 days immediately before and the 10 days immediately after a legislative session, for nonlegislative purposes if the use does not interfere with the performance of public duties and if there is no cost to the state for the use of the space and equipment, other than utility costs and minimal wear and tear, or the legislator promptly reimburses the state for the cost; an office is considered a legislator's private office under this subparagraph if it is the primary space in the capital city reserved for use by the legislator, whether or not it is shared with others;

(E) a legislator from use of legislative employees to prepare and send out seasonal greeting cards;

(F) a legislator from using state resources to transport computers or other office equipment owned by the legislator but primarily used for a state function;

(G) use by a legislator of photographs of that legislator;

(H) reasonable use of the Internet by a legislator or a legislative employee except if the use is for election campaign purposes;

(I) a legislator or legislative employee from soliciting, accepting, or receiving a gift on behalf of a recognized, nonpolitical charitable

allows use of legislative mailing list for partisan activity per Opinion 04-

organization in a state facility;

(J) a legislator from sending any communication in the form of a newsletter to the legislator's constituents, except a communication expressly advocating the election or defeat of a candidate or a newsletter or material in a newsletter that is clearly only for the private benefit of a legislator or a legislative employee; or

(K) full participation in a charity event approved in advance by the Alaska Legislative Council;

(3) knowingly seek, accept, use, allocate, grant, or award public funds for a purpose other than that approved by law, or make a false statement in connection with a claim, request, or application for compensation, reimbursement, or travel allowances from public funds;

(4) require a legislative employee to perform services for the private benefit of the legislator or employee at any time, or allow a legislative employee to perform services for the private benefit of a legislator or employee on government time; it is not a violation of this paragraph if the services were performed in an unusual or infrequent situation and the person's services were reasonably necessary to permit the legislator or legislative employee to perform official duties;

(5) use or authorize the use of state funds, facilities, equipment, services, or another government asset or resource for the purpose of political fund raising or campaigning; this paragraph does not prohibit

(A) limited use of state property and resources for personal purposes if the use does not interfere with the performance of public duties and either the cost or value related to the use is nominal or the legislator or legislative employee reimburses the state for the cost of the use;

(B) the use of **a legislator's legislative mailing list, or the use of** mailing lists, computer data, or other information lawfully obtained from a government agency and available to the general public for nonlegislative purposes;

(C) storing or maintaining, consistent with (b) of this section, election campaign records in a legislator's office;

allows use of legislative mailing list for campaign purposes

(D) a legislator from using the legislator's private office in the capital city during a legislative session, and for the 10 days immediately before and the 10 days immediately after a legislative session, for nonlegislative purposes if the use does not interfere with the performance of public duties and if there is no cost to the state for the use of the space and equipment, other than utility costs and minimal wear and tear, or the legislator promptly reimburses the state for the cost; an office is considered a legislator's private office under this subparagraph if it is the primary space in the capital city reserved for use by the legislator, whether or not it is shared with others; or

(E) use by a legislator of photographs of that legislator.

*** Sec. 2.** AS 24.60.030(i) is amended to read: Prohibited conduct and conflict of interest

(i) **A** [EXCEPT FOR SUPPLYING INFORMATION REQUESTED BY THE HEARING OFFICER OR THE INDIVIDUAL, BOARD, OR COMMISSION WITH AUTHORITY TO MAKE THE FINAL DECISION IN THE CASE, OR WHEN RESPONDING TO CONTACTS INITIATED BY THE HEARING OFFICER OR THE INDIVIDUAL, BOARD, OR COMMISSION WITH AUTHORITY TO MAKE THE FINAL DECISION IN THE CASE, A] legislator or legislative employee may not attempt to influence the outcome of an administrative hearing by directly or indirectly contacting or attempting to contact the hearing officer assigned to the hearing or the individual, board, or commission with authority to make the final decision in the **matter** [CASE] unless [THE]

(1) **the legislator or legislative employee is representing another person for compensation subject to AS 24.60.100 and as a professional who is licensed in the state;** representation

(2) the contact is made in the presence of all parties to the hearing or the parties' representatives **while the legislator or legislative employee is acting as a party or a witness in the matter or responding to a question asked of the legislator or legislative employee by the hearing officer, individual, board, or commission** and the contact is made a part of the record; or

(3) the contact is inadvertent and ex parte and the [(2)] fact and substance of the contact **are** [IS] promptly disclosed by the legislator or legislative

employee to all parties to the hearing and [THE CONTACT IS] made a part of the record.

Prohibited conduct and conflict of interest.

* **Sec. 3.** AS 24.60.030 is amended by adding a new subsection to read:

(j) Notwithstanding the limitations under (a)(2) - (4) and (c) of this section and subject to other laws of the state or the United States, a legislator or legislative employee who is on state travel may participate in partisan political activity, including campaign activity during the state travel, if the legislator or the legislative employee does not use or authorize the use of state resources to pay for the activity and if the legislator or legislative employee does not participate in the activity

(1) during a normal workday between 8:00 a.m. and 5:00 p.m., excluding a meal break;

(2) on a state or municipal election day;

(3) during the 30 days immediately preceding an election in which the participating legislator or the legislator for whom the participating employee works is a candidate for elective office; or

(4) by fund raising for a political party or campaign.

adds exception to prohibite conduct for attending partisan activities while on state travel

* **Sec. 4.** AS 24.60.031 is amended by adding a new subsection to read:

Restrictions on fundraising

(d) Notwithstanding the limitations under (a) and (b) of this section and subject to other laws of the state or the United States, a legislator or legislative employee who is on state travel may participate in partisan political activity, including campaign activity, during the state travel if the legislator or the legislative employee does not use or authorize the use of state resources to pay for the activity and if the legislator or legislative employee does not participate in the activity

(1) during a normal workday between 8:00 a.m. and 5:00 p.m., excluding a meal break;

(2) on a state or municipal election day;

(3) during the 30 days immediately preceding an election in which the participating legislator or the legislator for whom the participating employee works is a candidate for elective office; or

(4) by fund raising for a political party or campaign.

sets a standard for attending partisan functions while on state travel.

* **Sec. 5.** AS 24.60.050(c) is amended to read:

(c) A legislator or legislative employee who participates in a program or receives a loan that is not exempt from disclosure under (a) of this section shall file with the committee by the date required under AS 24.60.105 a disclosure stating the amounts of the loans outstanding or benefits received during the preceding calendar year from nonqualifying programs. If the committee requests additional information necessary to determine the propriety of participating in the program or receiving the loan, it shall be promptly provided. The committee shall **maintain the disclosure as a public record and promptly forward the information contained in the disclosure** [PROMPTLY COMPILE A LIST OF THE STATEMENTS INDICATING THE LOANS AND PROGRAMS AND AMOUNTS AND SEND IT] to the presiding officer of each house who shall have it published in the supplemental journals on or before the next regularly scheduled publication of ethics disclosures. If a legislator or legislative employee asks the committee to keep any part of the disclosure confidential and a quorum of the committee determines by vote of a majority of committee members that making the entire disclosure public would cause an unjustifiable invasion of personal privacy, the committee may elect to publish only the fact that a person has participated in the program and the amount of benefit that the unnamed person received. The committee shall maintain the disclosure of the name of the person as confidential and may only use the disclosure in a proceeding under AS 24.60.170. If the disclosure becomes part of the record of a proceeding under AS 24.60.170, the disclosure may be made public as provided in that section.

provides for disclosure but no register

* **Sec. 6.** AS 24.60.060(a) is amended to read: Confidential Information

(a) A legislator, [OR] legislative employee, **or public member of the committee** may not knowingly make an unauthorized disclosure of information that is made confidential by law and that the person acquired in the course of official duties. A person who violates this section is subject to a proceeding under AS 24.60.170 and may be subject to prosecution under AS 11.56.860 or another law.

adds public members to prohibition of disclosing confidential information

* **Sec. 7.** AS 24.60.080(a) is amended to read: GIFTS

(a) Except as otherwise provided in this section, a legislator or legislative employee may not

(1) solicit, accept, or receive, directly or indirectly, a gift worth $250

or more, whether in the form of money, services, a loan, travel, entertainment, hospitality, promise, or other form, or gifts from the same person worth less than $250 that in a calendar year aggregate to $250 or more in value;

(2) solicit, accept, or receive a gift with any monetary value from a lobbyist, an immediate family member of a lobbyist, or a person acting on behalf of a lobbyist, except

(A) food or beverage for immediate consumption;

(B) a contribution to a charity event, [FROM ANY PERSON AT ANY TIME, AND] tickets **to** [FOR] a charity event, **and** [AT ANY TIME, EXCEPT THAT TICKETS TO OR] gifts **to which the tickets may entitle the bearer; however, under this subparagraph a legislator or legislative employee may not solicit, accept, or receive from the same lobbyist, an immediate family member of the lobbyist, or a person acting on behalf of the lobbyist, tickets to a charity event, gifts to which the tickets may entitle the bearer, or both, that in a calendar year aggregate to $250 or more in value** [RECEIVED AT A CHARITY EVENT UNDER THIS SUBPARAGRAPH ARE SUBJECT TO THE CALENDAR YEAR LIMIT ON THE VALUE OF GIFTS RECEIVED BY A LEGISLATOR OR LEGISLATIVE EMPLOYEE IN (1) OF THIS SUBSECTION]; in this subparagraph, "charity event" means an event the proceeds of which go to a charitable organization with tax-free status under 26 U.S.C. 501(c)(3) and that the Alaska Legislative Council has approved in advance; the tickets may entitle the bearer to admission to the event, to entertainment, to food or beverages, or to other gifts or services **in connection with** [INVOLVED IN] the charity event;

(C) a gift that is unconnected with the recipient's legislative status and is from a member of the legislator's or legislative employee's immediate family;

(D) a gift delivered on the premises of a state facility and accepted on behalf of a recognized nonpolitical charitable organization; or

(E) a compassionate gift under AS 24.60.075.

clarifies that an allowable gift from a lobbyist is a charity event ticket or gift from a charity event must be less than $250.

* **Sec. 8.** AS 24.60.080(c) is amended to read:

(c) Notwithstanding (a)(1) of this section, it is not a violation of this section for a person who is a legislator or legislative employee to accept

(1) hospitality, other than hospitality described in (4) of this subsection,

(A) with incidental transportation at the residence of a person; however, a vacation home located outside the state is not considered a residence for the purposes of this subparagraph; or

(B) at a social event or meal;

(2) discounts that are available

(A) generally to the public or to a large class of persons to which the person belongs; or

(B) when on official state business, but only if receipt of the discount benefits the state;

(3) food or foodstuffs indigenous to the state that are shared generally as a cultural or social norm;

(4) travel and hospitality primarily for the purpose of obtaining information on matters of legislative concern;

(5) gifts from the immediate family of the person; in this paragraph, "immediate family" means

(A) the spouse of the person;

(B) the person's domestic partner;

(C) a child, including a stepchild and an adoptive child, of the person or of the person's domestic partner;

(D) a parent, sibling, grandparent, aunt, or uncle of the person;

(E) a parent, sibling, grandparent, aunt, or uncle of the person's spouse or the person's domestic partner; and

(F) a stepparent, stepsister, stepbrother, step-grandparent, step-aunt, or step-uncle of the person, the person's spouse, or the person's domestic partner;

(6) gifts that are not connected with the recipient's legislative status;

(7) a discount for all or part of a legislative session, including time immediately preceding or following the session, or other gift to welcome a legislator or legislative employee who is employed on the personal staff of a legislator or by a standing or special committee to the capital city or in recognition of the beginning of a legislative session if the gift or discount is available generally to all legislators and the personal staff of legislators and staff of standing and special committees; this paragraph does not apply to legislative employees who are employed by the Legislative Affairs Agency, the office of the chief clerk, the office of the senate secretary, the legislative budget and audit committee, the office of victims' rights, or the office of the ombudsman;

(8) a gift of legal services in a matter of legislative concern and a gift of other services related to the provision of legal services in a matter of legislative concern;

(9) a gift of transportation from a legislator or a legislative employee to a legislator or a legislative employee if the transportation takes place in the state on or in an aircraft, boat, motor vehicle, or other means of transport owned or under the control of the donor; this paragraph does not apply to travel described in (4) of this subsection or travel for political campaign purposes; or

(10) a contribution to a charity event**, a ticket to a charity event, or a gift in connection with a charity event** [FROM ANY PERSON AT ANY TIME]; in this paragraph, "charity event" has the meaning given in (a)(2)(B) of this section.

clarification of tickets & gifts from charity event

*** Sec. 9.** AS 24.60.080(d) is amended to read:

(d) A legislator or legislative employee who accepts a gift under (c)(4) **of this section that has a value of $250 or more or a ticket to a charity event or gift in connection with a charity event under (c)(10)** of this section that has a value of $250 or more shall disclose to the committee, within **60** [30] days after receipt of the gift, the name and occupation of the donor and the approximate value of the gift. A legislator or legislative employee who accepts a gift under (c)(8) of this section that the recipient expects will have a value of $250 or more in the calendar year shall disclose to the committee, within 30 days after receipt of the gift, the name and occupation of the donor, a general description of the matter of legislative concern with

gifts from charity event more that $25 from non lobbyist must be reported

reporting of gift of travel's charity events increased to 60 days

respect to which the gift is made, and the approximate value of the gift. The committee shall maintain a public record of the disclosures it receives relating to gifts under (c)(4), (c)(8), **(c)(10),** and (i) of this section and shall forward the disclosures to the appropriate house for inclusion in the journal. The committee shall forward to the Alaska Public Offices Commission copies of the disclosures concerning gifts under (c)(4), (c)(8), **(c)(10),** and (i) of this section that it receives from legislators and legislative directors. A legislator or legislative employee who accepts a gift under (c)(6) of this section that has a value of $250 or more shall, within 30 days after receiving the gift, disclose to the committee the name and occupation of the donor and a description of the gift. The committee shall maintain disclosures relating to gifts under (c)(6) of this section as confidential records and may only use, or permit a committee employee or contractor to use, a disclosure under (c)(6) of this section in the investigation of a possible violation of this section or in a proceeding under AS 24.60.170. If the disclosure under (c)(6) of this section becomes part of the record of a proceeding under AS 24.60.170, the confidentiality provisions of that section apply to the disclosure.

* **Sec. 10.** AS 24.60.105 is amended by adding a new subsection to read: Deadline for filing disclosure

(d) A person may submit a written request to refrain from making a disclosure that is required by this chapter if making the disclosure would violate the United States Constitution, the Constitution of the State of Alaska, or other state or federal law. The committee shall approve or deny the request, or require further justification from the person making the request. At the request of the committee or a person authorized to act on behalf of the committee, a person who seeks to refrain from making a disclosure under this subsection shall provide the committee with justification in writing, and the committee may review the written justification to determine whether it is sufficient.

allows for exceptions from disclosure

* **Sec. 11.** AS 24.60.112 is amended to read:

Sec. 24.60.112. Applicability to volunteers and educational trainees. 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, **24.60.155.** 24.60.158 - 24.60.170, 24.60.176, and 24.60.178. If

requires volunteers to take ethics classes

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.

*** Sec. 12.** AS 24.60.130(h) is amended to read:

(h) A member is disqualified from participating as a member in any proceeding before the committee involving a complaint against the member or an employee whose work is supervised by the member or an advisory opinion requested by the member. If a regular legislative member of the committee is disqualified under this subsection from participating in a proceeding involving a complaint, the member's alternate shall be designated under **AS 24.60.131** [(n) OF THIS SECTION].

adds alternate members to disqualify to conform provisions

*** Sec. 13.** AS 24.60.130(o) is amended to read:

(o) Notwithstanding (h) [AND (n)] of this section **and AS 24.60.131**, if a complaint before the committee alleges a violation of this chapter by a group of legislators that includes a legislative member of the committee and that member's alternate, the member and alternate member are disqualified from serving on the committee with regard to the complaint. If the two disqualified members of the committee are members of the majority organizational caucus, the presiding officer of the house in which the two disqualified members serve shall appoint from that house an alternate to serve with regard to the complaint. If one of the two disqualified legislative members of the committee is not a member of the majority organizational caucus, the leader of the minority organizational caucus with the greatest number of members shall appoint from that house an alternate to serve with regard to the complaint. If a complaint alleges a violation of this chapter that includes all legislative members of the majority organizational caucus of one house, the presiding officer of that house shall appoint from the other house an alternate to serve with regard to the complaint. If the complaint alleges a violation of this chapter that includes all legislative members of a minority organizational caucus of one house, the leader of that minority organizational caucus shall appoint from the other house an alternate to serve with regard to the complaint.

alternate to alternate

*** Sec. 14.** AS 24.60 is amended by adding a new section to read:

Sec. 24.60.131. Alternate members. (a) When appointing members of the

legislature to serve on the committee under AS 24.60.130(b), the speaker of the house of representatives or the president of the senate, as appropriate, shall appoint an alternate member for each regular member. The alternate member shall have the same qualifications for appointment to the committee as the regular member for whom the alternate stands as alternate. The alternate member's appointment is subject to confirmation as required for appointment of the regular member.

(b) When selecting public members to serve on the committee under AS 24.60.130(b), the Chief Justice of the Alaska Supreme Court shall select one alternate public member. The alternate public member's selection is subject to ratification as required for selection of the regular public members.

(c) Subject to (d) of this section, if a regular member of the committee or a subcommittee is unable to participate in a proceeding other than a proceeding under AS 24.60.170, the chair of the committee or subcommittee that holds the proceeding shall designate the regular member's alternate to participate in place of the regular member at the proceeding, and the alternate shall participate for the duration of that proceeding unless the alternate is unable to participate.

(d) If a regular member of the committee or a subcommittee or an alternate appointed under (a) or (b) of this section participates at the commencement of a proceeding under AS 24.60.170, the member shall participate for the duration of the proceeding unless the member is disqualified under AS 24.60.130(h) or is unable to continue participating. If the participating member is disqualified under AS 24.60.130(h) or becomes unable to participate, the chair of the committee or subcommittee that holds the proceeding shall designate the member's alternate to participate in place of the member for the duration of the proceeding unless the alternate is disqualified or is unable to participate.

(e) If both a regular legislative member and that member's alternate appointed under (a) of this section are not available to participate in a proceeding under AS 24.60.170 because they are disqualified under AS 24.60.130(h) or unable to participate, the presiding officer of the house in which the two members serve shall appoint from that house an alternate and designate that alternate to participate in the proceeding; however, if the two members who are not available to participate are not

members of the majority organizational caucus, the leader of the minority organizational caucus with the greatest number of members shall appoint from that house an alternate and designate that alternate to participate in the proceeding.

(f) A designation under (c) - (e) of this section is a confidential proceeding under AS 24.60.170(*l*) unless the member who is replaced as a result of the designation waives confidentiality.

*** Sec. 15.** AS 24.60.155 is amended to read:

Sec. 24.60.155. Legislative ethics course. A person who is a legislator, legislative employee, **legislative volunteer, educational trainee,** or public member of the committee shall complete a legislative ethics course administered by the committee under AS 24.60.150(a)(4) within 10 days of the first day of the first regular session of each legislature. However, a person who first takes office, [OR] begins employment, **or begins service as a volunteer or trainee** after the 10th day of the first regular session of a legislature shall complete the course required by this section within 30 days after the person's first day of service and, thereafter, as required by this section. The committee may grant a person additional time to complete the course required by this section.

ethics course

*** Sec. 16.** AS 24.60.990(a)(11) is amended to read:

(11) "legislative employee" means a person, other than a legislator, who is compensated by the legislative branch in return for regular or substantial personal services, regardless of the person's pay level or technical status as a full-time or part-time employee, independent contractor, or consultant; it includes public members and staff of the committee; it does not include individuals who **are hourly employees who** perform functions that are incidental to legislative functions, [INCLUDING SECURITY, MESSENGER, MAINTENANCE, AND PRINT SHOP EMPLOYEES,] and other employees designated by the committee;

legislative employee definition

*** Sec. 17.** AS 24.60.990(a) is amended by adding a new paragraph to read:

(17) "state travel" means travel with transportation or overnight lodging that is provided or paid for with state resources.

Defined state travel

*** Sec. 18.** AS 24.60.130(n) is repealed.

Section 14 replaces Sec 18 dealing with Alternate Members

ALASKA STATE HOUSE OF REPRESENTATIVES

Contact:
Interim Address:
3340 Badger Road
North Pole, AK 99705
(907)-488-5725
Fax# (907)-488-4271

Session

(907)-465-3719
FAX# (907)-465-3258
State Capitol
Room 204

SENATOR JOHN COGHILL

Senate Bill 89 Legislative Ethics Amendments
Version D

This bill is a product of discussions by the Select Committee of Legislative Ethics over the past couple of years.

Two amendments requested by the committee address tickets to charity events and disclosure of gifts of tickets for and gifts from charitable events. First, the bill clarifies that legislators and legislative employees may not exceed the $250 limit when securing a ticket from lobbyists, immediate family members of lobbyists, or persons acting on behalf of a lobbyist and adds that the value of these tickets and gifts received at a charity event must be disclosed within 60 days of receipt. Second, they allow persons who are not lobbyists to give a gift of a ticket to a charitable event sanctioned by the Legislative Council to a legislator or legislative employee that has a value of $250.00 or more. However, the recipient of the ticket must disclose to the Select Committee on Legislative Ethics the value of the ticket that exceeds the $250.00 limit.

The bill also draws a bright line for legislators and legislative staff to follow for assisting constituents with problems they encounter with state agencies. Once an issue has been appealed to an administrative hearing officer, the legislator or legislative staffer may no longer make contacts with the agency, unless that person is a licensed professional to represent a person in such a proceeding and is being compensated for that representation.

Over years of discussion this bill is a first attempt at setting standards by which a legislator or a legislative staffed can participate in a partisan activity or a campaign fundraiser when traveling on legislative business. It also extends the reporting deadline for reporting gifts of travel and from charitable events from 30 to 60 days.

The bill adds public members of the ethics committee to the statute prohibiting members from knowingly making unauthorized disclosure of confidential information. This bill clarifies that disclosures prohibited by state and federal confidentiality laws are not required by the Select Committee on Legislative Ethics

The committee recommended a statute that would allow an alternate member of the ethics committee who participates in the beginning of a proceeding to participate in the entire proceeding. The Chief Justice of the Alaska Supreme Court would also be required to appoint one alternate for the public members.

ALASKA STATE HOUSE OF REPRESENTATIVES

Interim Address:
3340 Badger Road
North Pole, AK 99705
(907)-488-5725
Fax# (907)-488-4271

Session Contact:
(907)-465-3719
FAX# (907)-465-3258
State Capitol
Room 204

SENATOR JOHN COGHILL

Sectional Version D

Senate Bill 89 Ethic Amendments

Section 1. Replaces "lawful gratuity" with the word "gift"; and adds new language allowing compassionate gifts. This section also allows a legislator to use his or her legislative mailing list for nonlegislative purposes. **Advisory Opinion 04-01**

Section 2. Draws a bright line for legislators and legislative employee to follow for assisting constituents with problems they encounter with state agencies. Once an issue has been appealed to an administrative hearing officer, the legislator or legislative employee may no longer make contact with the agency, unless the person is licensed in the state for such representation and the income from that representation is reported under AS 24.60.100. This section protects a legislator or legislative employee from inadvertent ex parte contact and allows contact if the legislator or legislative employee is a party or witness to the matter. **Advisory Opinion 08-03 and 05-01**

Section 3. This provision establishes a clear distinction as to when a legislator or legislative employee can participate in partisan activities and not be engaging in a prohibited conduct. **Advisory Opinion 10-01**

Section 4. This provision establishes a clear distinction as to when a legislator or legislative employee can participate in partisan activities that involve fundraising. **Advisory Opinion 10-01**

Section 5. This provision establishes how information that is not exempt from disclosure by a legislator or legislative employee will be retained and disclosed. ***Request of the Committee***

Section 6. Adds public members of the Select Committee on Legislative Ethics to the statute that prohibits disclosure of confidential information. ***Request of the Committee***

Section 7. Clarifies that a legislator or legislative employee may accept tickets for a Legislative Council sanctioned charity event or a gift from a sanctioned charity event from a lobbyist as long as it does not exceed $250.00 in value. ***Request of the Committee***

Section 8. Clarifies that persons who are not lobbyists can give a ticket or a gift in connection with a charitable event sanctioned by the Legislative Council to a legislator or legislative employee that has a value of $250.00 or more. However, the recipient of the ticket must disclose to the Select Committee on Legislative Ethics the value of the ticket that exceeds the $250.00 limit. Extends the reporting period to 60 days. ***Request of the Committee***

Section 9. Clarifies that if a legislator or legislative employee accepts tickets or a gift in connection with a charity event with a value of $250 or more must be reported within 60 days. ***Request of the Committee***

Section 10. Allows exceptions from filing a disclosure if it would violate the United States Constitution, the Constitution of the State of Alaska, or any other state or federal law. **Advisory Opinions 09-02 and 94-07**

Section 11. Requires legislative volunteers and educational trainees to complete the legislative ethics class. ***Request of the Committee***

Section 12. Adds alternate members to disqualification provisions. ***Request of the Committee***

Section 13. Adding reference to new section AS 24.60.131.pertaining to alternates to the statute providing that if both members are disqualified, the presiding officer may appoint another member. ***Request of the Committee***

Section 14. Completely rewrites the section for alternate members. Allows House Speaker, Senate President, and Chief Justice to appoint alternate members. If those members are disqualified all three can appoint an alternate to the alternate. ***Request of the Committee***

Section 15. Adds legislative volunteer and educational trainee to the statue that requires people to complete the legislative ethics course. ***Request of the Committee***

Section 16. Defines legislative employee.

Section 17. Defines state travel.

Section 18. Repeals that section of law that Section 14 replaces dealing with alternate members of the Select Committee on Legislative Ethics.

Links to States' Legislative Ethics and Lobbying Laws

Back to Ethics State Statutes Links

June, 2010

This page contains links to ethics and lobbying statutes for the 50 states. In some cases, links to legislative rules or state constitutions are provided. However, this is not a complete list of all state constitutional ethics provisions and all ethics legislative rules.

AL| AK| AZ| AR| CA| CO| CT| DE| FL| GA| HI| ID| IL| IN| IA| KS| KY| LA| ME| MD| MA| MI| MN| MS| MO| MT| NE| NV| NH| NJ| NM| NY| NC| ND| OH| OK| OR| PA| PR| RI| SC| SD| TN| TX| UT| VT| VI| VA| WA| WV| WI| WY

Alabama

Alabama Code: Code of Ethics for Public Officials, Employees, Etc. Title 36, Chapter 25.

Alaska

Alaska Statutes: Standards of Conduct, Title 24, Chapter 60.
For Regulation of Lobbying, Title 24, Chapter 45.

Arizona

Arizona Revised Statutes

Title 38 - Public Officers and Employees

For Conflict of Interest of Officers and Employees, scroll to Chapter 3, Conduct of Office; Article 8.
For Standards of Conduct for Members of the State Legislature, scroll to Chapter 3, Conduct of Office; Article 8.1.
For Standards for Financial Disclosure, scroll to Chapter 3.1.

Title 41 - State Government

For Registration and Regulation of Lobbyists, scroll to Chapter 7, Legislature; Article 8.1.

Arkansas

Arkansas Code

For Ethics and Conflict of Interest laws for legislators and lobbyists, scroll to Title 21, Public Officers and Employees, Chapter 8.

California

California Government Code

Conflict of Interest: Title 9 Chapter 7

General Prohibition
Disclosure

Ethics: Title 9 Chapter 9.5

Honoraria
Gifts

Travel

Lobbyists: Title 9 Chapter 6

Registration and Reporting
Prohibitions
Exemptions

Colorado

Colorado Revised Statutes

For Code of Ethics for Legislators: Title 24, Government-State; Administration; Article 18, Standards of Conduct; Part 1, Code of Ethics.
For Public Official Disclosure Law and Regulation of Lobbyists: Title 24, Government-State; Administration; Article 6, Colorado Sunshine Law; Part 2, Public Official Disclosure Law; Part 3, Regulation of Lobbyists.

Connecticut

Connecticut General Statutes

Code of Ethics. Title 1, Chapter 10 - §1-79 through 1-101.

Delaware

Delaware Code Annotated

Legislative Conflicts of Interest. Title 29, State Government; Chapter 10.
Laws Regulating the Conduct of Officers and Employees of the State. Title 29, State Government; Chapter 58.

Code of Conduct. Subchapter I.
Financial disicosure. Subchapter II.
Registration of lobbyists. Subchapter IV.

Florida

Florida Statutes

Code of Ethics for Public Officers and Employees. Title X, Chapter 112, Part III.

For lobbyist regulation, go to Legislative Organization, Procedures and Staffing. Title III, Chapter 11. Scroll to 11.045-11.062.

Georgia

Georgia Code

Code of Ethics for Government Service, Title 45, Public Officers and Employees, Chapter 10

For prohibited activities, go to 45-10-3.
For conflict of interest, go to 45-10-20 - 45-10-80.

Ethics in Government Act. Title 21, Elections; Chapter 5.

For powers of the state ethics commission, go to 21-5-6 and 21-5-7.
For honorarium restrictions, go to 21-5-11.
For financial disclosure requirements, go to 21-5-50 - 21-5-53.
For lobbyist regulation, go to 21-5-70 - 21-5-76.

Hawaii

Hawaii Revised Statutes

Standards of Conduct. Chapter 84.
Lobbyist Law. Chapter 97.

Idaho

Idaho Code

Ethics in Government. Title 59, Chapter 7.
Gifts to Public Servants by Persons Subject to their Jurisdiction. Title 18 Chapter 13.
Election Campaign Contributions and Expenditures --Lobbyists. Title 67, Chapter 66.

Illinois

Illinois Compiled Statutes

Illinois Governmental Ethics Act. 5 ILCS 420/, includes financial disclosure and ethical principles.
State Officials and Employees Ethics Act. 5 ILCS 430/, includes gift ban and ethics commission statutes.
Lobbyist Registration Act. 25 ILCS 170/

Indiana

Indiana Code

Legislative Ethics.Title 2, General Assembly; Article 2.1, Legislative Sessions and Procedures; Chapter 3
Bribery, Conflict of Interest, and Official Misconduct.Title 35, Criminal Law and Procedure; Article 44, Offenses Against Public Administration; Chapter 1.
Lobbyists. Title 2, General Assembly; Article 7.
Ethics and Conflicts of Interest. Title 4, State Offices and Administration; Article 2, State Officers Generally; Chapter 6. (In this section, the term "state officer" does not apply to legislator.)

Iowa

Iowa Code

Conflict of Interest of Public Officers and Employees. Title II, Subtitle 2, Chapter 68B.

Scroll to 68B.35 for financial disclosure.
Scroll to 68B.37 for lobbyist reporting.

Kansas

Kansas Statutes

Scroll to Statute Table of Contents and highlight Chapter 46 - Legislatures. Then click the "List Articles in Chapter" button. Highlight Article 2 - State Governmental Ethics and click the "List Statutes in Article" button. State Governmental Ethics Law: 46-215 - 46-293.

Gift restrictions are at 46-237 and 46-237a.
Financial disclosure requirements are at 46-239 and 46-247 - 46-252.
Nepotism restrictions are at 46-246a.
Lobbyist regulation is at 46-265 - 46-271.

Kentucky

Kentucky Revised Statutes

Chapter 6. Ethics laws are from 6.601-6.850.

For Kentucky Legislative Ethics Commission, scroll to 6.651.
For Conduct of Legislators, scroll to 6.731.
For Financial Disclosure, scroll to 6.781.

For Legislative Lobbying, scroll to 6.801.
Chapter 11A. For Executive Agency Lobbying, scroll to 11A.201.

Louisiana

Louisiana Revised Statutes

Code of Governmental Ethics, Chapter 15 (42:1101 - 42:1170).
Lobbyist Disclosure Act (24:50 - 24:58.1).

Maine

Maine Revised Statutes Annotated

Governmental Ethics, Title 1, Chapter 25.
Lobbyist Disclosure Procedures. Title 3, Chapter 15.

Maryland

Maryland Code

For Public Ethics, §15-101 - 15-715, go to State Government; Title 15, Public Ethics.

Subtitle 5 is Conflict of Interest.
Subtitle 6 is Financial Disclosure.
Subtitle 7 is Lobbying regulations.

Massachusetts

General Laws of Massachusetts

Conduct of Public Officials and Employees, Chapter 268A.
For lobbyist regulation, go to Chapter 3, The General Court, and scroll to sections 39 through 50.

Michigan

Michigan Codified Laws

Chapter 15, Public Officers and Employees:

Conflict of Interest: Act 318 of 1968 (15.301-15.310).
Contracts of Public Servants with Public Entities: Act 317 of 1968 (15.322-15.330).
Standards of Conduct for Public Officers and Employees: Act 196 of 1973 (15.341-15.348).
Incompatible Public Offices: Act 566 of 1978 (15.181-15.185).

Chapter 4, Legislature

Lobbyists, Lobbying Agents, and Lobbying Activities: Act 472 of 1978 (4.411-4.431).

Minnesota

Minnesota Statutes

Legislator ethics and lobbyist regulation under Chapter 10A, Campaign Finance and Public Disclosure.

Mississippi

Mississippi Code

For Ethics in Government, scroll to Title 25, Public Officers and Employees, Public Records; Chapter 4, Ethics in Government.
For the Lobbying Law Reform Act of 1994, scroll to Title 5, Legislative Department; Chapter 8.

Missouri

Missouri Revised Statutes

Chapter 105. Public Officers and Employees - Miscellaneous Provisions

For Ethics Laws, scroll to 105.450 - 105.496.
Lobbyist laws start at 105.470.

Montana

Montana Code Annotated

Standards of Conduct. Title 2, Chapter 2.
Lobbying. Title 5, Chapter 7.

Nebraska

Nebraska Revised Statutes

Nebraska Political Accountability and Disclosure Act

Financial disclosure starts at 49-1493.
Lobbying regulations start at 49-1480.
Conflict of Interest starts at 49-1498.

Nevada

Nevada Revised Statutes

For Ethics in Government laws, go to Title 23, Public Officers and Employees; Chapter 281, General Provisions and scroll to NRS 281.411 through 281.581. See also Chapter 281A, Ethics in Government.
For Lobbying Disclosure laws, go to Title 17, State Legislative Department; Chapter 218 State Legislature and scroll to NRS 218.900 through 218.944.

New Hampshire

New Hampshire Revised Statutes

Legislative Ethics Committee: Title 1, Chapter 14-B.
Lobbyist laws: Title 1, Chapter 15.
Financial Disclosure: Title 1, Chapter 15-A.
Gifts, Testimonials and Honorariums:Title 1, Chapter 15-B.
Ethics Guidelines and Procedural Rules, November 2004 Edition (New Hampshire's statutes give the Legislative Ethics Committee the authority to write ethics provisions, which include gift restrictions and conflict of interest measures, among others.)

New Jersey

New Jersey Statutes Annotated

Ethics Laws for legislators and lobbyists are at *N.J.S.A. 52:13C.*
Conflict of interest laws are at *52:13D.*

To use New Jersey's system, scroll to Title 52. Click on the cross button to the left of the title to view all the sections in the title. Click on the arrow icon in the lower right corner of the screen to view more sections. Do this until Section 52:13C is visible. This is the start of the state's legislative ethics laws. Scroll to 52:13D for Conflict of Interest law.

New Mexico

New Mexico Statutes Unannotated

Note that the term "public official" does not apply to legislators in New Mexico.

Governmental Conduct, Chapter 10; Article 16.
Financial Disclosures, Chapter 10; Article 16A.
Governmental Ethics Oversight Committee, Chapter 2; Article 15.
Lobbyist Regulation,Chapter 2; Article 11.

New York

New York State Consolidated Laws

Legislative Ethics Commission: Consolidated Laws, Legislative (LEG), Article 5.
Powers and Duties of Public Officers: Consolidated Laws, Public Officers (PBO), Article 4.
For Financial Disclosure scroll to 73a.
For Code of Ethics, scroll to 74.
For Bribery, scroll to section 75.
Lobbying Act: Consolidated Laws, Legislative (LEG), Article 1-A

North Carolina

North Carolina General Statutes

State Government Ethics Act: Chapter 138A.
Lobbying Act: Chapter 120C.

North Dakota

North Dakota Century Code

Statements of Economic Interest: Title 16, Elections, chapter 16.1-09.
For Legislative Lobbying, go to Title 54, State Government, and scroll to chapter 54-05 and 54-05.1.

Ohio

Ohio Revised Code

Public Officers Ethics: Title 1, State Government; Chapter 102.
Legislative Lobbying: Title 1, State Government; Chapter 101, General Assembly; 101.70-101.79.
Retirement System Lobbying: Title 1, State Government; Chapter 101 General Assembly; 101.90-101.99.
Executive Agency Lobbying: Title 1, State Government; Chapter 121, State Departments; 121.60-121.69.

Oklahoma

Laws governing the Ethics Commission, the conduct of state officers and state employees, and related statutes requiring lobbyist registration, fees, etc. include, but are not limited to, the following:

In the Oklahoma Constitution, found on the Oklahoma Legislatures's Web site: Ethics Rules, Ethics Commission and Criminal Penalties, click on Article XXIX, Ethics Commission.
In the Oklahoma Statutes:
Title 17, Section 48;
Title 21, Sections 308 334, 360 and 463;
Title 68, Section 2358.3;
Chapter 62--Ethics Commission Act [Sections 4200 through 4248.1 of Title 74 of the Oklahoma Statutes [repealed];

Chapter 62--statutes governing lobbying registration and activities [Sections 4249 through 4258 of the Oklahoma Statutes];
and Chapter 62--Appendix: Title 257. Ethics Commission [Section 257:1-1-1 et seq. of the Rules of the Ethics Commission, 74 Oklahoma Statutes, Chapter 62, Appendix] [the "Rules"].

Oklahoma Statutes

A document from the Oklahoma Ethics Commission compiles much of the above.

Oregon

Oregon Revised Statutes

For Ethics laws for legislators go to Chapter 244, Government Standards and Practices.
Financial Disclosure begins at 244.050.
Conflict of Interest begins at 244.120.
Ethics Commission begins at 244.250.
Enforcement begins at 244.350.
For Lobbying regulations to to Chapter 171, Legislature. Scroll to 171.725.

Pennsylvania

Pennsylvania Consolidated Statutes

Title 65 Pa.C.S.A. Public Officers, Chapter 11, Ethics Standards and Financial Disclosure.
Title 65 Pa.C.S.A. Public Officers, Chapter 13, Lobby Regulation and Disclosure.

Rhode Island

Rhode Island General Laws

Code of Ethics for legislators index. Chapter 36-14.
Prohibited activities are at 36-14-5.
Conflict of interest is at 36-14-6.
Contents of Financial disclosure statements at 36-14-17. Other financial disclosure is 36-14-16 to -19.
Lobbying index: Chapter 22-10.
Financial reports are at 22-10-9.

South Carolina

South Carolina Code

Ethics, Government Accountability, and Campaign Reform. Title 8, Chapter 13.
For Rules of Conduct, scroll to section 8-13-700.
Disclosure of Economic Interest begins at 8-13-1110.
Penalties begin at 8-13-1510.
Lobbyists and Lobbying. Title 2, Chapter 17

South Dakota

South Dakota Codified Laws

Lobbyists, Chapter 2-12.
Personal Financial Disclosure for public officers, Chapter 3-1A.
Malfeacance, Misfeasance and Nonfeasance in Office, Chapter 3-16.

Tennessee

Tennessee Code Annotated

Title 3, Legislature, Chapter 5 Ethics and Lobbying.

Comprehensive Ethics Reform Act of 2006
Lobbying

Texas

Texas Government Code

For the Texas Ethics Commission, scroll to Chapter 571.
For Personal Financial Disclosure, Standards of Conduct, and Conflict of Interest scroll to Chapter 572.
For Registration of Lobbyists, scroll to Chapter 305.

Utah

Utah Code

Lobbyist Disclosure and Regulation Act, Title 36, Chapter 11.
Legislative Conflict of Interest, Title 36, Chapter 19.
Prohibiting Employment of Relatives, Title 52, Chapter 03.
Offenses Against Administration of the Government, Title 76, Chapter 8
For bribery, go to 76-8-105.
For alteration of legislation, go to 76-8-107 and 76-8-108.
For failure of a legislator to disclose interest in a bill, go to 76-8-109.

See also Joint Legislative Rules. Joint ethics rules are at JR-16.01-JR-16.07.

Vermont

Vermont Statutes Annotated

For Registration of Lobbyists, go to Title 2, Chapter 11.

Virginia

Code of Virginia

The General Assembly Conflicts of Interest Act, Title 30, Chapter 13, Section 100-129.
Lobbying laws begin at Title 2.2. Administration of Government; Chapter 4, Section 2.2-422.

Washington

Revised Code of Washington

Ethics in Public Service, Chapter 42.52.
Disclosure. Campaign Finances, Lobbying. Records, Chapter 42.17.

West Virginia

West Virginia Code

Public Officers and Employees. Ethics. Conflict of Interest. Financial Disclosure. Chapter 6B.

Ethics Commission powers and duties begin at Article 2.
Lobbyist laws begin at Article 3.
Ethical standards for elected and appointed officials and public employees are at 6B-2-5.
Financial disclosure requirements begin at 6B-2-6.

Wisconsin

Wisconsin Statutes

General Duties of Public Officials. For Code of Ethics for Public Officials and Employees, scroll to Chapter 19 and view statutes 19.41 to 19.59.

Financial disclosure begins at 19.43.
Conflict of interest prohibition is at 19.46.
Honorariums are discussed at 19.56.

For Regulation of Lobbying, go to Chapter 13, Legislative Branch. Scroll to Subchapter III, 13.61 to 13.75.

Wyoming

Wyoming Statutes

Government Ethics Title 9, Chapter 13.
Lobbyists, Title 28, Chapter 7.

Denver Office
Tel: 303-364-7700 | Fax: 303-364-7800 | 7700 East First Place | Denver, CO 80230

Washington Office
Tel: 202-624-5400 | Fax: 202-737-1069 | 444 North Capitol Street, N.W., Suite 515 | Washington, D.C. 20001

©2011 National Conference of State Legislatures. All Rights Reserved.

/docs/ethics/AO 04-01F.doc (2 hits)

Alaska State Legislature

Select Committee on

Legislative Ethics

716 W. 4th, Suite 230 Mailing Address:
Anchorage, AK P.O. Box 101468
(907) 269-0150 Anchorage, AK
FAX: 269-0152 99510-1468

April 23, 2004

ADVISORY OPINION 2004-01

RE: Use of constituent information gathered by a legislator.

You are a legislator and therefore 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 your right to confidentiality under AS 24.60.160(b).

Statement of Facts

You have asked the following questions:

1. Can constituent information gathered by a candidate who is subsequently elected to office be used by the legislator during his or her term of office?
2. Can constituent information gathered by a legislator be used by the legislator in his or her campaign for re-election and, if so, are there any restrictions on maintaining the database using state resources?

You characterized the information referred to in the questions as:
A. Voter information obtained from the Division of Elections for a small fee.
B. Information obtained from public sources such as Permanent Fund recipients and corporation and business licenses databases which can be downloaded by anyone from public agency internet sites for free or for a small fee.
C. Information gathered about individual constituents during a legislator's term, including email addresses, phone and fax numbers, and issue information.
D. Similar constituent information as in C obtained during a candidate's campaign.

Discussion

In this document
- "constituent" means a natural person residing within a legislator's district;
- "information" means contact information including name and address as well as any other information and facts known about the contact such as issues and legislation the contact is interested in;
- "database" means an organized body of related information which is in a format read by computer database programs.

1. Can constituent information gathered by a candidate who is subsequently elected to

office be used by the legislator during his or her term of office?

This question involves a legislator using, for legislative purposes, information gathered in the course of an election campaign, described in D above. This information was obtained using private resources. There is no prohibition in the ethics code on a legislator using private resources for legislative purposes, so a legislator may use for legislative purposes information gathered during non-legislative time without the use of legislative resources.

> 2. Can constituent information gathered by a legislator be used by the legislator in his or her campaign for re-election and, if so, are there any restrictions on maintaining the database using state resources?

It is assumed in this answer that "information gathered by a legislator" is information collected for the legislator, described in C above, with the help of legislative staff employed to handle constituent concerns using legislative equipment. This information is being gathered for the benefit of the legislator in performing public duties. As long as the purpose is to assist the legislator in performing current legislative duties, the building and maintenance of a database containing constituent information is permitted using legislative resources. As is the case with the files maintained by a legislator's office for legislative use, a database is considered to be the confidential property of the legislator.[1]

There is a general prohibition against using legislative resources for non-legislative purposes:

> (a) A legislator or legislative employee may not . . . (2) use public funds, facilities, equipment, services, or another government asset or resource for a nonlegislative purpose, for involvement in or support of or opposition to partisan political activity, or for the private benefit of either the legislator, legislative employee, or another person;

AS 24.60.030(a)(2). However there is an exemption for a de minimis use:

> [AS 24.60.030(a)(2)] does not prohibit (A) limited use of state property and resources for personal purposes if the use does not interfere with the performance of public duties and either the cost or value related to the use is nominal or the legislator or legislative employee reimburses the state for the cost of the use;

We find that it is considered to be a de minimis use of public assets under AS 24.60.030(a)(2)(A) for a legislator to make a copy of a database created or maintained in the legislator's own office for personal or campaign use.[2]

In regard to voter information and other publicly available databases, the information described in A and B above, a legislator may obtain this information for legislative purposes. This information would probably be combined into the legislator's constituent database. As discussed above, a legislator can make a copy of the legislator's own database for personal or campaign purposes.

In the case of purchased databases, there may be copyright issues if a person copies a database rather than purchasing another license for separate use. If the legislator wants another copy of a commercial database, a separate license, if required, should be purchased with personal funds.

Conclusion

For the reasons stated above, the committee finds that constituent information gathered by a candidate using private resources can be used by that person if subsequently elected to serve as a legislator, and that constituent information gathered by a legislator using legislative resources such as staff time and

equipment for legislative purposes may be copied and used for personal or campaign use by a legislator as a de minimis use of public assets under AS 24.60.030(a)(2)(A).

Adopted by the Select Committee on Legislative Ethics on April 23, 2004

Members present and concurring in this opinion were:

H. Connor Thomas, Chair
Representative Mary Kapsner
Representative Norman Rokeberg
Senator Kim Elton
Senator Ben Stevens
Dennis "Skip" Cook, public member
Ann Rabinowitz, public member
Marianne Stillner, public member

Member present & abstained from voting because not present for entire discussion:

Herman G. Walker, public member

BRC:mdr:lmb
04-164.mdr

[1] When the legislator leaves office, the files and information belong to the legislator. A legislator's files, including information such as databases on a legislator's office computers are considered confidential.

[2] This opinion does not condone the unauthorized copying of copyright protected information.

AO 01-01 -2-

-3- AO 04-01

Document Properties	
Title:	ADVISORY OPINION 2004-01
Author:	Select Committee on Legislative Ethics
Keywords:	Opinion No. 01 April 23, 2004
Comments:	Use of constituent information gathered by a legislator.
Template:	Get_Memo_or_Draft.dot
Last saved by:	LAA-LFR
Revision number:	3
Application:	Microsoft Office Word
Total editing time:	00:00:00
Last printed:	2004/04/23 19:31:00
Created:	2004/04/23 22:30:00
Last saved:	2008/01/28 18:32:00
Company:	State of Alaska

Filename:	D:\DTS\DTSFiles\ethics\AO 04-01F.doc

dtSearch 7.62 (x64) (7804)

/docs/ethics/AO 05-01.doc (10 hits)

Alaska State Legislature

Select Committee on

Legislative Ethics

716 W. 4th, Suite 230 Mailing Address:
Anchorage, AK P.O. Box 101468
(907) 269-0150 Anchorage, AK
FAX: 269-0152 99510-1468

November 9, 2005

ADVISORY OPINION 2005-01

RE: AS 24.60.030(i) and legislative contacts with administrative decision makers

You are a legislator and therefore 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 your right to confidentiality under AS 24.60.160(b).

Statement of Facts

You have asked several specific questions in regard to AS 24.60.030(i).[1] This subsection makes it a violation of the legislative ethics code for a legislator or legislative employee to "attempt to influence the outcome of an administrative hearing by directly or indirectly contacting or attempting to contact" a decision maker in an administrative adjudication. Such communication is only permitted if the communication with the decision maker is made in the presence of all parties to the adjudication, and made a part of the record; or, if the fact and substance of the communication is promptly disclosed to all parties and made part of the record.

You ask how AS 24.60.030(i) will be applied in the following situations.

1. Can a legislator[2] contact a decision maker without trying to influence the outcome of the case by asking the decision maker:
   a. if certain documents had been filed;
   b. whether a file was complete; or
   c. if there was other information that could be provided.
2. Who has the duty to disclose a contact to all parties in an adjudication under AS 24.60.030(i)(2)? What if the legislator does not know the identity or contact information of other parties?
3. If a legislator decides to advocate on behalf of a constituent, does that legislator have a duty to disclose the fact and substance of the contact to all parties to the hearing and make the contact a part of the record? Shouldn't the agency have the burden of distributing the substance of the contact with a decision maker to all parties?

Discussion

The provisions of AS 24.60.030(i) will only apply to an administrative matter that has progressed to a hearing. A legislator or legislative staff member may contact any administrative department with questions regarding a matter that is not the subject of a pending administrative adjudication.[3]

The ethical standards which prohibit ex parte contacts by legislators and legislative employees recognize that impartial fact finders and decision makers are an essential part of the due process of law.[4] Administrative decision makers are required to be impartial and may not engage in ex parte communications.[5] An ex parte communication is a contact or communication (personal communications or some form of evidence) with the decision maker that takes place outside the presence of all parties to the proceeding.

1. Obtaining information on behalf of a constituent in regard to an administrative adjudication.

While a legislator or legislative staff member may contact an administrative department with questions regarding a matter, once that matter is assigned to a hearing officer or other decision maker there should be no direct contact with the decision maker.

Once a matter is in a hearing process, questions to the administrative unit should be limited to procedural matters and case information. The answers to those questions can most likely be answered by a person other than the decision maker. For example, if the office of administrative hearings has jurisdiction of the matter, that office will be able to provide information about the case file without impairing the impartial role of the hearing officer.[6] If the adjudication is not within the jurisdiction of the office of administrative hearings, the agency holding the hearings will have procedures to insulate the decision makers from improper contacts. Legislators subject to AS 24.60 will be expected to make every effort to obtain basic procedural or case file information about a matter under administrative adjudication by means other than contacting the hearing officer. Also, in response to your questions, it would not be the proper function of any administrator in the adjudicatory process to give advice in response to your questions, but only to provide information about the case file, parties, scheduling or other routine procedural matters.[7]

In the rare instance that a communication with a hearing officer occurs the legislator must comply with AS 24.60.030(i)(2): the "fact and substance of the contact [must be] promptly disclosed by the legislator or legislative employee to all parties to the hearing and the contact [must be] made a part of the record." A failure by a legislator to properly make this disclosure may be held to be a violation of the legislative ethics code.

The committee is also concerned that ex parte contacts, by a legislator or legislative employee, with a decision maker creates an appearance of a violation of the ethics code. This is based on AS 24.60.010 which provides in pertinent part:

> The legislature finds that
>
> . . .
>
> (2) a fair and open government requires that legislators and legislative employees conduct the public's business in a manner that preserves the integrity of the legislative process and avoids conflicts of interest or even appearances of conflicts of interest;

. . .

2. Who has the duty to disclose a contact to all parties in an adjudication under AS 24.60.030(i)(2)? What if the legislator does not know the identity or contact information of other parties?

If contact with a decision maker does occur, a legislator or legislative employee must notify all parties and make the contact a part of the record. Complying with this requirement of disclosure to all parties is the responsibility of the legislator who initiated the ex parte contact, not the adjudicator hearing the

matter. Information about the other parties to the matter can be obtained as discussed in the answer to the first question.

There is no obligation to contact all parties in regarding communications with administrative departments or personnel initiated by a legislator when a matter has not yet been assigned to a hearing officer.

3. If a legislator decides to advocate on behalf of a constituent, does that legislator have a duty to disclose the fact and substance of the contact to all parties to the hearing and make the contact a part of the record? Shouldn't the agency have the burden of distributing the substance of the contact with a decision maker to all parties?

As discussed above, a legislator may advocate and communicate on an administrative matter on behalf of a constituent. AS 24.60.030(i) only applies once an administrative matter is assigned to an administrative decision maker. In the event that a legislator makes an ex parte contact with a decision maker, the requirements of AS 24.60.030(i)(2) apply. The ethics statute clearly places the responsibility for compliance with (i)(2) on the legislator making the ex parte contact, not the adjudication agency or the administrative agency who is a party to the matter.

Conclusion

For the reasons stated above, the committee finds that a legislator or legislative employee seeking information on an administrative matter that is assigned to a hearing officer, individual, board or commission should not attempt to contact the decision maker assigned to that matter.[8] Information about the procedural aspects of the matter may be sought from the office administering the hearing, but not the decision maker directly. If a legislator or legislative employee makes an ex parte communication and fails to comply with the requirements of AS 24.60.030(i)(2), it could be considered a violation of the legislative ethics code.

AS 24.60.030 does not apply to contacts in regard to administrative matters that have not been assigned to an administrative decision maker.

Adopted by the Select Committee on Legislative Ethics on November 9, 2005.

Members present and concurring in this opinion were:
Herman G. Walker, Jr. Chair
Representative Max Gruenberg
Senator Hollis French
Senator Ben Stevens
Ann Rabinowitz, public member
Marianne Stillner, public member
H. Connor Thomas, public member

Members dissenting from this opinion were:

Members absent were:
Representative Bruce Weyhrauch
Dennis "Skip" Cook, public member

BRC:med
05-475.med

[1] This new subsection of AS 24.60.030, "Prohibitions related to conflicts of interest and unethical conduct," became effective July 1, 2005. The office of administrative hearings, created effective July 1, 2004, began hearing administrative proceedings that began on or after July 1, 2005. Sec. 92(a), ch. 163, SLA 2004. No previous advisory opinions have discussed AS 24.60.030(i).

This new subsection provides:

> (i) Except for supplying information requested by the hearing officer or the individual, board, or commission with authority to make the final decision in the case, or when responding to contacts initiated by the hearing officer or the individual, board, or commission with authority to make the final decision in the case, a legislator or legislative employee may not attempt to influence the outcome of an administrative hearing by directly or indirectly contacting or attempting to contact the hearing officer assigned to the hearing or the individual, board, or commission with authority to make the final decision in the case unless the
> (1) contact is made in the presence of all parties to the hearing or the parties' representatives and the contact is made a part of the record; or
> (2) fact and substance of the contact is promptly disclosed by the legislator or legislative employee to all parties to the hearing and the contact is made a part of the record.

[2] All references in this opinion to a legislator also apply to legislative employees subject to AS 24.60.

[3] It may be difficult to determine from a constituent whether the matter of concern has reached the stage that this ethical prohibition applies so care should be taken to avoid contacting any person or entity that has the authority to make a final decision. It may be prudent for a legislator to make a call to the department administering a matter, to determine the appropriate person to contact for the information, in order to avoid inadvertently contacting a decision maker.

[4] Under the Alaska Constitution, a person may not "be deprived of life, liberty, or property, without due process of law." The Alaska Supreme Court has interpreted this provision as requiring an impartial fact finder. In re Robson, 575 P.2d 771 (Alaska 1978); K & L Distributors, Inc. v. Murkowski, 486 P.2d 351 (Alaska 1971). Questioning of a decision-maker while the case is pending impairs the impartiality of the judicial process. It may even invalidate the decision reached in the matter, causing the whole matter to be reheard. "To subject an administrator to a searching examination as to how and why he reached his decision in a case still pending before him, . . . sacrifices the appearance of impartiality - the *sine qua non* [essential condition] of American *judicial* justice . . . ." Pillsbury v. F.T.C., 354 F.2d 952, 963 (5th Cir Ct. of Appeals, 1966). "Legislative intervention which occurs during a pending decisional process of an agency endangers and may undermine the integrity of the ensuing decision, and it has been held that administrative decisions which are based in whole or in part on pressures emanating from the legislature may be invalid." 73 C.J.S. Sec. 31, Public Administrative Law and Procedure.

[5] For example *see* AS 44.62.630 in the Administrative Procedure Act, also *see* AS 44.64.050(b) regarding the standard of conduct for hearing officers in the office of administrative hearings.

[6] *See* AS 44.64.030 for the jurisdiction of the office of administrative hearings. Child support services and permanent fund dividend adjudications are under the jurisdiction of the office of administrative hearings.

AS 44.64.050 provides fundamental standards of conduct required of hearing officers. The chief administrative law judge is required to adopt regulations for a code of conduct.

> . . . The following fundamental canons of conduct shall be included in the code: in carrying out official duties, an administrative law judge or hearing officer shall
> (1) uphold the integrity and independence of the office;
> (2) avoid impropriety and the appearance of impropriety;
> (3) perform the duties of the office impartially and diligently;
> (4) conduct unofficial activities in ways that minimize the risk of conflict with the obligations of the office; and
> (5) refrain from inappropriate activity in seeking employment with another agency or employer or in seeking reappointment.

The proposed draft regulations at 2 AAC 64.030 provide:

> (b) The following guidelines apply to any determination on whether a hearing officer of administrative law judge has adhered to the canons [of hearing officer conduct]:
> (1) The requirement to uphold the integrity and independence of the office, and of the hearing function, dictates that a hearing officer or administrative law judge establish and personally observe high standards of conduct and avoid improper ex parte communications with private and agency parties on the subject of a hearing request; so that the integrity and independence of the office and hearing function will be preserved;
> . . .
> (3) The requirement to perform the duties of the office or of the hearing function impartially and diligently dictates that a hearing officer or administrative law judge . . .
> (B) not initiate, permit, or consider improper ex parte communications, . . .

"improper ex parte communications" are defined at 2 AAC 64.990(13) as

> a direct or indirect, oral or written communication between a decision maker and a party to a proceeding, or another person trying to influence the decision maker, which occurs outside the presence of the other parties, and without a notice and an opportunity to participate being given to the other parties.

[7] You have asked "can a legislator contact a decision maker to ask if there was other information that could be provided." This would require the decision maker or the administrator in charge of the case file to advise the legislator on how to conduct the case or influence the outcome. This would not be appropriate, as it impairs the impartiality of the hearing process.

[8] The only exceptions are described in AS 24.60.030(i):

> [e]xcept for supplying information requested by the hearing officer or the individual, board, or commission with authority to make the final decision in the case, or when responding to contacts initiated by the hearing officer or the individual, board, or commission with authority to make the final decision in the case . . .

AO 05-01 -6-

-5- AO 05-01

Document Properties	
Title:	ADVISORY OPINION 2005-01
Subject:	Gifts – Lobbyists
Author:	Select Committee on Legislative Ethics
Keywords:	Opinion No. 01 November 9, 2005
Comments:	AS 24.60.030(i) and legislative contacts with administrative decision makers
Template:	Ethics_Advisory_Opinion.dot
Last saved by:	LAA-LFR
Revision number:	3
Application:	Microsoft Office Word
Total editing time:	00:01:00
Last printed:	2005/11/22 20:09:00
Created:	2005/11/22 20:18:00
Last saved:	2008/01/28 18:34:00
Company:	State of Alaska

Filename:	D:\DTS\DTSFiles\ethics\AO 05-01.doc

dtSearch 7.62 (x64) (7804)

/docs/ethics/AO 08-03.doc (24 hits)

Alaska State Legislature

Select Committee on

Legislative Ethics

716 W. 4th, Suite 230 Mailing Address:
Anchorage, AK P.O. Box 101468
(907) 269-0150 Anchorage, AK
FAX: 269-0152 99510-1468

August 19, 2008

ADVISORY OPINION 2008-03

SUBJECT: Conflict of Interest – Use of Government Resources

RE: Use of state resources by legislative aides working for constituents.

Note: Advisory Opinion 08-03 supersedes and is contrary to Advisory Opinion 07-04 adopted on December 12, 2007.

You are a legislative employee and therefore covered by the legislative ethics code. You have requested an advisory opinion concerning facts and circumstances that you have related in connection with three examples. You have asked the committee to provide guidance, in the form of an advisory opinion, as to whether or not the aide in each example given can provide the services described in a manner that is in compliance with restrictions on the use of state resources under the Legislative Ethics Act.[1]

Statement of Facts

Example 1. A constituent asks a legislative aide to serve as her "personal representative" before the Alaska Workers' Compensation Board. The aide understands that this duty will require acting on behalf of the constituent in the matter by communicating with the Board and the employer, creating, typing, copying and delivering motions and hearing exhibits, and attending the hearing as the constituent's advocate. The aide undertakes and accomplishes this duty, and, when transmitting documents on the constituent's behalf, uses legislative letterhead as a coversheet listing the documents transmitted, the intended recipients of the documents, and "information regarding meetings/timeframes/etc."

Example 2. On a constituent's behalf, a legislative aide uses legislative phone lines and e-mail to communicate with the Alaska's Child Support Enforcement Division and negotiate a settlement between the constituent, the Alaska CSED, and the California CSED. The settlement may net the constituent as much as $85,000 in child support back-payments.

Example 3. A legislative aide uses legislative letterhead and e-mail to pursue an informal appeal of the Alaska Permanent Fund Division's denial of a constituent's dividend eligibility. The denial is based on the constituent's alleged failure to meet legal requirements of Alaska residency because the constituent left the state for a time to attend a religious post-secondary school. The aide convinces the division to

reverse the denial by arguing that, because the education sought was not available at Alaska schools, the break in Alaska residency does not disqualify the constituent from eligibility.

Discussion

In the examples given, a hypothetical aide uses either legislative letterhead or legislative e-mail in the course of providing assistance to a constituent. In our Advisory Opinion 07-02, we concluded that an incumbent legislator may use legislative letterhead to communicate on any matter if the matter has a legislative purpose. The same is true of any "official" means of communication used by a legislator (or the legislator's aide) for a legislative purpose. An aide's use of legislative letterhead, legislative e-mail, legislative fax, or any other mode of communication identifiable on its face as legislative is permissible if it is for a legislative purpose.

AS 24.60.030(a)(2) says, in part, that a legislative employee may not

> (2) use public funds, facilities, equipment, services, or another government asset or resource for a nonlegislative purpose, for involvement in or support of or opposition to partisan political activity, or for the private benefit of either the legislator, legislative employee, or another person;

The committee notes that, while "legislative action" is defined in AS 24.60.990, "nonlegislative purpose" is not defined. Its opposite, "legislative purpose," is not defined either. The committee concludes that legislative purpose has a broader meaning than "legislative action" that could include the provision of services for constituents with problems dealing with government agencies.

The Legislative Ethics Act refers to constituent services twice in AS 24.60.030.

AS 24.60.030(e)(2) says a legislator may not directly, or by authorizing another to act on the legislator's behalf,

> (2) state or imply that the legislator will perform or refrain from performing a lawful constituent service as a result of a person's decision to provide or not provide a political contribution, donate or not donate to a cause favored by the legislator, or provide or not provide a thing of value;

AS 24.60.030(i) implies that the practice of using legislative resources to resolve constituents' problems in forums outside of the legislature is permitted by the Act. [2] AS 24.60.030(i) states:

> (i) Except for supplying information requested by the hearing officer or the individual, board, or commission with authority to make the final decision in the case, or when responding to contacts initiated by the hearing officer or the individual, board, or commission with authority to make the final decision in the case, a legislator or legislative employee may not attempt to influence the outcome of an administrative hearing by directly or indirectly contacting or attempting to contact the hearing officer assigned to the hearing or the individual, board, or commission with authority to make the final decision in the case unless the
> (1) contact is made in the presence of all parties to the hearing or the parties' representatives and the contact is made a part of the record; or
> (2) fact and substance of the contact is promptly disclosed by the legislator or legislative employee to all parties to the hearing and the contact is made a part of the record.

We also note that the practice of using legislative resources to assist constituents with problems with

government agencies is not a requirement of legislative office, but is the choice of individual legislators. Our intent is not to interfere with a legislator's method of performing constituent services but to provide guidelines with regard to the use of government resources for the private benefit of a person. Legislative offices are one of the viable and necessary avenues by which Alaskans can access state government to obtain or improve service for themselves.

For purposes of this opinion, the committee defines "performing constituent service" as assisting constituents in navigating state bureaucracy and developing a communication line between the state agency and the constituent. The legislative intent in performing constituent service is threefold; to move the constituent's concerns forward, to make sure everyone involved knows what they need to know and to urge the government agency to take timely action. Constituents often do not know about laws, rules or regulations governing a particular agency or it may be they just do not accept the relevant parameters. The fact that state agency personnel are aware legislative offices are looking over their shoulders is positive. Occasionally, engaging in a constituent problem brings to light shortcomings in a law or regulation. A legislator may ask for a formal legislative review of the law or regulation or may introduce legislation to correct or clarify a statute. This type of action provides a benefit to the public in general.

But where do you draw the line when performing constituent services and the use of public resources? The use of public resources to provide help to constituents dealing with government agencies is not prohibited under AS 24.60.030(a)(2) as a nonlegislative purpose. However, that same paragraph prohibits the use of public resources "for the private benefit of either the legislator, legislative employee, or another person . . . ."

This opinion will focus on two areas. First, there is a difference between performing constituent services as defined above and advocating for a constituent's private interest. Legislators and staff must never cross the line and involve themselves in advocating a constituent's private interest. "Advocate" is defined in Webster's New World Dictionary to mean; a person who pleads another's cause, a person who speaks or writes in support of something, or to be in favor of.[3] In that regard, legislative aides should not enter into ongoing litigation or administrative processes regardless of professional certification or expertise. The Act does not prohibit a legislative aide from performing these activities on personal time.

In Example 1 of this opinion, the legislative aide served as the "personal representative" for a constituent before the Worker's Compensation Board; in Example 2, the legislative aide negotiated a settlement with the Alaska Child Support Enforcement Division and an outside state agency; and in Example 3, the legislative aide pursued an appeal for a constituent and convinced a state division to repeal the denial. All these examples fall within the realm of constituent advocacy and provide a private benefit to the constituent. The private benefit referred to does not mean the outcome is favorable to the constituent such as the award of back child support or the successful resolution of a law suit resulting in a monetary award. The amount of time spent on a constituent issue also does not factor into private benefit. The amount of time may depend on the area of the state where the constituent lives and the level of services available. This factor alone could add to the number of hours working on a constituent issue.

The private benefit received by a constituent in these examples is the free representation before the Workers Compensation Board, the free services of a negotiator on a child enforcement issue and the free services in appealing a denial. All these services are customarily performed on a fee basis.

Further, in Example 1, legislative letterhead was used to pursue an informal appeal for a constituent before the Worker's Compensation Board. Advocating a constituent's position with the use of legislative letterhead, a state resource, is also not a permitted use of state resources. In this instance,

there is an appearance of impropriety in that the legislator is attempting to influence the outcome of an issue with a government agency to be in favor of the constituent. AS 24.60.010 states, ". . . a fair and open government requires that legislators and legislative employees conduct the public's business in a manner that preserves the integrity of the legislative process and avoids conflicts of interest or even appearances of conflicts of interest; . . . . "
Secondly, state resources should not be used for activities such as obtaining records from a medical doctor, picking up records from a facility, creating and typing reports or listings of items requested by a state agency, to name a few. This type of preparation work is the responsibility of the constituent. State resources used for these activities would constitute a private benefit. Further, allowing these activities to be performed with the use of state resources would open the door to equal access of state resources for all individuals. As stated earlier, the role of legislative staff is to be the conduit between the constituent and the government agency. Keep in mind, a legislative aide is certainly not prohibited from providing assistance to a constituent if a roadblock occurs, for example, obtaining requested documents.

Conclusion

It is an established legislative practice to use legislative aides, as part of regular duties, to provide assistance to constituents on issues with government agencies. This creates a rebuttable presumption that an aide who does so is performing a service that has a legislative purpose. Providing assistance to constituents as defined in this opinion does not provide a private benefit to the constituent. The volume of public resources that may be expended to provide constituent assistance is not considered to be a private benefit. The volume of public resources expended is dependent upon the facts of the particular case. Performing constituent services does not include advocating for the constituent's private interest and/or preparation work to present the issue to the government agency. It is understood that a constituent may receive a private benefit such as a monetary award for a favorable solution to an issue which in and of itself is not considered a private benefit under AS 24.60.030. -

Adopted by the Select Committee on Legislative Ethics on August 19, 2008.

A unanimous vote of the Committee.

Members present and concurring with this opinion were:

Herman G. Walker, Jr., Chair
Senator Gary Stevens
Senator Con Bunde
Representative Bob Roses
Representative Berta Gardner
Dennis (Skip) Cook, public member
Ann Rabinowitz, public member
H. Conner Thomas, public member
Gary J. Turner, public member

Drafted by: Ethics Staff

DCW:lmb
08-208.lmb

[1] This opinion treats the three examples given as hypothetical, and, as requested, reviews them only for compliance with Legislative Ethics Act provisions relating to the use of state resources. Other laws may apply. For example, a person may not engage in the practice of law in the state unless the person is a

licensed and active member of the Alaska Bar. AS 08.08.210. There is no special exception from this prohibition for constituent advocacy by a legislator or legislative aide. The unauthorized practice of law is a misdemeanor. AS 08.08.230. The "practice of law," as defined in Alaska Bar Rule 63, includes:

> (b) either (i) representing another before a court or governmental body which is operating in its adjudicative capacity, including the submission of pleadings, or (ii) for compensation, providing advice or preparing documents for another which affect legal rights or duties.

[2] Advisory Opinion 05-01, legislative contacts with administrative decision makers, further clarifies the prohibitions and requirements of AS 24.60.030(i).

[3] Webster's New World Dictionary of the American Language, 1968, pages 20-21.

Document Properties	
Title:	ADVISORY OPINION 2008-03
Subject:	Conflict of Interest – Use of Government Resources
Author:	Select Committee on Legislative Ethics
Keywords:	Opinion No. 03 August 19, 2008
Comments:	Use of state resources by legislative aides working for constituents.
Template:	Ethics_Advisory_Opinion.dot
Last saved by:	Sherri Wayne
Revision number:	4
Application:	Microsoft Office Word
Total editing time:	00:01:00
Last printed:	2008/08/21 17:38:00
Created:	2008/08/20 20:07:00
Last saved:	2008/09/08 22:37:00

Company:	State of Alaska

Filename:	D:\DTS\DTSFiles\ethics\AO 08-03.doc

dtSearch 7.62 (x64) (7804)

/docs/ethics/AO 10-01.doc (2 hits)

Alaska State Legislature

Select Committee on
Legislative Ethics

716 W. 4th Ave., Suite 230 Mailing Address:
Anchorage, AK 99501-2133 P.O. Box 101468
(907) 269-0150 Anchorage, AK
FAX: 269-0152 99510 – 1468
Email: ethics_committee@legis.state.ak.us

May 27, 2010

ADVISORY OPINION 10-01

SUBJECT: Conflict of Interest – Use of State Resources

RE: Conflict of Interest – State Paid Travel and Collateral Campaign Activities

Note: This advisory opinion was rescinded at the June 14, 2010 Ethics Committee meeting. Refer to the August 19, 2008 letter to the Alaska Public Offices Commission for guidance in this area. (The letter is attached as an addendum to this opinion.)

This opinion was initiated by the Select Committee on Legislative Ethics.

Question Presented

In an August 19, 2008 letter to the Alaska Public Offices Commission, this Committee held that a legislator who travels on legislative business using state resources may not engage in political campaigning or other partisan political party activities during the trip. In reaching this decision, the Committee examined the restrictions imposed upon legislators under AS 24.60.030(a)(2)[1] and 24.60.030 (a)(5)[2], as well as the legislative purposes set out in AS 24.60.010. The committee, at their February 17, 2010 meeting, asked for a review of this position.

Discussion

While we note the prohibitions in the statute above, we also believe that a practical solution exists which ensures compliance with the statutes, provides a practical solution to the issue presented, and incorporates other provisions of AS 24.60 to ensure compliance. In short, we believe that the nature of the business rather than whether it is paid for with state resources should be the governing standard in determining whether an ethical violation has occurred. A statement signed by a legislator designating the primary nature and purpose of the business rather than whether it is paid for by state resources should suffice to govern whether or not collateral activities can or cannot occur. Violations or false statements made in this designation can be enforced pursuant to AS 24.60.030(3)[3]. If a legislator gives as his or her primary or sole purpose for taking the trip as engaging in political campaigning or partisan political activity, then he or she would not be entitled to state paid travel expenses. On the other hand, if the legislator gives as his or her primary purpose traveling to and from the Legislative session, visiting constituents, or engaging in other legislative business, then they should not be barred from engaging in

other incidental activities like political campaigning or partisan political activity during the trip. While this requires reliance on the "honor system," legislators are held to similar standards in soliciting, accepting or receiving gifts.[4]

As has been explained to us, this issue arises primarily in the context of travel by legislators and how it affects different legislators from around the state in different ways. Some legislators are not required to use any state funds to travel to and from the session or to service their constituents. Other legislators use state funds to travel back and forth to Juneau for the session and/or to meet with their constituents. Issues have arisen about whether it is appropriate to engage in other types of activities when State funds have been used to pay for travel expenses in ether context.

Previous discussions have cited AS 24.60.030(a)(2) and (5) for the proposition that if any travel expenses are paid by the State of Alaska to cover or reimburse travel costs, it is a violation of the ethics statute to engage in any activities which are characterized as political campaigning or other partisan political activity. These arguments are based upon the specific language in the statute and also on the limited exceptions set out in the accompanying statutory language[5]. While facially sound, this argument creates significant differences in how different legislators must conduct their affairs in the performance of their duties. For example, all out of town legislators who are compensated for traveling to and from their home towns to Juneau at the beginning of the session would never be able to engage in political campaigning or other partisan political activity before the session began or after it expired. Arguably, a violation could also be alleged if a legislator returned home at the state expense and promptly engaged in political campaigning or other partisan political activity. Neither of these scenarios is faced by legislators who incur no travel costs for attending the Legislative session in Juneau. Additionally, many legislators' representation districts are vast in size and require significant travel expenses in order to properly represent their constituents. If a legislator accepts state money to pay for travel costs to visit his or her constituents, they cannot then engage in any activities characterized as political campaigning or other partisan political activity during the trip. Again, this is not an issue for legislators who do not have to incur travel costs to visit their constituents.

We believe this argument blurs the distinction between direct costs and indirect costs associated with travel by legislators. Another way to look at indirect costs is that they are incidental costs.[6] Because of the nature of the expense, travel costs can either be a direct or indirect expense of a particular endeavor. If a legislator incurs travel expenses for the sole purpose of engaging in non-legislative purposes, or partisan political activity, or for his or her private benefit, then use of state funds to facilitate those activities would not be appropriate or permitted. But when a legislator engages in multiple activities – legitimate legislative business and other activities which may have specific prohibitions in statute – while traveling, it is the primary purpose of the trip that dictates when state funds can be used to cover travel expenses. The tenor of AS 24.60.030 is to preclude direct use of public funds for non-legislative purposes and it is not clear that travel expenses for mixed activities was intended to be prohibited. The primary harm that this subsection prevents is the use of state resources for the direct purpose of political campaigning or partisan political party activity.

Additionally, this argument ignores the prohibitory language found in AS 24.60.030(a)(3). This statute makes it an ethical violation for a legislator or legislative employee to "...make a false statement in connection with a request, or application for compensation, reimbursement, or travel allowance from public funds." Legislators are currently required to fill out a pre authorization travel form naming their purpose for engaging in the proposed travel.[7] This "statement" could be challenged or evaluated in light of the legislator's actual activities at a later time. Certainly, if a legislator made a false statement in this context, he or she would be in violation of AS 24.60.030(a)(3). These statements are a part of the public record and can and may be scrutinized by citizens who could file a complaint based upon the actual

activities of the legislator. This Committee would then be called upon to make a determination of whether a violation has occurred under AS 24.60.170.

This opinion is consistent with committee decisions addressing similar issues. For instance, in Advisory Opinion 96-05, a legislator requested an advisory opinion about whether it is appropriate to accept payment for the costs of a trip on which the legislator conducted both legislative business and personal business. The Select Committee issued the following opinion:

> The ethics committee cannot comment on whether you have complied with legislative policy with regard to travel and per diem allowances. Legislative Council is the body which sets those policies, and which is, together with the House and Senate leadership and the chair of legislative committees, responsible for interpreting and implementing that policy. The ethics committee notes that in approving a request for travel funds, the individual entrusted with approval authority is responsible for reviewing the purpose of the proposed trip and determining that the use of travel money is a valid use of public funds.

Id., at p. 1. The opinion goes on to state:

> It is permissible under the legislative ethics code for a legislator to accept state payment for the costs of a trip on which he or she conducted governmental business. As noted above, the committee does not have authority, in the context of advisory opinions, to use its judgment in lieu of a legislator's judgment in determining what is necessary state business or how much state business is necessary to justify accepting state payment for a trip.
>
> The committee also cautions that if a legislator or legislative employee were to intentionally use a facade of legislative business to obtain a government-paid trip but were to fail to conduct any governmental business to justify governmental payment, the committee might well find a violation of AS 24.60.030(a)(2).

Id., at p. 2.

Conclusion

In short, the enforcement provisions under AS 24.60.030(a)(3) provide sufficient protection against improper use of state funds for transportation costs.[8]

Adopted by the Select Committee on Legislative Ethics on May 27, 2010.

Members present and concurring in this opinion were:
Senator John Coghill
Senator Gary Stevens (via teleconference)
Representative Les Gara (alternate member)
Representative Craig Johnson (alternate member)
Antoinette "Toni" Mallott

Members dissenting from this opinion were:

H. Conner Thomas, Chair
Gary J. Turner, public member
Dennis "Skip" Cook, public member

Member absent:

Herman G. Walker, Jr., public member

BRC:jma

Alaska State Legislature

Select Committee on
Legislative Ethics

716 W. 4th, Suite 230 Mailing Address:
Anchorage AK 99501-2133 P.O. Box 101468
(907) 269-0150 Anchorage, AK.
FAX: 269-0152 99510 – 1468
Email: ethics_committee@legis.state.ak.us

August 19, 2008

Holly Hill, Executive Director
Alaska Public Offices Commission
2221 East Northern Lights, Rom 128
Anchorage AK 99508-4149

Ms. Hill:

The Select Committee on Legislative Ethics (Committee) is writing in regard to a request (from the former executive director, Brooke Miles) for input concerning regulations to be drafted by the Alaska Public Offices Commission in 2008 on the subject of paid state travel and collateral campaign activity.

Review and discussion of Advisory Opinion 06-03-CD issued by the Alaska Public Offices Commission on October 31, 2006 occurred at four committee meetings; December 12, 2007, January 16, 2008, May 12, 2008, and August 19, 2008.

The Committee looked at the restrictions imposed by AS 24.60, the Legislative Ethics Act, on a legislator or legislative employee who while traveling on legislative business using legislative resources engages in political campaigning or other partisan political activity.

A legislative resource, including money provided by the legislature to cover or reimburse costs incurred by a legislator or legislative employee while traveling on legislative business, is a government asset or

resource. A government asset or resource may not be used by a legislator or legislative employee for involvement in or support of or opposition to partisan political activity. AS 24.60.030(a)(2). More specifically, a legislator or legislative employee may not use or authorize the use of a government asset or resource for the purpose of political fund raising or campaigning. AS 24.60.030(a)(5). (Partisan political activity, political fund raising and campaigning are herein referred to as "partisan political activity.")

The legislature may wish to revisit the absolute restriction in AS 24.60 in view of the vast difference between urban and rural areas in our state. Legislative districts vary greatly in the land mass encompassing a district. Both cost and time expended to visit areas within a district also vary greatly. Travel for a matter of legislative concern or for partisan political activity can be quite costly and time consuming. The extreme example of traveling to a remote area of the state for legislative business and then returning to the legislator's home base and again traveling to the same area for partisan political activity was discussed.

Based on these factors, the Committee looked at de minimis use of state resources as a possible solution. However, de minimis use of a legislative resource for partisan political activity is prohibited under AS 24.60. To allow de minimis use of state resources for partisan political activity would require a legislative change in AS 24.60. Currently the only exception for de minimis use of state resources is for personal reasons if there is no cost to the state or the cost is promptly reimbursed.

If the legislature adopted an exception to AS 24.60.030 to permit partisan political activity that required the legislator to reimburse the state for pro-rated costs of such activity then the use might be considered de minimis. A legislator or legislative employee could then attend an event, for example, that had the overtones of being campaign related or was actually campaign related while on a legislative business trip if the primary purpose of the trip was for a matter of legislative concern. Committee members very strongly stated that a legislative trip should not be planned or scheduled around a campaign activity and further underscored no additional expenses to the state must be incurred when conducting the partisan political activities.

Under a de minimis use exception, the allocation formula allowed under Executive Branch ethics and outlined in AO 06-03-CD is the method the Committee feels is most equitable and fair. The allocation of state funds would be determined based on the percentage of time spent on state business and the percentage of time spent on partisan political activity. The percentage of time spent on a partisan political activity would be used to determine the allocated cost for reimbursement to the state.

After considerable debate, the committee determined travel to and from the legislator's home district to attend a legislative session should be exempt from the requirement of allocating costs for partisan political activity.

We hope our comments will be helpful to the Commission in preparing draft regulations on this subject. I am available to answer any questions.

Sincerely,

Herman G. Walker, Jr.
Chair, Select Committee on Legislative Ethics

Cc: Ethics Committee Members

[1] In pertinent part, AS 24.60.030(a)(2) states, "A legislator or legislative employee may not ... use public funds, facilities, equipment, services, or another government asset or resource for a non-legislative purpose, for involvement in or support of or opposition to partisan political activity, or for the private benefit of the legislator, legislative employee, or another person..."

[2] In pertinent part, AS 24.60.030(a)(5) makes it unethical to" use or authorize the use of state funds, facilities, equipment, services, or another government asset or resource for the purpose of political fund raising or campaigning..."

[3] AS 24.60.030(a)(3) makes it an ethical violation for a legislator or legislative employee to "...make a false statement in connection with a request, or application for compensation, reimbursement, or travel allowance from public funds."

[4] Under AS 24.60.080 only four types of gifts require disclosure. Legislators are held to the "honor system" in determining how to identify other gifts received. A gift log is no longer required by statute but recommended. *See also* AS 24.60.010 (7)"compliance with a code of ethics is an individual responsibility..."

[5] AS 24.60.030 has a number of noted exceptions to the general rules that state resources may not be used for partisan political activity or political campaigning. See AS 24.60.030(a)(2)(A)-(K), AS 24.60.030(a)(5)(A)-(E), AS 24.60.030(d) and AS 24.60.030(h).

[6] AS 24.60.030(h) allows incidental campaign activities during the employee's workday while on government time. If the activity is more than incidental the employee shall take leave time. A similar analogy could be made regarding legislative travel.

[7] Each legislator must complete a Senate, House, Finance Committee or Legislative Council Pre Travel Authorization Form prior to travel for legislative business and a Legislative Affairs Agency Travel Claim form to request reimbursement after travel has been completed. Additionally, the Senate and House each year approve guidelines for travel and per diem for legislators. Legislative Council has also a travel and per diem policy for both legislators and legislative employees.

[8] The Committee recommends that the Legislature consider amending AS 24.60.030 to clarify this matter.

Document Properties	

Title:	ADVISORY OPINION 10-01
Subject:	Conflict of Interest – Use of State Resources
Author:	Select Committee on Legislative Ethics
Keywords:	Opinion No. 01 May 27, 2010
Comments:	Conflict of Interest – State Paid Travel and Collateral Campaign Activities
Template:	Letter.dot
Last saved by:	Sherri Wayne, Systems Programmer
Revision number:	21
Application:	Microsoft Office Word
Total editing time:	03:14:00
Created:	2010/07/27 00:29:00
Last saved:	2011/03/02 01:54:00
Company:	Legislative Affairs Agency

Filename:	D:\DTS\DTSFiles\ethics\AO 10-01.doc

dtSearch 7.62 (x64) (7804)

/docs/ethics/AO 09-02.doc (8 hits)

Alaska State Legislature

Select Committee on

Legislative Ethics

716 W. 4th, Suite 230 Mailing Address:
Anchorage, AK P.O. Box 101468
(907) 269-0150 Anchorage, AK
FAX: 269-0152 99510-1468

May 28, 2009

ADVISORY OPINION 2009-02

SUBJECT: Close Economic Association – Medical Services

RE: Close Economic Association

You are a legislative employee and therefore covered by the legislative ethics code. You have requested an advisory opinion concerning facts and circumstances that you have related. Unless stated otherwise, the committee relies on facts that you have described in answering your questions.[1]

Statement of Facts

You are also a licensed medical professional who sometimes provides outpatient medical services to legislative colleagues, including legislators and legislative employees, although you do not provide medical services to your supervisor or at your supervisor's direction. In some instances you provide medical services to a person on a one-time basis; in other instances you provide medical services in a series of appointments. In all instances you are paid at or close to the market value for the type of service you provide and you assess fees according to standards and practices commonly used in your profession. You are paid directly by your clients, although they may be eligible for reimbursement through a medical insurance benefit in some instances. You are subject to federal and state law, including the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), which require you to keep certain information relating to your services confidential.[2]

Discussion

You have asked if you are required to disclose the names of your clients, or other information about them, under AS 24.60.070, a section of the Legislative Ethics Act that requires disclosure of close economic associations. The section reads:

> Sec. 24.60.070. Disclosure of close economic associations.
> (a) A legislator or legislative employee shall disclose to the committee, which shall maintain a public record of the disclosure and forward the disclosure to the respective house for inclusion in the journal, the formation or maintenance of a close economic association involving a substantial financial matter with
> (1) a supervisor who is not a member of the legislature who has responsibility or authority, either directly or indirectly, over the person's employment, including preparing or reviewing performance evaluations, or granting or approving pay raises or promotions; this paragraph does not apply to a public member of the committee;

(2) legislators;
(3) a public official as that term is defined in AS 39.50;
(4) a registered lobbyist; or
(5) a legislative employee if the person required to make the disclosure is a legislator.
(b) A legislator or legislative employee required to make a disclosure under this section shall make a disclosure by the date set under AS 24.60.105 of the legislator's or legislative employee's close economic associations then in existence. A disclosure under this section must be sufficiently detailed that a reader of the disclosure can ascertain the nature of the association.
(c) When making a disclosure under (a) of this section concerning a relationship with a lobbyist to whom the legislative employee is married or who is the legislative employee's domestic partner, the legislative employee shall also disclose the name and address of each employer of the lobbyist and the total monetary value received by the lobbyist from the lobbyist's employer. The legislative employee shall report changes in the employer of the spouse or domestic partner within 48 hours after the change. In this subsection, "employer of the lobbyist" means the person from whom the lobbyist received amounts or things of value for engaging in lobbying on behalf of the person.
(d) In this section, "close economic association" means a financial relationship that exists between a person covered by this chapter and some other person or entity, including but not limited to relationships where the person covered by this chapter serves as a consultant or advisor to, is a member or representative of, or has a financial interest in, any association, partnership, business, or corporation.

Your relationship with your clients is financial, as defined by subsection (d), since you are paid by your clients to provide a professional service. However, this does not necessarily mean that relationship involves a "substantial financial matter," something that subsection (a) requires of an economic relationship in order for it to be a close economic association and require disclosure under the Legislative Ethics Act, and we do not need to resolve that question in order to respond to your request.

In AO 88-01 we considered whether certain information about a lawyer-legislator's private clients, including their names, is exempt from the disclosure requirements of the Legislative Ethics Act. We said:

> The statutory language is straightforward and on its face allows no exceptions. However, it is axiomatic that a state law may not be enforced to conflict with the state or federal constitution and, in some areas, federal legislation has preempted the state's regulatory power. Therefore the committee determines to read into the statute a limited exception. To the extent that disclosure would conflict with an established constitutional right or with a federal prohibition against disclosure which preempts state law, a legislator should disclose the existence of a client but not the client's name, and also disclose the subject of the representation and the body before which the matter is held.

For the same reasons we adopted the foregoing exception in 1988, today we read into the Legislative Ethics Act another exception to the Act's disclosure requirements: a person who is subject to the disclosure requirements of the Legislative Ethics Act may withhold disclosure of information they would otherwise be required by the Act to disclose, to the extent that disclosure would conflict with an established constitutional right or with the requirements of a federal law.

The federal Health Insurance Portability and Accountability Act (HIPAA) requires that providers of health care services maintain strict confidentiality of patient records. The Legislative Ethics Act does not require that you disclose information that HIPAA requires you to withhold; however, the exception

we have adopted in this opinion does not excuse compliance with the Act's disclosure requirements altogether. You are still required to comply with the disclosure requirements to the extent that your compliance does not conflict with HIPAA.

Conclusion

Based on the foregoing facts and for the reasons discussed above, the committee finds that AS 24.60.070 does not require you to disclose information that is required by law to be kept confidential, including information protected by confidentiality requirements of HIPAA. To the extent you are able to partially comply with the disclosure requirements of AS 24.60.070 without violating HIPAA requirements you should make a partial disclosure. You are responsible for determining what HIPAA requires of you in this regard, and for citing the specific HIPAA provisions that are relevant in your disclosure report to the committee.

Adopted by the Select Committee on Legislative Ethics on May 28, 2009.

Members present and concurring in this opinion were:

Senator Joe Thomas
Senator Tom Wagoner
Representative Berta Gardner
Representative John Coghill
H. Conner Thomas
Dennis "Skip" Cook
Ann Rabinowitz
Herman G. Walker, Jr.
Gary J. Turner, Chair

DCW:plm
09-105.plm

[1] On the committee's behalf, legislative counsel contacted you by phone on February 18, 2009 and you provided factual information in that conversation that is supplemental to the written facts you provided on February 11, 2009.

[2] Although you have also asked that the committee advise you on the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), interpretation of that law exceeds the authority of this committee under AS 24.60.140 and 24.60.160. You are responsible for determining what HIPAA requires of you in this matter.

Document Properties	
Title:	ADVISORY OPINION 2009-02

Subject:	Close Economic Association – Medical Services
Author:	Select Committee on Legislative Ethics
Keywords:	Opinion No. 02 May 28, 2009
Comments:	Close Economic Association
Template:	Ethics_Advisory_Opinion.dot
Last saved by:	ldpcsew
Revision number:	4
Application:	Microsoft Office Word
Total editing time:	00:03:00
Last printed:	2009/06/05 19:39:00
Created:	2009/06/05 22:18:00
Last saved:	2009/10/05 22:52:00
Company:	State of Alaska

Filename:	D:\DTS\DTSFiles\ethics\AO 09-02.doc

dtSearch 7.62 (x64) (7804)

/docs/ethics/AO 94-07.DOC (3 hits)

Alaska State Legislature

Select Committee on
Legislative Ethics
716 W. 4th, Suite 230
Anchorage, AK Mailing Address:
(907) 258-8172 P.O. Box 101468
FAX: 258-2106 Anchorage, AK
99510

April 14, 1994

Advisory Opinion 94-07

RE: Must participation in the Violent Crimes Compensation Commission Program be published in the journals?

You are a legislative employee covered by the legislative ethics code. You have filed a disclosure of participation in a state benefit program but asked that the committee refrain from publishing the disclosure in the journal.

Statement of Facts

The facts and circumstances that you have related, and on which the committee relies in answering your questions, are as follows:

You are a legislative employee, covered by the legislative code of ethics. During 1993, you received $763 from the Violent Crimes Compensation Program. You reported this participation in a state benefit program to the committee on February 15 but requested that the committee not publish the disclosure. The committee has chosen to treat your request for confidentiality as a request for an advisory opinion in order to give notice of its decision on the issue your request raises.

Discussion

Under AS 24.60.050(c), a legislator or legislative employee who participates in a state benefit or loan program that is not exempt under (a) of that section must disclose the participation. The programs and loans that are exempt from disclosure under subsection (a) are those that are generally available to members of the public, are subject to fixed, objective eligibility standards, and require minimal discretion in determining qualification. Under subsection (b), the committee publishes a list of programs designating those for which disclosure is required. Appendix G of the Standards of Conduct Handbook, prepared by the ethics committee and published in January 1993, lists those programs that must be reported. The Violent Crimes Compensation Program is one of the programs listed. Therefore, you are required to report your participation, which you did.

Under AS 24.60.050(c), the committee is required to

> promptly compile a list of the statements [of participation in programs or receipt of loans] indicating the loans and programs and amounts and send it to the presiding officer of each house who shall have it published in the supplemental journals within three weeks of the filing date.

The statute on its face does not provide any exceptions to the requirement that each person participating in a program or loan be included on the list that is published in the journals. However, the committee believes that an exception based on the constitutional right of privacy must be read into the publication requirement and should be applied in the case of programs such as the Violent Crimes Compensation Program.[1]

The committee staff contacted the Violent Crimes Compensation office to discuss the privacy issue. According to the staff of that office, the names of participants in the program and files relating to them are kept confidential. There is no public access through the commission to any information on an individual. They do publish an annual report from which any identifying information concerning individuals has been removed.

In Advisory Opinion 88-1, concerning disclosure of representation before a state agency, board, or commission under AS 24.60.100, the committee relied on the constitutional right to privacy and on the state supreme court's implementation of that right to find a limited exemption to the disclosure requirement imposed by the ethics code. The committee permitted the legislator-attorney to refrain from disclosing the name of a client whose privacy would be invaded by disclosure but did require disclosure of the existence of an unnamed client, the subject of the representation, and the body before which the matter was heard.

In Falcon v. Alaska Public Offices Com'n, 570 P.2d 469 (Alaska 1977), the court considered whether a doctor who had been appointed to the State Medical Board was required to reveal the names of patients on his financial disclosure statement. The court stated that whether a privacy invasion is justified turns on the precise nature of the privacy interest involved:

> There must be a "fair and substantial relation" between the statutory means and a legitimate governmental purpose. Thus to determine the validity of the disclosure provisions of the Conflict of Interest law, we must consider both the nature and the extent of the privacy invasion and the strength of the state interest requiring disclosure.

Id. at 476. (Footnotes omitted) In Falcon, the court found that the purposes of the Conflict of Interest law were to promote efficient, ethical government and preserve the integrity and fairness of the political process both in fact and in appearance. Those purposes are similar to the purposes of the legislative ethics code, stated at AS 24.60.010(1) and (2).[2] The court then considered how invasive the revelation of the names of the patients would be and noted that ordinarily disclosure of patients of a physician would involve only a minimal invasion of privacy but that in particular situations, the disclosure might have the effect of making public information that was confidential or sensitive. The court quoted a commentator on how to determine whether information should be considered sensitive:

> [s]ensitive information is that which a person desires to keep private and which, if disseminated, would tend to cause substantial concern, anxiety or embarrassment to a

reasonable person.

Id. at 479. The court gave an example of visits to a physician who specializes in contraceptive matters or abortions as private and sensitive information. The court then concluded: that the extent to which the governmental interest in promoting fair and honest government would not outweigh the individual's privacy interest in protecting sensitive personal information from public disclosure in those kinds of situations. Id. at 480.

Applying this analysis to your situation, the committee must decide whether your participation in the Violent Crimes Compensation program should be considered to be sensitive information. If the committee finds that the information is sensitive, it must weigh whether your privacy interest should take precedence over the governmental interest in public disclosure of your participation in the program. In making this judgment, the committee will consider the possibility of the appearance of impropriety in your participation as well as the possibility of actual impropriety. The committee will also consider the degree of influence you might have had because of your legislative position.

The committee finds that your participation in the Violent Crimes Compensation program should be considered sensitive personal information. You have expressed concern about having the events that happened made public and the committee finds that a reasonable person would have similar concerns. This conclusion is supported by the fact that the information is treated as confidential by the Violent Crimes Compensation Commission. Because the amount of money you received from the program was relatively small and because you do not occupy a position that can take official action or exert official influence over this state program, the committee finds that your name should not be made public.[3] However, in order to comply as completely as possible with the statutory requirements, the committee will publish the fact that a person required to make disclosures under the legislative code of ethics did participate in the program and will disclose the amount of the benefit that you and your family received. Your name will be kept confidential.

Conclusion

For the reasons stated above, the committee finds that under AS 24.60.050, you were required to report your participation in the Violent Crimes Compensation program to the committee but that your constitutional right to privacy requires the committee to keep your name confidential. Accordingly the committee will publish notice that a person required to disclose under AS 24.60.050 participated in that program and will report the amount you received.

Adopted by the Select Committee on Legislative Ethics on April 14, 1994. Members present and concurring in this opinion were:

Joseph P. Donahue, Chair
Representative Jerry Mackie
Representative Brian Porter
Margie MacNeille
Edith Vorderstrasse
Shirley McCoy

Members absent were:

Ed Granger, Vice-Chair
Senator Jay Kerttula
Senator Drue Pearce

Total editing time:	00:00:00
Created:	2003/09/03 23:59:00
Last saved:	2008/01/28 18:35:00
Company:	LAA

Filename:	D:\DTS\DTSFiles\ethics\AO 94-07.DOC

dtSearch 7.62 (x64) (7804)

Alaska State Legislature

Select Committee on
Legislative Ethics

Physical Address:
716 W. 4th Ave., Suite 230
Anchorage, AK 99510-1468
PH: (907) 269-0150
FAX: (907) 269-0152

Mailing Address:
P. O. Box 101468
Anchorage, AK
99510-1468

MINUTES from May 27, 2010
FULL COMMITTEE MEETING
Anchorage LIO, Room 220

1. **CALL THE MEETING TO ORDER:** Vice Chair Gary Turner called the meeting to order at 11:32 a.m. Roll call was taken by Joyce Anderson. Members present: Senator John Coghill, Senator Gary Stevens (attending by teleconference), Representative Les Gara (11:35 a.m.) alternate for Rep Gardner, Chair H. Conner Thomas (11:40 a.m.), Representative Craig Johnson (12:00) alternate for Rep Gatto, Gary J. Turner, Dennis (Skip) Cook, Antoinette (Toni) Mallott. Staff present: Joyce Anderson, Administrator. Absent: Herman G. Walker, Jr. Also present Brent Cole, Legal Counsel and Dan Wayne, LAA Legal Counsel (attending by teleconference).

2. **APPROVAL OF AGENDA:** Vice Chair Turner requested a motion to approve the agenda. Motion to move and approve the agenda made by Rep Johnson. No objections.

3. **APPROVAL OF MINUTES:** Sen Coghill motioned and moved to approve the minutes of the Senate Subcommittee meeting of February 17, 2010, and the Full Committee meeting minutes of February 17, 2010; no objections.

4. **PUBLIC COMMENT:** None.

5. **CHAIR/STAFF REPORT:**

   a. **Ethics disclosures:** Ms. Anderson stated that disclosures, filed between February 18th (deadline for annual disclosures) and April 18th (last day of session) will be published in the Legislative Journal at the end of June. The next publication of interim disclosures will be in January of 2011, unless deemed otherwise by House Clerk and Senate Secretary. A current list of disclosures submitted will be updated and posted on the Ethics website.
   b. There were eight late disclosures filed since the last committee meeting in February. Four were first time late filings and no fine was accessed; Rep Kawasaki, Rep Millett, Rep Stoltze and T. Bannister. The other four varied in reasons for lateness:

Rep Holmes was fined $25 for an inadvertent late filing; Sen Huggins was fined $25 for an inadvertent late filing; S. Long was fined $100 for a late filing; and Sen Dyson's late filing was waived since he had filed with APOC.

c. **Informal Advice Staff Report:** Ms. Anderson provided an explanation of the informal advice provided between November 1, 2009, and May 14, 2010. The report does not include routinely asked questions but questions involving more detailed advice. Ms. Anderson stated that the current method used in preparation of this report is tedious and time consuming. However, she is anticipating the availability of a database this summer which will simplify this task. The database is being developed by the State of Massachusetts and would be available free. Sen Coghill complemented Ms. Anderson on categorizing the report stating it was helpful to him to review advice in this manner.

6. **SECOND LEGAL OPINION:** Chair Thomas arrived at 11:40 a.m. and relieved Vice Chair Turner who was temporarily sitting in for him. Mr. Cole was not scheduled to arrive until 12Noon to present this item. Chair Thomas provided members a history of the subject and the discussions previously held leading up to this point, noting that there are members present today who were not present at prior meetings.

Chair Thomas referred members to the letter in today's meeting packet written by the Ethics Committee in response to APOC's (Alaska Public Offices Commission) request for the Ethics Committee's input concerning regulations on the subject of paid state travel and collateral campaign activity. At the time of this request, (December of 2007), APOC had no regulations in place. APOC's request is what generated the Ethics Committee to hold various discussions and ask for an advisory opinion on the subject. A draft opinion discussed at the January 2008 meeting was not approved or issued but the committee concluded there absolutely cannot be a mixing of state resources for campaigning or incidental partisan political activity. The Committee then wrote APOC stating the position of the Ethics Committee; however, no advisory opinion was ever adopted or a vote taken by the committee.

The Chair also noted that this issue comes up often, most recently, at his and Vice Chair Turner's confirmation hearings, where the House Judiciary Committee questioned both of them about the committee's advice and recommended that the Committee consider submitting a second opinion. The Chair stated that the question before them today is if they should adopt the second opinion or rely on the advice in the draft opinion written by Dan Wayne, LAA legal counsel.

The Chair asked Dan Wayne to go over his opinion and his view on Mr. Cole's second opinion. Mr. Wayne stated he reviewed Mr. Cole's opinion and indicated he did not agree with Mr. Cole's analysis. Mr. Wayne expressed that his opinion was based on **AS 24.60.030, "A legislator or legislative employee may not use public funds, utilities, equipment, services or another government asset or resource for a non-legislative purpose for involvement in or support of or opposition to partisan political activity or for the private benefit of either the legislator or legislative employee or another person."** Mr. Wayne provided the exceptions, as follows:

"This paragraph does not prohibit a) the limited use of state property and resources for personal purposes if the use does not interfere with the performance of public duty. And either the cost or value of related use is nominal or the legislator or legislative employee reimburses the state for the cost of the use." If this were the only exception, "personal use" *could* encompass campaign use or political use. But there's another exception having to do with political campaigning, which is AS 24.60.030(a)(5), and states as follows: **"A legislator or legislative employee may not use or authorize the use of state funds, facilities, equipment, services or government asset or resource",** which is similar to the first exception he read.

He further stated, for the purpose of political fundraising or campaigning, there are five exceptions: **1) this paragraph does not prohibit a) the limited use of state property and resources for personal purposes.** This reiterates the "personal use" exception. It also says it doesn't prohibit the use of mailing lists, computer data or information obtained by a government agency and available to the general public for non-legislative purposes; it doesn't prohibit the storing or maintaining election campaign records in a legislator's office, and it doesn't prohibit a legislator from using a legislator's private office in the Capitol city during a legislative session and for the 10 days immediately before and the 10 days immediately after a legislative session. Also, a legislator is not prohibited from using photographs of him or herself.

He pointed out that what we don't see in this prohibition under 24.60.030(a)(5) is an exception that allows some sort of *de minimis* or case-by-case basis political campaign usage of state resources. In his opinion, he's said that's a "blanket" prohibition. If the exception had "allowed limited use of state property and resources for political purposes or political campaign purposes, or personal purposes including political campaign use," the statute would have so stated. Mr. Wayne stated he was willing to draft something else, if the Committee determined the statute should be interpreted otherwise.

The Chair asked if there were any questions. Sen Stevens asked Mr. Wayne to comment on what the words "primary purpose" means in the second opinion. Mr. Wayne explained that in his opinion the statute does not allow for any "splitting out" or any division between a primary purpose or secondary, minimal purpose as is the case with "personal, non-legislative" use of state resources. Mr. Wayne referred Sen Stevens to Mr. Cole for an explanation.

Sen Stevens pointed out that in Mr. Cole's opinion he mentioned the difference between a legislator who represents a district in downtown Anchorage versus one in rural Alaska with multiple cities/boroughs. For example, at the end of session, when he traveled to Homer from his Kodiak residence, his purpose was to explain what transpired in session. However, since people in Homer know he's running for office in August, it is very difficult reporting what the legislature did and report nothing on the fact that he's running for office. Sen Stevens felt that although this subject needs to simplified and clear and kept as separate as you can, it was very hard to do.

Member Cook stated he initially sided with the prohibition of campaigning with the use of state funds, however, can appreciate what legislators have said and their concerns.

He suggested adopting the formula that was developed when the state owned the aircraft for state travel; that if anyone is going to use the aircraft on state business, if campaigning occurred and exceeded 10%, then the legislator would reimburse the state. When there's reimbursement, you are not using state funds. The "limit" allows someone to address a campaign related question or issue if it inadvertently or unexpectedly comes up and would address concerns brought forth by Sen Stevens.

Rep Gara stated he agreed with Sen Stevens. He emphasized the importance of the word "for". For example, did you take the trip "for" the purpose of campaigning" or "for" a legislative purpose? "For" is the key word in the statute. He felt Mr. Coles' analysis was correct. Rep Gara stated that the practical matter is that people from Anchorage have an advantage over people from Kodiak or Nome, etc., because the reality of political campaigning is the activity is more prevalent in larger cities. If you're in Nome, most of your donations are going to come from outside of Nome. He pointed out the following example: I can go to a legislative meeting during the day in Anchorage and in the evening, I can go to a campaign activity after hours; others who come here for a legislative purpose cannot attend a campaign event after hours.

Vice Chair Turner stated that discussions on this have gone on for almost three years now. He respects the opinions and input from the legislators, but as he's gone on record in the past, there is an advantage to the incumbent, especially in an election year. For example, the challenger has to pay for his/her trip to Anchorage to campaign.

Chair Thomas asked Mr. Wayne about his footnote in his opinion (Draft Opinion 07-08) **"'Although legislators and legislative employees travel to the capital city and sometimes other locations within Alaska in order to participate in legislative sessions, the committee does not consider that travel, or travel outside of the capital, to be within the scope of this opinion...."** Mr. Wayne referred the Chair to wording from the letter written by the Ethics Committee to APOC in the second to last paragraph, **"After considerable debate, the committee determined travel to and from the legislator's home district to attend a legislative session should be exempt from the requirement of allocating costs for partisan political activity."** The Chair stated that the letter to APOC was written *after* Mr. Wayne's opinion was drafted and asked if Mr. Wayne could recollect background on the reasoning for his footnote. Mr. Wayne could not recollect the revolution of the footnote but recalled the committee having a lot of discussion about it and believed at the time there was no "black and white" legal authority to say that travel to and from the session from the home district was exempt, but that as a practical matter had been considered that way and the committee adopted that exception, informally, in their letter to APOC.

The Chair introduced Mr. Cole to the floor and requested that he provide the members a quick overview of his Second Legal Opinion.

NOTE: MR BRENT COLE'S TESTIMONY WAS INAUDIBLE; PLEASE REFER TO HIS SECOND LEGAL OPINION LETTER FOR DETAILS THAT MAY NOT BE IN THE MINUTES.

Mr. Cole explained that he was an "outsider" but aware of the issues and concerns by legislators as well as the general public. He stated his opinion was written with the existing statute in mind, regardless if it does not contain the best language or does not directly address the issue. Existing law has to be followed. He stated he did not focus on one or two provisions of the statute but encompassed all of the provisions in 24.60.030. Conflict of Interest and Unethical Conduct. Mr. Cole stated his opinion contained a melding of all concerns. His solution is provided in the second paragraph of his opinion stating, **"we believe that the nature of the business rather than whether it is paid for with state resources should be the governing standard in determining whether an ethical violation has occurred. A statement signed by a legislator designating the primary nature and purpose of the business rather than whether it is paid for by state resources should suffice to govern whether or not collateral activities can or cannot occur. Violations or false statements made in this designation can be enforced pursuant to AS 24.60.030(3) If a legislator gives as his her primary or sole purpose for taking the trip as engaging in political campaigning or partisan political activity, then s/he would not be entitled to state paid travel expenses."** Mr. Cole added that AS 24.60.030(a)(3) was not considered previously. AS 24.606.030(a)(3) makes it an ethical violation for a legislator or legislative employee to **"...make a false statement in connection with a request, or application for compensation, reimbursement, or travel allowance from public funds."**

The Chair requested comments, consideration or discussion on using percentages.

TESTIMONY FROM THE CHAIR, MR. COLE AND MR. WAYNE IS INAUDIBLE. SEN STEVENS MENTIONS DIFFICULTY IN HEARING TESTIMONY. HOWEVER, SEN STEVENS IN HIS TESTIMONY COMMENTS ON THE DISCUSSION BETWEEN THE CHAIR, MR. WAYNE AND MR. COLE.

Sen Stevens believes the terms "de minimis" and/or "primary" are understandable but splitting the cost and dealing with percentages could be difficult and cumbersome. Sen Stevens also refers to page 4 of Mr. Cole's opinion, **"...the individual entrusted with approval authority is responsible for reviewing the purpose of the proposed trip..."** noting that this is another "check and balance" on the use of state funds. It is the President of the Senate and the Speaker of the House who are responsible for reviewing and examining a request for state paid travel and have the authority to question a request and in turn either approve or deny the request. Basically, legislators are under the "honor system" when it comes to a request for reimbursement for legislative travel.

DUE TO THE DIFFICULTY OF HEARING TESTIMONY, SEN STEVENS NOTIFIES THE MEMBERS HE MAY LEAVE THE MEETING. MS. ANDERSON ASKED SEN STEVENS TO NOTIFY THE CHAIR WHEN HE LEAVES.

Rep Gara recommended the members interpret the statute as presented in Mr. Cole's opinion. He stated there will be a lot of problems if we do not. He provided the following scenario in relation to attending a conference: The conference lasts 6 hours but you are normally you're up 18 hours a day which leaves the remaining 12 hours to be spent doing whatever you do on your personal time, whether you're at the movies, shopping, visiting friends, etc, it's all "personal time". However, in this instance your

"free" time is not "de minimis" to the time spent at the legislative conference. If the committee approves a rule that says, "other than de minimis use", the above example would not fit into the box. He provided another example: If you go to Washington, DC, you're going to want to see many of the attractions which may result in spending a substantial amount of your day doing non-legislative business. We cannot take a set of rules designed to prevent corruption and use them to prevent rational activity. When rural members come in for a Caucus meeting, over a period of 2-3 days, most of the time they spend here, they are not doing legislative business. The meetings end at two o'clock and afterwards, they're dining at a restaurant, etc.

Rep Gara stated he feels the whole legislative process favors the incumbent, although attempts to level the playing field are made by limiting campaign contributions and limiting fundraising activities during legislative session. If we reject Mr. Cole's opinion, the current rule disfavors the incumbent. He explained that during the AGIA special session here in Anchorage, that lasted about 30 days, he was able to campaign and go door-knocking after hours. Others who were here from out of town could not do this on their free time. He reiterated his previous statement: Were you there "for" the AGIA or were you there "for" campaigning? Additionally, he felt what we are doing is regulating someone's free time. If a fundraiser were held during the day during the AGIA session, that is a different story and the person would have violated the statute.

Mr. Cook stated the legislature approves the statutes and the committee is trying work within that framework and has been for the last three years. He feels the statutes are clear in that there is an explicit prohibition on the use of state resources for campaign related activities in that there are exceptions for personal use but no exceptions for political campaigning activity. The simplest way to fix this problem would be for the legislature to amend AS 24.60.030 and remove the prohibition on political campaigning activity or put limits on it in the statute, as was done with the Executive Branch and the state jet. Legislators and the public get upset with the Committee for trying to impose rules, but the committee is only interpreting the statutes that were passed by the legislature. He recommends fixing the statute instead of asking the Committee to interpret it. He would like to see a reimbursement formula similar to AS 39.52.120(f) in which public funds weren't being used for campaigning.

Sen Coghill stated he agreed with Member Cook. However, when a person is in the political arena, that person is always a political person. S/he will always be a policy person with a point of view of a political nature. Under Mr. Wayne's opinion a legislator is always going to be "unethical" because partisan or political activities occur all of the time. Sen Coghill believes the committee needs to address it.

Sen Coghill voiced his opinion on the power of the incumbency. He agreed with Rep Gara. In Mr. Cole's opinion, there are certain disadvantages to legislators and incumbents. He would like to see the term "primary purpose" addressed. He would like take this opinion and move forward with it even though there are questions on the definition of the term "primary". He stated he would be willing to work with Sen Stevens in defining "primary purpose". Sen Coghill also stated that if he were elected again, he would take this issue to the legislature. He felt Mr. Cole's opinion should be

adopted, even though there are questions about what is considered "primary" and he questioned whether the premise of an honor system is reasonable to move forward with.

Sen Coghill motioned that we accept Mr. Cole's legal opinion and adopt the opinion for the Ethics Committee.

Vice Chair Turner stated he had a concern with there being two different standards. One based on AS 39.52.120, with the 90/10 split, and Mr. Cole's opinion, with the term "primary purpose". He believes there will be a lot of questions on why the Executive Branch holds one set of standards and why the Legislature holds another. Mr. Cole stated that the answer would be because there is a specific statute for the Executive Branch and there is not one for the Legislative Branch. Mr. Cole further added that it is not easy to pass any legislation in regards to ethics. Having the issue brought out into the public eye may force the legislature to act. The decision today is going to create more interest, hopefully making legislators realize the legislature needs to get together and address the issue. The public is going to demand it. What's consistent with the statute and what's consistent with reality must be balanced. The difficulty with Alaska is that it's very diverse. It's not just the Republicans or Democrats, it involves urban and rural and incumbent and non-incumbent. It encompasses a lot of different interests competing, which makes this a challenge.

Rep Johnson stated if the motion is adopted, it would be much easier for Sen Coghill, Rep Gara and himself to clarify this in statute through legislation. This would be the opinion the committee would be operating under and this is the law as it stands now. He stated the statute could then be crafted to be consistent with the committee's opinion and put one of the legislative committee member's names on it. The statute would endorse what has been previously determined as unethical behavior by the committee.

The motion was brought before the members for a vote.

YEAS: Sen Stevens, Sen Coghill, Rep Johnson, Rep Gara, Toni Mallott. NAYS: Skip Cook, Gary Turner, Chair Thomas; motion passes.

7. **FY2011 BUDGET BRIEFING:**

   a. **Travel:** Ms. Anderson briefed the members that the Committee had requested an increase in travel due to the fact the travel budget has been consistently exceeded. The Committee also requested an upgrade in the Administrator position and an increase in time for the Secretary's position. The travel budget received a decrease of $2,500 for FY11, the Secretary's position changed from 50% time to 60% time with benefits, and there was no change in the Administrator position. Members were referred to a handout reflecting travel expenses for legislators. Sen Stevens stated he approves travel for senators and travel expenses should be coming out of Senate funds and not Ethics Committee funds. Ms. Anderson stated she would notify LAA Accounting of this change.

   b. **Ethics meeting with House Finance:** Vice Chair Turner provided an update to the members on his and Ms. Anderson's meetings on February 16, 2010, with House

Finance committee members regarding the Ethics budget. Here is a recap: Speaker Chenault was noncommittal. Reps Dahlstrom and Kerttula both who were favorable for a budget increase. Rep Thomas thought the requests were somewhat reasonable but was not comfortable increasing the budget. Sen Stevens was in favor of the increase. Rep Hawker first wanted to know if we had submitted our budget to the governor and if he had accepted it. Ms. Anderson stated the ethics budget has never been presented to the governor in the past and she doesn't think the committee required to do so. They were unsuccessful in meeting with Rep Stoltze after numerous attempts. Rep Gara recommended going to both the governor and legislature for budget requests.

c. **Annual Report:** Ms. Anderson proposed to the committee that an annual report be prepared to improve the visibility of Ethics Committee within the Legislature. Ms. Anderson did some research and found that other Ethics Committees have annual reports. The report would include statistics and goal planning. Ms. Anderson proposed that the report be submitted to legislators at the beginning of legislative session. Sen Coghill stated that when session starts he already has at least 50 annual reports to read through. Rep Gara cautioned against preparing a report. The most important items are already available, the rulings and the informal advice. He stated the time to prepare a report exceeds the need of additional work on the administrator's plate. Chair Thomas suggested Ms. Anderson draft a report and present it to the committee for input to see if it would be beneficial or not.

8. **LEGISLATIVE OVERSIGHT OF ETHICS COMMITTEE:** Vice Chair Turner stated he felt the Ethics Committee is becoming more politicized. The committee is experiencing budget decreases and intent language placed in the budget by the House Finance Subcommittee –Legislature, to name a few. He also noted there are no minutes or an audio recording of the finance meeting in which to review the actual comments by legislators. Also, at the February 16 meeting previously mentioned, it was evident that many legislators may have had issues with many of the Advisory Opinions the Committee has recently passed and informal advice given by the Administrator. As Member Cook mentioned earlier, the committee interprets what's in statute. Additionally, at his and Chair Thomas' confirmation hearings, they felt attacked by some House Judiciary committee members who questioned why the Committee would recommend legislative changes to statutes as well as suggesting that the Committee bend the rules as necessary to fit each fact specific situation. Vice Chair Turner also noted that the Administrator salary is not at the same salary level as her peers in similar positions and upon requesting a salary increase, it was declined again.

Based on the above reasons, Member Turner has come to the conclusion that the Committee should discuss the possibility of becoming a "Commission" like other states have done. This would mean becoming an independent state agency, much like APOC. Vice Chair Turner referred to the article in the packet where Kentucky legislators understood how difficult it could be to sit in judgment of colleagues on ethics issues, then walk out of the meeting and ask those same colleagues for support on a bill or amendment.

Vice Chair Turner, through the Chair, requested that Ms. Anderson present her research to the members. Ms. Anderson stated the difference between a Committee and a Commission is that a Committee is made up of legislators and public members and a Commission is made up of public members only. On the handout titled, "Research of Ethics Oversight Agencies", there are six states which have Legislative Ethics Committees and/or Commissions, eight states that have State Ethics Commissions, Executive and Legislative Branches under one body, and thirty three states are comprised of legislators, and the remaining three states differ from all of them.

(INAUDIBLE – MINTUES REFLECT THE RECOLLECTIONS OF MS. ANDERSON REGARDING THIS QUESTION) Sen Coghill asked Ms. Anderson if she attended any seminars at the COGEL (Council on Governmental Ethics Laws) conference in December 2009 or talked to other participants about this concept and also the subject of budget issues. Ms. Anderson responded she attended a seminar on the subject of budgets and stated other jurisdictions have had problems with their budgets when a controversial decision or decisions were made by the ethics body.

Rep Gara stated that he understood Vice Chair Turner's concern and has witnessed some of it too, where the conduct of legislators was inappropriate toward the public members of the ethics committee, but did not believe that changing the status of Committee was going to change this type of conduct. APOC is a Commission and they get just as much, if not more than the Ethics Committee. Their budget has gone up and down as well. In the end, the Legislature has to approve the budget anyway.

Vice Chair Turner indicated Member Walker was in favor of this idea as well. Vice Chair Turner had hoped this would be a way to gain a little more independence. Under a Commission, the decision on the Administrator's salary would not be influenced by a legislator who may have a difficulty with the Administrator of the Ethics Committee or the committee itself. Having worked in the University system, salary levels are determined through the HR system without political influence. Additionally, the treatment received at the confirmation hearings for public members was influenced by the decision rendered by the Ethics Committee, and not by their personal service or qualifications, which is the point of a confirmation hearing.

Members agreed to table the item for the next meeting where Member Walker would have an opportunity to participate in this discussion.

Rep Johnson did not feel changing the status of the committee would change anything. He did not believe Vice Chair Turner's example of the University system applied, due to the fact the University is part of a collective bargaining unit. Sen Coghill noted there's always room for improvement. He understood Vice Chair Turner's point, with regard to the Committee becoming politicized where this can be an advantage or disadvantage. Sen Coghill noted that he's been on a lot of boards in the past and witnessed decisions from political influence, and unfortunately, it is not an uncommon practice. Rep Johnson stated he sat through the board of Fish & Game confirmations and the political influence is very notable. He apologized if the confirmation hearing was more brutal

than it should have been. He personally appreciates the public members' service on the Ethics Committee and asked the members not to take it personally.

Ms. Anderson stated this has been a challenging year for the Ethics office. Ms. Anderson stated that APOC is now fully staffed after being understaffed for many years. They are now able to perform audits which they have not been staffed to do in the past. The same is true for the ethics office. Her position started out as 80% time and then increased to 90% and is now 100%. During that time period her workload increased. Even before the increase in time, the hours worked were close to 95% to 98%. The ethics office now has a permanent part-time staff person. Now that APOC and the Ethics office have more resources, both agencies are able to do more than just maintain the office. There is time to conduct research and be proactive instead of just reactive. For example, the office reviewed legislative candidate web sites to ensure "solicitations for contributions during a legislative session" were not listed on the web site. Quite a few legislators were notified and removed the prohibiting language. More oversight has been occurring this year than in the past and some of it has not been received very well. Ms. Anderson feels this is unfortunate. The ethics office, in being proactive, is trying to prevent a complaint from being filed against a legislator or a staff person for violating the ethics code.

Chair Thomas recognized and acknowledged testimonies before him today and recommended more follow up on this subject at the next meeting.

9. **OTHER BUSINESS**: Sen Stevens requested to speak on an issue that is not on the agenda. Chair Thomas allowed Sen Stevens to proceed. Sen Stevens stated that he feels sometimes the ethics committee/office goes beyond its responsibilities and look for things to get involved in that the committee should not. One of which has caused consternation among staff and members of the legislature is in regards to the legislature's Accomplishment Book. It is a booklet that the majority publishes every year at the end of every session. It contains detail about what transpired regarding fiscal matters and accomplished legislation. It is his understanding that Ethics staff has now stated the Accomplishment Book is a campaign issue and cannot be distributed two months before the election. He disagrees with this statement because the booklet has been published after session every year and he does not feel this is a campaign-related-item. He would like the Committee members to address this.

Chair Thomas did not know what advice was provided and asked Ms. Anderson if she could respond. Ms. Anderson stated she was aware that Accomplishment Booklets are printed every year and stated that perhaps the staff person she spoke with may have misunderstood the comments she provided. Ms. Anderson stated she had originally met with the staff person regarding another issue and then asked about the Accomplishment Booklet and how it was going to be distributed. The staff person replied that it had already been distributed by E-mail. Ms. Anderson stated she went on to explain an Ethics statute states such a booklet cannot be "mass mailed" during the 60 days before an election if the publication is "from a legislator or about a legislator." She proceeded to pointed out to Sen Stevens that she did not say the booklet could not be distributed.

Sen Stevens stated it may have been a misunderstanding but he was making it clear now that he will allow any Senator to hand out any of the booklets at any time up to the day of an election. He asked Ms. Anderson if she had any objection. Ms. Anderson replied by stating "no" to his question and explaining the statute talks about a "mass mailing" but it does not talk about handing out individual Booklets. Mass mailing means it would be mailed to a group of individuals. Sen Stevens reiterated that is not up to the Ethics office to decide whether or not a Senator can do a mass mailing of the booklet to everyone in their district at any time.

Ms. Anderson replied that she would have to research the statute further about the definition of a "mass mailing" and get back to Sen Stevens. She read AS 24.60.030(c) which states, **unless approved by the committee, during a campaign period for an election in which the legislator or legislative staff employee is a candidate, the legislator or legislative employee may not use or permit another to use state funds, other than funds to which the legislator is entitled to under 24.10.110** (which is a legislator's personal allowance account) **to print or distribute a mass mailing to individuals eligible to vote for the candidate. Campaign period begins 60 days for the date of an election."**

Sen Stevens suggest there be a legal opinion and disagreed with the interpretation. He further stated the booklet was not a campaign item and that it contained the accomplishments of the legislature. Ms. Anderson stated the committee previously issued an advisory opinion on the subject and she would pull the opinion for reference. Sen Stevens stated he was not referring to any mass mailing other than how the Accomplishment Booklet could be distributed. He stated it should be up to the legislator to determine the distribution method and not Ethics. Chair Thomas recommended Sen Stevens request formal advice or a legal opinion. Sen Stevens stated he did not want a legal opinion and reiterated that he believed the Accomplishment Booklet could be published and distributed any way a legislator wanted.

Rep Gara requested a re-visit to an existing opinion regarding a link on a campaign web site that would take the viewer to a legislative website. He stated APOC had referred him to the Ethics office as they thought Ethics had a ruling on this topic. Ms. Anderson stated that APOC is the deciding authority on what can and cannot be on a Campaign website, not the Ethics Committee. She will forward a copy of her paperwork on this issue to Rep Gara.

10. **ADJOURN**: Member Turner made a motion to adjourn the meeting at 2:00 p.m

Alaska State Legislature

Select Committee on
Legislative Ethics

Physical Address:
716 W. 4th Ave., Suite 230
Anchorage, AK 99510-1468
PH: (907) 269-0150
FAX: (907) 269-0152

Mailing Address:
P. O. Box 101468
Anchorage, AK
99510-1468

MINUTES from June 16, 2010
FULL COMMITTEE MEETING
Anchorage LIO, Room 550

1. **CALL THE MEETING TO ORDER:** Chair Conner Thomas called the meeting to order at 12:05 p.m. Members present: Senator John Coghill, (via teleconference), Senator Gary Stevens, Representative Les Gara, (alternate for Rep Gardner), Representative Carl Gatto, Gary J. Turner, Dennis (Skip) Cook, Herman G. Walker, Jr., Antoinette (Toni) Mallott. Staff present: Joyce Anderson, Administrator. Also present: Brent Cole, Legal Counsel and Dan Wayne, LAA Legal Counsel (via teleconference).

2. **APPROVAL OF AGENDA:** Chair Thomas asked if there were any objections to the proposed agenda and hearing none, the agenda was approved.

3. **APPROVAL OF MINUTES:** Vice Chair Turner requested the word "almost" be inserted on page 4, third paragraph, first sentence, before "three years now". Member Walker made a motion to approve the minutes as amended. No objections.

4. **PUBLIC COMMENT:** Representative Craig Johnson stated he served as an alternate for Rep Gatto at the May 27th Ethics Committee meeting and wanted to clarify his position on the subject of legislative travel and campaign activity on the same trip. He did not believe it was a violation to have a conversation with a constituent on campaigning in a super market while traveling on state business. He did feel it would not be appropriate to schedule a state paid trip and a fundraiser at the same time. He further stated he believed there needed to be a balance between these two activities but questioned whether the Ethics Committee had the ability to do this within the structure of the law. Rep Johnson wanted the Committee to know for the record that he did not agree with what he and the Committee approved at the last meeting.

5. **CHAIR/STAFF REPORT:** Ms. Anderson informed the committee the NCSL's State Legislatures magazine, June edition, had published an article about 25 innovative web sites. The searchable database of more than 100 advisory opinions from 1984 to the present on our website was showcased. The article also mentioned disclosures could be filed online.

Ms. Anderson also informed the committee that she recently learned the audio from our Ethics Committee meetings were not available to the public and requested the Committee consider making them available, like other interim committees, on BASIS. The Committee determined the audios should be on BASIS. Sen Coghill suggested BASIS and the Ethics website be linked as well.

6. **REVIEW OF ACTION TAKEN AT MAY 27, 2010 MEETING - STATE PAID TRAVEL AND COLLATERAL CAMPAIGN ACTIVITIES:** Chair Thomas reminded members an advisory opinion was approved at the May 27 meeting authorizing collateral campaign activities when on a state paid trip as long as the trip was primarily for legislative business. The results were: YES: 5; NO: 3; with one member absent. A couple of days later, Rep Gara, who voted yes, requested reconsideration of his vote. (See his request via E-mail in meeting packet.)

Chair Thomas stated it was his role as chair to decide if the request was timely. Because the advisory opinion had already been made public, including notification to the Press, and advice had already been given out based on the opinion; he ruled the request was not timely. He stated he asked Ms. Anderson to contact each Committee member to see if there was any interest in rescinding the opinion. Several members expressed their interest in discussing this item further and possibly rescinding the advisory opinion.

Chair Thomas indicated if there was a motion today to rescind the committee's previous action and it passed, the item would be put on the table for discussion. Rep Gara made a motion to rescind the action taken by the Ethics Committee on May 27, 2010.

Discussion on State Paid Travel and Collateral Campaign Activities: Chair Thomas reminded members the Committee did not have the authority to set policy but only interpret the Legislative Ethics Act. The Chair gave the floor to Rep Gara to allow him the opportunity to explain his request to rescind and present his recommendations.

> Rep Gara summarized the E-mail he sent to members: We were given two options at the last meeting; one prepared by Mr. Brent Cole, outside legal counsel, and the other prepared by Mr. Dan Wayne, LAA Legal Counsel. He stated Mr. Cole's opinion was flawed in that campaign fundraising activities were permitted and Mr. Wayne's opinion was also flawed by banning of legitimate, free speech.

Rep Gara recommended accepting Mr. Cole's opinion focusing on the "primary purpose" rule and adding a statement indicating, **"fundraising on a state-paid trip can create the appearance of impropriety."**

The Chair asked Mr. Wayne if the Committee has the authority to make the type of modification Rep Gara is recommending and to also give his legal opinion on the freedom of speech issue. Mr. Wayne stated the Committee has the authority to interpret the statute based on the facts of the question and statutory language. He stated he understood Rep Gara's concerns.

Mr. Wayne pointed out in his updated opinion that if the political activity the person is engaged in is made possible by the use of state resources, and then s/he should not engage in it. The opinion included relevant examples. However, Mr. Wayne concluded the subject matter can be complicated and it would not be difficult to think of unusual conundrums that people could run into.

Sen Stevens agreed this issue was complicated and suggested the committee make it simple and clear for legislators to know when they are in violation and when they are not. He questioned if the legislature should be working this issue, not the Committee.

Member Walker stated that he understood the merit of Sen Stevens' position and Rep Gara's and believes this should be a legislative fix. The public members have been in favor of a legislative fix from the start. He stated there needs to be a balance between urban and rural legislators with the way the state is laid out. The balance should not be determined by this Committee.

Member Cook concurred with Member Walker stating he felt the Legislature should fix this issue, not the Committee. There are problems with both opinions but ultimately it's the statute that is the problem and needs to be addressed. He felt the statute was too absolute in that campaigning is prohibited and there are no exceptions, whatsoever. There are exceptions for everything else. If the Legislature can come up with a quick fix to the state jet issue (Administrator's Note: When this issue came to light, legislation was passed to address it the next legislative session), then they can fix and corrected this situation as well. Member Cook believes the Legislature does not want to loosen up the rules; they want the Ethics Committee to do it for them. As a member of the Committee, he is not willing to do what the Legislature should be doing. The Legislature passed the statute, let the Legislature fix it.

Member Mallott stated she was under the impression from the May 27 minutes that Sen Coghill was going to take this issue to the Legislature for review. Member Mallott also brought up a very common scenario that could occur while a legislator was visiting a village on state business. If a legislator declined an invitation to a potluck to discuss campaign issues, the legislator would be insulting the village and community. Potlucks are a common event in small villages.

Chair Thomas redirected the discussion and requested Mr. Cole to address Rep Gara's concerns before addressing Member Mallott's comments.

Mr. Cole stated it was not uncommon for a statute to be rewritten. He also stated it was not unusual to have two or three interpretations relating to the same statute. Legislators need guidance and he felt Mr. Wayne's interpretation allows for too many limitations for legislators while they are traveling on state business. He did not feel his opinion was "extreme", as some members had stated. He stated if legislators are on a state paid trip to a village, the legislator should be able to communicate with the people there on all facets.

Chair Thomas asked Mr. Cole if the Committee has the authority to revise the opinion as Rep Gara suggested. Mr. Cole stated he believed the Committee has the authority. It would first require rescinding the advisory opinion which has already been approved and then rewriting certain sections as the committee directed. However, he did not agree with Rep Gara's recommendation of prohibiting fundraising only.

Sen Stevens agreed with Mr. Cole's comment that legislators need guidance and it needs to be clear. If a legislator files paperwork to attend a meeting and states the meeting is the primary purpose of the trip, and he approves it as Senate President, and the legislator also attends a campaign fundraising event for himself or herself while on the trip, anyone can file a complaint saying that was not the primary purpose of the trip. In his opinion, it is obvious and clear to him that this person violated the ethics code.

Rep Gara agreed the issue is clarity. He did not agree with Mr. Wayne's opinion since it banned free speech. Rep Gara also stated he agreed that this was the Legislature's job but it was not realistic to expect it to pass. From past experience, even with the best intentions, it is difficult to pass a bill. That is why it is important to come up with something now; a rule that honors the statute but isn't unreasonable or with unintended circumstances.

Rep Gara stated Mr. Cole's opinion makes sense but liked the idea that the Ethics Committee could bar things that raise the appearance of impropriety. Chair Thomas added the Committee has in the past deemed the appearance of impropriety was not in and of itself an ethics code violation.

Mr. Cole stated he did not see how you could say fundraising raises the appearance of impropriety but then allows other candidate campaign activities. In his opinion all campaign activities raise the appearance of impropriety.

Rep Gatto agreed leeway was important but finding the right language was a difficult task. What a legislator might see and what another perceives as proper or improper can be very different.

Chair Thomas believed it boils down to the purpose of the trip; i.e., the specific set of circumstances. He does not believe they can come up with any rule that can guarantee a complaint won't ever be filed.

Sen Stevens stated that he was invited to attend two fundraisers the night before, which he did not attend, but questioned if the Committee was referring to personal fundraisers for the legislators on the state paid trip or any fundraiser. Mr. Wayne indicated there is another opinion on this subject. He believes the statute reads whether you are helping someone else raise money for their campaign or raising money for your campaign, it's all considered fundraising. This would include the situation where your name is listed on an invitation to a fundraiser. Mr. Wayne offered to look up the opinion and provide additional information. Sen Stevens then questioned if it included attending fundraisers for other candidates, such as a fundraiser for Sen Murkowski or President Obama. Member Cook stated the statute reads, "no partisan political activity", which includes all

levels of partisan political activity. Member Cook indicated that's the problem with the statute; it's very broad. Sen Stevens stated the words "primary purpose" definitely clarifies things for him and that he preferred the term.

Chair Thomas stated that there was a motion on the floor and asked each member to voice their opinion before taking a vote.

- Member Cook stated the Legislature should make the policy call through legislation.

- Sen Coghill stated he preferred Mr. Cole's opinion in that the term "primary purpose" was defined and was against rescinding the opinion.

- Rep Gara stated he would like a rule that meets the public's expectations – when on a state paid trip you are not going to a fundraiser on the same trip. He clarified the prohibition doesn't mean you shouldn't be able to talk to a voter or the press while on that trip. He is against the approved opinion and hopes the Committee comes up with a rational rule.

- *MEMBER MALLOTT'S COMMENTS WERE INAUDIBLE.*

- Member Walker had no comment at this time.

- Sen Stevens stated he was against rescinding the opinion without replacing it with something else. He believes in the honor system; i.e., signing paperwork that states the primary purpose of a trip is for legislative business. He believes the committee is delving in dangerous territory in that we are close to writing legislation which is not the Committee's job.

- Rep Gatto stated he was against rescinding the opinion.

- Chair Thomas agreed with Member Cook. The Legislature was clear when they wrote the current legislation. No state resources can be used for campaigning. He also agrees that the prohibition does not mean a legislator cannot talk on the phone about campaign issues. But he stated there are no exceptions in the current statute for the use of state resources and that is a concern that has been voiced by many members. He stated the Legislature should be addressing this issue. Chair Thomas explained that in August of 2008 the Ethics Committee's letter to APOC is what generated this discussion. There was an opinion drafted but never adopted. The Committee maintained its position that there were no exceptions in the statute.

Sen Stevens voiced concern and frustration over rescinding Mr. Cole's opinion due to the fact Legislators had been notified of the opinion and received advice based on the opinion and now the opinion may be rescinded today.

Chair Thomas agreed that it is frustrating to him as well, but if the current opinion is rescinded today and no other opinion is approved, the recommended advice to legislators and staff would be what was in place prior to adopting Mr. Cole's opinion in May. The advice provided after the May 27 opinion was adopted would stand and action taken by legislators and staff during the period the opinion was in force would not be in violation of the Act.

Chair Thomas asked Ms. Anderson to take a roll call vote. YEAS: Skip Cook, Rep Gara, Toni Mallott, Gary Turner, Herman Walker, Jr., Chair Thomas, NAYS: Sen Coghill, Rep Gatto, Sen Stevens. Motion to rescind the committee's May 27 action passes.

Chair Thomas suggested the members break for 10 minutes to review Mr. Wayne's advisory opinion.

Sen Stevens recommended legislators be notified immediately that Mr. Cole's advisory opinion was rescinded today. Ms. Anderson stated she would send out an "All Users" e-mail ASAP.

(Herman Walker leaves the meeting and does not return.)

1:40 p.m. - Members reconvened.

Mr. Wayne presented a revised draft of the 2008 advisory opinion not approved by the committee. He explained that he reviewed previous discussion on this subject and incorporated some of the examples in this opinion. He clarified his drafted opinion was to assist the Committee and not to advocate for any particular policy. The Committee can accept it, modify it or reject it.

(Sen Stevens temporarily leaves the meeting.)

Mr. Wayne proceeded to point out the changes he made from his first draft opinion. He changed the wording from "legislative resources" to "state resources" throughout the opinion to be consistent with the term used in statute. The examples will aid in understanding where the Committee might "draw the line". The long paragraph on page three is new and addresses the interpretation of the two prohibitions in statute in regard to legislators and staff traveling to and from legislative sessions. There was some discussion at previous meetings in relation to the term "incidental" and the long paragraph on page 3 and page 4 covers those concerns. The second paragraph on page 5 covers "inadvertent" campaign activity that many members voiced concerns about; for example, if you're approached by a constituent in the super market with a campaign related issue while traveling on a state paid business trip.

(Sen Stevens returns to the meeting.)

Sen Stevens requested a definition of the terms "political fundraising", "campaigning" and "partisan political activity". Mr. Wayne provided Sen Stevens some examples but explained there were no definitions in statute. Mr. Wayne indicated there are the

obvious examples of when you are campaigning, but there are also gray areas which may be more obvious or less obvious to some and fall subject to interpretation.

Rep Gara requested clarification regarding phone calls and a scenario during a month long special session. What if a legislator received a call from the press stating your opponent has accused you of doing something you did not and you feel you need to address it immediately, and you do, are you engaging in "political activity". Mr. Wayne stated he would have to know the facts of the subject matter that was before the press. Without the facts, he could not answer the question.

Vice Chair Turner commented that APOC also did not have definitions on these three terms. They have said it would greatly help them if there were definitions. He also commented that he did not fully agree with any of the options today and reminded the members there was still the option to adopt the Executive Branch's method, which was prompted by the use of the executive airplane by a sitting governor, such as portioning the expense out.

Members discussed what the next step should be. Rep Gara stated he could agree with members if the consensus was more discussion and more work on the issue. However, he was concerned about what was to be the rule in the meantime. He offered taking it to the Legislature, but felt time was of the essence. He felt that a ruling should be made today and requested feedback from members on his recommendation of adopting Mr. Cole's opinion with the exception of fundraising.

Sen Coghill indicated the pressing concerns were definitions, the freedom of speech issue, and when impropriety of fundraising occurs. He feels the Committee wants a rule that is "prescriptive" rather than something they can use as a guide. For example, the members want to be able to tell people when it is okay to fundraise rather than what is the impropriety in mixing legislative work with campaign work. He felt this was discussion for the Legislature, as was defining terms. He agreed that the statute was too narrow, but the Committee has been pretty clear about what an impropriety might look like. He voiced it was not impossible to get things passed in the Legislature it just takes tenacity. He felt the statute is what it is but there is also a record of the numerous discussions held on this issue and minutes available to the public that shows why the impasse is so difficult to navigate.

Members discussed the next step. Legislators asked what advice the Ethics office will be giving to legislators. Chair Thomas replied that the Committee will stand behind what the statute says and the position outlined in the committee's letter to APOC.

Rep Gara made a motion to accept Mr. Cole's opinion with the exception of fundraising, reiterating that he felt a rule needed to be in place today. If a ruling was not made today, he felt what could happen is that a complaint will be filed and then the Committee will be forced to come up with a rule. He disagrees with this practice.

The Chair disagreed with Rep Gara in that the Committee has already taken a position. The position the Committee has taken is outlined in the letter to APOC. What the Committee has not done is adopt an advisory opinion.

All members agreed there should not be a vote without Member Walker's presence. Rep Gara withdrew his motion.

Members reviewed the August 19, 2008 letter to APOC. Rep Gara noted that the freedom of speech issues continue to be a problem.

Chair Thomas concluded that the item today will be tabled for the next Committee meeting.

7. **ADJOURN**: Member Cook moved to adjourn the meeting at approximately 2:30 p.m. No objections.

6.731 General standards of conduct -- Penalties.

A legislator, by himself or through others, shall not intentionally:

(1) Use or attempt to use his influence as a member of the General Assembly in any matter which involves a substantial conflict between his personal interest and his duties in the public interest. Violation of this subsection is a Class A misdemeanor;

(2) Use his official position or office to obtain financial gain for himself, any members of the legislator's family, or a business associate of the legislator. Violation of this subsection is a Class D felony;

(3) Use or attempt to use his official position to secure or create privileges, exemptions, advantages, or treatment for himself or others in direct contravention of the public interest at large. Violation of this subsection is a Class A misdemeanor;

(4) Use public funds, time, or personnel for his private gain or that of another, unless the use is authorized by law. Violation of this subsection is a Class A misdemeanor;

(5) Use public funds, time, or personnel for partisan political campaign activity, unless the use is:

(a) Authorized by law; or

(b) Properly incidental to another activity required or authorized by law, such as elections to constitutional or party offices within the General Assembly. Violation of this subsection is a Class A misdemeanor;

(6) Use his official legislative stationery, or a facsimile thereof, to solicit a vote or a contribution for his or another person's campaign for election or reelection to public office, or use the great seal of the Commonwealth on his campaign stationery or campaign literature. For purposes of this subsection, "official legislative stationery" means the stationery used by a legislator on a day-to-day basis for correspondence related to his duties as a member of the General Assembly. Violation of this subsection is ethical misconduct.

(7) While in the discharge of the duties of his office, become intoxicated by the use of spiritous, vinous, or malt liquors, or any controlled substance, as defined in KRS 218A.010. Any legislator who is unable, incompetent, or disqualified to discharge any of the duties of his office because of the use of spiritous, vinous, or malt liquors, or any controlled substance, as defined in KRS 218A.010, shall be deemed to have violated this subsection. Violation of this subsection is ethical misconduct.

Effective: September 16, 1993

History: Amended 1993 (1st Extra. Sess.) Ky. Acts ch. 4, sec. 6, effective September 16, 1993. -- Amended 1988 Ky. Acts ch. 420, sec. 1, effective July 15, 1988. -- Created 1976 Ky. Acts ch. 262, sec. 6.

Formerly codified as KRS 6.775.

Montana Code Annotated 2009

2-2-121. Rules of conduct for public officers and public employees. (1) Proof of commission of any act enumerated in subsection (2) is proof that the actor has breached a public duty.

(2) A public officer or a public employee may not:

(a) subject to subsection (7), use public time, facilities, equipment, supplies, personnel, or funds for the officer's or employee's private business purposes;

(b) engage in a substantial financial transaction for the officer's or employee's private business purposes with a person whom the officer or employee inspects or supervises in the course of official duties;

(c) assist any person for a fee or other compensation in obtaining a contract, claim, license, or other economic benefit from the officer's or employee's agency;

(d) assist any person for a contingent fee in obtaining a contract, claim, license, or other economic benefit from any agency;

(e) perform an official act directly and substantially affecting to its economic benefit a business or other undertaking in which the officer or employee either has a substantial financial interest or is engaged as counsel, consultant, representative, or agent; or

(f) solicit or accept employment, or engage in negotiations or meetings to consider employment, with a person whom the officer or employee regulates in the course of official duties without first giving written notification to the officer's or employee's supervisor and department director.

(3) (a) Except as provided in subsection (3)(b), a public officer or public employee may not use public time, facilities, equipment, supplies, personnel, or funds to solicit support for or opposition to any political committee, the nomination or election of any person to public office, or the passage of a ballot issue unless the use is:

(i) authorized by law; or

(ii) properly incidental to another activity required or authorized by law, such as the function of an elected public officer, the officer's staff, or the legislative staff in the normal course of duties.

(b) As used in this subsection (3), "properly incidental to another activity required or authorized by law" does not include any activities related to solicitation of support for or opposition to the nomination or election of a person to public office or political committees organized to support or oppose a candidate or candidates for public office. **With respect to ballot issues, properly incidental activities are restricted to:**

(i) the activities of a public officer, the public officer's staff, or legislative staff related to **determining the impact of passage or failure of a ballot issue on state or local government operations**;

(ii) in the case of a school district, as defined in Title 20, chapter 6, compliance with the requirements of law governing public meetings of the local board of trustees, including the resulting dissemination of information by a board of trustees or a school superintendent or a

designated employee in a district with no superintendent in support of or opposition to a bond issue or levy submitted to the electors. **Public funds may not be expended for any form of commercial advertising in support of or opposition to a bond issue or levy submitted to the electors.**

(c) This subsection (3) is not intended to restrict the right of a public officer or public employee to express personal political views.

(4) A candidate, as defined in 13-1-101(6)(a), may not use or permit the use of state funds for any advertisement or public service announcement in a newspaper, on radio, or on television that contains the candidate's name, picture, or voice except in the case of a state or national emergency and then only if the announcement is reasonably necessary to the candidate's official functions.

(5) A public officer or public employee may not participate in a proceeding when an organization, other than an organization or association of local government officials, of which the public officer or public employee is an officer or director is:

(a) involved in a proceeding before the employing agency that is within the scope of the public officer's or public employee's job duties; or

(b) attempting to influence a local, state, or federal proceeding in which the public officer or public employee represents the state or local government.

(6) A public officer or public employee may not engage in any activity, including lobbying, as defined in 5-7-102, on behalf of an organization, other than an organization or association of local government officials, of which the public officer or public employee is a member while performing the public officer's or public employee's job duties. The provisions of this subsection do not prohibit a public officer or public employee from performing charitable fundraising activities if approved by the public officer's or public employee's supervisor or authorized by law.

(7) A listing by a public officer or a public employee in the electronic directory provided for in 30-17-101 of any product created outside of work in a public agency is not in violation of subsection (2)(a) of this section. The public officer or public employee may not make arrangements for the listing in the electronic directory during work hours.

(8) A department head or a member of a quasi-judicial or rulemaking board may perform an official act notwithstanding the provisions of subsection (2)(e) if participation is necessary to the administration of a statute and if the person complies with the disclosure procedures under 2-2-131.

(9) Subsection (2)(d) does not apply to a member of a board, commission, council, or committee unless the member is also a full-time public employee.

(10) Subsections (2)(b) and (2)(e) do not prevent a member of the governing body of a local government from performing an official act when the member's participation is necessary to obtain a quorum or to otherwise enable the body to act. The member shall disclose the interest creating the appearance of impropriety prior to performing the official act.

History: En. 59-1706 by Sec. 6, Ch. 569, L. 1977; R.C.M. 1947, 59-1706; amd. Sec. 1, Ch. 59, L. 1991; amd. Sec. 7, Ch. 562, L. 1995; amd. Sec. 3, Ch. 42, L. 1997; amd. Sec. 3, Ch. 122, L. 2001; amd. Sec. 1, Ch. 58, L. 2003; amd. Sec. 1, Ch. 145, L. 2005; amd. Sec. 3, Ch. 173, L. 2005; amd. Sec. 1, Ch. 437, L. 2005.

Provided by Montana Legislative Services

ALASKA STATE HOUSE OF REPRESENTATIVES

Interim Address:
3340 Badger Road
North Pole, AK 99705
(907)-488-5725
Fax# (907)-488-4271

Session Contact:
(907)-465-3719
FAX# (907)-465-3258
State Capitol
Room 204

REPRESENTATIVE JOHN COGHILL

Sectional Version D

Senate Bill 89 Ethic Amendments

Section 1. Replaces "lawful gratuity" with the word "gift"; and adds new language allowing compassionate gifts. This section also allows a legislator to use his or her legislative mailing list for nonlegislative purposes.

Section 2. Draws a bright line for legislators and legislative employee to follow for assisting constituents with problems they encounter with state agencies. Once an issue has been appealed to an administrative hearing officer, the legislator or legislative employee may no longer make contact with the agency, unless the person is licensed in the state for such representation and the income from that representation is reported under AS 24.60.100. This section protects a legislator or legislative employee from inadvertent ex parte contact and allows contact if the legislator or legislative employee is a party or witness to the matter.

Section 3. This provision establishes a clear distinction as to when a legislator or legislative employee can participate in partisan activities and not be engaging in a prohibited conduct.

Section 4. This provision establishes a clear distinction as to when a legislator or legislative employee can participate in partisan activities that involve fundraising.

Section 5. This provision establishes how information that is not exempt from disclosure by a legislator or legislative employee will be retained and disclosed.

Section 6. Adds public members of the Select Committee on Legislative Ethics to the statute that prohibits disclosure of confidential information.

Section 7. Clarifies that a legislator or legislative employee may accept tickets for a Legislative Council sanctioned charity event or a gift from a sanctioned charity event from a lobbyist as long as it does not exceed $250.00 in value.

Section 8. Clarifies that persons who are not lobbyists can give a ticket or a gift in connection with a charitable event sanctioned by the Legislative Council to a legislator or legislative employee that has a value of less than $250.00. However, the recipient of the ticket must disclose to the Select Committee on Legislative Ethics the value of the ticket that exceeds the $250.00 limit. Extends the reporting period to 60 days.

Section 9. Clarifies that if a legislator or legislative employee accepts tickets or a gift in connection with a charity event with a value of $250 or more must be reported within 60 days.

Section 10. Allows exceptions from filing a disclosure if it would violate the United States Constitution, the Constitution of the State of Alaska, or any other state or federal law.

Section 11. Requires legislative volunteers and educational trainees to complete the legislative ethics class.

Section 12. Adds alternate members to disqualification provisions.

Section 13. If both members are disqualified, the presiding officer may appoint another member.

Section 14. Completely rewrites the section for alternate members. Allows House Speaker, Senate President, and Chief Justice to appoint alternate members. If those members are disqualified all three can appoint an alternate to the alternate.

Section 15. Adds legislative volunteer and educational trainee to the statue that requires people to complete the legislative ethics course.

Section 16. Defines legislative employee.

Section 17. Defines state travel.

Section 18. Repeals that section of law that Section 14 replaces dealing with alternate members of the Select Committee on Legislative Ethics.

ALASKA STATE LEGISLATURE

SENATOR JOHN COGHILL

State Capitol, Room 504, Juneau, AK 99801-1182 (907) 465-3719
3340 Badger Road Suite #290, North Pole, AK 99705 (907) 488-5725

SUMMARY OF CHANGES IN CSSB 89 (27-LS0452\D)

Page 6, line 4, after "(a)(2)"; language is added to include subsection (a)(3) to clarify that limitations include (a)(2) – (a)(4); not (a)(2) and (a)(4). **(Sec. 3)**

Page 6, line 21; after "campaign activity," **during the state travel** has been added to make language consistent with language in section 3. **(Sec. 4)**

Page 7, line 7; AS 24.60.050, **State Programs and Loans**, is amended to eliminate a requirement for the Ethics Committee to compile a list of loans and programs to submit to presiding officers, but rather requires them to maintain disclosures as public record and submit disclosures to presiding officers of legislature. **(Sec. 5)**

Page 8, lines 8 – 16; this subsection was rewritten to make it very clear a charity event ticket or charitable event gift may be received from a lobbyist, immediate family member, or a person acting on behalf of a lobbyist, but the gift cannot be valued at more than $250 and it must be reported. **(Sec. 7)**

The new version deleted sections 9 and 10 of the original bill which extended deadlines for filing of disclosures for service on boards and commissions, interest in state contracts, participation in state loans, close economic associations, and representation of someone, as well as, other disclosures, from 30 days to 60 days. Under the new CS, the only disclosures extended to sixty days are reporting of gifts from a charitable event including tickets and gifts of travel for educational purposes.

Page 11, line 27; adds legislative volunteers or education trainees to the persons required to take the ethics class. **(Sec. 11)**

Page 12, line 10, (Section 12 of SB 89) AS 24.60.130(n) is repealed on page 14, line 30. It is reenacted under Sec 14 of Version D on page 12, line 30 - page 14, line 6. **(Sec. 18)**

Page 12, line 12; deletes reference to repealed AS 24.60.130(n) and adds reference to new section AS 24.60.131 to subsection (o). **(Sec. 13)**

Page 12, line 30 – page 14, line 6; new section that consolidates the appointment of alternate members by the legislature and the Alaska Supreme Court and the method of disqualification of regular members of the committee and appointing alternate members. **(Sec. 14)**

Page 14, line 7 – 17; added legislative volunteer and educational trainee to the statute establishing the legislative ethics course. **(Sec. 15)**

Page 14, lines 18 – 26; amends the statutory definition for "legislative employee", to exclude hourly employees from ethics training, eliminating the specific listing of job positions. **(Sec. 16)**

Rynnieva Moss

From: Joyce Anderson
Sent: Thursday, March 03, 2011 10:10 AM
To: Rynnieva Moss
Subject: RE: Senate State Affairs Mtg

Importance: High

Skip Cook or one of the other public members from the committee will be available to testify. They are very well versed on the travel issue and the other sections of the bill. As a matter of fact, they may carry more weight with Sen Wielechowski and other committee members.

I would go ahead and schedule the bill for Thurs, March 17, since Sen Wielechowski has already agreed to hear it that week. He may change his mind for any number of reasons. There will be more hearings.

Let me know if it is scheduled and I will have Skip Cook mark that date on his calendar so he doesn't schedule another meeting.

Joyce
Joyce Anderson, Administrator
Select Committee on Legislative Ethics
269-0150

From: Rynnieva Moss
Sent: Wednesday, March 02, 2011 4:12 PM
To: Joyce Anderson
Subject: RE: Senate State Affairs Mtg

Michelle said the redistricting board is presenting on the 15th.

From: Joyce Anderson
Sent: Wednesday, March 02, 2011 10:19 AM
To: Rynnieva Moss
Subject: Senate State Affairs Mtg

Rynnieva:

I talked to Michelle in Sen Wielechowski's office before I left Juneau yesterday and she told me the same information that you relayed to me that the bill will probably be scheduled for the week of March 14.

Just wanted to let you know that I will not be available to testify for a State Affairs meeting on Thurs that week. I was wondering if Sen Wielechowski could schedule SB 89 for Tues, March 15.

Let me know. Thanks.

If you think I should call Michelle, let me know.

Joyce Anderson
Administrator, Select Committee on Legislative Ethics

P.O. Box 101468
Anchorage AK 99510-1468
(907) 269-0150
Fax: 269-0152
Email: Joyce_Anderson@legis.state.ak.us
Web Site: http://ethics.legis.state.ak.us

ALASKA STATE HOUSE OF REPRESENTATIVES

Contact:
Interim Address:
3340 Badger Road
North Pole, AK 99705
(907)-488-5725
Fax# (907)-488-4271

Session

(907)-465-3719
FAX# (907)-465-3258
State Capitol
Room 204

SENATOR JOHN COGHILL

Senate Bill 89 Legislative Ethics Amendments
Sponsor Statement

This bill is a product of discussions by the Select Committee of Legislative Ethics over the past couple of years.

First the bill makes a couple of housekeeping amendment. It adds reference to the compassionate gifts statute to AS 24.60.030(a) as an exception to "Prohibited conduct and conflicts of interest. It also places in statute an allowance of use of legislative mailing lists for campaign purposes.

Two amendments requested by the committee address tickets to charity events and disclosure of gifts of tickets for charitable events that have a value of more than $250.00. They allow persons who are not lobbyists to give a gift of a ticket to a charitable event sanctioned by the Legislative Council to a legislator or legislative employee that has a value of more than $250.00. However, the recipient of the ticket must disclose to the Select Committee on Legislative Ethics the value of the ticket that exceeds the $250.00 limit. The bill clarifies that lobbyists, immediate family members of lobbyists, or persons acting on behalf of a lobbyist may not exceed the $250 limit.

The bill also draws a bright line for legislators and legislative staff to follow for assisting constituents with problems they encounter with state agencies. Once an issue has been appealed to an administrative hearing officer, the legislator or legislative staffer may no longer make contacts with the agency, unless that person is a licensed professional to represent a person in such a proceeding and is being compensated for that representation.

After over three years of discussion this bill is a first attempt to set standards by which a legislator or a legislative staffed can participate in a partisan activity or a campaign fundraiser.

The bill adds public members of the ethics committee to the statute prohibiting members from knowingly making unauthorized disclosure of confidential information.

The committee recommended a statute that would allow an alternate member of the ethics committee who participates in the beginning of a proceeding to participate in the entire proceeding. The Chief Justice of the Alaska Supreme Court would also be required to appoint an alternate.

The bill clarifies that disclosures prohibited by state and federal confidentiality laws are not required by the Select Committee on Legislative Ethics.

ALASKA STATE LEGISLATURE

SENATOR JOHN COGHILL

State Capitol, Room 504, Juneau, AK 99801-1182 (907) 465-3719
3340 Badger Road Suite #290, North Pole, AK 99705 (907) 488-5725

MEMORANDUM

Date: March 8, 2011

To: Senator Bill Wielechowski, Chairman
Senate State Affairs Committee

From: Senator John Coghill

Re: Senate Bill 89 Legislative Ethics

I respectfully request a hearing on SB 89 An Act clarifying legislative ethics statutes. I am attaching the back up for the hearing and looking forward to presenting it to the Senate State Affairs Committee.

Thanks for your consideration.

Summary of Version T

Sec. 1. **Replaces** "lawful gratuity" with **"gift"** to make section of law consistent with the usage of "gift".

Sec. 2. **Bright line** for legislators or staff being actively involved in constituent problems with the State. Exception of lawyers and provision for inadvertent exparte contact.

Sec. 3. **Eliminates requirement** of committee to **compile lists of financial disclosure** statements. They must only maintain public records and forward them to chief clerk and senate secretary.

Sec. 4. **Adds public members** to statute **prohibiting disclosure of confidential information.**

Sec. 5. Clarifies that a **ticket to a charity event from a lobbyist**, or gifts received because of the ticket from a lobbyist **cannot exceed $250**.

Sec. 6. **Further describes "a contribution to a charity event"** by clarifying it could be a ticket to a charity event or a gift in connection with a charity event.

Sec. 7. **Extend the reporting period** for gifts of travel for the purpose of obtaining information on legislative matters and disclosure of gifts from charitable events **from 30 days to 60 days.**

Sec. 8. **Allows for exceptions from disclosure** under the legislative ethics law **if** it would be in **violation of the state or federal constitution or state or federal law**. A written request with justification must be submitted to the committee.

Sec. 9. Requires anyone who is a **volunteer or educational trainee for more than 30 days to take the ethics training**.

Sec. 10. Adds cite for new section on Alternate Members to statute describing the committee, its structure and its duties.

Sec. 11. Adds cite for new section on Alternate Members to statute describing the committee, its structure and its duties.

Sec. 12. This is a **new section describing the process for appointing alternates.** The section adds a **new provision that provides for the Chief Justice to appoint an alternate public member.**

Sec. 13. **Adds legislative volunteers and educational trainees** who are in that capacity for **more than 30 days** to the statute requiring the Legislative ethics course.

Sec. 14. **Redefines** legislative employee.

Sec. 15. **Repeals** old statute describing the process for appointing alternates.

SB 89: Version T
Explanation of Changes

The committee substitute to SB 89 (version T) makes four changes to the bill:

1) It removes provisions allowing a legislator to use his/her legislative mailing list for campaign purposes.

    - On page 3 of version E, lines 3-4: deleted the underlined text

    - On page 4 of version E, lines 26-27: deleted the underlined text

2) It removes the provision allowing a legislator or legislative employee to campaign or participate in partisan activities while on state travel.

    - On page 6 of version E, deleted sections 3 and 4

3) It adds a provision stipulating that a legislator or legislative employee may request to refrain from making a disclosure if making the disclosure would violate a rule adopted formally by his or her trade or profession, if state or federal law requires the person to follow that rule.

    For example, lawyers may be barred from revealing the name of a client if revealing the name of that client would cause the client harm.

    My understanding is that state law requires attorneys licensed in the state to follow Alaska Bar Association rules.

This new language is on page 10, lines 15-18.

4) It adds language clarifying the requirement that volunteers or educational trainees complete the legislative ethics class. This requirement would only apply to volunteers or trainees who work more than 30 days. Casual or drop-in volunteers or trainees – those who come for an afternoon or several days – would not be required to take the course.

   This is consistent with existing statute (AS 24.60.155), which requires employees who begin after the 10th day of the session to complete the course within 30 days.

27-LS0452\T
Wayne
3/30/11

CS FOR SENATE BILL NO. 89(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATOR COGHILL

A BILL

FOR AN ACT ENTITLED

"An Act clarifying that a legislator or legislative employee is allowed to accept certain compassionate gifts; allowing legislators and legislative employees who are representing persons in an administrative hearing to contact hearing officers and attempt to influence the outcome of the hearing if they are professionals licensed in the state, and allowing legislators and legislative employees who are not professionals licensed in the state to contact hearing officers for the purpose of influencing the outcome of the hearing in certain instances; requiring the Select Committee on Legislative Ethics to maintain a public record of certain ethics disclosures made by legislators and legislative employees; prohibiting a public member of the Select Committee on Legislative Ethics from disclosing confidential information without authorization; clarifying the ethics disclosure requirements for tickets to or gifts in connection with charity events; amending disclosure deadlines under the Legislative Ethics Act; relating to requests to

refrain from disclosure under the Legislative Ethics Act; relating to the applicability of certain provisions of the Legislative Ethics Act to certain legislative employees, volunteers, and interns; establishing a seat for an alternate public member on the Select Committee on Legislative Ethics; clarifying the requirements related to participation by alternate public members and alternate legislative members in the proceedings of the committee; amending the definition of 'legislative employee' in the Legislative Ethics Act; and repealing a procedure for appointment of alternate legislative members."

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

*** Section 1.** AS 24.60.030(a) is amended to read:

(a) A legislator or legislative employee may not

(1) solicit, agree to accept, or accept a benefit other than official compensation for the performance of public duties; this paragraph may not be construed to prohibit lawful solicitation for and acceptance of campaign contributions, solicitation or acceptance of contributions for a charity event, as defined in AS 24.60.080(a)(2)(B), or the acceptance of a **gift** [LAWFUL GRATUITY] under **AS 24.60.075 or 24.60.080** [AS 24.60.080];

(2) use public funds, facilities, equipment, services, or another government asset or resource for a nonlegislative purpose, for involvement in or support of or opposition to partisan political activity, or for the private benefit of [EITHER] the legislator, legislative employee, or another person; this paragraph does not prohibit

(A) limited use of state property and resources for personal purposes if the use does not interfere with the performance of public duties and either the cost or value related to the use is nominal or the legislator or legislative employee reimburses the state for the cost of the use;

(B) the use of mailing lists, computer data, or other information lawfully obtained from a government agency and available to the general public for nonlegislative purposes;

(C) the legislative council, notwithstanding AS 24.05.190, from designating a public facility for use by legislators and legislative employees for health or fitness purposes; when the council designates a facility to be used by legislators and legislative employees for health or fitness purposes, it shall adopt guidelines governing access to and use of the facility; the guidelines may establish times in which use of the facility is limited to specific groups;

(D) a legislator from using the legislator's private office in the capital city during a legislative session, and for the 10 days immediately before and the 10 days immediately after a legislative session, for nonlegislative purposes if the use does not interfere with the performance of public duties and if there is no cost to the state for the use of the space and equipment, other than utility costs and minimal wear and tear, or the legislator promptly reimburses the state for the cost; an office is considered a legislator's private office under this subparagraph if it is the primary space in the capital city reserved for use by the legislator, whether or not it is shared with others;

(E) a legislator from use of legislative employees to prepare and send out seasonal greeting cards;

(F) a legislator from using state resources to transport computers or other office equipment owned by the legislator but primarily used for a state function;

(G) use by a legislator of photographs of that legislator;

(H) reasonable use of the Internet by a legislator or a legislative employee except if the use is for election campaign purposes;

(I) a legislator or legislative employee from soliciting, accepting, or receiving a gift on behalf of a recognized, nonpolitical charitable organization in a state facility;

(J) a legislator from sending any communication in the form of a newsletter to the legislator's constituents, except a communication expressly advocating the election or defeat of a candidate or a newsletter or material in a newsletter that is clearly only for the private benefit of a legislator or a legislative employee; or

(K) full participation in a charity event approved in advance by the Alaska Legislative Council;

(3) knowingly seek, accept, use, allocate, grant, or award public funds for a purpose other than that approved by law, or make a false statement in connection with a claim, request, or application for compensation, reimbursement, or travel allowances from public funds;

(4) require a legislative employee to perform services for the private benefit of the legislator or employee at any time, or allow a legislative employee to perform services for the private benefit of a legislator or employee on government time; it is not a violation of this paragraph if the services were performed in an unusual or infrequent situation and the person's services were reasonably necessary to permit the legislator or legislative employee to perform official duties;

(5) use or authorize the use of state funds, facilities, equipment, services, or another government asset or resource for the purpose of political fund raising or campaigning; this paragraph does not prohibit

(A) limited use of state property and resources for personal purposes if the use does not interfere with the performance of public duties and either the cost or value related to the use is nominal or the legislator or legislative employee reimburses the state for the cost of the use;

(B) the use of mailing lists, computer data, or other information lawfully obtained from a government agency and available to the general public for nonlegislative purposes;

(C) storing or maintaining, consistent with (b) of this section, election campaign records in a legislator's office;

(D) a legislator from using the legislator's private office in the capital city during a legislative session, and for the 10 days immediately before and the 10 days immediately after a legislative session, for nonlegislative purposes if the use does not interfere with the performance of public duties and if there is no cost to the state for the use of the space and equipment, other than utility costs and minimal wear and tear, or the legislator promptly reimburses the state for the cost; an office is considered a legislator's private office under

this subparagraph if it is the primary space in the capital city reserved for use by the legislator, whether or not it is shared with others; or

(E) use by a legislator of photographs of that legislator.

*** Sec. 2.** AS 24.60.030(i) is amended to read:

(i) **A** [EXCEPT FOR SUPPLYING INFORMATION REQUESTED BY THE HEARING OFFICER OR THE INDIVIDUAL, BOARD, OR COMMISSION WITH AUTHORITY TO MAKE THE FINAL DECISION IN THE CASE, OR WHEN RESPONDING TO CONTACTS INITIATED BY THE HEARING OFFICER OR THE INDIVIDUAL, BOARD, OR COMMISSION WITH AUTHORITY TO MAKE THE FINAL DECISION IN THE CASE, A] legislator or legislative employee may not attempt to influence the outcome of an administrative hearing by directly or indirectly contacting or attempting to contact the hearing officer assigned to the hearing or the individual, board, or commission with authority to make the final decision in the **matter** [CASE] unless [THE]

(1) **the legislator or legislative employee is representing another person for compensation subject to AS 24.60.100 and as a professional who is licensed in the state;**

(2) the contact is made in the presence of all parties to the hearing or the parties' representatives **while the legislator or legislative employee is acting as a party or a witness in the matter or responding to a question asked of the legislator or legislative employee by the hearing officer, individual, board, or commission** and the contact is made a part of the record; or

(3) the contact is inadvertent and ex parte and the [(2)] fact and substance of the contact **are** [IS] promptly disclosed by the legislator or legislative employee to all parties to the hearing and [THE CONTACT IS] made a part of the record.

*** Sec. 3.** AS 24.60.050(c) is amended to read:

(c) A legislator or legislative employee who participates in a program or receives a loan that is not exempt from disclosure under (a) of this section shall file with the committee by the date required under AS 24.60.105 a disclosure stating the amounts of the loans outstanding or benefits received during the preceding calendar

year from nonqualifying programs. If the committee requests additional information necessary to determine the propriety of participating in the program or receiving the loan, it shall be promptly provided. The committee shall **maintain the disclosure as a public record and promptly forward the information contained in the disclosure** [PROMPTLY COMPILE A LIST OF THE STATEMENTS INDICATING THE LOANS AND PROGRAMS AND AMOUNTS AND SEND IT] to the presiding officer of each house who shall have it published in the supplemental journals on or before the next regularly scheduled publication of ethics disclosures. If a legislator or legislative employee asks the committee to keep any part of the disclosure confidential and a quorum of the committee determines by vote of a majority of committee members that making the entire disclosure public would cause an unjustifiable invasion of personal privacy, the committee may elect to publish only the fact that a person has participated in the program and the amount of benefit that the unnamed person received. The committee shall maintain the disclosure of the name of the person as confidential and may only use the disclosure in a proceeding under AS 24.60.170. If the disclosure becomes part of the record of a proceeding under AS 24.60.170, the disclosure may be made public as provided in that section.

*** Sec. 4.** AS 24.60.060(a) is amended to read:

(a) A legislator**,** [OR] legislative employee**, or public member of the committee** may not knowingly make an unauthorized disclosure of information that is made confidential by law and that the person acquired in the course of official duties. A person who violates this section is subject to a proceeding under AS 24.60.170 and may be subject to prosecution under AS 11.56.860 or another law.

*** Sec. 5.** AS 24.60.080(a) is amended to read:

(a) Except as otherwise provided in this section, a legislator or legislative employee may not

(1) solicit, accept, or receive, directly or indirectly, a gift worth $250 or more, whether in the form of money, services, a loan, travel, entertainment, hospitality, promise, or other form, or gifts from the same person worth less than $250 that in a calendar year aggregate to $250 or more in value;

(2) solicit, accept, or receive a gift with any monetary value from a

lobbyist, an immediate family member of a lobbyist, or a person acting on behalf of a lobbyist, except

(A) food or beverage for immediate consumption;

(B) a contribution to a charity event**,** [FROM ANY PERSON AT ANY TIME, AND] tickets **to** [FOR] a charity event**, and** [AT ANY TIME, EXCEPT THAT TICKETS TO OR] gifts **to which the tickets may entitle the bearer; however, under this subparagraph a legislator or legislative employee may not solicit, accept, or receive from the same lobbyist, an immediate family member of the lobbyist, or a person acting on behalf of the lobbyist, tickets to a charity event, gifts to which the tickets may entitle the bearer, or both, that in a calendar year aggregate to $250 or more in value** [RECEIVED AT A CHARITY EVENT UNDER THIS SUBPARAGRAPH ARE SUBJECT TO THE CALENDAR YEAR LIMIT ON THE VALUE OF GIFTS RECEIVED BY A LEGISLATOR OR LEGISLATIVE EMPLOYEE IN (1) OF THIS SUBSECTION]; in this subparagraph, "charity event" means an event the proceeds of which go to a charitable organization with tax-free status under 26 U.S.C. 501(c)(3) and that the Alaska Legislative Council has approved in advance; the tickets may entitle the bearer to admission to the event, to entertainment, to food or beverages, or to other gifts or services **in connection with** [INVOLVED IN] the charity event;

(C) a gift that is unconnected with the recipient's legislative status and is from a member of the legislator's or legislative employee's immediate family;

(D) a gift delivered on the premises of a state facility and accepted on behalf of a recognized nonpolitical charitable organization; or

(E) a compassionate gift under AS 24.60.075.

*** Sec. 6.** AS 24.60.080(c) is amended to read:

(c) Notwithstanding (a)(1) of this section, it is not a violation of this section for a person who is a legislator or legislative employee to accept

(1) hospitality, other than hospitality described in (4) of this

subsection,

(A) with incidental transportation at the residence of a person; however, a vacation home located outside the state is not considered a residence for the purposes of this subparagraph; or

(B) at a social event or meal;

(2) discounts that are available

(A) generally to the public or to a large class of persons to which the person belongs; or

(B) when on official state business, but only if receipt of the discount benefits the state;

(3) food or foodstuffs indigenous to the state that are shared generally as a cultural or social norm;

(4) travel and hospitality primarily for the purpose of obtaining information on matters of legislative concern;

(5) gifts from the immediate family of the person; in this paragraph, "immediate family" means

(A) the spouse of the person;

(B) the person's domestic partner;

(C) a child, including a stepchild and an adoptive child, of the person or of the person's domestic partner;

(D) a parent, sibling, grandparent, aunt, or uncle of the person;

(E) a parent, sibling, grandparent, aunt, or uncle of the person's spouse or the person's domestic partner; and

(F) a stepparent, stepsister, stepbrother, step-grandparent, step-aunt, or step-uncle of the person, the person's spouse, or the person's domestic partner;

(6) gifts that are not connected with the recipient's legislative status;

(7) a discount for all or part of a legislative session, including time immediately preceding or following the session, or other gift to welcome a legislator or legislative employee who is employed on the personal staff of a legislator or by a standing or special committee to the capital city or in recognition of the beginning of a

legislative session if the gift or discount is available generally to all legislators and the personal staff of legislators and staff of standing and special committees; this paragraph does not apply to legislative employees who are employed by the Legislative Affairs Agency, the office of the chief clerk, the office of the senate secretary, the legislative budget and audit committee, the office of victims' rights, or the office of the ombudsman;

(8) a gift of legal services in a matter of legislative concern and a gift of other services related to the provision of legal services in a matter of legislative concern;

(9) a gift of transportation from a legislator or a legislative employee to a legislator or a legislative employee if the transportation takes place in the state on or in an aircraft, boat, motor vehicle, or other means of transport owned or under the control of the donor; this paragraph does not apply to travel described in (4) of this subsection or travel for political campaign purposes; or

(10) a contribution to a charity event**, a ticket to a charity event, or a gift in connection with a charity event** [FROM ANY PERSON AT ANY TIME]; in this paragraph, "charity event" has the meaning given in (a)(2)(B) of this section.

*** Sec. 7.** AS 24.60.080(d) is amended to read:

(d) A legislator or legislative employee who accepts a gift under (c)(4) **of this section that has a value of $250 or more or a ticket to a charity event or gift in connection with a charity event under (c)(10)** of this section that has a value of $250 or more shall disclose to the committee, within **60** [30] days after receipt of the gift, the name and occupation of the donor and the approximate value of the gift. A legislator or legislative employee who accepts a gift under (c)(8) of this section that the recipient expects will have a value of $250 or more in the calendar year shall disclose to the committee, within 30 days after receipt of the gift, the name and occupation of the donor, a general description of the matter of legislative concern with respect to which the gift is made, and the approximate value of the gift. The committee shall maintain a public record of the disclosures it receives relating to gifts under (c)(4), (c)(8), **(c)(10),** and (i) of this section and shall forward the disclosures to the appropriate house for inclusion in the journal. The committee shall forward to the

Alaska Public Offices Commission copies of the disclosures concerning gifts under (c)(4), (c)(8), **(c)(10),** and (i) of this section that it receives from legislators and legislative directors. A legislator or legislative employee who accepts a gift under (c)(6) of this section that has a value of $250 or more shall, within 30 days after receiving the gift, disclose to the committee the name and occupation of the donor and a description of the gift. The committee shall maintain disclosures relating to gifts under (c)(6) of this section as confidential records and may only use, or permit a committee employee or contractor to use, a disclosure under (c)(6) of this section in the investigation of a possible violation of this section or in a proceeding under AS 24.60.170. If the disclosure under (c)(6) of this section becomes part of the record of a proceeding under AS 24.60.170, the confidentiality provisions of that section apply to the disclosure.

*** Sec. 8.** AS 24.60.105 is amended by adding a new subsection to read:

(d) A person may submit a written request to refrain from making a disclosure that is required by this chapter if making the disclosure would violate state or federal law, including the United States Constitution and the Constitution of the State of Alaska, or a rule, adopted formally by a trade or profession, that state or federal law requires the person to follow. The committee shall approve or deny the request, or require further justification from the person making the request. At the request of the committee or a person authorized to act on behalf of the committee, a person who seeks to refrain from making a disclosure under this subsection shall provide the committee with justification in writing, and the committee may review the written justification to determine whether it is sufficient.

*** Sec. 9.** AS 24.60.112 is amended to read:

Sec. 24.60.112. Applicability to volunteers and educational trainees. A **person who works more than 30 days as 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, **24.60.155,** 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.

* **Sec. 10.** AS 24.60.130(h) is amended to read:

(h) A member is disqualified from participating as a member in any proceeding before the committee involving a complaint against the member or an employee whose work is supervised by the member or an advisory opinion requested by the member. If a regular legislative member of the committee is disqualified under this subsection from participating in a proceeding involving a complaint, the member's alternate shall be designated under **AS 24.60.131** [(n) OF THIS SECTION].

* **Sec. 11.** AS 24.60.130(o) is amended to read:

(o) Notwithstanding (h) [AND (n)] of this section **and AS 24.60.131**, if a complaint before the committee alleges a violation of this chapter by a group of legislators that includes a legislative member of the committee and that member's alternate, the member and alternate member are disqualified from serving on the committee with regard to the complaint. If the two disqualified members of the committee are members of the majority organizational caucus, the presiding officer of the house in which the two disqualified members serve shall appoint from that house an alternate to serve with regard to the complaint. If one of the two disqualified legislative members of the committee is not a member of the majority organizational caucus, the leader of the minority organizational caucus with the greatest number of members shall appoint from that house an alternate to serve with regard to the complaint. If a complaint alleges a violation of this chapter that includes all legislative members of the majority organizational caucus of one house, the presiding officer of that house shall appoint from the other house an alternate to serve with regard to the complaint. If the complaint alleges a violation of this chapter that includes all legislative members of a minority organizational caucus of one house, the leader of that minority organizational caucus shall appoint from the other house an alternate to serve with regard to the complaint.

* **Sec. 12.** AS 24.60 is amended by adding a new section to read:

Sec. 24.60.131. Alternate members. (a) When appointing members of the legislature to serve on the committee under AS 24.60.130(b), the speaker of the house of representatives or the president of the senate, as appropriate, shall appoint an

alternate member for each regular member. The alternate member shall have the same qualifications for appointment to the committee as the regular member for whom the alternate stands as alternate. The alternate member's appointment is subject to confirmation as required for appointment of the regular member.

(b) When selecting public members to serve on the committee under AS 24.60.130(b), the Chief Justice of the Alaska Supreme Court shall select one alternate public member. The alternate public member's selection is subject to ratification as required for selection of the regular public members.

(c) Subject to (d) of this section, if a regular member of the committee or a subcommittee is unable to participate in a proceeding other than a proceeding under AS 24.60.170, the chair of the committee or subcommittee that holds the proceeding shall designate the regular member's alternate to participate in place of the regular member at the proceeding, and the alternate shall participate for the duration of that proceeding unless the alternate is unable to participate.

(d) If a regular member of the committee or a subcommittee or an alternate member appointed under (a) or (b) of this section participates at the commencement of a proceeding under AS 24.60.170, the member shall participate for the duration of the proceeding unless the member is disqualified under AS 24.60.130(h) or is unable to continue participating. If the participating member is disqualified under AS 24.60.130(h) or becomes unable to participate, the chair of the committee or subcommittee that holds the proceeding shall designate the member's alternate to participate in place of the member for the duration of the proceeding unless the alternate is disqualified or is unable to participate.

(e) If both a regular legislative member and that member's alternate appointed under (a) of this section are not available to participate at the commencement of a proceeding under AS 24.60.170 because they are disqualified under AS 24.60.130(h), the presiding officer of the house in which the two members serve shall appoint from that house an alternate and designate that alternate to participate in the proceeding; however, if the two members who are not available to participate are not members of the majority organizational caucus, the leader of the minority organizational caucus with the greatest number of members shall appoint from that house an alternate and

designate that alternate to participate in the proceeding.

(f) A designation under (c) - (e) of this section is a confidential proceeding under AS 24.60.170(*l*) unless the member who is replaced as a result of the designation waives confidentiality.

*** Sec. 13.** AS 24.60.155 is amended to read:

Sec. 24.60.155. Legislative ethics course. A person **who serves for more than 30 days as a legislative volunteer or educational trainee or** who is a legislator, legislative employee, or public member of the committee shall complete a legislative ethics course administered by the committee under AS 24.60.150(a)(4) within 10 days of the first day of the first regular session of each legislature. However, a person **who begins a period of service of more than 30 days as a volunteer or trainee or** who first takes office or begins employment after the 10th day of the first regular session of a legislature shall complete the course required by this section within 30 days after the person's first day of service and, thereafter, as required by this section. The committee may grant a person additional time to complete the course required by this section.

*** Sec. 14.** AS 24.60.990(a)(11) is amended to read:

(11) "legislative employee" means a person, other than a legislator, who is compensated by the legislative branch in return for regular or substantial personal services, regardless of the person's pay level or technical status as a full-time or part-time employee, independent contractor, or consultant; it includes public members and staff of the committee; it does not include individuals who **are hourly employees who** perform functions that are incidental to legislative functions, [INCLUDING SECURITY, MESSENGER, MAINTENANCE, AND PRINT SHOP EMPLOYEES,] and other employees designated by the committee;

*** Sec. 15.** AS 24.60.130(n) is repealed.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: **CSSB 89**
() Publish Date

Identifier (file name): CSSB89-LEG-COU-3-30-2011
Title: "Legislative Ethics Act"
Sponsor: Senator Coghill
Requester: Senate State Affairs Committee

Dept. Affected: Legislature
Appropriation: Legislative Council
Allocation: Select Committee on Ethics
OMB Component Number: 2321

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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 Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Initial Version

Prepared by: Shane Miller, Finance Manager — Phone 465-6626
Division: Legislative Affairs Agency — Date/Time 3/30/11 3:59 PM
Approved by: Pamela Varni, Executive Director — Date 3/30/2011
Legislative Affairs Agency

(Revised 12/29/2010 OMB)

Analysis

This fiscal note has zero impact on the Legislative Affairs Agency.

adn.com
Anchorage Daily News

Print Page Close Window

Coghill introduces ethics bill

The Associated Press
(02/18/11 22:16:02)

JUNEAU -- Lawmakers could participate in some partisan political activities while on state travel under a measure introduced by Sen. John Coghill.

The Republican hopes to provide clarity to an issue he says the legislative ethics committee, on which he serves, has grappled with for years. He expects a debate over what's ethical and what's fair, noting that some people believe incumbents have an inherent advantage.

He considers the issues separate. He says candidates have more fundraising options than sitting legislators.

There are exceptions to legislator politicking: Legislators cannot participate in partisan activities while on state travel if they fall during normal workday hours, on election day, within 30 days of an election in which the lawmaker is running, or are for fundraising.

The measure also would let lawmakers use legislative mailing lists for campaign purposes.

Print Page Close Window

Copyright © Mon Mar 14 15:00:16 UTC-0800 20111900 The Anchorage Daily News (www.adn.com)

adn.com
Anchorage Daily News

Print Page Close Window

Bill would OK campaigning by lawmakers on state-paid trips

ETHICS: Chairman skeptical but likely to grant proposal a hearing.

By SEAN COCKERHAM
scockerham@adn.comThe Associated Press
(03/01/11 07:46:11)

A bill that would let lawmakers campaign while traveling on the state's dime and use legislative mailing lists for their re-election efforts is drawing questions.

"I knew the moment it was introduced that it would be controversial," said Anchorage Democratic Sen. Bill Wielechowski, who holds the bill in his committee.

Wielechowski said he's skeptical of the proposal. But he said he'll likely give it a hearing and let North Pole Republican Sen. John Coghill come and make the case.

Coghill, the sponsor of Senate Bill 89, said he wants people to hear him out and not jump to conclusions. "As long as a guy can give a reasoned answer for what he stands for, I think people are willing to give you the benefit of thoughtfulness," he said.

He described the ethics bill as a task handed to him by the Legislature's ethics committee and several other lawmakers. He said he doesn't mind because he has experience in working on ethics laws but is aware of the pitfalls.

"It's a ticklish issue... it has to be handled deliberately, purposefully and resolutely. I guess I got the short straw when it came to wander out on this one," he said.

POLITICS AND TRAVEL?

Senate Bill 89 deals with a range of ethics issues. Some aren't likely to cause much dispute, like requiring an alternate on the ethics committee who starts hearing a confidential case to hear it all the way through.

Wielechowski said he's most skeptical of the part of the bill that would let legislators campaign on state-paid travel. It became an issue last year when the Legislature's ethics committee voted to start letting legislators campaign while traveling at state expense, including raising money for their political races.

There was a backlash, and the ethics committee quickly reversed the decision.

Coghill's bill does not go as far as what the ethics committee originally tried to do. He doesn't want to let legislators do fundraising while they're on state-paid travel.

"It's always unethical to go home on the state dime and do campaign fundraising. It's very, very clear," Coghill said.

But he said legislators are both policy makers and politicians when they're traveling at state expense, and his bill would give them guidelines on what they're allowed to do. His bill would allow

legislators or their staffers who are on state-paid travel participate in partisan activity, including campaigning for their re-elections. But they couldn't do so between 8 a.m. and 5 p.m. on a workday -- except for meal breaks -- and they couldn't do so within 30 days of the election.

Coghill said it shouldn't be considered unethical to go from Juneau on state travel to his home district during the legislative session, meet with constituents in the day, and go to the Republican Party's Lincoln Day dinner at night. There also shouldn't be a problem with him going to talk with his constituents in Glennallen, and then letting supporters have a rally, he said.

"We've created a place where people can make ethical charges when we're really not doing unethical things," he said.

Coghill has a reputation as a straight shooter. But he could have a hard time convincing the State Affairs Committee, chaired by Wielechowski, that this is worth doing.

"I'm just very skeptical of allowing partisan activity while people are on state travel," Wielechowski said. "I don't know that it gets much more than a hearing, but I think we'll give (Coghill) the opportunity to make the case."

"IS IT REASONABLE?"

Wielechowski also singled out the part of the bill that says lawmakers can use their legislative mailing lists for campaigns. "My concern with that is just allowing state resources to be used for campaign purposes," he said.

The Legislature's ethics committee has already said it's OK to do it. Lawmakers generally aren't allowed to use legislative resources for their own personal political gain. But the ethics committee put out an advisory opinion in 2004 that said a database of constituent information, put together with the help of legislative staff members, could later be used for the legislator's re-election campaign.

The advisory opinion basically said it was OK because it was a minimal use of public assets for legislators to make copies of their legislative databases to use in their campaigns. The database is considered to be the confidential property of the legislator.

Senate Bill 89 would put the advisory opinion into law. Coghill said he doesn't have strong feelings about the issue, but thinks it's reasonable because of how lawmakers put together the mailing lists.

Coghill said legislators often put the lists together during their campaigns, while they are raising money and trying to drum up votes. They then bring the information with them to Juneau, he said, and add people who contact their offices. The lists are then used to send out newsletters, surveys, and the like.

He said it would be difficult to separate the names added to the list during the campaign and names that came up while in office, especially since many of the names are the same.

"I don't think it's an unethical thing to do. And whenever I'm looking at ethics law, I'm looking at what is the ethical question? And does it cross a line or is it reasonable?" Coghill said.

Reach Sean Cockerham at scockerham@adn.com or 257-4344.

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 21, 2011

SUBJECT: Changes to CSSB 89( ), regarding designation of alternate legislative members in proceedings under AS 24.60.170 (Work Order No. 27-LS0452\E)

TO: Representative John Coghill
Attn: Rynnieva Moss

FROM: Dan Wayne
Legislative Counsel

Enclosed is a new version of CSSB 89( ) with deletion of "or unable to serve", on page 13, lines 28 - 29. In the same sentence, on page 13, line 27, I deleted "in" and inserted "at the commencement of". Also, on page 13, line 17, following "alternate", I inserted the word "member" in order to make the sentence beginning on that line read better.

Please let me know if there is anything else I can do to assist you.

DCW:plm
11-170.plm

Enclosure

ALASKA STATE HOUSE OF REPRESENTATIVES

Interim Address:
3340 Badger Road
North Pole, AK 99705
(907)-488-5725
Fax# (907)-488-4271

Session Contact:
(907)-465-3719
FAX# (907)-465-3258
State Capitol
Room 204

SENATOR JOHN COGHILL

Sectional Version E

Senate Bill 89 Ethic Amendments

Section 1. Replaces "lawful gratuity" with the word "gift"; and adds new language allowing compassionate gifts. This section also allows a legislator to use his or her legislative mailing list for nonlegislative purposes. **Advisory Opinion 04-01**

Section 2. Draws a bright line for legislators and legislative employee to follow for assisting constituents with problems they encounter with state agencies. Once an issue has been appealed to an administrative hearing officer, the legislator or legislative employee may no longer make contact with the agency, unless the person is licensed in the state for such representation and the income from that representation is reported under AS 24.60.100. This section protects a legislator or legislative employee from inadvertent ex parte contact and allows contact if the legislator or legislative employee is a party or witness to the matter. **Advisory Opinion 08-03 and 05-01**

Section 3. This provision establishes a clear distinction as to when a legislator or legislative employee can participate in partisan activities and not be engaging in a prohibited conduct. **Advisory Opinion 10-01**

Section 4. This provision establishes a clear distinction as to when a legislator or legislative employee can participate in partisan activities that involve fundraising. **Advisory Opinion 10-01**

Section 5. This provision establishes how information that is not exempt from disclosure by a legislator or legislative employee will be retained and disclosed. ***Request of the Committee***

Section 6. Adds public members of the Select Committee on Legislative Ethics to the statute that prohibits disclosure of confidential information. ***Request of the Committee***

Section 7. Clarifies that a legislator or legislative employee may accept tickets for a Legislative Council sanctioned charity event or a gift from a sanctioned charity event from a lobbyist as long as it does not exceed $250.00 in value. ***Request of the Committee***

Section 8. Clarifies that persons who are not lobbyists can give a ticket or a gift in connection with a charitable event sanctioned by the Legislative Council to a legislator or legislative employee that has a value of $250.00 or more. However, the recipient of the ticket must disclose to the Select Committee on Legislative Ethics the value of the ticket that exceeds the $250.00 limit. Extends the reporting period to 60 days. ***Request of the Committee***

Section 9. Clarifies that if a legislator or legislative employee accepts tickets or a gift in connection with a charity event with a value of $250 or more must be reported within 60 days. ***Request of the Committee***

Section 10. Allows exceptions from filing a disclosure if it would violate the United States Constitution, the Constitution of the State of Alaska, or any other state or federal law. **Advisory Opinions 09-02 and 94-07**

Section 11. Requires legislative volunteers and educational trainees to complete the legislative ethics class. ***Request of the Committee***

Section 12. Adds alternate members to disqualification provisions. ***Request of the Committee***

Section 13. Adding reference to new section AS 24.60.131.pertaining to alternates to the statute providing that if both members are disqualified, the presiding officer may appoint another member. ***Request of the Committee***

Section 14. Completely rewrites the section for alternate members for better clarification of the process, adds language allowing for an alternate participating in the beginning of a proceeding to attending meetings dealing with that specific proceeding to the end of the proceeding, and to add a provision allowing the Chief Justice to appoint an alternate public member to the ethics committee. ***Request of the Committee***

Section 15. Adds legislative volunteer and educational trainee to the statue that requires people to complete the legislative ethics course. ***Request of the Committee***

Section 16. Defines legislative employee.

Section 17. Defines state travel.

Section 18. Repeals that section of law that Section 14 replaces dealing with alternate members of the Select Committee on Legislative Ethics.

27-LS0452\E
Wayne
3/21/11

CS FOR SENATE BILL NO. 89( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR COGHILL

A BILL

FOR AN ACT ENTITLED

"An Act clarifying that a legislator or legislative employee is allowed to accept certain compassionate gifts; allowing legislators and legislative employees to use legislative mailing lists for campaign purposes and nonlegislative purposes; allowing legislators and legislative employees who are representing persons in an administrative hearing to contact hearing officers and attempt to influence the outcome of the hearing if they are professionals licensed in the state, and allowing legislators and legislative employees who are not professionals licensed in the state to contact hearing officers for the purpose of influencing the outcome of the hearing in certain instances; allowing legislators and legislative employees, in certain circumstances, to participate in partisan political activity while on state travel; requiring the Select Committee on Legislative Ethics to maintain a public record of certain ethics disclosures made by legislators and legislative employees; prohibiting a public member of the Select Committee on Legislative Ethics

from disclosing confidential information without authorization; clarifying the ethics disclosure requirements for tickets to or gifts in connection with charity events; amending disclosure deadlines under the Legislative Ethics Act; relating to requests to refrain from disclosure under the Legislative Ethics Act; eliminating an exemption for certain legislative employees, volunteers, and interns from the requirement under the Legislative Ethics Act that legislative employees attend a legislative ethics course; establishing a seat for an alternate public member on the Select Committee on Legislative Ethics; clarifying the requirements related to participation by alternate public members and alternate legislative members in the proceedings of the committee; amending the definition of 'legislative employee' in the Legislative Ethics Act; and repealing a procedure for appointment of alternate legislative members."

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

* **Section 1.** AS 24.60.030(a) is amended to read:

(a) A legislator or legislative employee may not

(1) solicit, agree to accept, or accept a benefit other than official compensation for the performance of public duties; this paragraph may not be construed to prohibit lawful solicitation for and acceptance of campaign contributions, solicitation or acceptance of contributions for a charity event, as defined in AS 24.60.080(a)(2)(B), or the acceptance of a **gift** [LAWFUL GRATUITY] under **AS 24.60.075 or 24.60.080** [AS 24.60.080];

(2) use public funds, facilities, equipment, services, or another government asset or resource for a nonlegislative purpose, for involvement in or support of or opposition to partisan political activity, or for the private benefit of [EITHER] the legislator, legislative employee, or another person; this paragraph does not prohibit

(A) limited use of state property and resources for personal purposes if the use does not interfere with the performance of public duties and

either the cost or value related to the use is nominal or the legislator or legislative employee reimburses the state for the cost of the use;

(B) the use of **a legislator's legislative mailing list for campaign purposes, or the use of** mailing lists, computer data, or other information lawfully obtained from a government agency and available to the general public for nonlegislative purposes;

(C) the legislative council, notwithstanding AS 24.05.190, from designating a public facility for use by legislators and legislative employees for health or fitness purposes; when the council designates a facility to be used by legislators and legislative employees for health or fitness purposes, it shall adopt guidelines governing access to and use of the facility; the guidelines may establish times in which use of the facility is limited to specific groups;

(D) a legislator from using the legislator's private office in the capital city during a legislative session, and for the 10 days immediately before and the 10 days immediately after a legislative session, for nonlegislative purposes if the use does not interfere with the performance of public duties and if there is no cost to the state for the use of the space and equipment, other than utility costs and minimal wear and tear, or the legislator promptly reimburses the state for the cost; an office is considered a legislator's private office under this subparagraph if it is the primary space in the capital city reserved for use by the legislator, whether or not it is shared with others;

(E) a legislator from use of legislative employees to prepare and send out seasonal greeting cards;

(F) a legislator from using state resources to transport computers or other office equipment owned by the legislator but primarily used for a state function;

(G) use by a legislator of photographs of that legislator;

(H) reasonable use of the Internet by a legislator or a legislative employee except if the use is for election campaign purposes;

(I) a legislator or legislative employee from soliciting, accepting, or receiving a gift on behalf of a recognized, nonpolitical charitable

organization in a state facility;

(J) a legislator from sending any communication in the form of a newsletter to the legislator's constituents, except a communication expressly advocating the election or defeat of a candidate or a newsletter or material in a newsletter that is clearly only for the private benefit of a legislator or a legislative employee; or

(K) full participation in a charity event approved in advance by the Alaska Legislative Council;

(3) knowingly seek, accept, use, allocate, grant, or award public funds for a purpose other than that approved by law, or make a false statement in connection with a claim, request, or application for compensation, reimbursement, or travel allowances from public funds;

(4) require a legislative employee to perform services for the private benefit of the legislator or employee at any time, or allow a legislative employee to perform services for the private benefit of a legislator or employee on government time; it is not a violation of this paragraph if the services were performed in an unusual or infrequent situation and the person's services were reasonably necessary to permit the legislator or legislative employee to perform official duties;

(5) use or authorize the use of state funds, facilities, equipment, services, or another government asset or resource for the purpose of political fund raising or campaigning; this paragraph does not prohibit

(A) limited use of state property and resources for personal purposes if the use does not interfere with the performance of public duties and either the cost or value related to the use is nominal or the legislator or legislative employee reimburses the state for the cost of the use;

(B) the use of **a legislator's legislative mailing list, or the use of** mailing lists, computer data, or other information lawfully obtained from a government agency and available to the general public for nonlegislative purposes;

(C) storing or maintaining, consistent with (b) of this section, election campaign records in a legislator's office:

(D) a legislator from using the legislator's private office in the capital city during a legislative session, and for the 10 days immediately before and the 10 days immediately after a legislative session, for nonlegislative purposes if the use does not interfere with the performance of public duties and if there is no cost to the state for the use of the space and equipment, other than utility costs and minimal wear and tear, or the legislator promptly reimburses the state for the cost; an office is considered a legislator's private office under this subparagraph if it is the primary space in the capital city reserved for use by the legislator, whether or not it is shared with others; or

(E) use by a legislator of photographs of that legislator.

*** Sec. 2.** AS 24.60.030(i) is amended to read:

(i) **A** [EXCEPT FOR SUPPLYING INFORMATION REQUESTED BY THE HEARING OFFICER OR THE INDIVIDUAL, BOARD, OR COMMISSION WITH AUTHORITY TO MAKE THE FINAL DECISION IN THE CASE, OR WHEN RESPONDING TO CONTACTS INITIATED BY THE HEARING OFFICER OR THE INDIVIDUAL, BOARD, OR COMMISSION WITH AUTHORITY TO MAKE THE FINAL DECISION IN THE CASE, A] legislator or legislative employee may not attempt to influence the outcome of an administrative hearing by directly or indirectly contacting or attempting to contact the hearing officer assigned to the hearing or the individual, board, or commission with authority to make the final decision in the **matter** [CASE] unless [THE]

(1) **the legislator or legislative employee is representing another person for compensation subject to AS 24.60.100 and as a professional who is licensed in the state;**

(2) the contact is made in the presence of all parties to the hearing or the parties' representatives **while the legislator or legislative employee is acting as a party or a witness in the matter or responding to a question asked of the legislator or legislative employee by the hearing officer, individual, board, or commission** and the contact is made a part of the record; or

(3) the contact is inadvertent and ex parte and the [(2)] fact and substance of the contact **are** [IS] promptly disclosed by the legislator or legislative

employee to all parties to the hearing and [THE CONTACT IS] made a part of the record.

* **Sec. 3.** AS 24.60.030 is amended by adding a new subsection to read:

(j) Notwithstanding the limitations under (a)(2) - (4) and (c) of this section and subject to other laws of the state or the United States, a legislator or legislative employee who is on state travel may participate in partisan political activity, including campaign activity during the state travel, if the legislator or the legislative employee does not use or authorize the use of state resources to pay for the activity and if the legislator or legislative employee does not participate in the activity

(1) during a normal workday between 8:00 a.m. and 5:00 p.m., excluding a meal break;

(2) on a state or municipal election day;

(3) during the 30 days immediately preceding an election in which the participating legislator or the legislator for whom the participating employee works is a candidate for elective office; or

(4) by fund raising for a political party or campaign.

* **Sec. 4.** AS 24.60.031 is amended by adding a new subsection to read:

(d) Notwithstanding the limitations under (a) and (b) of this section and subject to other laws of the state or the United States, a legislator or legislative employee who is on state travel may participate in partisan political activity, including campaign activity, during the state travel if the legislator or the legislative employee does not use or authorize the use of state resources to pay for the activity and if the legislator or legislative employee does not participate in the activity

(1) during a normal workday between 8:00 a.m. and 5:00 p.m., excluding a meal break;

(2) on a state or municipal election day;

(3) during the 30 days immediately preceding an election in which the participating legislator or the legislator for whom the participating employee works is a candidate for elective office; or

(4) by fund raising for a political party or campaign.

* **Sec. 5.** AS 24.60.050(c) is amended to read:

(c) A legislator or legislative employee who participates in a program or receives a loan that is not exempt from disclosure under (a) of this section shall file with the committee by the date required under AS 24.60.105 a disclosure stating the amounts of the loans outstanding or benefits received during the preceding calendar year from nonqualifying programs. If the committee requests additional information necessary to determine the propriety of participating in the program or receiving the loan, it shall be promptly provided. The committee shall **maintain the disclosure as a public record and promptly forward the information contained in the disclosure** [PROMPTLY COMPILE A LIST OF THE STATEMENTS INDICATING THE LOANS AND PROGRAMS AND AMOUNTS AND SEND IT] to the presiding officer of each house who shall have it published in the supplemental journals on or before the next regularly scheduled publication of ethics disclosures. If a legislator or legislative employee asks the committee to keep any part of the disclosure confidential and a quorum of the committee determines by vote of a majority of committee members that making the entire disclosure public would cause an unjustifiable invasion of personal privacy, the committee may elect to publish only the fact that a person has participated in the program and the amount of benefit that the unnamed person received. The committee shall maintain the disclosure of the name of the person as confidential and may only use the disclosure in a proceeding under AS 24.60.170. If the disclosure becomes part of the record of a proceeding under AS 24.60.170, the disclosure may be made public as provided in that section.

* **Sec. 6.** AS 24.60.060(a) is amended to read:

(a) A legislator**,** [OR] legislative employee**, or public member of the committee** may not knowingly make an unauthorized disclosure of information that is made confidential by law and that the person acquired in the course of official duties. A person who violates this section is subject to a proceeding under AS 24.60.170 and may be subject to prosecution under AS 11.56.860 or another law.

* **Sec. 7.** AS 24.60.080(a) is amended to read:

(a) Except as otherwise provided in this section, a legislator or legislative employee may not

(1) solicit, accept, or receive, directly or indirectly, a gift worth $250

or more, whether in the form of money, services, a loan, travel, entertainment, hospitality, promise, or other form, or gifts from the same person worth less than $250 that in a calendar year aggregate to $250 or more in value;

(2) solicit, accept, or receive a gift with any monetary value from a lobbyist, an immediate family member of a lobbyist, or a person acting on behalf of a lobbyist, except

(A) food or beverage for immediate consumption;

(B) a contribution to a charity event**,** [FROM ANY PERSON AT ANY TIME, AND] tickets **to** [FOR] a charity event**, and** [AT ANY TIME, EXCEPT THAT TICKETS TO OR] gifts **to which the tickets may entitle the bearer; however, under this subparagraph a legislator or legislative employee may not solicit, accept, or receive from the same lobbyist, an immediate family member of the lobbyist, or a person acting on behalf of the lobbyist, tickets to a charity event, gifts to which the tickets may entitle the bearer, or both, that in a calendar year aggregate to $250 or more in value** [RECEIVED AT A CHARITY EVENT UNDER THIS SUBPARAGRAPH ARE SUBJECT TO THE CALENDAR YEAR LIMIT ON THE VALUE OF GIFTS RECEIVED BY A LEGISLATOR OR LEGISLATIVE EMPLOYEE IN (1) OF THIS SUBSECTION]; in this subparagraph, "charity event" means an event the proceeds of which go to a charitable organization with tax-free status under 26 U.S.C. 501(c)(3) and that the Alaska Legislative Council has approved in advance; the tickets may entitle the bearer to admission to the event, to entertainment, to food or beverages, or to other gifts or services **in connection with** [INVOLVED IN] the charity event;

(C) a gift that is unconnected with the recipient's legislative status and is from a member of the legislator's or legislative employee's immediate family;

(D) a gift delivered on the premises of a state facility and accepted on behalf of a recognized nonpolitical charitable organization; or

(E) a compassionate gift under AS 24.60.075.

* **Sec. 8.** AS 24.60.080(c) is amended to read:

(c) Notwithstanding (a)(1) of this section, it is not a violation of this section for a person who is a legislator or legislative employee to accept

(1) hospitality, other than hospitality described in (4) of this subsection,

(A) with incidental transportation at the residence of a person; however, a vacation home located outside the state is not considered a residence for the purposes of this subparagraph; or

(B) at a social event or meal;

(2) discounts that are available

(A) generally to the public or to a large class of persons to which the person belongs; or

(B) when on official state business, but only if receipt of the discount benefits the state;

(3) food or foodstuffs indigenous to the state that are shared generally as a cultural or social norm;

(4) travel and hospitality primarily for the purpose of obtaining information on matters of legislative concern;

(5) gifts from the immediate family of the person; in this paragraph, "immediate family" means

(A) the spouse of the person;

(B) the person's domestic partner;

(C) a child, including a stepchild and an adoptive child, of the person or of the person's domestic partner;

(D) a parent, sibling, grandparent, aunt, or uncle of the person;

(E) a parent, sibling, grandparent, aunt, or uncle of the person's spouse or the person's domestic partner; and

(F) a stepparent, stepsister, stepbrother, step-grandparent, step-aunt, or step-uncle of the person, the person's spouse, or the person's domestic partner;

(6) gifts that are not connected with the recipient's legislative status;

(7) a discount for all or part of a legislative session, including time immediately preceding or following the session, or other gift to welcome a legislator or legislative employee who is employed on the personal staff of a legislator or by a standing or special committee to the capital city or in recognition of the beginning of a legislative session if the gift or discount is available generally to all legislators and the personal staff of legislators and staff of standing and special committees; this paragraph does not apply to legislative employees who are employed by the Legislative Affairs Agency, the office of the chief clerk, the office of the senate secretary, the legislative budget and audit committee, the office of victims' rights, or the office of the ombudsman;

(8) a gift of legal services in a matter of legislative concern and a gift of other services related to the provision of legal services in a matter of legislative concern;

(9) a gift of transportation from a legislator or a legislative employee to a legislator or a legislative employee if the transportation takes place in the state on or in an aircraft, boat, motor vehicle, or other means of transport owned or under the control of the donor; this paragraph does not apply to travel described in (4) of this subsection or travel for political campaign purposes; or

(10) a contribution to a charity event**, a ticket to a charity event, or a gift in connection with a charity event** [FROM ANY PERSON AT ANY TIME]; in this paragraph, "charity event" has the meaning given in (a)(2)(B) of this section.

*** Sec. 9.** AS 24.60.080(d) is amended to read:

(d) A legislator or legislative employee who accepts a gift under (c)(4) **of this section that has a value of $250 or more or a ticket to a charity event or gift in connection with a charity event under (c)(10)** of this section that has a value of $250 or more shall disclose to the committee, within **60** [30] days after receipt of the gift, the name and occupation of the donor and the approximate value of the gift. A legislator or legislative employee who accepts a gift under (c)(8) of this section that the recipient expects will have a value of $250 or more in the calendar year shall disclose to the committee, within 30 days after receipt of the gift, the name and occupation of the donor, a general description of the matter of legislative concern with

respect to which the gift is made, and the approximate value of the gift. The committee shall maintain a public record of the disclosures it receives relating to gifts under (c)(4), (c)(8), **(c)(10),** and (i) of this section and shall forward the disclosures to the appropriate house for inclusion in the journal. The committee shall forward to the Alaska Public Offices Commission copies of the disclosures concerning gifts under (c)(4), (c)(8), **(c)(10),** and (i) of this section that it receives from legislators and legislative directors. A legislator or legislative employee who accepts a gift under (c)(6) of this section that has a value of $250 or more shall, within 30 days after receiving the gift, disclose to the committee the name and occupation of the donor and a description of the gift. The committee shall maintain disclosures relating to gifts under (c)(6) of this section as confidential records and may only use, or permit a committee employee or contractor to use, a disclosure under (c)(6) of this section in the investigation of a possible violation of this section or in a proceeding under AS 24.60.170. If the disclosure under (c)(6) of this section becomes part of the record of a proceeding under AS 24.60.170, the confidentiality provisions of that section apply to the disclosure.

*** Sec. 10.** AS 24.60.105 is amended by adding a new subsection to read:

(d) A person may submit a written request to refrain from making a disclosure that is required by this chapter if making the disclosure would violate the United States Constitution, the Constitution of the State of Alaska, or other state or federal law. The committee shall approve or deny the request, or require further justification from the person making the request. At the request of the committee or a person authorized to act on behalf of the committee, a person who seeks to refrain from making a disclosure under this subsection shall provide the committee with justification in writing, and the committee may review the written justification to determine whether it is sufficient.

*** Sec. 11.** AS 24.60.112 is amended to read:

Sec. 24.60.112. Applicability to volunteers and educational trainees. 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, **24.60.155,** 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.

* **Sec. 12.** AS 24.60.130(h) is amended to read:

(h) A member is disqualified from participating as a member in any proceeding before the committee involving a complaint against the member or an employee whose work is supervised by the member or an advisory opinion requested by the member. If a regular legislative member of the committee is disqualified under this subsection from participating in a proceeding involving a complaint, the member's alternate shall be designated under **AS 24.60.131** [(n) OF THIS SECTION].

* **Sec. 13.** AS 24.60.130(o) is amended to read:

(o) Notwithstanding (h) [AND (n)] of this section **and AS 24.60.131**, if a complaint before the committee alleges a violation of this chapter by a group of legislators that includes a legislative member of the committee and that member's alternate, the member and alternate member are disqualified from serving on the committee with regard to the complaint. If the two disqualified members of the committee are members of the majority organizational caucus, the presiding officer of the house in which the two disqualified members serve shall appoint from that house an alternate to serve with regard to the complaint. If one of the two disqualified legislative members of the committee is not a member of the majority organizational caucus, the leader of the minority organizational caucus with the greatest number of members shall appoint from that house an alternate to serve with regard to the complaint. If a complaint alleges a violation of this chapter that includes all legislative members of the majority organizational caucus of one house, the presiding officer of that house shall appoint from the other house an alternate to serve with regard to the complaint. If the complaint alleges a violation of this chapter that includes all legislative members of a minority organizational caucus of one house, the leader of that minority organizational caucus shall appoint from the other house an alternate to serve with regard to the complaint.

* **Sec. 14.** AS 24.60 is amended by adding a new section to read:

Sec. 24.60.131. Alternate members. (a) When appointing members of the

legislature to serve on the committee under AS 24.60.130(b), the speaker of the house of representatives or the president of the senate, as appropriate, shall appoint an alternate member for each regular member. The alternate member shall have the same qualifications for appointment to the committee as the regular member for whom the alternate stands as alternate. The alternate member's appointment is subject to confirmation as required for appointment of the regular member.

(b) When selecting public members to serve on the committee under AS 24.60.130(b), the Chief Justice of the Alaska Supreme Court shall select one alternate public member. The alternate public member's selection is subject to ratification as required for selection of the regular public members.

(c) Subject to (d) of this section, if a regular member of the committee or a subcommittee is unable to participate in a proceeding other than a proceeding under AS 24.60.170, the chair of the committee or subcommittee that holds the proceeding shall designate the regular member's alternate to participate in place of the regular member at the proceeding, and the alternate shall participate for the duration of that proceeding unless the alternate is unable to participate.

(d) If a regular member of the committee or a subcommittee or an alternate member appointed under (a) or (b) of this section participates at the commencement of a proceeding under AS 24.60.170, the member shall participate for the duration of the proceeding unless the member is disqualified under AS 24.60.130(h) or is unable to continue participating. If the participating member is disqualified under AS 24.60.130(h) or becomes unable to participate, the chair of the committee or subcommittee that holds the proceeding shall designate the member's alternate to participate in place of the member for the duration of the proceeding unless the alternate is disqualified or is unable to participate.

(e) If both a regular legislative member and that member's alternate appointed under (a) of this section are not available to participate at the commencement of a proceeding under AS 24.60.170 because they are disqualified under AS 24.60.130(h), the presiding officer of the house in which the two members serve shall appoint from that house an alternate and designate that alternate to participate in the proceeding; however, if the two members who are not available to participate are not members of

the majority organizational caucus, the leader of the minority organizational caucus with the greatest number of members shall appoint from that house an alternate and designate that alternate to participate in the proceeding.

(f) A designation under (c) - (e) of this section is a confidential proceeding under AS 24.60.170(*l*) unless the member who is replaced as a result of the designation waives confidentiality.

*** Sec. 15.** AS 24.60.155 is amended to read:

Sec. 24.60.155. Legislative ethics course. A person who is a legislator, legislative employee, **legislative volunteer, educational trainee,** or public member of the committee shall complete a legislative ethics course administered by the committee under AS 24.60.150(a)(4) within 10 days of the first day of the first regular session of each legislature. However, a person who first takes office, [OR] begins employment**, or begins service as a volunteer or trainee** after the 10th day of the first regular session of a legislature shall complete the course required by this section within 30 days after the person's first day of service and, thereafter, as required by this section. The committee may grant a person additional time to complete the course required by this section.

*** Sec. 16.** AS 24.60.990(a)(11) is amended to read:

(11) "legislative employee" means a person, other than a legislator, who is compensated by the legislative branch in return for regular or substantial personal services, regardless of the person's pay level or technical status as a full-time or part-time employee, independent contractor, or consultant; it includes public members and staff of the committee; it does not include individuals who **are hourly employees who** perform functions that are incidental to legislative functions, [INCLUDING SECURITY, MESSENGER, MAINTENANCE, AND PRINT SHOP EMPLOYEES,] and other employees designated by the committee;

*** Sec. 17.** AS 24.60.990(a) is amended by adding a new paragraph to read:

(17) "state travel" means travel with transportation or overnight lodging that is provided or paid for with state resources.

*** Sec. 18.** AS 24.60.130(n) is repealed.

SB 93

<TARGET><BILL>SB 93</BILL><SUBJECT>SB 93</SUBJECT><COMM>SSTA27</COMM></TARGET>

[redacted] [redacted]

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 2/21/11

FURTHER: Transportation

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 3-1-11

State Affairs Committee considered SENATE BILL NO. 93

SB 93-SPECIALTY LICENSE PLATES

"An Act relating to special request specialty organization registration plates; and providing for an effective date."

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
			X	

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Giessel			X	
	Meyer			X	
	Paskvan	X			
CHAIR:		✓			

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

SB 93

Specialty License Plates

Specialty license plates are sweeping the country. By January 21, 2011 Alaska legislators had introduced bills for Choose Life, LaoVeteran, National Rifle Association, and In God We Trust specialty license plates. The 26th Legislature approved firefighter, fraternal order[1] and Iditarod finisher license plates and made a change in the Children's Trust specialty plate funds in a total of 15 committee meetings, entailing 9 versions of bills, and requiring one concurrent resolution.

Each license plate request takes legislative attention away from more pressing state matters and creates monetary and staff costs of drafting, duplicating, distributing, posting, scheduling, and amending. Legislatively created fundraising plates require the Division of Motor Vehicles (DMV) to track and request for re-appropriation small accounts of money. Other plates require the DMV to verify a status (such as HB 92 "the owner must present evidence satisfactory to the department that the owner served in combat as required by this subsection") to complete a transaction. Two legislatively created plates from 1998 (dog mushing and arts) have never been issued.

There is a better way. About half of the states currently allow administrative approval for license plates. The Alaska Division of Motor Vehicles supports this bill, including the effective date.

SB 93

- Gives the Division of Motor Vehicles authority to develop a procedure for administrative review and award of specialty license plates.
- Requires DMV to develop a standard template so all specialty plates will be easily readable and recognizable for law enforcement.
- Creates standard regulations, fees and procedures that will apply to all specialty license plates.
- Will result in cost savings for the state as administrative responsibilities of confirming eligibility, collecting and accounting for funds for the non-profit, and developing the license plate artwork and design are transferred to the sponsoring organization. DMV processing of plate applications is streamlined as the applications will be submitted in batches by sponsoring organizations.
- Is revenue neutral. The $30/vehicle specialty registration fee covers the cost of producing and issuing the specialty plates.

---

[1] No fraternal orders have yet applied for the plates authorized in 2010.

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

SECTIONAL ANALYSIS
Senate Bill 93

SECTION 1. AS 28.10.181 (bb)

Allows the Department of Administration to develop and implement regulations to issue special request specialty license plates sponsored by Alaska organizations with IRS 501(c) tax exempt status, departments of the state and municipalities.

Directs the Department of Administration to design a standard plate design for all specialty plates.

Specifies the *regulations* must provide that the **entity requesting the license plates**:

- submit an application on a form provided by the department;
- pay a fee that is set by regulation;
- submit registration fees for at least 50 motor vehicles before the plates will be issued;
- may not be offensive in purpose, nature, activity, or name;
- may charge a fee in addition to any registration fees set by statute or regulation.

And that the *regulations*

- specify a minimum number of registrations and renewals of specialty plates;
- provide for cancellation of plates that do not meet the minimum; and
- allow a sponsoring entity at least six months notice before any proposed cancellation.

- establish procedures for vehicle owners to buy special request specialty license plates.

SECTION 2. AS 28.10.421 (d)

Sets the fee for the special request specialty license plates at $30 upon first issuance or replacement of plates and allows a sponsoring entity to charge a fee upon first issuance and renewal of the plates.

SECTION 3. AS 28.10.181 (bb)

Establishes the effective date of January 1, 2012.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **SB093**
() Publish Date

Identifier (file name) SB093-DOA-DMV-02-22-11
Title Special request specialty organization plates
Sponsor Senator Wielechowski
Requester Senate State Affairs

Dept. Affected Administration
Appropriation Division of Motor Vehicles
Allocation Motor Vehicles
OMB Component Number 2348

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable; initial version

Prepared by Whitney Brewster
Division Motor Vehicles
Approved by John Cramer, Deputy Commissioner
Department of Administration

Phone 907-269-5574
Date/Time 2/22/11 8:00 AM
Date 2/22/2011

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. SB093

Analysis

This bill has no fiscal impact.

SB

94

<TARGET><BILL>SB 94</BILL><SUBJECT>SB
94</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 3/9/11

FURTHER: Finance

DATE TURNED IN TO OFFICE: _____

State Affairs Committee considered SENATE BILL NO. 94

SB 94 SECOND VERSE OF ALASKA'S STATE SONG

"An Act adding a second verse to the official Alaska state song."

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Giessel			X	
	Meyer	X			
	Paskvan	X			
	Kookesh	X			
CHAIR:	Wielechowski	X			

SB 94: Second Verse of the Alaska State Song

Legislative Intent

Adopted by the Senate State Affairs Committee on March 22, 2011

It is the intent of the Alaska State Legislature that no additional funds be spent to re-print state publications simply to include the second verse of the Alaska State Song. Instead, re-printing of publications should occur on the schedule it would otherwise have occurred had the second verse not been adopted.

ALASKA STATE LEGISLATURE

Senate
Health & Social
Services
Committee
Chair
•
Senate
Education Committee
Vice-Chair

Senator_Bettye_Davis@legis.state.ak.us
http://www.aksenate.org

Senate
Labor & Commerce
Committee
Member
•
Legislative Council
Member
•
Joint Armed
Services
Member

Memorandum

To: **Senator Wielechowski**

From: **Senator Davis**

Date: 3/10/2011

Re: **Request for Hearing of SB 94**

Enclosed is our committee packet for SB 94 an act adding a second verse to the official Alaska state song. I have included a sponsor statement, a copy of the bill, Fiscal notes, and other supplemental information.

Please schedule a committee hearing before the State Affairs Committee at your earliest convenience. I look forward to moving this bill right along.

Please contact my staff member Pamela Marsch at 465-3822 with any questions or comments regarding this request

Thank you,

Bettye Davis

Senator Bettye Davis

Session: (Jan. - May)
State Capitol, Suite 30, Juneau, AK 99801-1182 Phone: (907) 465-3822 • Fax: (907) 465-3756 • Toll free: (800) 770-3822
Interim: (May - Dec.)
716 West 4th Ave., Suite 400, Anchorage, AK 99501 Phone: (907) 269-0144 • Fax: (907) 269-0148

ALASKA STATE LEGISLATURE

Senate
Health & Social
Services
Committee
Chair
•
Senate
Education Committee
Vice-Chair

Senator_Bettye_Davis@legis.state.ak.us
http://www.aksenate.org

Senate
Labor & Commerce
Committee
Member
•
Legislative Council
Member
•
Joint Armed
Services
Member

Senate Bill 94 Sponsor Statement

Senate Bill 94 would add a second verse to The Alaska's Flag Song. The late Carol Beery Davis wrote a beautiful second verse, which gives recognition to Alaska Natives and to Benny Benson, who designed the Alaskan flag.

Similar bills have been introduced in the past. Last year The Alaska's Flag Song was performed with both verses as the Senate gaveled in on the first day of session. Also last year, the Senator from District G introduced SB 43. It passed the Senate, but stalled in the House.

This year is the year to join me in supporting a long overdue addition of the second verse to the Alaska Flag Song. By passing this bill you will be recognizing history, our progress as a state and our first people.

Session: (Jan. - May)
State Capitol, Suite 30, Juneau, AK 99801-1182 Phone: (907) 465-3822 • Fax: (907) 465-3756 • Toll free: (800) 770-3822
Interim: (May - Dec.)
716 West 4th Ave., Suite 400, Anchorage, AK 99501 Phone: (907) 269-0144 • Fax: (907) 269-0148

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 94
(S) Publish Date: 3/9/11

Identifier (file name) SB094-GOV-OMB-3-08-11
Title: Adding a second verse to the official Alaska state song
Dept. Affected: All
Appropriation:
Allocation:
Sponsor: Senator Davis
Requester: Senate Community and regional Affairs
OMB Component Number:

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
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 (please identify)							
TOTAL	***	***	***	***	***	***	***

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Not Applicable, initial version

Prepared by: John Boucher, Senior Economist
Division: Office of Management and Budget
Phone: 465-4677
Date/Time: 3/8/2011 2:00pm
Approved by: Karen Rehfeld, Director
Office of Management and Budget
Date: 3/8/2011

(Revised 1/27/2011 OMB)

FISCAL NOTE #1

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. SB 94

Analysis

The fiscal impact of this legislation is indeterminate.

"Alaska's Flag"

Written by Marie Drake
Composed by Elinor Dusenbury

Adopted on February 23 1955.

Sheet Music | MIDI Tune | Realaudio Song

1st Verse of Alaska's Flag Song

Eight stars of gold on a field of blue,
Alaska's flag, may it mean to you,
The blue of the sea, the evening sky,
The mountain lakes and the flowers nearby,
The gold of the early sourdough's dreams,
The precious gold of the hills and streams,
The brilliant stars in the northern sky,
The "Bear," the "Dipper," and shining high,
The great North Star with its steady light,
O'er land and sea a beacon bright,
Alaska's flag to Alaskans dear,
The simple flag of a last frontier.

2nd Verse of Alaska's Flag Song
-- Words by Carol Beery Davis

A Native lad chose the Dipper's stars
For Alaska's flag that there be no bars
Among our culture. Let it be known
Through years the Native's past has grown
To share life's treasures, hand in hand,
To keep Alaska our Great-Land;
We love the northern midnight sky,
The mountains, lakes and streams nearby.
The great North Star with its steady light
Will guide all cultures, clear and bright,
With nature's flag to Alaskans dear,
The simple flag of the last frontier.

- *Source* : *Alaska Blue Book 1993-94*, 11th ed., Juneau, Department of Education, Division of State Libraries, Archives & Museums.
- Copyright for *Alaska's Flag* is held by the University of Alaska. For further

Origin of Song:

The words to the song Alaska's Flag were written by Marie Drake, The Territorial Legislature adopted Alaska's Flag as Alaska's official song in 1955.

"Alaska's Flag" written by Marie Drake a long-time employee of the Alaska Department of Education, and set to music composed by Elinor Dusenbury, who husband was commander of Chilkoot Barracks at Haines from 1933 to 1936 was adopted as the official state song in 1955, and was gifted to the University of Alaska in April 1960. Carol Beery Davis wrote the second verse to "Alaska's Flag" and gifted the words (protected by copyright) to the University of Alaska Foundation in February 1987.

Carol Beery Davis, an Alaskan pioneer and poet laureate, as the maker of the second verse. While the official Alaska state song recognizes and describes Alaska's flag, the words of Davis in the second verse of "Alaska's Flag", "A Native lad chose the Dipper's stars, For Alaska's flag that there be no bars", provides recognition of Bennie Benson who designed Alaska's official flag in 1927. Benny Benson described his design of the flag:

"The blue field is for the Alaska Sky and the forget-me-not, an Alaskan flower. The North Star is for the future of Alaska, the most northerly in the union. The Dipper is for the Great Bear - symbolizing strength."

Marie Drake:

Marie Drake, author of the words to *Alaska's Flag*, the state song, was born Feburary 11, 1888. In 1907 she married James Drake in Van Wert, Ohio, where she was engaged in social work with the Y.W.C.A. and the Red Cross. They came to Alaska when her husband was assigned to work with the Bureau of Public Roads. In 1917, Lester Henderson was appointed first commissioner of education, and he hired Marie Drake as his secretary. She remained with the Department for 28 years,

information contact the University Archivist at the Rasmuson Library, University of Alaska Fairbanks, Fairbanks, Alaska 99775-6808. • Verse 2 by Carol Beery Davis. 1986.	retiring July 1, 1945. Marie Drake assumed the post of assistant commissioner of education in 1934. She edited and wrote most of the material for the department's *School Bulletin*, that was circulated throughout the territorial school system. The poem that later provided the words for the official state song first appeared on the cover of the October 1935 *School Bulletin*. In recognition of her devotion to the young people of Alaska, Marie Drake received an honorary Doctor of Letters degree from the University of Alaska in 1958. She died March 5, 1963. • *Source : Alaska Blue Book 1993-94, 11th ed., Juneau, Department of Education, Division of State Libraries, Archives & Museums*

SB 94 BACKGROUND MATERIAL

HB 117

Incorporated
1983

Denakkanaaga

201 First Ave., Fairbanks, Alaska 99701
Phone (907) 452-8251 Ext. 289

August 31, 1984

The Honorable Fran Ulmer
1700 Angus Way
Juneau, Alaska 99801

Dear Representative Ulmer:

Attached is a copy of Resolution 87-01 passed at the Denakkanaaga', Inc. Elders Conference, held June 2-4, 1987 in Northway, Alaska. There were about 300 elders and youth that attended this conference.

We believe this resolution speaks clearly how the Elders feel about the Second stanza of the "Alaska Flag Song".

We are asking for your support on behalf of the Athabascan Elders.

Sincerely,

Don Lee

Don Lee
Executive Director

DL/as
Attachment

SB 99 BACKGROUND MATERIAL

[redacted] Support the Second
Stanza of the Alaska Flag Song;

Resolution #87-01

WHEREAS, Denakkanaaga' Inc. represents all the Elders of the Athabascan region, and

WHEREAS, the term "Natives" means anybody born to a person of country or state, and

WHEREAS, the second stanza would pay homage to Alaskan Natives,

NOW THEREFORE BE IT RESOLVED that the Denakkanaaga' Inc. support the proposal of adding the second stanza of the Alaska Flag Song to honor all Native Alaskans.

Certification

I hereby certify that this resolution was duly passed by the Denakkanaaga' Inc. Board of Directors on June 4, 1987, at Northway, Alaska.

[redacted]
Secretary/Treasurer
Denakkanaaga' Inc.

6/87-70.4

SB 94
BACKGROUND
MATERIAL

Why a second verse for 'Alaska Flag Song'?

Editor's Note: A copy of the following letter to Betty Kjara, secretary of Pioneers of Alaska Auxiliary No. 8 in Fairbanks, was submitted for publication.

Dear Betty:

I have received your letter dated March 27, in which you objected to the adoption of the second verse of the "Alaska Flag Song."

I would like to explain to you why I introduced HB 117 and why I hope you will change your decision to oppose the bill.

No one loves the flag song any more than I do. For many years, I have sung it for groups, meetings, conventions, commencements and even for Gov. Bill Egan's memorial service here in Juneau. I offer the second verse out of deep respect for the first verse and for its recognition of Alaska's history. I believe the second verse complements the first verse and gives recognition not to one ethnic group, but to all Alaskans and their ability to work together in a unified and harmonious way.

The addition of a second verse has been discussed for many years by various groups. At one time, funds were inserted into the House's version of the budget to hold a contest for selecting a second verse. Carol Beery Davis was asked to write another verse to the flag song to recognize the contribution of Native Alaskans, who were here long before you or I, or even the Pioneers. She did so, and offered it as a gift to the State of Alaska. I was asked to support its adoption and to introduce a bill to make it officially recognized by the state. I did so, and it has passed the House.

In order to understand the special significance of this verse, you must know about Carol Beery Davis, a former poet laureate of Alaska. She is a 60-year resident of Juneau. Her husband, Trevor, was born here 94 years ago, and is the only living member of the original selection committee for the design of Alaska's flag, which selected Benny Benson's North Star and Big Dipper (to whom the second verse refers in lines 1 and 2). Carol has written dozens of books about Alaska, including "The Alaska Flag Song" book which is credited with helping to make the song so well-known. I have enclosed a copy of this book. She now personally [illegible] Duesenbury and Marie Drake, the two women who decided to write the song and offer it to the state, just as Carol has done.

owner, is still contributing to her loved state by offering this beautiful verse, a tribute to unity of all Alaskans:

"A Native lad chose the Dipper's stars
For Alaska's flag that there be no bars
Among our cultures..."

She is recognizing history and our progress as a state:

"Be it known
through years, the Natives' past has grown.
To share life's treasures, hand in hand,
To keep Alaska our Great Land."

She is focusing our attention on the natural beauty of our land and reminds us of the treasures of its beauty:

"We love the northern, midnight sky,
The mountains, lakes, and streams nearby.
The great North Star with its steady light
Will guide all cultures, clear and bright,
With nature's flag to Alaskans dear,
The simple flag of a last frontier."

It is hard for me to understand why anyone who has read these words could object to them. It is impossible for me to understand how anyone who knows who Carol Beery Davis is and the contributions she has made to art, music and literature in Alaska could object to her offering this beautiful gift.

Why did this legislator propose HB 117? Out of respect for a beautiful Alaskan lady who has offered a beautiful verse to a beautiful song about a great state.

Sincerely,
Rep. Fran Ulmer
Juneau

Michelle Sydeman

From: Sen. Albert Kookesh
Sent: Wednesday, March 16, 2011 3:13 PM
To: Michelle Sydeman
Subject: FW: HB 94

For the Senate State Affairs members.

From: MARIE OLSON [mailto:naayadi3@gci.net]
Sent: Wednesday, March 16, 2011 1:24 PM
To: Sen. Dennis Egan; Sen. Johnny Ellis; Senator_Hollis_French@legis.state.ak.us; Sen. Lyman Hoffman; Sen. Albert Kookesh; Sen. Donny Olson; Sen. Joe Thomas; Senator_Bill_Weilchowski@legis.state.ak.us
Subject: HB 94

I am Marie Olson, a member of the Alaska Native Sisterhood Camp 2 of Juneau. I urge you to please vote for the passage of this bill. It is an historical song that will truly belong to ALL the people in the State of Alaska.

Respectfully yours,
Marie Olson, Member
ANS Camp 2
Juneau, Alaska

A Native lad chose the Dipper's stars

For Alaska's flag that there be no bars

Among our cultures. Be it known

Through years the Natives' past has grown

To share life's treasures, hand in hand,

To keep Alaska our Great Land;

We love the northern, midnight sky,

The mountains, lakes, and streams nearby.

The great North Star with its steady light

Will guide all cultures, clear and bright,

With nature's flag to Alaskans dear,

The simple flag of the last frontier.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **SB 94**
() Publish Date

Identifier (file name)
Title SB 94 - Second Verse of Alaska's State Song
Sponsor Senator Davis
Requester

Dept. Affected
Appropriation
Allocation
OMB Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by SENATE STATE AFFAIRS COMMITTEE
Division
Approved by /s/ Senator Wielechowski, Chair

Phone 465-2435
Date/Time 3/22/11 8:00 AM
Date

(Revised 1/27/2011 OMB)

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. SB 94

Analysis

No Fiscal Impact

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 43
(S) Publish Date: 1/29/10

Identifier (file name): SB043-GOV-OMB-1-26-10
Dept. Affected: All
Title: Adding a second verse to the official Alaska state song
RDU
Component
Sponsor: Sen. Menard
Requester: Sen. Community & Regional Affairs Committee
Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2011**	**FY 2011**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 Interagency Receipts							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2010) cost:

POSITIONS							
Full-time							
Part-time							
Temporary							

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

This legislation will not have a significant fiscal impact on any State agency.

Prepared by: Jack Kreinheder, Senior Analyst
Phone 465-4676
Division: Office of Management and Budget
Date/Time 1/26/09 9:35 AM
Approved by: Karen Rehfeld, Director
Date 1/26/2009
Office of Management and Budget

(Revised 11/6/2009 OMB)

SB

98

<TARGET><BILL>SB 98</BILL><SUBJECT>SB
98</SUBJECT><COMM>SSTA27</COMM></TARGET>

27-LS0014\B
Kane
3/15/11

SENATE CS FOR HOUSE BILL NO. 98(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES JOHNSON, Hawker, Keller, Costello, Chenault, Olson, Millett, Fairclough, Kerttula, Feige, Thomas, Peggy Wilson, Kawasaki, Johansen

SENATORS McGuire, Giessel, Meyer, Menard, Ellis, Wagoner, Egan, Dyson, Stevens

A BILL

FOR AN ACT ENTITLED

"An Act relating to display, folding, presentment, and retirement of the state flag."

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

* **Section 1.** AS 44.09.030 is amended by adding new subsections to read:

(d) When displayed horizontally in a public facility, the flag shall be positioned with the hoist on the left and the North Star in the upper right corner.

(e) When displayed vertically in a public facility, the flag shall be positioned with the hoist at the top and the North Star in the lower right corner.

* **Sec. 2.** AS 44.09 is amended by adding new sections to read:

Sec. 44.09.032. Folding and presenting the state flag. (a) When folding the state flag, the following procedure shall be followed, whenever possible:

(1) hold the flag waist-high with another person, so that the flag is parallel to the ground and the hoist is on the left;

(2) fold the flag lengthwise, with the open edge up;

(3) holding the edges securely, rotate the flag so that five stars are facing up;

(4) fold the flag lengthwise a second time, with the open edge up;

(5) holding the edges securely, rotate the flag so that two stars are facing up;

(6) fold the flag widthwise, with the North Star facing down and the hoist on the right;

(7) holding the edges securely, fold the flag widthwise a second time, with the North Star facing down and the hoist on the right;

(8) fold the flag widthwise a third time, with the North Star facing up.

(b) When presenting the folded flag to another person, the folded flag should be turned so that the North Star is nearest the receiver.

Sec. 44.09.034. Retirement of the state flag. An official flag of the state that is no longer a fitting emblem for display because it is worn, tattered, or otherwise damaged may be respectfully retired by fire in a ceremony or other dignified manner honoring the flag as a fitting emblem for the state. When practicable, retirement of the state flag should occur in a public ceremony under the direction of uniformed personnel representing a state or federal military service or a patriotic society. If a formal ceremony is not practicable, a private ceremony is acceptable.

* **Sec. 3.** AS 44.09.030(c) is repealed.

27-LS0661\M.1
Bannister
3/16/11

AMENDMENT

OFFERED IN THE SENATE BY SENATOR WIELECHOWSKI

TO: CSSB 98(STA), Draft Version "M"

Page 4, line 2:

Delete "palm print"

Insert "skin"

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

Senate Bill 98

"An Act Relating to the use of biometric information"

Sponsor Statement

In 2004, the Alaska Legislature unanimously passed legislation outlawing the collection, analysis, or storage of a law-abiding citizen's genetic information without their express written consent. This legislation was drafted in response to rapidly evolving technology that holds great promise for fields such as medicine and law enforcement. However, this technology also holds the potential for misuse by those who would use a person's genetic data to obtain information about them that Alaskans would normally have a right to keep private.

Senate Bill 98 would update Alaska statutes to protect not only Alaskans' DNA, but all similar forms of biometric information. The term "biometric information" refers to any information about an individual based on their unique behavioral or physiological characteristics. The most commonly known forms of biometric information are a person's fingerprints and their DNA, but also includes such information as iris and retinal patterns, hand geometry, voice patterns, and facial characteristics.

Many potential uses of biometric information are still at the rudimentary stages of development. However, new technologies will soon be available that will be able to make use of this information with chilling consequences for individual privacy and civil liberties.

Examples of the potential misuse of biometric information include the collection of an individual's data by potential employers or insurers to weed out applicants that may have a genetic predisposition towards certain illnesses and the use of video surveillance enhanced by facial recognition technology to track citizens' movements without their knowledge.

Alaskans should bear in mind that one of the proposed requirements of the Federal REAL ID Act was that every Alaskan ID card contain a radio frequency identification (RFID) chip, which would allow a citizen's movements to be tracked without their knowledge.

Thankfully, the State of Alaska joined other states in refusing to submit to the REAL ID Act. The legislature should take a similar strong stand to protect Alaskans' biometric information and their constitutional right to privacy.

27-LS0661\M
Bannister
3/11/11

CS FOR SENATE BILL NO. 98(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS WIELECHOWSKI, Coghill, Ellis, Menard, McGuire, Giessel, Egan, Paskvan, Thomas

A BILL

FOR AN ACT ENTITLED

"An Act relating to biometric information."

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

*** Section 1.** AS 18 is amended by adding a new chapter to read:

Chapter 14. Biometric Information.

Sec. 18.14.010. Biometric information consent. (a) A person may not retain or analyze, or disclose or distribute to another person, biometric information on an individual without first obtaining the informed and written consent of the individual.

(b) An individual may, at any time, revoke or amend the individual's consent provided under (a) of this section.

Sec. 18.14.020. Alternate identification. A person may not require an individual to provide biometric data to the person for the purpose of identifying the individual if the individual provides the person with a valid current

(1) United States passport; or

(2) identification card issued by a state in the United States or by a branch of the armed forces of the United States.

Sec. 18.14.030. Uniform consent form. The Department of Health and Social Services may by regulation adopt a uniform consent form to assist persons to meet the requirements for the consent required by AS 18.14.010. A person who retains or analyzes, or discloses or distributes to another person, biometric information, based on consent that is provided in a uniform consent form that has not been revoked, is exempt from civil liability under AS 18.14.060 and from criminal liability for the retention, analysis, disclosure, or distribution of the biometric information.

Sec. 18.14.040. General authorization. A general authorization for the release of medical records or medical information may not be construed to constitute the informed and written consent required by AS 18.14.010.

Sec. 18.14.050. Private right of action. An individual may bring a civil action against another person who violates AS 18.14.010 or 18.14.020. Except as provided by AS 18.14.030, a person who violates AS 18.14.010 is liable to the individual for actual damages and a penalty of $5,000, except that, if the violation resulted in profit or monetary gain to the person, the penalty is $100,000.

Sec. 18.14.060. Exemptions. This chapter does not apply to the collection, retention, analysis, disclosure, or distribution of

(1) biometric information for a law enforcement purpose, including the identification of perpetrators, the investigation of crimes, the identification of missing or unidentified persons, or the identification of human remains;

(2) biometric information when authorized by state or federal law;

(3) facial images by the Department of Administration for drivers' licenses issued under AS 28.15, for state identification cards issued under AS 18.65.310, for administering AS 28.15, or for administering AS 18.65.310; or

(4) facial images that are not used in a biometric system.

Sec. 18.14.090. Definitions. In this chapter,

(1) "biometric data" means fingerprints, handprints, voices, facial images, iris images, retinal images, vein scans, hand geometry, or finger geometry;

(2) "biometric information" means biometric data that is used in a biometric system for fingerprint recognition, hand geometry recognition, finger geometry recognition, voice recognition, facial recognition, iris scans, retinal scans, or

vein recognition;

(3) "biometric system" means an automated system capable of

(A) capturing biometric data from an individual's biometric information;

(B) extracting and processing the biometric data captured under (A) of this paragraph;

(C) storing the biometric data extracted under (B) of this paragraph;

(D) comparing the biometric data extracted under (B) of this paragraph with biometric data stored for the individual for use in future recognition of the individual; and

(E) determining how well the extracted and stored biometric data match when compared under (D) of this paragraph, and indicating whether an identification or verification of identity has been achieved;

(4) "facial recognition" means the use of an image of the visible physical structure of an individual's face for recognition purposes;

(5) "finger geometry recognition" means the use of the shape and dimensions of one or more fingers for recognition purposes;

(6) "fingerprint recognition" means the use of the physical structure of an individual's fingerprint for recognition purposes;

(7) "governmental entity" means a state agency, a municipality, and an agency of a municipality; in this paragraph, "state agency" means an agency of the executive, judicial, or legislative branch of state government;

(8) "hand geometry recognition" means the use of the physical structure of an individual's hand for recognition purposes;

(9) "iris scan" means the use of an image of the physical structure of an individual's iris for recognition purposes;

(10) "person" has the meaning given in AS 01.10.060, and includes a governmental entity;

(11) "retinal scan" means the use of the pattern of blood vessels in an individual's eye for recognition purposes;

(12) "vein recognition" means the use of the veins in an individual's palm print for recognition purposes.

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 14, 2011

SUBJECT: Sectional summary of SB 98 relating to biometric information (Work Order No. 27-LS0661\A)

TO: Senator Bill Wielechowski
Attn: Michelle Sydeman

FROM: Theresa Bannister
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents

Section 1. Adds a new chapter, AS 18.14, relating to biometric information.

Sec. 18.14.010 prohibits retaining, analyzing, disclosing, or distributing an individual's biometric information without obtaining the individual's consent. Allows the individual to revoke or amend the consent.

Sec. 18.14.020 prohibits a person from requiring an individual to provide biometric data for identification if the individual provides certain other identification.

Sec. 18.14.030 authorizes the Department of Health and Social Services to adopt a uniform consent form for sec. 18.14.010. If a person uses an unrevoked uniform consent form for an individual's consent, exempts the person from civil liability under sec. 18.14.060 and criminal liability for retention, analysis, disclosure, or distribution of the individual's biometric information.

Sec. 18.14.040 states that a general authorization for the release of medical information does not constitute the consent required by sec. 18.14.010.

Sec. 18.14.050 provides an individual with a private right of action for violations of secs. 18.14.010 or 18.14.020. Establishes that the violator of sec. 18.14.010 is liable to the individual for actual damages and a penalty.

Sec. 18.14.060 lists the exemptions from the chapter.

Sec. 18.14.090 defines terms for the chapter.

If I may be of further assistance, please advise.

TLB:plm
11-139.plm

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

Explanation of Changes From Original to CS, Version "M"

- **Page 1, Line 13**: The "and" has been changed to an "or," allowing a person to only present one form of identification.
- **Page 2, Line 18 and 21:** The term "biometric information" has been added to clarify.
- **Page 2, Lines 22-25:** Exemptions were clarified for the issuance of drivers' licenses, ID cards, and pictures not entered into a biometric system.
- **Page 2, Line 28:** Vein scans, hand geometry, and finger geometry were added as definitions of biometric data.
- **Page 2, Line 30:** Finger geometry recognition was included as a definition of biometric information. Its corresponding definition was added on **Page 3, Lines 17 and 18**.
- **Page 3, Line 1:** The word "palm" was removed from "palm vein recognition" in the definition of biometric information.

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

Biometrics Fact Sheet

- There is a growing trend for companies and organizations to use biometric data as a means of identifying individuals. By giving personal biometric information, like fingerprints, iris scans, or facial images, a person gives away highly personal, traceable information.

- Passports, identification cards, and social security cards can be used to travel abroad, identify oneself in court, and a plethora of other activities. These should be suitable checks of identification.

- Organizations that collect biometric data routinely sell that data to third parties, without our consent.

- There is no doubt biometric data can be extremely helpful in fields such as medicine and security, but we should never be forced to give up such personal identification. This bill does not ban biometrics, but bans their use without our consent.

ELECTRONIC FRONTIER FOUNDATION

Biometrics: Who's Watching You?

September 2003

Introduction

Among the many reactions to the September 11 tragedy has been a renewed attention to biometrics. The federal government has led the way with its new concern about border control. Other proposals include the use of biometrics with ID cards and in airports, e.g. video surveillance enhanced by facial-recognition technology.

The purpose of this document is to sketch out EFF's concerns about biometrics. In today's public arena, biometric technologies are being marketed as a "silver bullet" for terrorism; however, very little independent, objective scientific testing of biometrics has been done. Deploying biometric systems without sufficient attention to their dangers makes them likely to be used in a way dangerous to civil liberties. This document is very much a work in progress and we welcome comments.

What Are Biometrics?

Biometrics refers to the automatic identification or identity verification of living persons using their enduring physical or behavioral characteristics. Many body parts, personal characteristics and imaging methods have been suggested and used for biometric systems: fingers, hands, feet, faces, eyes, ears, teeth, veins, voices, signatures, typing styles, gaits and odors.

Our Major Concerns

- **Biometric technology is inherently individuating and interfaces easily to database technology, making privacy violations easier and more damaging.** If we are to deploy such systems, privacy must be designed into them from the beginning, as it is hard to retrofit complex systems for privacy.
- **Biometric systems are useless without a well-considered threat model.** Before deploying any such system on the national stage, we must have a realistic threat model, specifying the categories of people such systems are supposed to target, and the threat they pose in light of their abilities, resources, motivations and goals. Any such system will also need to map out clearly in advance how the system is to work, in both in its successes and in its failures.
- **Biometrics are no substitute for quality data about potential risks**. No matter how accurately a person is identified, identification alone reveals nothing about whether a person is a terrorist. Such information is completely external to any biometric ID system.
- **Biometric identification is only as good as the initial ID.** The quality of the initial "enrollment" or "registration" is crucial. Biometric systems are only as good as the initial identification, which in any foreseeable system will be based on exactly the document-based methods of identification upon which biometrics are supposed to be an improvement. A terrorist with a fake passport would be issued a US visa with his own biometric attached to the name on the phony passport. Unless the terrorist A) has already entered his biometrics into the database, and B) has garnered enough suspicion at the border to merit a full database search, biometrics won't stop him at the border.
- **Biometric identification is often overkill for the task at hand.** It is not necessary to identify a person (and to create a record of their presence at a certain place and time) if all you really want to know is whether they're entitled to do something or be somewhere. When in a bar, customers use IDs to prove they're old enough to drink, not to prove who they are, or to create a record of their presence.
- **Some biometric technologies are discriminatory.**A nontrivial percentage of the population cannot present suitable features to participate in certain biometric systems. Many people have fingers that simply do not "print well." Even if people with "bad prints" represent 1% of the population, this would mean massive inconvenience and suspicion for that minority. And scale matters. The INS, for example, handles about 1 billion distinct entries and exits every year. Even a seemingly low error rate of 0.1% means 1 million errors, each of which translates to INS resources lost following a false lead.
- **Biometric systems' accuracy is impossible to assess before deployment** Accuracy and error rates published by biometric technology vendors are not trustworthy, as biometric error rates are intrinsically manipulable. Biometric systems fail in two ways: false match (incorrectly matching a subject with someone else's reference sample) and false non-match (failing to match a subject with her own reference sample). There's a trade-off between these two types of error, and biometric systems may be "tuned" to favor one error type over another. When subjected to real-world testing in the proposed operating environment, biometric systems frequently fall short of the performance promised by vendors.
- **The cost of failure is high.** If you lose a credit card, you can cancel it and get a new one. If you lose a biometric, you've lost it for life. Any biometric system must be built to the highest levels of data security, including transmission that prevents interception, storage that prevents theft, and system-wide architecture to prevent both intrusion and compromise by corrupt or deceitful agents within the organization.

Despite these concerns, political pressure for increasing use of biometrics appears to be informed and driven more by marketing from the biometrics industry than by scientists. Much federal attention is devoted to deploying biometrics for border security. This is an easy sell,

because immigrants and foreigners are, politically speaking, easy targets. But once a system is created, new uses are usually found for it, and those uses will not likely stop at the border.

With biometric ID systems, as with national ID systems, we must be wary of getting the worst of both worlds: a system that enables greater social surveillance of the population in general, but does not provide increased protection against terrorists.

Some Current Biometric Initiatives

Sec. 403(c) of the **USA-PATRIOT Act** specifically requires the federal government to "develop and certify a technology standard that can be used to verify the identity of persons" applying for or seeking entry into the United States on a U.S. visa "for the purposes of conducting background checks, confirming identity, and ensuring that a person has not received a visa under a different name."

The recently enacted **Enhanced Border Security and Visa Entry Reform Act of 2002**, Sec. 303(b)(1), requires that only "machine-readable, tamper-resistant visas and other travel and entry documents that use biometric identifiers" shall be issued to aliens by October 26, 2004. The Immigration and Naturalization Service (INS) and the State Department currently are evaluating biometrics for use in U.S. border control pursuant to EBSVERA.

Even prior to September 11, however, large-scale civilian biometric identification systems were being pushed. Both the **Personal Responsibility and Work Opportunity Act of 1995** (PRWOA), a welfare reform law, and the **Immigration Control and Financial Responsibility Act of 1996** (ICFRA), an immigration reform law, called for the use of "technology" for identification purposes.

The PRWOA requires the states to implement an electronic benefits transfer program "using the most recent technology available . . . which may include personal identification numbers, photographic identification . . . and other measures to protect against fraud and abuse." This law covers, for example, the Food Stamps program.

The ICFRA requires the President to "develop and recommend . . . a plan for the establishment of a data system or alternative system . . . to verify eligibility for employment in the United States, and immigration status in the United States for purposes of eligibility for benefits under public assistance programs . . . or government benefits." This system "must be capable of reliably determining with respect to an individual whether . . . the individual is claiming the identity of another person."

The **Illegal Immigration Reform and Immigrant Responsibility Act of 1996** (IIRAIRA) requires the INS to include on alien border crossing cards "a biometric identifier (such as the fingerprint or handprint of the alien) that is machine readable." The State Department collects fingerprints and photographs of aliens for these cards.

The **Truck and Bus Safety and Regulatory Reform Act of 1988** (TBSRRA) requires "minimum uniform standards for the biometric identification of commercial drivers."

EFF's concerns about biometrics

Why be concerned about biometrics? Proponents argue that: A) biometrics themselves aren't dangerous because all the real dangers are associated with the database behind the biometric information, which is little different from problems of person-identifying information (PII) databases generally; B) biometrics actually promote privacy, e.g., by enabling more reliable identification and thus frustrating identity fraud.

But biometric systems have many components. Only by analyzing a system as a whole can one understand its costs and benefits. Moreover, we must understand the unspoken commitments any such system imposes.

Surveillance

The chronic, longitudinal capture of biometric data is useful for surveillance purposes. Our Surveillance Monitor page highlights some of these issues. Biometric systems entail repeat surveillance, requiring an initial capture and then later captures.

Another major issue relates to the "voluntariness" of capture. Some biometrics, like faces, voices, and fingerprints, are easily "grabbed." Other biometrics, at least under present technology, must be consciously "given." It is difficult, for instance, to capture a scan of a person's retina or to gather a hand geometry image without the subject's cooperation. Easily grabbed biometrics are a problem because people can't control when they're being put into the system or when they're being tracked. But even hard-to-grab biometrics involve a trust issue in the biometric capture device and the overall system architecture.

Databases

To be effective, a biometric system must compare captured biometric data to a biometric database. Our National ID System page highlights issues surrounding database abuse, which has both static and dynamic dimensions.

The static issues surrounding databases are mainly about safeguarding large and valuable collections of personally identifying information. If these databases are part of an important security system, then they (and the channels used to share PII) are natural targets for attack, theft, compromise, and malicious or fraudulent use.

The dynamic issues surrounding databases mainly concern the need to maintain reliable, up-to-date information. Databases that seek to maintain accurate residence information must be updated whenever one moves. Databases that are used to establish eligibility for benefits must be updated so as to exclude persons no longer eligible. The broader the function of the system, the more and broader the updating that is required, increasing the role of general social surveillance in the system.

It may seem that one of the issues that plagues token-based ID systems (like ID cards) -- the security or integrity of the token itself -- does not apply for biometric systems, because "you are your ID." But the question of the reliability of the token is really a question about trust. In an ID card system, the question is whether the system can trust the card. In biometric systems, the question is whether the individual can trust the system. If someone else captures your signature, fingerprint, or voice, for instance, what prevents it from being used by others? Any use of biometrics with a scanner run by someone else involves trusting someone's claim about what the scanner does and how the captured information will be used.

Vendors and scanner operators may say that they protect privacy in some way, perhaps by hashing the biometric data or designing the database to enforce a privacy policy. But the end user typically has no way to verify whether such technical protections are effective or implemented properly. End-users should be able to verify any such claims, and to leave the system completely if they are not satisfied. Exiting the system, of course, should at least include the expungement of the end-user's biometric data and records.

Linking

An oft-noted risk of biometric systems is the use of biometrics as a linking identifier. This risk, of course, depends to some extent on standardization. Consider, for instance, the use of the Social Security number as a linker across disparate databases. While the private sector would not have been able to develop anything like the SSN on its own, once the government created this identifier, it became a standard way of identifying individuals. Standardization therefore creates new privacy risks because information gathered for one purpose can be used for completely unrelated, unconsented-to purposes.

Currently, Automated Fingerprint ID Systems (AFIS) are heavily used by the government in connection with law enforcement, but there is at present little standardization within the AFIS industry. If law enforcement and private industry were to unify their fingerprint databases under one common standard, such as under a national ID system, this would potentially put one's entire life history in interoperating databases that are only a fingerprint away.

Tracking

By far the most significant negative aspect of biometric ID systems is their potential to locate and track people physically. While many surveillance systems seek to locate and track, biometric systems present the greatest danger precisely because they promise extremely high accuracy. Whether a specific biometric system actually poses a risk of such tracking depends on how it is designed.

Why should we care about perfect tracking? EFF believes that perfect tracking is inimical to a free society. A society in which everyone's actions are tracked is not, in principle, free. It may be a livable society, but would not be our society.

EFF believes that perfect surveillance, even without any deliberate abuse, would have an extraordinary chilling effect on artistic and scientific inventiveness and on political expression. This concern underlies constitutional protection for anonymity, both as an aspect of First Amendment freedoms of speech and association, and as an aspect of Fourth Amendment privacy.

Implemented improperly, biometric systems could:

- increase the visibility of individual behavior. This makes it easier for measures to be taken against individuals by agents of the government, by corporations, and by our peers.
- result in politically damaging and personally embarrassing disclosures, blackmail and extortion. This hurts democracy, because it reduces the willingness of competent people to participate in public life.
- increase the 'circumstantial evidence' available for criminal prosecution. This might dramatically affect the existing balance of plausible -sounding evidence available to prosecutors, and hence increase the incidence of wrongful conviction. Many criminal cases are decided by plea bargaining, a process that is sensitive to the perceived quality of evidence. Even ambiguous or spurious evidence generated by complex technical systems may be difficult for overburdened public defenders to challenge.
- enable the matching of people's behavior against pre-determined patterns. This could be used by the government to generate suspicion, or by the private sector to classify individuals into micro-markets, the better to manipulate consumer behavior.
- aid in repressing readily locatable and trackable individuals. While the public's concern is usually focused on the exercise of state power, these technologies may also greatly empower corporations. If proper privacy safeguards are not constructed into such systems, they would prove useful in dealing with such troublesome opponents as competitors, regulators, union organizers, whistleblowers, and lobbyists, as well as employees, consumer activists, customers and suppliers.

The Attributes of Biometric Systems

How Do Biometrics Compare to Other Types of ID?

Currently other than personally recognizing someone, or having a trusted third party personally swear to their identity, the only other technique for identifying a person is through the use of a "token." These tokens, which are in essence representations of the oath of a trusted third party, come in two basic forms:

- **Knowledge tokens**, such as passwords, secret PINs (Personal Identification Numbers), or knowledge of personal data (knowing one's mother's maiden name, e.g.), or
- **Physical tokens** such as ID cards, passports, chip cards, or plain old keys.

Token IDs offer certain advantages over biometric identification. Security against "false acceptance" of impostors can be raised by increasing the complexity of the token used for identification. Also, in the event of loss or compromise, the token, be it a password, PIN, key, or ID card, can be revoked, changed or reissued, a biometric measurement cannot.

The advantage of biometrics is that unlike tokens, biometrics cannot be lost, loaned, or forgotten. Token-based systems must verify that the presenter is the authorized user, not an unauthorized person who has come to possess the token.

Used carefully, biometrics may be combined with token-based systems to mitigate the vulnerability of ID tokens to unauthorized use.

Functions of Biometric Systems

One useful way of thinking about biometrics is that they are used for one of two purposes: A) To prove that you are who you say you are (positive ID), or B) To prove that you are not who you say you are not (negative ID).

In a positive ID situation, the subject asserts that she is Jane Doe and submits a "live" sample (a fingerprint, for example) to the system. The system then checks its database of previously enrolled or registered samples to see if the live sample matches the reference sample. A positive ID system is designed to prevent more than one person from using a single identity.

In a negative ID situation, John Roe claims *not* to be someone already known to the system. Here, the system checks its database to see that Roe is not on the watchlist of suspected criminals and terrorists, whose biometrics are already in the system. A negative ID system is designed to prevent one person from using more than one identity.

When biometrics are employed to effect negative identification, one need not be enrolled. The only persons who must be "in" the database are those whom the operator is trying to keep out or catch.

Biometrics alone cannot establish "true identity." A biometric system cannot prevent someone from furnishing fake credentials when they first enter the system. They can only prevent them from using another identity once enrolled.

Common Aspects of All Biometric Systems:

All biometric technology systems have certain aspects in common. All are dependent upon an accurate reference or "registration" sample. If a biometric system is to identify a person, it first must have this sample, positively linked to the subject, to compare against. Modern biometric identification systems, based on digital technology, analyze personal physical attributes at the time of registration and distill them into a series of numbers. Once this reference sample is in the system, future attempts to identify a person are based on a comparison of a "live" sample and the reference sample or samples.

A perfect system would recognize a person 100% of the time, and reject an impostor 100% of the time. However, biometric samples are gathered from people in environmental conditions that are uncontrollable, over equipment that may slowly be wearing out, and using technologies and methods that vary in their level of precision. Consequently, the accuracy of biometric systems is assessed in light of these confounding variables via its tendency to experience either a "false match" (also called a "false accept") or a "false non-match" ("false reject"). The point at which these two rates intersect is called the equal error rate or crossover point.

Biometric systems may be "tuned" to diverge from the equal error rate to provide a match threshhold that satisfies the designer's requirements. If a system compares a large number of persons against a small number of samples, and the consequence of a false match is low, (for example, at a border crossing or airport that is looking for a short list of criminals) a system biased towards a higher "false accept" or "false match" rate may be desirable. The advantage to biasing a system in this manner is that it is likely to err on the side of safety, and less likely to let a criminal slip through undetected. The disadvantage is that the system will falsely associate innocent people with criminals. If other safeguards are in place and the system operators understand the system's bias towards false match, the result can be a relatively trivial loss of convenience due to increased scrutiny (extra inspection of luggage, questioning, etc.) Biasing such a system towards a high "false non-match" or "false reject" rate will result in fewer passengers slowed down at the gate, but at the cost of possibly losing the sought-after criminals.

When assessing the utility or the cost of a biometric system, it's important to bear the common features of all such systems in mind. How is the reference sample to be gathered and catalogued? How it the live sample going to be gathered? Can a live sample be captured without the subject's knowledge and cooperation? What are the implications of all four possible outcomes (true match, true non-match, false match, false non-match)? What is the value of a successful system, and what is the cost, to all parties, should it fail?

Further, we should not assess failure simply from the perspective of the core biometric technology itself. Even an ideal system can be defeated easily if it is incorporated into an insecure or poorly-designed overall system architecture. Any biometric system, especially one that involves a component of telecommunication, **must** be very carefully designed to prevent the loss or interception of user biometrics. Any deployed system must incorporate safeguards to prevent the interception of biometric data while it is being communicated. If a user's biometric is intercepted, criminals may be able to replicate either the sample itself or the string of binary data produced by a successfully-matched sample. Armed with such intercepted biometric data, a criminal would be able to effect a potentially very damaging identity theft.

Types of Biometrics

A proper assessment is built not only on a general understanding of biometrics, but also on an understanding of specific technologies. An understanding of both biometrics in general and specific biometric technologies is a necessary condition for a solid understanding of the larger social implications of biometrics.

Signature

The biometric most familiar to us is the signature. Our ability to judge by sight if one signature matches another has made this a time-proven and legally-binding biometric. However, by sight alone, most of us cannot recognize the pressure of the pen on the paper or the speed and rhythms of its traverse of the page. Computers can do all these things, and quantify, analyze and compare each of these properties to make signature recognition a viable biometric technology. Being based on things that are not visible (pen pressure and velocity, for example), signature-based biometric technology, offers a distinct advantage over regular signature verification -- in addition to mimicking the letter forms, any potential forger has to fabricate a signature at the same speed, and with the same pen weight, as his victim.

Signature biometrics pose a couple of unique problems. The first is the comfort with which people are already willing to use their signature as a form of identification. While this high level of consumer acceptance is viewed as a strength by vendors of such systems, this bears with it a strong downside. Without proper notification, a person may sign an electronic signature pad and unwittingly also be surrendering a reference or live biometric sample. Since the custom of leaving a signature as one's "official mark" is based on the presumption of irreproducibility (i.e., that a forger would be hard-pressed to imitate a signature just by looking at it), people are willing to provide a signature without giving its potential for reproduction a second thought. However, electronic data is easy to copy and transmit. And so, a forger posing as a delivery man might fraudulently secure a signature biometric by presenting a victim with a "gift" box, requesting a signature to confirm delivery, and making off with the victim's biometric data.

The second unique property of signature biometrics is that unlike all other biometrics, which either establish an identity (identification) or confirm an identity (authentication), a signature can convey *intent* (authorization). In other words, a traditional signature on paper is taken both to authenticate the signator, and to convey the signator's legal authority. An electronic system that solicits a user's non-signature biometric must provide a separate step to convey the user's legal authorization for any binding transaction. A signature-based biometric system could mimic our current legally customary acceptance of a signature to simultaneously convey both identity and authority.

Keystroke Dynamics

The rhythms with which one types at a keyboard are sufficiently distinctive to form the basis of the biometric technology known as keystroke dynamics. While distinct, keystroke dynamics are not sufficiently unique to provide identification, but can be used to confirm a user's identity.

Keystroke dynamics, unlike other biometric technologies, is 100% software-based, requiring no sensor more sophisticated than a home computer. Because of this, deployment is occurring in fairly low-stakes, computer-centric applications, such as content filtering (Net Nanny owns BioPassword, the leading keystroke dynamics vendor) and digital rights management, in which passwords to download music are bolstered with by keystroke dynamic verification, to prevent password-sharing. As a general rule, any method involving home or office computers is inherently insecure, as these devices leave a lot more room for experimentation than devices like ATMs or entry systems, and the information they use tends to travel over unsecured communication lines.

Hand Geometry

Perhaps the most ubiquitous electronic biometric systems are hand geometry based. Hand-geometry-based systems require the subject to place his or her hand (usually the right hand) on a plate where it is photographically captured and measured. Made of 27 bones and a complex web of interconnected joints, muscles, and tendons, the human hand presents a sufficiently peculiar conformation of anatomical features to enable authentication, but is not considered sufficiently unique to provide full identification. Further, the geometry of the hand is variable over time, as hand shape may be altered due to injury, disease, aging, or dramatic weight swings. A simple hand-geometry system will measure length and thickness of digits, width of the palm at various points, and the radius of the palm. This results in a relatively simple identification that can be expressed in a very simple, compact string of data. Efforts have been made to improve the accuracy of hand geometry, including three-dimensional sampling (i.e., a second camera measuring the thickness of the hand from the side), and a patented

system (owned by the British concern, Neusciences) that measures the pattern of the veins of the hand. Neusciences claims that their system provides a high degree of accuracy and that the hand vein feature is unique and relatively invariable, changing little over a person's lifespan.

In deployment, traditional hand geometry systems have found acceptance in applications requiring verification of an identity, rather than a full proof or establishment of an identity. Airports, prisons, and factories have successfully employed hand-geometry-based systems to restrict access to runways, to prevent walk-out escapes during visits, and to ensure that time cards are being punched only by the worker, and not by that worker's pal on his or her behalf. In all these instances, the subject is attempting to prove or disprove his or her membership in a relatively small group of people (authorized runway personnel, prisoners/visiting family, factory workers). When stakes are high, these systems are not relied on exclusively to confirm identity; rather, they are used to provide an additional layer of security above and beyond that provided by existing security systems.

Since they must accommodate the largest of hands, any hand geometry or hand vein system must be somewhat bulky, and requires the user to perform an obtrusive task (placing his or her hand on the platen for sampling). Because of this obtrusiveness, hand-based biometrics represent less of a privacy threat than some other systems: subjects cannot have their biometric features sampled without their knowledge, and the sampling method is unambiguous in its intent.

Fingerprint

Fingerprinting is a highly familiar and well-established biometric science. The traditional use of fingerprinting, of course, has been as a forensic criminological technique, used to identify perpetrators by the fingerprints they leave behind them at crime scenes. Scientists compare a latent sample left at a crime scene against a known sample taken from a suspect. This comparison uses the unique features of any given fingerprint, including its overall shape, and the pattern of ridges, valleys, and their bifurcations and terminations, to establish the identity of the perpetrator.

In the context of modern biometrics, these features, called fingerprint minutiae, can be captured, analyzed, and compared electronically, with correlations drawn between a live sample and a reference sample, as with other biometric technologies. Fingerprints offer tremendous invariability, changing only in size with age, are highly resistant to modification or injury, and very difficult to "forge" in any useful way. Although the development of some sort of surreptitious sensor is not inconceivable, the reality is that sensors remain obtrusive, requiring a willful finger pressure to gather a useful sample. Unlike other systems, based on cameras and high-tech sensors, fingerprint sampling units are compact, rugged, and inexpensive, with commercially available systems from multiple vendors offering very good accuracy. Next-generation scanners can analyze below the surface of the skin, and can add pore pattern recognition in addition to the more obvious minutia of the fingerprint.

Facial Recognition

Facial recognition sprung into the national spotlight during the 2001 Super Bowl, when Tampa police scanned the faces of game fans without their knowledge for the purpose of spotting terrorists in the crowd. While this proved a public relations nightmare in January 2001, the use of this technology in New Orleans at the post-9/11 Super Bowl of 2002 generated little controversy. Facial recognition remains one of the more controversial biometric technologies because of its very *un*obtrusiveness. With good cameras and good lighting, a facial recognition system can sample faces from tremendous distances without the subject's knowledge or consent.

Most facial recognition technology works by one of two methods: facial geometry or eigenface comparison. Facial geometry analysis works by taking a known reference point (for example, the distance from eye to eye), and measuring the various features of the face in their distance and angles from this reference point. Eigenface comparison uses a palette of about 150 facial abstractions, and compares the captured face with these archetypal abstract faces. In laboratory settings, facial recognition results are excellent, but critics have questioned the effectiveness of the technology in real-world circumstances. Nevertheless, the accuracy of facial recognition has been good enough for casinos to have put the the technology to use since the late 1990s as a means to spot banned players. Facial recognition technology proponents claim good performance even against disguises, weight changes, aging, or changes in hairstyle or facial hair.

Eye biometrics: Iris/Retina

The human eye offers two features with excellent properties for identification. Both the iris (the colored part visible at the front of the eye) and the veins of the retina (the thin film of nerve endings inside the eyeball that capture light and send it back to your brain) provide patterns that can uniquely identify an individual. Retinal scanning is the older technology, and requires the subject to look into a reticle and focus on a visible target while the scan is completed. It's definitely one of the more intrusive biometric technologies, with some subjects reporting discomfort at the scanning method. Iris recognition has an advantage in ease of use, in that it merely requires the subject to look at a camera from a distance of three to ten inches. The iris scanner illuminates the iris with invisible infra-red light, which shows details on darker -colored eyes that are not visible to the naked eye. The pattern of lines and colors on the eye are, as with other biometrics, analyzed, digitized, and compared against a reference sample for verification.

Iridian Technologies, who hold the patents on iris recognition, claim that the iris is the most accurate and invariable of biometrics, and that their system is the most accurate form of biometric technology. Iridian's system also has the benefit of extremely swift comparisons. The compay claims that it can match an iris against a database of 100,000 reference samples in 2-3 seconds, whereas a fingerprint search against a comparable database might take 15 minutes.

Voice Verification

None of us finds it remarkable when a friend recognizes our voice on the telephone. However, what we find easy to do is still a very hard problem for computers, especially when their job is to identify someone positively. The prospect of accurate voice verification offers one great advantage, which is that it would allow a remote identification using the phone system, an infrastructure that's already been built and thus has zero client-side cost: no special reader needs to be installed in your home. Even without the phone system, the sampling apparatus, a microphone, remains far cheaper than competing, largely optically-based biometric technologies.

But voice recognition technology is still not good enough to be used as a front-line biometric technology. Simply put, voice verification systems have to account for a lot more variables than do other systems, starting with the inevitable compression of a voice captured by cheap microphones (especially those found on phone handsets), discriminating a voice from background noise and other sonic artifacts, and the human voice's tremendous variability, due to colds, aging, and simple tiredness. Also, just as a voice can be surreptitiously recorded over the telephone or face-to-face, a person's voice can be captured surreptitiously by a third party (either by tapping or bugging) and replayed, or a person's voice might be biometrically sampled remotely without consent during a fake door-to-door or telephone sales call. Because of these difficulties, commercial deployments of voice verification have been limited to "backup" status, systems in which there are other token-based methods of identification, with voice verification providing an added layer of protection.

Characterizing Different Biometrics

Different biometric features have characteristics that make them more or less useful for particular applications. Dr. James Wayman, director of the National Biometric Test Center at San Jose State University, categorizes biometric features in terms of five qualities:

- **Robustness**: repeatable, not subject to large changes.
- **Distinctiveness**: there are wide differences in the pattern among the population.
- **Accessibility**: easily presented to an imaging sensor.
- **Acceptability**: perceived as non-intrusive by the user.
- **Availability**: a user may present a number of independent measurable features.

Dr. Wayman explains these qualities by comparing fingerprinting to hand geometry.

> *"Fingerprints are extremely distinctive, but not very robust, sitting at the very end of the major appendages you use to explore the world. Damaging your fingerprints requires less than a minute of exposure to household cleaning chemicals. Many people have chronically dry skin and cannot present clear prints. Hands are very robust, but not very distinctive. To change your hand geometry, you'd have to hit your hand very hard with a hammer. However, many people (somewhat less than 1 in 100) have hands much like yours, so hand geometry is not very distinctive. Hands are easily presented without much training required, but most people initially misjudge the location of their fingerprints, assuming them to be on the tips of the fingers. Both methods require some "real-time" feedback to the user regarding proper presentation. Both fingerprints and the hand are accessible, being easily presented. In the 1990 Orkand study*, only 8% of customers at Department of Motor Vehicle offices who had just used a biometric device agreed that electronic fingerprinting "invades your privacy." Summarizing the results of a lengthy survey, the study rated the public acceptance of electronic fingerprinting at 96%. To our knowledge, there is no comparable polling of users regarding hand geometry, but we hypothesize that the figures would not be too different. With regard to availability, our studies have shown that a person can present at least 6 nearly-independent fingerprints, but only one hand geometry (your left hand may be a near mirror image of your right)."*
>
> **Orkand Corporation, "Personal Identifier Project: Final Report", April 1990, State of California Department of Motor Vehicles report DMV88-89, reprinted by the U.S. National Biometric Test Center.*

Characterizing Biometric Applications

Dr. Wayman suggests characterizing biometric applications in terms of seven variables:

- **Cooperative vs. Non-Cooperative** This refers to the behavior of the "threat" or would-be deceptive user. Is the "threat" trying to cooperate with the system? If the threat is trying to enter a restricted area, she either cooperates with the positive ID system to try to fool it into thinking she's allowed in, or deceptively tries not to cooperate with a negative ID system so as not to trigger the alarm. One implication of this variable is the scope of database search. In cooperative applications, users may first identify themselves with a card or PIN, so that the system need only match against the claimed identity's template. In non-cooperative applications, users can't be trusted to identify themselves correctly, so the entire database may need to be searched.
- **Overt vs. Covert** Is the user aware that the biometric sampling and identification is occurring?
- **Habituated vs. Non-Habituated** Is the intended user expected to be experienced in the use of the system?
- **Attended vs. Non-Attended** Will the intended user be supervised when using the system?
- **Standard vs. Non-Standard Environment** How controlled are the environmental conditions for operation?
- **Public vs. Private** Will users be customers (public) or employees (private)?
- **Open vs. Closed** Will the application be required to exchange biometric data with other systems or not?

Dr. Wayman explains that the positive biometric identification (hand geometry) of users of the Immigration and Naturalization Service's Passenger Accelerated Service System (INSPASS) for rapidly admitting frequent travelers into the United States:

> *"can be classified as a cooperative, overt, non-attended, non-habituated, standard environment, public, closed application. The system is cooperative because those wishing to defeat the system will attempt to be identified as someone already holding a pass. It will be overt because all will be aware that they are required to give a biometric measure as a condition of enrollment into this system. It will be non-attended and in a standard environment because collection of the biometric will occur near the passport inspection counter inside the airports, but not under the direct observation of an INS employee. It will be non-habituated because most international travelers use the system less than once per month. The system is public because enrollment is open to any frequent traveler into the United States. It is closed because INSPASS does not exchange biometric information with any other system." (emphases added)*

Characterizing Biometric ID Systems

Dr. Wayman suggests that biometric ID systems should be viewed in terms of a generic biometric system made up of five basic components or subsystems, depending on the application: data collection, transmission, signal processing (which comprises feature extraction, quality control, pattern matching), storage, and decision.

- **Data collection** Biometric systems involve at least two discrete data collection steps. First, any biometric system must contain a biometric characteristic deemed "true" or canonical from the system's viewpoint. The term "enrollment" or "registration" refers to the first entry of biometric data into the database. Second, the system must compare a later-submitted "sample" (often called a "live sample") to the sample in the database. (Scale is crucial to the enrollment step, sometimes for quite mundane reasons. In the context of biometric visa issuance by the State Department, for instance, the government has been looking at whether or not U.S. consulates around the world have room to handle the additional equipment and physical traffic needed for data collection.)
- **Transmission** Many biometric systems collect data at one location but store and/or process it at another. Such systems require data transmission.
- **Signal processing** Once a biometric is acquired, it must be prepared for comparison. There are three basic tasks here: feature extraction, quality control, and pattern matching. A fourth task in large-scale systems is pattern classification.
  - *Feature extraction* involves finding the true biometric pattern amid noise and signal degradation, preserving the critical information, and discarding redundant or unnecessary data. Dr. Wayman gives the example of a text-independent speaker-recognition system. A properly implemented system isolates "features that depend only on the speaker and not on the words being spoken." At the same time, the system focuses on features that do not change "even if the speaker has a cold or is not speaking directly into the microphone."
  - *Quality control* involves checking to see if the signal is of good quality. Ideally, it should be possible to make a quick determination so that another measure can be taken if the signal is inadequate.
  - *Pattern matching* involves comparing the live sample to the reference sample in the database. If the user claims to be Jane Doe, the pattern-matching process may only need to compare the sample to Jane Doe's stored template. In other situations, the sample must be compared to multiple templates. The pattern-matching process generates a quantitative "distance" measure of the comparison -- how close are they? Even for the same person, the distance is rarely if ever zero.
  - *Pattern classification* is a technique aimed at reducing the computational overhead of pattern matching. In large-scale systems, it can be computationally taxing to match each sample against all stored templates in the database. If biometric patterns can be categorized, then it may be possible to perform the match against only the stored templates in that category. This is sometimes referred to as "binning." A different technique with the same goal is "filtering," which involves partitioning the database based on information not contained in the biometric itself. If you know the person is a man, you don't need to check against women's biometrics. Both of these techniques introduce additional error possibilities; if binning or filtering is erroneous, then the true template is not used and a false non-match results.
- **Decision** This subsystem implements the biometric ID system's actual policy with regard to matching. In general, lowering the number of false non-matches raises the number of false matches, and vice versa. The signal processing subsystem yields a quantitative "distance" measure, but "how close or far is enough?" is a matter of policy. In a high-security application where the cost of a false acceptance could be high, system policy might prefer very few false acceptances and many more false rejections. In a commercial setting where the cost of a false acceptance could be small and treated as a cost of doing business, system policy might favor false acceptances in order not to falsely reject and thereby inconvenience large numbers of legitimate customers. The inevitable existence of these errors means that any biometric ID system must also have well-designed policies for exception handling.
- **Storage** Biometric reference samples must be stored somewhere for matching purposes. For systems only performing "one-to-one" matching, the database may be distributed on cards carried by each enrolled user. The user simply presents his or her biometric and the system checks to see if it matches the template stored on the card. Depending upon system policy, no central database need exist, although in this application a centralized database can be used to detect counterfeit cards or to reissue lost cards without re-collecting the biometric pattern.

  In other cases, centralized storage is necessary because the system must match the live sample to multiple templates. As the number of templates grows, speed becomes an increasingly significant issue. One technique is to partition the database (i.e., binning or filtering) so that any sample need only be matched to the templates in one partition. This increases system speed and decreases false

matches at the expense of increasing the false non-match rate owing to partitioning errors. System error rates thus change with increasing database size and ID systems do not linearly scale.

Full biometric patterns cannot be reconstructed from the stored reference samples if these are stored as templates, which reduce data richness dramatically. Templates themselves are often created using the system vendor's proprietary feature extraction algorithms. Whether stored templates themselves can be used to "spoof" the system internally is entirely dependent on the security of the system architecture.

Biometric ID systems may store not only the templates but also raw data. One reason to do so would be to allow changes to the system or to change system vendors without having to re-collect data from all enrolled users. Full raw data storage is a riskier practice in that new templates may be extracted from the data or the raw data itself may be used against the system.

The State of Scientific Testing of Biometric ID Systems

According to Dr. Wayman,

> *"Testing of biometric devices requires repeat visits with multiple human subjects. Further, the generally low error rates mean that many human subjects are required for statistical confidence. Consequently, biometric testing is extremely expensive, generally affordable only by government agencies. Few biometric technologies have undergone rigorous, developer/vendor-independent testing to establish robustness, distinctiveness, accessibility, acceptability and availability in 'real-world' (non-laboratory) applications."*

An in-depth discussion of the statistical methodology in testing biometric ID systems is beyond the scope of this discussion. We recommend Dr. Wayman's website to interested persons. Note, however, that it is very difficult to generalize from test results. At this time, scientists have no way of accurately estimating how large a test is needed to adequately characterize any biometric device in any application, even with advance knowledge of theoretical error rates.

Media Coverage/Resources

Check out this page for helpful resources including lots of media coverage and links related to the topic.

Acknowledgements:

This document was written and compiled by William Abernathy and Lee Tien with editorial assistance from Sarah Granger and technical assistance from Johnson Hor.

Want to learn how you can defend free speech, stand up for privacy, fight for government transparency, support consumer rights, and protect your right to innovation in the digital world? Visit **http://eff.org/fight** to find ways to help.

What Is Privacy in the Context of Biometrics?

The issue of privacy is central to biometrics. Critics complain that the use of biometrics poses a substantial risk to privacy rights. Proponents claim that biometrics protect privacy. Evaluating these arguments requires, in the first instance, an understanding of what privacy means. In this chapter we explore the definition of privacy in general.

Working Definition of Privacy

We all might have strong subjective ideas about what privacy is. Yet, the word "privacy" is hard to define, in part because the meaning depends greatly on the situation, culture, environment, and moment. In the immediate aftermath of September 11, for example, many Americans welcomed more intrusive governmental measures to increase public safety, even though that meant their privacy could suffer. As one New Yorker put it, "I want Big Brother on my shoulder, looking out for me." Pre-September 11, a frequent question asked at "Introduction to Biometrics" seminars was, "What about the privacy concerns?" Post-September 11, the more frequently asked question became, "What about the security aspects?"

Privacy scholar Ruth Gavison sees privacy as consisting of three parts: secrecy, anonymity, and solitude. She offers what is perhaps the extreme privacy model: "Privacy is a limitation of others' access to an individual.... In perfect privacy no one has any information about X, no one pays any attention to X, and no one has physical access to X" (Gavison 1980, 428).

Robert Ellis Smith, the editor of *Privacy Journal*, defines privacy as "the desire by each of us for physical space where we can be free of interruption, intrusion, embarrassment, or accountability and the attempt to control the time and manner of disclosures of personal information about ourselves" (Smith 2000, 6/ Smith 2002, 1–8). This definition hints at three types of privacy recognized by U.S. courts: physical, decisional, and information privacy.

Based on her survey of the extensive privacy literature, however, Professor Lillian R. Bevier concluded that "privacy is a chameleon-like word, used denotatively to designate a range of wildly disparate interests—from confidentiality of personal information to reproductive autonomy—and connotatively to generate goodwill on behalf of whatever interest is being asserted in its name" (Bevier 1995, 458).

Most important from the standpoint of biometrics, privacy includes an aspect of autonomy—as various scholars have expressed it: our control over information about ourselves, control over who can sense us, or control over the intimacies of personal identity. This control over information about us, or what is termed "information privacy" (or "informational privacy"), lies at the heart of the privacy concerns raised by this new technological reality. Individuals have an interest in determining how, when, why, and to whom information about themselves, in the form of a biometric identifier, would be disclosed.

Woodward, John D.; Orlans, Nicholas; Higgins, Peter T.. Biometrics.
Emeryville, CA, USA: McGraw-Hill Professional Publishing, 2002. p 11g.
http://site.ebrary.com/lib/juneau/Doc?id=10153048&ppg=230

Copyright © 2002. McGraw-Hill Professional Publishing. All rights reserved.
May not be reproduced in any form without permission from the publisher, except fair uses permitted under U.S. or applicable copyright law.

What Privacy Concerns Does the Use of Biometrics Implicate?

With this working definition of privacy in mind, we next discuss the privacy concerns implicated by the use of biometrics. These concerns relate to identification and invasiveness.

The Individual Gives Up a Biometric Identifier

To determine the specific privacy concerns implicated by biometrics, we must first focus on what exactly is disclosed when biometric data is collected. Regardless of whether an individual voluntarily provides a biometric identifier or is forced to surrender it as part of state action or government-required scheme, he is giving up information about himself. When biometrics, like fingerprinting, iris recognition, or retinal scanning is used, he discloses robust and distinctive information about his identity. When other biometrics, such as hand or finger geometry, are used, at a minimum, he discloses accurate information about who he is. Depending on the biometric, he is giving information about himself that could be used to identify him over large-scale databases.

Invasive Aspects of the Information

Beyond this fundamental disclosure, invasive implications might also be related to privacy concerns that stem from the biometric identification information disclosed. These invasive implications for privacy are essentially three-fold:

- The invasive effects of a secondary market, defined as disclosure of the biometric identification information to third parties
- Any invasive information that might be additionally obtained as part of the biometric identifier
- The invasiveness that might be associated with actual physical harm caused by the technology

Invasive Secondary Market Effects Once a biometric identifier is captured or collected from an individual in the primary market, and even if it is captured only once, the biometric identifier could easily be replicated, copied, and otherwise shared among countless public and private sector databases. This sharing in a secondary market could conceivably take place without the individual's knowledge or consent. Indeed, biometric identifiers could be bought and sold in a secondary market much the way names and addresses on mailing lists are currently bought and sold by data merchants.

An example illustrates the secondary market effect: I give my face and fingerprints to my local sports club so I can access the club and keep better track of my workouts. I do this by presenting my face to a camera whenever I enter and by touching my finger to the computer display on the treadmill and other equipment. I get a detailed monthly fitness report. The sports club conveniently enrolled both of my index fingers so I don't even have to remember which pointer

Woodward, John D.; Orlans, Nicholas; Higgins, Peter T.. Biometrics.
Emeryville, CA, USA: McGraw-Hill Professional Publishing, 2002. p 11h.
http://site.ebrary.com/lib/juneau/Doc?id=10153048&ppg=231

Copyright © 2002. McGraw-Hill Professional Publishing. All rights reserved.
May not be reproduced in any form without permission from the publisher, except fair uses permitted under U.S. or applicable copyright law.

finger to use. After a while, I start receiving marketing information telling me to show up at the local grocery store, retail outlet, and so on, because I am already preregistered and biometrically enrolled in their systems. That's because, along with my facial photograph, the sports club kept my raw data, or file images, in addition to the fingerprint templates, and sold the information to others.

Later, while shopping in the mall, sales associates insist on selling me athletic gear, protein supplements, and diet aids because their facial recognition system identified me as a failed jock from the sports club. Later, the police are confronted with the grisly homicide of the sports club manager in his office, where the only evidence is a single latent print left on the murder weapon. After no matches are made against the FBI's criminal master file, the new sports club management readily agrees to turn over the file images of fingerprints of all its members, including mine, so the latent print can be searched against them.

Particularly with respect to the private sphere, where the conduct of private actors has traditionally been given a large degree of freedom of action from government interference, few current legal limits exist in the United States on the use of biometric information held by private actors. This observation is not meant to suggest that the federal or state governments would not be able to regulate the use of biometric information held by private actors; rather, it emphasizes what the present regulatory baseline is with respect to the regulation of biometric information: Until regulatory action has been taken by government, the use of biometrics is left to the market. The legal situation is very different in the European Union, where a comprehensive privacy protection framework exists.

Invasive Information Is Obtained In addition to the identification information associated with the biometric, invasive information threatening privacy could conceivably include three other types of concerns. First, biometric identifiers could be used extensively for law enforcement purposes, as raised in the sports club example. Fingerprints have long been used by law enforcement, and electronic finger images—or what are in effect the next generation of fingerprints—are presently being used by various law enforcement agencies as part of their databases, such as the FBI's Integrated Automated Fingerprint Identification System (IAFIS).

Second, it is possible (and this point needs to be stressed: *only* possible) that some biometrics might capture more than just mere identification information. Information about a person's health and medical history might also be incidentally obtained. Recent scientific research, while the subject of controversy, suggests that fingerprints might disclose such information about a person. For example, Dr. Howard Chen, in his work on dermatoglyphics, or the study of the patterns of the ridges of the skin on parts of the hands and feet, notes that "certain chromosomal disorders are known to be associated with characteristic dermatoglyphic abnormalities," specifically citing Down syndrome, Turner syndrome, and Klinefelter syndrome as chromosomal disorders that cause unusual fingerprint patterns in a person. Certain nonchromosomal disorders, such as chronic, intestinal pseudo-obstruction (CIP) (described in the next paragraph),

Woodward, John D.; Orlans, Nicholas; Higgins, Peter T.. Biometrics.
Emeryville, CA, USA: McGraw-Hill Professional Publishing, 2002. p 11i.
http://site.ebrary.com/lib/juneau/Doc?id=10153048&ppg=232

Copyright © 2002. McGraw-Hill Professional Publishing. All rights reserved.
May not be reproduced in any form without permission from the publisher, except fair uses permitted under U.S. or applicable copyright law.

leukemia, breast cancer, and Rubella syndrome, have also been implicated by certain unusual fingerprint patterns.

Dr. Marvin M. Schuster, the recently retired director of the division of digestive diseases at Johns Hopkins Bayview Medical Center, has discovered a "mysterious relationship" between an uncommon fingerprint pattern, known as a digital arch, and a medical disorder called CIP that affects 50,000 people nationwide. Based on the results of a seven-year study, Dr. Schuster found that 54 percent of CIP patients have this rare digital arch fingerprint pattern. In comparison, arch fingerprints appear in only seven percent of the general population. Schuster's discovery suggests a genetic basis to the disease. Schuster explained that in the case of CIP, "the more digital arches there are in the fingerprint, the stronger the correlation [to the condition]. The majority of CIP patients possess at least one digital arch. This discovery offers an important clue in diagnosing CIP, and it suggests that the disorder is congenital. It could potentially save people with CIP from multiple needless operations" (Hancock and Hendricks 1996).

While still extremely controversial within the scientific communities, several researchers report a link between fingerprints and homosexuality. For example, psychologists at the University of Western Ontario report that homosexual males are more likely than their heterosexual counterparts to show asymmetry in their fingerprints. "What we found is a statistically significant difference between groups of heterosexual and homosexual men," researcher Doreen Kimura said (Associated Press 1994). While this research is far from conclusive, the availability of such information with its possible links to medical and related information again raises concern about privacy and can create misperceptions.

From examining the retina or iris, an expert can determine that a patient may be suffering from common afflictions such as diabetes, arteriosclerosis, and hypertension; furthermore, a medical professional can also detect unique diseases of the iris and the retina. Moreover, the onset of certain diseases (such as diabetes) and conditions (such as pregnancy) may cause the retinal pattern to change; are the changes enough to cause a previously enrolled user to be rejected by a system because the user's biometric is no longer recognized by the system? Although both the iris and retina contain medical information, it is by no means obvious that the biometric data taken of the iris or retina implicates privacy concerns related to the disclosure of medical information. A necessary area of further technical inquiry is whether the computerized code taken of the iris or retina actually contains any medical information or if the information captured is sufficient to be used for any type of diagnostic purpose.

Much research remains to be done; however, a biometric identifier with any possible links to medical information will raise lingering questions about the privacy aspects of the information disclosed. More important, the mere perception that such sensitive information may be disclosed could dissuade people from using potentially beneficial biometric systems.

Woodward, John D.; Orlans, Nicholas; Higgins, Peter T.. Biometrics.
Emeryville, CA, USA: McGraw-Hill Professional Publishing, 2002. p 11j.
http://site.ebrary.com/lib/juneau/Doc?id=10153048&ppg=233

Copyright © 2002. McGraw-Hill Professional Publishing. All rights reserved.
May not be reproduced in any form without permission from the publisher, except fair uses permitted under U.S. or applicable copyright law.

Actual Physical Harm; Physical Invasiveness Part of the "urban legend" surrounding biometrics holds that retinal scanning "shoots a laser beam into the eye." This is not the case, but urban legends die hard. Anecdotally, certain aviators, who are extremely proud of their 20/20 vision, supposedly had a hard time accepting retinal scanning devices in an experimental program because at least some of them feared the devices would adversely affect their perfect vision. Other users feared that diseases, such as conjunctivitis, may result from having to come into close proximity with a binocular-like device that strangers had touched. Some users of biometrics have complained that hand geometry systems dry their hands. Such fears, even when unfounded, can negatively affect the system because dissatisfied users will go out of their way not to cooperate with the system; some may even actively engage in acts of sabotage to prevent its use.

Documented cases of biometrics causing actual harm to a person are difficult, if not impossible, to find, but many of the technologies are fairly new. And to date, no enterprising plaintiff's attorney has brought a class-action lawsuit for personal injury on this biometrics-induced harm basis. The bottom line is that any liability resulting from any proven actual physical harm caused by biometric systems would be addressed by the individual state's tort liability regimes. On a related note, eventually, the judiciary will also have the opportunity to decide the admissibility of biometric identification as scientific evidence using the prevailing standards articulated by the Supreme Court in *Daubert v. Merrell Dow Pharmaceuticals* in 1993.

Biometrics as Privacy's Foe: Criticisms of Biometrics

This section discusses the "foe" side of the coin: the criticisms of biometrics leading to loss of anonymity and autonomy and the "Big Brother" scenario, including the danger of function creep and degradation of the individual's reasonable expectation of privacy.

The Loss of Anonymity; the Loss of Autonomy

A basic criticism of biometrics is that we, as individuals, risk losing our anonymity and autonomy whenever biometric systems are deployed. Part of controlling information about ourselves includes our ability to keep other parties from knowing things about us, like who we are. While we all know that a determined party—whether the government or a private party—can learn our identity (and much more about us), the use of biometrics makes it clear that our identity is now fully established within seconds. As Roger Clarke explains, "The need to identify oneself may be intrinsically distasteful to some people.... They may regard it as demeaning, or implicit recognition that the organization with whom they are dealing exercises power over them" (Clarke 1994).

Woodward, John D.; Orlans, Nicholas; Higgins, Peter T.. Biometrics.
Emeryville, CA, USA: McGraw-Hill Professional Publishing, 2002. p 11k.
http://site.ebrary.com/lib/juneau/Doc?id=10153048&ppg=234

Copyright © 2002. McGraw-Hill Professional Publishing. All rights reserved.
May not be reproduced in any form without permission from the publisher, except fair uses permitted under U.S. or applicable copyright law.

Robert Ellis Smith agrees, noting that, "In most cases, biometric technology is impersonal" (Smith 1996). At the same time, as the technology improves, its use may become more ubiquitous, and individuals may find that they are required to provide a biometric identifier in unexpected, unwelcome, or unforeseen circumstances. Moreover, you cannot simply "make up" a biometric as you can a name, an address, or a phone number. In this sense, perhaps, the loss of anonymity leads to an inevitable loss of individual autonomy.

Biometrics should not really be blamed for the fact that there is less individual anonymity in society today than in decades or centuries past, however. Rather, far larger economic, political, and technological forces have been at work. America's transformation from an agrarian to industrial to post-industrial service (or "information age") economy, combined with the massive growth of government since the New Deal of the 1930s, have put a greater premium on the need for information about individuals and organizations. At the same time, technical advances have made it much easier and more convenient to collect, compile, and keep extensive information on individuals. This information-centric trend takes place because in the Information Age information has great value as a commodity. The computer, the enabler of "info-centrism," has helped make information a valuable commodity because it can process large amounts of personal information from large numbers of people in little time and at low cost.

While a biometric identifier is an accurate identifier, it is not the first nor the only identifier used to match or locate information about a person. Names and numerical identifiers such as social security numbers, account numbers, and military service numbers have long been used to access files with personal information. Moreover, the impressive search capabilities of computer systems with their abilities to search, for example, the full text of stored documents, make identifiers far less important for locating information about an individual.

We also should not lose sight of the fact that there is usually a good reason why individual recognition in the form of identification or verification is needed. Balancing the equities involved and depending on the case, the benefits—to the individual as well as to society—of establishing a person's identity generally outweigh the costs of losing anonymity. For example, given the massive problem of missing and abused children, many citizens would eagerly support the idea of day care providers using biometrics to make certain that our children get released at the end of the day to a parent or guardian whose identity has been verified. However, reasonable people can disagree as to the cost-benefit analysis.

Similarly, to consider a "pocketbook" example, the world's financial community has long been concerned about growing problems of ATM fraud and unauthorized account access, estimated to cost $500 million a year, check fraud at least $2 billion, and credit card fraud about $1.5 billion per year. The financial services industry believes that a significant percentage of these losses could be eliminated by the use of biometrics, by ensuring that only the authorized account

Woodward, John D.; Orlans, Nicholas; Higgins, Peter T.. Biometrics.
Emeryville, CA, USA: McGraw-Hill Professional Publishing, 2002. p 11l.
http://site.ebrary.com/lib/juneau/Doc?id=10153048&ppg=235

Copyright © 2002. McGraw-Hill Professional Publishing. All rights reserved.
May not be reproduced in any form without permission from the publisher, except fair uses permitted under U.S. or applicable copyright law.

holder could access the account. MasterCard, for example, has been evaluating various biometrics since 1995 and believes fingerprint technology is the best technology to reduce credit card fraud. According to Joel Lisker, the company's senior vice president of security and risk management, "We estimate that a fingerprint system, fully implemented, could save the financial services industry billions of dollars" (Haapaniemi 1998).

Critics give too much credit to biometrics' alleged ability to erode anonymity without giving enough attention to the market's ability to protect privacy in response. It is not obvious that more anonymity will be lost when biometrics are used. Public and private sector organizations already have the ability to gather substantial amounts of information about individuals by tracking, for example, credit card use, consumer spending, and demographic factors.

A parallel to the financial services industry might be helpful. Despite the existence of many comprehensive payment systems such as credit cards, which combine extreme ease of service with extensive record-keeping, many Americans still prefer to use cash for transactions—a form of payment that leaves virtually no record. An individual who wants anonymity might have to go to greater lengths to get it in the biometric world, but the ability of the marketplace to accommodate a person's desire for anonymity should not be so readily dismissed. Moreover, as explained next, the ability of biometrics to serve as privacy enhancing technologies should not be discounted.

The Biometric-Based "Big Brother" Scenario

Aside from the alliterative qualities the phrase possesses, critics of biometrics seem to inevitably link the technology to "Big Brother." Biometrics, in combination with impressive advancements in computer and related technologies, would, its critics argue, enable the State to monitor the actions and behavior of its citizenry. In this vein, concern has been expressed that biometric identifiers will be used routinely against citizens by law enforcement agencies. As Marc Rotenberg of the Electronic Privacy Information Center has succinctly explained, "Take someone's fingerprint and you have the ability to determine if you have a match for forensic purposes" (American Banker 1996).

This "Big Brother" concern, however, goes beyond normal police work. Every time an individual used her biometric identifier to conduct a transaction, a record would be made in a database that the government, using computer technology, could then match and use against the citizen—even in ways that are not authorized or meet with our disapproval. To borrow the reasoning of a 1973 report on national identity card proposals, the biometric identifier, in ways far more effective than a numerical identifier, "could serve as the skeleton for a national dossier system to maintain information on every citizen from cradle to grave" (U.S. Department of Health, Education and Welfare 1973).

Roger Clarke has perhaps offered the best worst-case *1984*-like scenario:

Woodward, John D.; Orlans, Nicholas; Higgins, Peter T.. Biometrics.
Emeryville, CA, USA: McGraw-Hill Professional Publishing, 2002. p 11m.
http://site.ebrary.com/lib/juneau/Doc?id=10153048&ppg=236

Copyright © 2002. McGraw-Hill Professional Publishing. All rights reserved.
May not be reproduced in any form without permission from the publisher, except fair uses permitted under U.S. or applicable copyright law.

> Any high-integrity identifier [such as biometrics] represents a threat to civil liberties, because it represents the basis for a ubiquitous identification scheme, and such a scheme provides enormous power over the populace. All human behavior would become transparent to the State, and the scope for nonconformism and dissent would be muted to the point envisaged by the antiutopian novelists (Clarke 1994).

At least one example exists from U.S. history of supposedly confidential records being used in ways never likely intended. In November 1941, almost two weeks before the Japanese attack on Pearl Harbor, President Franklin D. Roosevelt ordered a comprehensive list made to include the names and addresses of all foreign-born and American-born Japanese living in the United States. To compile the list, staffers used 1930 and 1940 census data. Working without the benefit of computers, staffers compiled the list in one week. Following the attack, President Roosevelt issued Executive Order 9066, authorizing military personnel to detain and relocate persons of Japanese ancestry. By the spring of 1942, the U.S. government forced persons of Japanese descent, including U.S. citizens, to relocate from their homes on the West Coast and report to relocation centers. An estimated 120,000 people, many of whom were U.S. citizens, were held without judicial review. John Miller and Stephen Moore, two libertarian scholars, contend, "The history of government programs indicates that privacy rights are violated routinely whenever expediency dictates" (Miller and Moore 1995).

Function Creep

The biometric-based "Big Brother" scenario would not happen instantly. Rather, when first deployed, biometrics would be used for limited, clearly specified, sensible purposes—to combat fraud, to improve airport security, to protect our children, and so on. But consider what Justice Louis Brandeis (of "right to privacy" fame) warned in his famous *Olmstead v. United States* dissent of 1927:

> Experience should teach us to be most on our guard to protect liberty when the Government's purposes are beneficent. Men born to freedom are naturally alert to repel invasion of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well meaning but without understanding.

What would inevitably happen over time, according to civil libertarians, is a phenomenon known as "function creep" or "mission creep": identification systems incorporating biometrics would gradually spread to additional purposes not announced or not even intended when the identification systems were originally implemented.

The classic example of function creep is the use of the Social Security Number (SSN) in the United States. Originated in 1936, the SSN's sole purpose was to

Woodward, John D.; Orlans, Nicholas; Higgins, Peter T.. Biometrics.
Emeryville, CA, USA: McGraw-Hill Professional Publishing, 2002. p 11n.
http://site.ebrary.com/lib/juneau/Doc?id=10153048&ppg=237

Copyright © 2002. McGraw-Hill Professional Publishing. All rights reserved.
May not be reproduced in any form without permission from the publisher, except fair uses permitted under U.S. or applicable copyright law.

facilitate record-keeping for determining the amount of Social Security taxes to credit to each contributor's account. In fact, the original Social Security cards containing the SSN bore the legend, "Not for Identification." By 1961, the Internal Revenue Service (IRS) began using the SSN for tax identification purposes. By 2002, countless transactions from credit to employment to insurance to many states' drivers licenses require a Social Security Number and countless private organizations ask for it even when it is not needed specifically for the transaction at hand. From "Not for Identification," the SSN has become virtual mandatory identification.

Moreover, given the consequences of function creep, the size, power, and scope of government will expand as all citizens get their biometric identifiers thrown into massive government databases by the "men [and women] of zeal, well-meaning but without understanding" about whom Justice Brandeis warned. In effect, an old Russian proverb aptly identifies the danger of biometrics for freedom-loving Americans: "If you are a mushroom, into the basket you must go."

Reduction of the Individual's Reasonable Expectation of Privacy

Just as function creep implies that biometrics will gradually (and innocently) grow to be used by zealous, well-meaning bureaucrats in numerous, creative ways in multiple forums, function creep will also enable the government to use the new technology of biometrics to reduce further over time the citizenry's reasonable expectations of privacy.

Analogies can be drawn from previous cases in which the government has used cutting-edge technology to intrude in an area in which the private actor had manifested a subjective expectation of privacy. For example, the Environmental Protection Agency (EPA), in an effort to investigate industrial pollution, used "the finest precision aerial camera available" mounted in an airplane flying in lawful airspace to take photographs of Dow Chemical Company's 2,000-acre Midland, Michigan, facilities. Fearful that industrial competitors might try to steal its trade secrets, Dow took elaborate precautions at its facility. Despite the precautions the company took to ensure its privacy, the Supreme Court, in a 5–4 vote handed down in 1985, found that Dow had no reasonable, legitimate, and objective expectation of privacy in the area the EPA had photographed. The dissent noted that, by basing its decision on the method of surveillance used by the government, as opposed to the company's reasonable expectation of privacy, the Court ensured that "privacy rights would be seriously at risk as technological advances become generally disseminated and available to society" (*Dow Chemical Co. v. United States*, 476 U.S. 227 (1986)).

Some contend that biometrics is precisely the kind of technological advance the *Dow* dissenters warned about. Citizens no longer would have a reasonable expectation of privacy any time they use a biometric identifier because the gov-

Woodward, John D.; Orlans, Nicholas; Higgins, Peter T.. Biometrics.
Emeryville, CA, USA: McGraw-Hill Professional Publishing, 2002. p 11o.
http://site.ebrary.com/lib/juneau/Doc?id=10153048&ppg=238

Copyright © 2002. McGraw-Hill Professional Publishing. All rights reserved.
May not be reproduced in any form without permission from the publisher, except fair uses permitted under U.S. or applicable copyright law.

ernment's use of biometrics and computer matching would be merely utilizing commercially available technologies.

Cultural, Religious, and Philosophical Objections

Other criticisms of the use of biometrics originate on cultural, religious, and philosophical grounds. These objections might not be shared by large numbers of people, but to the extent those who advocate them have sincerely held beliefs, they merit discussion.

Cultural: Stigma and Dignity

Simon Davies of Privacy International notes that it is no accident that biometric systems are being tried out most aggressively with welfare recipients. The British scholar contends that they are in no position to resist the State-mandated intrusion. Interestingly, in the 1995 GAO Report on the use of biometrics to deter fraud in the nationwide Electronics Benefit Transfer (EBT) program, the U.S. Department of the Treasury expressed concern over how finger imaging would impact on the dignity of the recipients and called for more testing and study.

While stigma and dignity arguments tied to the less fortunate elements of society have a strong emotional appeal, the available empirical data from Connecticut suggests that the majority of entitlement recipients actually support the use of biometrics. Some have criticized such surveys as flawed because the recipients could be reluctant to provide their true opinions because of retaliation fears.

Religious Objections

Several religious groups criticize biometrics on the ground that individuals are forced to sacrifice a part of themselves to a godless monolith in the form of the State. For example, certain Christians interpret biometrics to be a "mark of the beast," an objection based on language in the New Testament's "Revelation":

> [The Beast] causeth all, both small and great, rich and poor, free and bond, to receive a mark in their right hand, or in their foreheads: And that no man might buy or sell, save that he had the mark, or the name of the beast, or the number of his name.... And his number is six hundred, threescore, and six (Revelation, 13:16–18).

Certain Christians consider biometrics to be the brand discussed in Revelation and biometric readers as the only means of viewing these brands. For example, stressing that "the Bible says the time is going to come when you cannot buy or sell except when a mark is placed on your head or forehead," fundamentalist Christian Pat Robertson has expressed doubts about biometrics and has noted how the technology is proceeding according to scripture. And at least one religious group has complained that the hand geometry devices used by California were making "the mark of the beast" on enrollees' hands.

Woodward, John D.; Orlans, Nicholas; Higgins, Peter T.. Biometrics.
Emeryville, CA, USA: McGraw-Hill Professional Publishing, 2002. p 11p.
http://site.ebrary.com/lib/juneau/Doc?id=10153048&ppg=239

Copyright © 2002. McGraw-Hill Professional Publishing. All rights reserved.
May not be reproduced in any form without permission from the publisher, except fair uses permitted under U.S. or applicable copyright law.

NewsBank inc. America's Newspapers

FTC Fines ChoicePoint $15 Million for Security Breach

Los Angeles Times (LATWP News Service) (CA) - Thursday, January 26, 2006

Author: *Joseph Menn*

The Federal Trade Commission hit data broker ChoicePoint Inc. with the largest civil penalty in the agency's history Thursday for allowing sensitive information on 163,000 consumers to get into the hands of Los Angeles con artists last year.

The commission levied a $10 million penalty, on top of $5 million in restitution, making a total worth more than 10 percent of the company's profit last year. The agency declared that the company gave false assurances to the public about its security precautions while being so careless that it sold information to a purported business customer whose own ChoicePoint file identified a link to possible fraud.

Other con artists posing as customers applied for multiple accounts from the same publicly available fax machine, submitted revoked business licenses and in at least one case omitted the applicant's surname, according to the commission.

While some of the FTC's allegations were previously reported, many of the details were new, including complaints that the company failed to inquire after would-be customers applied with suspended articles of incorporation, mismatching addresses on supporting documents, and contact numbers belonging to residential or cellular phones.

Revealed because of a California disclosure law, the ChoicePoint breach launched a national debate about data security that has prompted new laws in more than a dozen states and 18 pieces of proposed federal legislation.

Most are aimed at making it harder for identity thieves to get Social Security numbers and other information that can be used to open credit accounts and make fraudulent purchases in the names of innocent consumers.

In announcing Thursday's settlement, FTC Chairwoman Deborah Platt Majoras said the commission wanted to serve notice to other businesses that consumer information must be protected.

Data security "must be a priority for financial and corporate America," she said. Signaling that the agency would continue to lead in the enforcement of identity theft, she said consumers should know that "we will make sure that your information is safeguarded and you don't have to worry that it will fall into the wrong hands and harm you."

The action generally won praise from consumer groups. Thursday's penalty "is a lot of money," even for a big company like ChoicePoint, said Chris Hoofnagle, West Coast director of the nonprofit Electronic Privacy Information Center. "It shows that the FTC is getting serious about security."

ChoicePoint still faces several private lawsuits over the data breach. The Securities and Exchange Commission also is investigating whether Chairman Derek Smith and another top executive improperly sold company shares before the breach became public.

The company was informed of the problem months earlier by investigators with the Los Angeles County Sheriff's Department. They arrested a Nigerian national, Olatunji Oluwatosin, who pleaded guilty last month to committing $2.5 million in fraud and is facing at least seven years in jail.

Beginning in January 2002, Oluwatosin used fake businesses with mail drops in Beverly Hills, Hollywood and elsewhere to set up ChoicePoint accounts and access personal information on more than 1,500 people, according to the district attorney's office. Search warrants served on ChoicePoint turned up a much wider fraud

problem.

The FTC cited ChoicePoint for violating the Fair Credit Reporting Act, which requires buyers of credit reports to have a proper purpose, and for violating basic fair-practices laws. It said ChoicePoint unfairly failed to protect consumer information and was deceptive when it made such statements as "Every ChoicePoint customer must successfully complete a rigorous credentialing process."

In legal papers filed with the settlement, the FTC said ChoicePoint improperly released nearly 10,000 credit reports and that about 800 cases of identity theft resulted. The $5 million in restitution will be distributed to those people and future victims of the data breach.

ChoicePoint didn't admit to the FTC assertions or to any wrongdoing in the settlement. It did agree to revamp its procedures in several ways, including instituting mandatory visits to many customers. It also must submit to security audits every two years through 2026.

By itself, the financial payout will do modest harm to ChoicePoint. Even after a charge for the penalty, the Alpharetta, Ga., company reported fourth-quarter earnings of $28 million Thursday on revenue of $258 million.

ChoicePoint shares dropped $3.35, or 7 percent, to $42.95 after the settlement was announced.

Section: *Financial*
Provided By: *Los Angeles Times - Washington Post News Service*
Record Number: *10F6866006A44D58*
Copyright 2006, Los Angeles Times. Reproduced with the permission of Los Angeles Times - Washington Post News Service by NewsBank, inc.

Citizens for Privacy in Alaska

"Our goal is to make illegal the practice of requiring innocent people to provide fingerprints or other biometrics as identification when they are willing to show their driver's license (State/military issued ID) or a United States passport."

We are very concerned with the rapid erosion of our privacy rights, and we urge you to introduce legislation to strengthen our biometric privacy laws this session. If someone can present a valid US Passport OR a driver's license (State issued ID) as identification, they should be exempt from any biometrics (fingerprints)-as-ID mandate *(note that criminal background checks will not be affected by this legislation. This legislation is specifically focused on biometrics-as-ID mandates).*

	STATUS: AGREED WITH THE GOAL?	FIRST & LAST NAME	ORGANIZATION	TITLE	CITY & STATE	PERSONAL STATEMENT
	SEE STATEMENT	Whitney Brewster	Alaska State Director, Dept of Motor Vehicals	Director	Anchorage, AK	"The Alaska State Department of Motor Vehicals has no interest in capturing Alaskans fingerprints, retinal or iris scans, palm veins or other biometric information."
1	**YES**	**Horst Poepperl**	Borealis Broadband Co	President, IT security expert	Anchorage, AK	

1	**SEE STATEMENT**	Jeffrey Mittman	ACLU - Alaska	Executive Director	Anchorage, AK	"...the ACLU of Alaska endorses protection for individuals' personal biometric information, and applauds the proactive introduction of this bill (SB190) to avoid violations before they occur. The ACLU will be pleased to support SB190 subsequent to the minor revisions outlined below..."
	YES	Gretchen Guess	Alaska	Former Senator	Anchorage, AK	"I AGREE..... thank you for taking up the cause...I know the time and energy it takes to get one of these bills past the choicepoint lobbyists..."
	YES	Mark Lerner	Stop Real ID National Coalition	President, Founder	Missouri	"I AGREE. Information is being shared far more broadly than anyone is being told. Most importantly, the courts have not previously factored in that biometrics do not determine identity, breeder documents do."
2	**YES**	Jason Giaimo	Net Gain Business Consultants of Alaska	President. Former VP of the Alaska chapter of the Institute of Management Accountants	Anchorage, AK	Our privacy is guaranteed by Section 22 of the Alaska State Constitution, "The right of the people to privacy is recognized and shall not be infringed." Our privacy laws urgently need to be updated to reflect new technology, to include biometrics, and to stem the rapid erosion of our privacy.
2	**YES**	Tim Pearson	Pearson Consulting	President, Pearson Consulting	Anchorage, AK	I AGREE and look forward to helping you with this campaign!

2	**YES**	Allan Johnston	Wedbush Morgan Securities	Managing Director, Retired	Anchorage, AK	
2	**YES**	Tyler Arnold	TylerSystems Inc.	President & CEO	Anchorage, AK	"Being forced to hand over private data, that will in turn be commercialized, just so I can gain a common industry accreditation is simply unacceptable. I look forward to doing everything I can to pass sensible legislation that will help me preserve my rights as an Alaskan citizen. "
2	**YES**	Barbara Brown	Alaska voter	Alaska voter	Anchorage, AK	Oh, this steams me up. I am so sorry for you, and I AGREE with you…NO FINGERPRINTS!
2	**YES**	Dan Boland	State of Alaska, Audit Division	Auditor, State of Alaska	Anchorage, AK	"This whole thing about a foreign (or American) owned company accumulating and storing personal data including biometrics is just criminal. Seems to me, criminals are writing the laws. This biometric requirement should be repealed, apologies sent out to CPA applicants, the data destroyed and the company and the folks promoting it exposed. Additionally those people that instituted this policy both on the national level and the state level should be investigated for improper behavior....I applaud you for standing up to the thugs."

2	**YES**	Patrick Lorenz	British Petroleum	Senior Financial Analyst, BP Alaska	Anchorage, AK	"For what its worth, I do agree with you goal, but if unable to influence the process, would have to weigh the advantages of being a CPA or putting my identity at risk with these companies. Unfortunately I would choose to not take the risk."
	YES	Tim Wiepking	Institute of Management Accountants, fmr. President	Fmr. President	Anchorage, AK	It is very admirable you are standing up to this…I VERY much agree, NO FINGERPRINTS!
	YES	Tom Gill	UAA, formerly with BP	Engineering Dept Student	Anchorage, AK	Finger printing should NOT be the required form of identification to sit for the CPA exam.--Tom Gill
	YES	Karen Demichelis	Demichelis & Associates	President	Anchorage, AK	I SUPPORT THIS!
	YES	Chris Brownwell	Resident, Alaska, noted author			"I agree with your legislation push…(the Federal) policies always have a nefarious, hidden purpose. Leftists want to control our lives and will use our identities to do just that."

	YES	Jack-Taylor Ridgeway	Privacy Rights supporter	Privacy Rights supporter		"All of these oppressive encroachments are whittling away at the average Americans ability to engage in free commerce. These practices are unconstitutional, therefore unlawful....this has got to stop now."
	YES	Hetal Giaimo			Anchorage, AK	Collecting fingerprints as ID is clearly unnecessary when a US passport or drivers license is offered. This is really disgraceful and needs to be stopped.
	YES	Laura Dirksen	20 year teacher at an Anchorge Christian School.	Alaska resident, teacher	Anchorage, AK	Having been a teacher for nearly 20 years at an Anchorage Christian school....I AGREE, our privacy laws need to be updated to prevent fingerprint collection.
	YES	Joe Dirksen	US ARMY	Aircraft specialist	Anchorage, AK	
	YES	Cindy Miller	Accenture	Fmr. Acting CFO, Unocal Alaska	Anchorage, AK	I DO NOT SUPPORT FINGERPRINTING ANYONE FOR ENTRANCE EXAMS! THIS IS ALMOST OBSCENE.

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

SB 98—Biometric Information: What Are Other States Doing?

What are other states doing regarding the collection of biometric data?

In 2008, our office requested a research report asking which states have legislation preventing the collection of a person's biometric data, such as a fingerprints or DNA, for purposes other than law enforcement.

We received a comprehensive list of states that have laws prohibiting genetic discrimination in employment, prohibiting employers from requesting or requiring genetic information, prohibiting employers from performing genetic testing, and similar situations. In all, the researcher identified through the NCSL employment laws in 36 jurisdictions.

When it comes to non-genetic biometric information, the researcher identified 33 states which have some form of legislation, which includes a wide range of topic from prohibiting the use of lie detectors by anyone except peace officers in California, to requiring the Commissioner of Health and Social Services to examine the use of biometric identifiers for recipients of public assistance.

Among some of the more notable laws are Indiana, which prohibits the collection of personal information, including voice prints, by state agencies to that which is relevant and necessary to accomplish a statutory purpose; and New Hampshire which prohibits the collection of "biometric data" in connection with motor vehicle licensing.

Other states, such as Oregon, require those who apply for a driver's license to submit to the collection of biometric data.

Essentially, all states which have laws regarding DNA tend to protect that information at least for employment purposes, but the states vary greatly when it comes to other biometric information.

What About the Federal Government?

You will also find on Page 2 of the document in your packet titled, "Biometrics: Who's Watching You?" there is a description of some of the federal initiatives involving the biometrics. The most recent of these is the USA Patriot Act, which requires the use of biometric technology to identify foreign visitors, and the Enhanced Border and Visa Entry Reform Act of 2002, which is specific to border crossings.

LEGISLATIVE RESEARCH REPORT

NOVEMBER 20, 2008

REPORT NUMBER 09.031

STATE LAWS REGARDING BIOMETRIC PRIVACY

PREPARED FOR SENATOR BILL WIELECHOWSKI

BY ROGER WITHINGTON, LEGISLATIVE ANALYST

You asked for information regarding privacy. Specifically, you wished to know what states, if any, have laws that prohibit the collection of a person's biometric data, such as a fingerprint or deoxyribonucleic acid (DNA), for purposes other than law enforcement.

As you may know, the term "biometrics" is used for the various ways humans can be identified through unique aspects of their bodies. Fingerprints are probably the most commonly known biometric identifier. Other biometric identifiers include hand prints, vein dimensions, iris designs, blood vessels on retinas, body odor, walking characteristics, voice patterns, facial features, and genetic profile.[1]

The National Conference of State Legislatures (NCSL) collects information on actions state legislatures have taken to safeguard a persons' genetic information.[2] One common theme in state law is to protect employees and job seekers from genetic screening and discrimination. In Table 1, we provide NCSL's summary of state employment laws that pertain to a person's genetic information. As you can see from Table 1, genetic nondiscrimination in employment laws is now in place in 35 jurisdictions. In addition, laws in 19 states prohibit an employer from requesting genetic information or a genetic test from an employee; laws in 26 states prohibit an employer from requiring genetic information or a genetic test from an employee; laws in 16 states prohibit an employer from performing a genetic test on an employee; laws in 11 states prohibit an employer from obtaining an employee's genetic information or genetic test result; and laws in 14 states specify penalties for genetic discrimination in employment. As examples, we include as Attachment A genetic nondiscrimination employment laws from Arkansas, Iowa, New Hampshire, Oklahoma, and Wisconsin.

---

[1] The Privacy Rights Clearinghouse, *http://www.privacyrights.org/ar/Privacy-IssuesList.htm*.

[2] NCSL's summary of state genetic privacy laws can be found at *http://www.ncsl.org/programs/health/genetics/prt.htm*. Alaska's Genetic Privacy law can be found at AS 18.13.010 through AS 18.13.100.

Table 1: State Genetic Privacy in Employment Laws	
Provisions	**State**
Genetic discrimination prohibited in hiring, firing, and/or terms, conditions or privileges of employment	Arizona, Arkansas, California, Connecticut, Delaware, District of Columbia, Hawaii, Idaho, Illinois, Iowa, Kansas, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Oklahoma, Oregon, Rhode Island, South Dakota, Texas, Utah, Vermont, Virginia, Washington, Wisconsin
Employer Prohibited From Requesting Genetic Information Genetic Test	Arkansas, Connecticut, Idaho, Iowa, Kansas, Louisiana, Maryland, Massachusetts, Minnesota, Nevada, New Hampshire, New York, Oklahoma, Oregon, Rhode Island, South Dakota, Utah, Virginia, Wisconsin
Employer Prohibited From Requiring Genetic Information Genetic Test	Arkansas, Connecticut, Hawaii, Idaho, Iowa, Kansas, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, Nevada, New Hampshire, New York, Oklahoma, Oregon, Rhode Island, South Dakota, Texas, Utah, Vermont, Virginia, Washington, Wisconsin
Employer Prohibited From Performing Genetic Test	California, Iowa, Louisiana, Massachusetts, Michigan, Minnesota, Nevada, New Hampshire, New York, Oklahoma, Oregon, Rhode Island, South Dakota, Vermont, Virginia, Wisconsin
Employer Prohibited From Obtaining Genetic Information Genetic Test Result	Arkansas, Idaho, Kansas, Massachusetts, Michigan, Minnesota, New York, Oklahoma, Oregon, South Dakota, Utah
Specific Penalties for Genetic Discrimination in Employment	Arkansas, Idaho, Iowa, Minnesota, Missouri, New Hampshire, New Mexico, Oklahoma, Rhode Island, South Dakota, Utah, Vermont, Virginia, Wisconsin
Notes:	Current through November 2007. Arizona Revised Statutes, §41-1463; Arkansas Code Annotated, §11-5-401 to 405; California Code Annotated, Government Code §12926 and §12940; General Statutes of Connecticut, §46a-60; Delaware Code Annotated, §19-710 to 711; District of Columbia Code, §2-1401.01; Hawaii Revised Statutes, § 378-01 to 10; Idaho Code, §39-8301 to §39-8304; Illinois Compiled Statutes, §410-513/25 and §215 ILCS 5/356v; Iowa Code, §729.6; Kansas Statutes Annotated, §44-1002, §44-1009; Louisiana Statutes, §23:302, §23:303; Maine Revised Statutes, 5 §19301 and 5 §19302; Annotated Code of Maryland, Human Relations Commission §49B-15 to 16; Massachusetts General Laws, §151B; Michigan Compiled Laws, §37.1201, §37.1202; Minnesota Statutes, §181.974; Missouri Revised Statutes, §375.1300, §375.1306; Revised Statutes of Nebraska, §48-236; Nevada Revised Statutes, §613.345; New Hampshire Revised Statutes, §141-H; New Jersey Statutes, §10:5-5, §10:5-12; New Mexico Statutes, §24-21-1 to 7; New York Consolidated Laws, Executive Code §292, §296; General Statutes of North Carolina, §95-28.1A; Oklahoma Statutes, §36-3614.2; Oregon Revised Statutes, §659A.300 to 306; General Laws of Rhode Island, §28-6.7-1; South Dakota Compiled Laws, § 60-2-20; Texas Code, Labor Code 2§21-402; Utah Code, §26-45-103; Vermont Statutes, §18-9333; Code of Virginia, §40.1-28.7:1; Revised Code of Washington, §49.44.180; Wisconsin Statutes, §111.372.
Source:	National Conference of State Legislatures, *http://www.ncsl.org/programs/health/genetics/ndiscrim.htm*.

The state laws described above do not generally extend privacy protections to non-genetic based biometric identifiers such as fingerprints. We were unable to locate a comprehensive list of state laws that prohibit the collection of a person's non-genetic biometric data. In conjunction with NCSL, we searched the statutes of each state for laws that pertain, to some degree, to an individual's non-genetic biometric data and identified 33.

Most of the laws identified by our search are quite dissimilar; they range from preventing schools from collecting the biometric information of students without the written consent of the student's parent or guardian, to establishing inmate telephone systems within state prisons that can identify inmates through biometric identifiers. None of these laws, however, appear to pertain to your

issue of expressly prohibiting employers from collecting non-genetic biometric information from their employees or prospective employees.[3] We include each of these 33 laws as Attachment B; a brief summary of each of these laws is as follows.

Arizona Revised Statutes § 15-109: Prevents schools from collecting biometric information from a pupil unless the pupil's parent or guardian gives written permission.

California Codes, Civil Code § 52.7: Except as provided in law, a person shall not require, coerce, or compel any other individual to undergo the subcutaneous implanting of an identification device.

California Codes, Financial Code § 13082: Adding tactually discernible numerical keypad, such as fingerprint biometrics, to point-of-sale devices to aid visually impaired individuals.

California Codes, Penal Code § 637.3: With the exception of peace officers carrying out his or her official duties, no person or entity shall use any system which examines or records in any manner voice prints, or other voice stress patterns of another person to determine the truth or falsity of statements made by such other person without his or her express written consent given in advance of the examination.

California Codes, Penal Code § 4017.1: Except as provided in law, any person confined in a county jail, industrial farm, road camp, or city jail who is required or permitted by an order of the board of supervisors or city council to perform work, and any person while performing community service in lieu of a fine or custody or who is assigned to work furlough, may not be employed to perform any function that provides access to personal information of private individuals, including the following: addresses; telephone numbers; health insurance, taxpayer, school, or employee identification numbers; mothers' maiden names; demand deposit account, debit card, credit card, savings account, or checking account numbers, PINs, or passwords; social security numbers; places of employment; dates of birth; state or government-issued driver's license or identification numbers; alien registration numbers; government passport numbers; unique biometric data, such as fingerprints, facial scan identifiers, voice prints, retina or iris images, or other similar identifiers; unique electronic identification numbers; address or routing codes; and telecommunication identifying information or access devices.

Connecticut General Statutes § 17b-30: Requires the Commissioner of Social Services and the Commissioner of Motor Vehicles to examine available biometric identifier systems to be used by the state's temporary family assistance program and any other program determined by the Commissioner of Social Services.

---

[3] The list does not include laws that states have adopted in relation to the National Crime Prevention and Privacy Compact or laws that refer to biometrics information in specific identity theft laws. The National Crime Prevention and Privacy Compact Act is a federal law that establishes a method by which states can exchange criminal records for noncriminal justice purposes without charging each other for the information. The URL for the Federal Bureau of Investigation's National Crime Prevention and Privacy Compact Act website is *http://www.fbi.gov/hq/cjisd/web%20page/cc.htm.*

Florida Annotated Statutes § 311.125: Establishes the Uniform Port Access Credential Card, which is required of those individuals who work at Florida's seaports. This card must include at a minimum a digital full-face photograph, a digital fingerprint, a multilayered security process, a two-dimensional barcode with technology specifications that will allow the unique biometric identifiers to reside in the barcode, a unique identifying code or number, scanning capability to compare required identifiers with information on file in the central database.

Illinois Compiled Statutes 105 ILCS 5/10-20.40 and 105 ILCS 5/34-18.34: Establishes minimum policies for school districts that collect biometric information from students.

Illinois Compiled Statutes 740 ILCS 14/1 (2008), Biometric Information Privacy Act: Relates to the retention, destruction, and privacy of an individual's biometric information. Prohibits unauthorized disclosure and exempts such information from the Freedom of Information Act. Establishes that no provision be construed to conflict with the Criminal Identification Act; the Private Detective, Alarm, Security, Fingerprint Vendor, and Locksmith Act, or another similar act.

Indiana Statutes § 4-1-6-2: Limits the collection, maintenance, and use of personal information, including voice prints, by state agencies, to that which is relevant and necessary to accomplish a statutory purpose.

Indiana Statutes § 26-2-8-116: Allows electronic signature authentication and identification to be used for certain individuals, under certain circumstances.

Louisiana Revised Statutes 37:1182: Grants the Louisiana Board of Pharmacy the authority to require applicants for any pharmacological license, registration, certificate, permit, or any other designation, to provide the information necessary to verify an applicant's identity including birth certificates, passport documents, legal status documents, and any other biometric information deemed appropriate by the board.

Nebraska Revised Statutes § 87-802: Requires that individuals be notified in the event of a security breach that compromises their personal information. Personal information is defined as a name in combination with another identifying data element, including a fingerprint, voice print, or retina or iris image, or other unique physical representation.

Nevada Revised Statutes § 639.2353: Allows a prescription to be transmitted electronically without the health care practitioner's signature if it contains a facsimile signature, security code or other unique identifier; or a voice recognition system, biometric identification technique or other approved security system is used to identify the practitioner.

New Hampshire Revised Statutes 91-A:10: Prevents the state from releasing data sets that contain biometric identifiers.

New Hampshire Revised Statutes 260: 10-b: Prohibits the collection and retention of any biometric data in connection with motor vehicle registration, operation, and driver licensing. "Biometric data" includes voice data used for comparing live speech with a previously-created speech model of a person's voice.

New Jersey Statutes § 39:2A-29: Permits the New Jersey Motor Vehicle Commission to make technological improvements including the modernization of software and hardware, the addition of surveillance cameras, alarms, and access systems, and the use of biometrics.

North Carolina General Statutes § 130A-480: Prohibits the collection of biometric identifiers, including voice prints, within statute that directs the State Health Director to develop a "syndromic" surveillance program for hospital emergency departments in order to detect and investigate public health threats resulting from a terrorist incident or epidemic.

Ohio Revised Code 3701.75: Establishes standards for using electronic signatures in health care records. One standard requires that some electronic signature systems use either a two-level access control mechanism that assigns a unique identifier to each system user or a biometric access control device.

Oregon Revised Statutes § 807.024: Requires a person who applies for issuance, renewal or replacement of a driver license, driver permit or identification card to submit to collection of biometric data by the Department of Transportation for the purpose of establishing his or her identity.

Pennsylvania Statutes § 1802: Appointees, employees and prospective employees engaged in the service of the Commissions or the Board of Gaming shall submit to fingerprinting and photographing by the Pennsylvania State Police or by a local law enforcement agency.

South Carolina Code § 30-2-10: Requires that all state agencies, boards, commissions, institutions, departments, and other state entities develop privacy policies and procedures to ensure that the collection of personal information (including biometric identifiers) pertaining to the citizens of South Carolina is limited to such personal information required by any such entity to fulfill a legitimate public purpose.

Texas Statutes, Business and Commerce Code § 35.50: Provides that biometric identifiers may not be captured for commercial purposes except with prior notification and consent. Additionally provides that once captured, the biometric information may not be sold, leased, or otherwise disclosed unless the individual consents to the disclosure; the disclosure completes a financial transaction that the individual requests or authorizes; the disclosure is required or permitted by a federal or state statute; or the disclosure is made by or to a law enforcement agency for a law enforcement purpose.

Texas Statutes, Business and Commerce Code § 503.001: Defines a "biometric identifier" as a retina or iris scan, fingerprint, voiceprint, or record of hand or face geometry. This law establishes that a person may not capture a biometric identifier of an individual for commercial purposes unless the person informs the individual before capturing the biometric identifier, and receives the individual's consent to capture the biometric identifier.

Texas Statutes, Government Code § 495.025: The State requests proposals from private vendors for a contract to provide pay telephone service to eligible inmates confined in facilities operated by the department. The telephone system must have the capacity to use a biometric identifier of the inmate making the call.

Texas Statutes, Government Code § 531.1063: The Texas Health and Human Services Commission and the Texas Department of Human Services shall develop and implement a Medicaid Fraud Pilot Program. The program must include participant smart cards and biometric readers that reside at the point of contact with Medicaid providers, recipients, participating pharmacies, hospitals, and appropriate third-party participants; and a secure finger-imaging system that is compliant with the Health Insurance Portability and Accountability Act (HIPAA).

Texas Statutes, Government Code § 560.001: Provides that a government body in possession of a biometric identifier may not sell, lease, or otherwise disclose the information unless the individual consents to the disclosure; the disclosure completes a financial transaction that the individual requests or authorizes; the disclosure is required or permitted by a federal or state statute; or the disclosure is made by or to a law enforcement agency for a law enforcement purpose.

Texas Statutes, Transportation Code § 521.032: Establishes the Enhanced Driver's License or Personal Identification Certificate which requires the applicant to submit a biometric identifier as designated by the Department of Transportation.

Vermont Statutes 23 V.S.A. § 634: Prevents the Department of Motor Vehicles from implementing any procedures or processes for identifying applicants for licenses, learner permits, or non-driver identification cards that involve the use of biometric identifiers.

Virginia Code § 2.2-3801 through § 2.2-3809: Includes voice prints in the definition of personal information. Requires that state agencies collect, maintain, use, and disseminate only that personal information permitted or required by law. This law prohibits agencies from disseminating information to another system without specifying requirements for security and usage including access limitations, and receiving reasonable assurances that those requirements and limitations will be observed.

Revised Code of Washington § 46.20.037: This law requires implementation of a voluntary biometric matching system for driver's licenses and identification cards within two years of the full implementation of the Real ID Act. This law states that the biometric matching system is to be used only to verify the identity of an applicant for a renewal or duplicate driver's license or identification card by matching a biometric identifier submitted by the applicant against the biometric identifier submitted when the license was last issued.

West Virginia Code § 17B-2-12a: Vision screening conducted as part of driver's licensure shall not be used to collect any type of personal biometric identifying information.

Included in your request was a document entitled "The Alaskan Biometric Collection Act." As you may know, within this document the author notes that the University of Alaska, Fairbanks requires individuals taking the Certified Public Accountant (CPA) examination to submit to fingerprinting before and possibly during the examination. This fingerprint condition is, however, required by the American Institute of Certified Public Accountants (AICPA), the national, professional organization for all Certified Public Accountants which sets the auditing standards and the ethical standards for all CPAs; the National Association of State Boards of Accountancy (NASBA), which

serves as a forum for the boards of accountancy throughout the United States; and Prometric, which provides testing services for those seeking to take the CPA exam.[4] According to Ken Bishop, Senior Vice President for NASBA, no state prevents Prometric—or any of its subcontractors (the UAF is one of these subcontractors)—from obtaining fingerprint data from those taking the CPA exam.[5]

I hope you find this information to be useful. Please do not hesitate to contact us if you have questions or need additional information.

[4] The URL for the American Institute of Certified Public Accountants is *http://www.aicpa.org/*. The URL for the National Association of State Boards of Accountancy is *http://www.nasba.org*. The URL for Prometric is *http://www.prometric.com/*.

[5] Ken Bishop, Senior Vice President for NASBA, can be contacted at 615-312-3755. In addition, Mr. Bishop notes that Prometric doesn't capture or retain a copy of an individual's fingerprint. Prometric captures an algorithm, or a mathematical representation, based on a person's fingerprint.

March 14, 2011

AMERICAN CIVIL LIBERTIES UNION OF ALASKA
1057 W. Fireweed, Suite 207
Anchorage, AK 99503
(907) 258-0044
(907) 258-0288 (fax)
WWW.AKCLU.ORG

OFFICERS AND DIRECTORS
SUSAN WINGROVE, Anchorage
PRESIDENT

RICH CURTNER, Anchorage
VICE PRESIDENT

LLOYD EGGAN, Anchorage
TREASURER

TONY STRONG, Juneau
SECRETARY

WILLIE ANDERSON, Juneau
AFFIRMATIVE ACTION OFFICER

KIRSTEN BEY, Nome
DONNA GOLDSMITH, Anchorage
PAUL GRANT, Juneau
SCOTT HENDERSON, Anchorage
KATIE HURLEY, Wasilla
MARJORIE KAISER, Anchorage
MICHAEL KING, Anchorage
KAY MARTIN, Anchorage
CONNIE OZER, Anchorage
GALEN PAINE, Sitka
STEPHANIE PAWLOWSKI, Anchorage
JUNE PINNELL-STEPHENS, Fairbanks
NADINE WINTERS, Fairbanks

ZACH FICK, Anchorage
STUDENT ADVISOR

The Honorable Bill Wielechowski, Chair
The Honorable Joe Paskvan, Vice-Chair
Senate State Affairs Committee
Alaska State Senate
Juneau, AK 99801
via email: Senator_Bill_Wielechowski@legis.state.ak.us
Senator_Joe_Paskvan@legis.state.ak.us

Re: Senate Bill 98
ACLU Statement of Support

Chair Wielechowski, Vice-Chair Paskvan:

Thank you for the opportunity to submit a written statement of support for SB 98.

The American Civil Liberties Union of Alaska represents thousands of members and activists throughout the State of Alaska who seek to preserve and expand individual freedoms and civil liberties guaranteed under the United States and Alaska Constitutions.

From a constitutional rights and privacy perspective, **the ACLU of Alaska endorses protections for individuals' personal biometric information, and applauds the proactive introduction of this Bill to avoid violations of privacy before they occur**.

Need for Biometrics Legislation

Recent advances in genomics, bioinformatics and data mining are encouraging a worldwide proliferation of "gene banks" – large collections of

biological samples that usually include genetic information derived from those samples, as well as linked medical, family history or lifestyle information. The use of these biological repositories for genetics research could lead to advances in public health, such as the identification of genetic factors in diseases, or the development of diagnostic tests. ***On the other hand, they also create an avenue for privacy infringements, stigmatization and discrimination, and improper commercial exchange of personal data.***

The ACLU supports legislation to prevent privacy infringement and genetic discrimination. SB 98 can advance these goals.

Protections Against Coerced Consent

Given the ability to condition the provision of necessary services on the disclosure of personal information, we are also pleased to note that SB 98 is intended to protect against coerced "consent."

Given the sensitivity of biometric information, and the plethora of medical information obtainable from it, we endorse legislation that would protect Alaskans from improperly being compelled to waive their rights to protect their personal, private information.

Thank you again for the opportunity to share our support of this bill.

Sincerely,

Jeffrey Mittman
Executive Director
ACLU of Alaska

cc: Senator Albert Kookesh
Senator Kevin Meyer
Senator Catherine Giessel

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: **SB098 \A**
() Publish Date

Identifier (file name): SB098-LAW-CIV-03-12-11
Dept. Affected: Law
Title: An Act relating to biometric information.
Appropriation: Civil
Allocation: Human Services
Sponsor: SENATOR(S) WIELECHOWSKI
Requester: (S) State Affairs
OMB Component Number: 2962

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
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 (please identify)							
TOTAL	***	***	***	***	***	***	***

Estimate of any current year (FY2011) cost ***

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version.

Prepared by: Eileen Donahue, Division Operations Manager
Phone: 465-5427
Division: Administrative Services
Date/Time: 3/12/11 2:00 PM
Approved by: John J. Burns, Attorney General
Department of Law
Date: 3/12/2011

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. SB 098 \A

Analysis

This bill impacts every state governmental entity that retains, analyzes, or distributes biometric information as described in the bill to ensure that the state agencies comply with the provisions of the bill. This is a new function and will require careful review of other state and federal laws to see if an exemption applies. The Department of Law will need to work with state agencies regarding consents or other authorizations for release of medical records to be sure they comply with the provisions of the bill. This bill requires a specific release of information to use biometric information, such as fingerprints, photos, etc... Also, this bill includes a private right of action if this statute is violated. With the private right of action section, it is not clear how this will affect the state in terms of defending actions brought. The state uses biometric information in a number of instances, such as occupational licensing, back ground checks, etc...

As such, the fiscal impact of this legislation cannot be accurately determined at this time.

SB 104

<TARGET><BILL>SB 104</BILL><SUBJECT>SB 104</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 3/16/11

FURTHER: Judiciary

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 3-31-11

State Affairs Committee considered SENATE BILL NO. 104

SB 104-MANUFACTURED HOMES AS REAL PROPERTY

"An Act relating to manufactured homes, including manufactured homes permanently affixed to land, to the conversion of manufactured homes to real property, to the severance of manufactured homes from real property, to the titling, conveyance, and encumbrance of manufactured homes, and to manufacturers' certificates of origin for vehicles; and providing for an effective date."

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
Adm			X	

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Allen Kookesh	KOOKESH	X			
Joe Paskvan	PASKVAN			X	
K. Meyer	MEYER	X			
C. Giessel	Giessel			X	
CHAIR:	W. Olechowski			X	

Alaska State Legislature

Senator Hollis French

SB 104 – MOBILE HOMES AS REAL PROPERTY

Sponsor Statement

Senate Bill 104 establishes procedures to convert manufactured homes to real property, through a defined process within the Division of Motor Vehicles. This change will give the owners of manufactured homes better access to traditional mortgage financing, which often features lower interest rates.

Currently, when a manufactured home is affixed to a permanent foundation on land owned by an individual, the vaguely defined title surrender procedure used by the Division of Motor Vehicles lacks a record notice. Without a record notice, homeowners are often left with unmarketable titles, and lenders hold unperfected security interests in the property, placing all parties in a real estate transaction – the buyer, the lender, and the seller - at risk.

Conversion will help increase home values for consumers, give security to lenders and provide fixed procedures for the DMV to follow. Nothing requires the conversion of a manufactured home in the legislation, leaving that choice to consumers.

Many Alaskans live in manufactured homes. This legislation treats residents that permanently affix a manufactured home to land they own the same as if their home was built on the property. I urge you to support this fair legislation.

I'M HOME
Innovations in Manufactured Homes

NATIONAL CONSUMER LAW CENTER

MANUFACTURED HOUSING RESOURCE GUIDE

Titling Homes as Real Property

BACKGROUND

For 17 million Americans, the pathway to the American Dream of homeownership is through manufactured housing. Today's manufactured housing is a high-quality and affordable entry into asset and wealth building for many families. Assets are the foundation for promoting long-term economic opportunity for most Americans. They provide security during unexpected financial troubles. They foster long-term planning and the drive to set and reach dreams, such as going to college and starting a business. For the last few generations of Americans, homeownership has been the bedrock of household financial assets. Even during times of economic insecurity in the housing market, homeownership remains the primary source of wealth for many Americans and continues to be the American Dream.

One hurdle that keeps many owners of manufactured homes from enjoying the same benefits as owners of site-built homes is classification as personal property. Whether a home is classified as real or personal property significantly affects the home's asset-building potential, mostly due to financing and tax implications. In lending as well as state and local public policy, manufactured homes are often treated as if they are cars, even though they look as good, are built as well and last as long as traditionally built homes. They're often issued titles as motor vehicles, rather than real estate. They are commonly assessed with "blue book" values and are often taxed as personal property. This makes manufactured homes more expensive to finance and lowers resale values, reducing homeowners' opportunities to enjoy property appreciation and build equity.

About This Legislative Guide

This guide provides advocates and practitioners with the information they need to assess the benefits of converting manufactured homes from personal to real property and to develop strong policies that allow for the easy and voluntary conversion of homes to real property. It is intended to provide a detailed overview of the laws and regulations involved at the state and federal levels. This guide:

- Outlines the importance of real property designation in seven key areas;
- Analyzes current state statutes; and
- Provides recommendations for strong policies that allow for the classification of manufactured homes as real property.

MANUFACTURED HOMES ARE HOMES: THE IMPORTANCE OF REAL PROPERTY DESIGNATION

Black's Law Dictionary defines real property as "[l]and, and generally whatever is erected or growing upon or fixed to land." On the other hand, it defines personal property as "[i]n broad and general sense, everything that is the subject of ownership, not coming under the denomination of real estate."

Manufactured homes are traditionally titled as personal property, largely due to the modern manufactured home's mid-20th century roots in the travel trailer industry. Advances in building technology and increased government regulation have resulted in a quality home construction comparable to site-built homes. Legally, however, manufactured homes are still bound by many of the same norms as their travel trailer ancestors, including use of certificates of title, similar to an automobile.

Although some manufactured homes are designated real estate and despite their many similarities to site-built homes, most manufactured homes are still considered personal property, absent an affirmative action by the homeowner to change its designation. All too often, however, homeowners are not permitted to classify their homes as real property, even if they take affirmative action in an attempt to do so.

Each category has advantages and disadvantages (see chart on "The Importance of Designation as Real Property"), but homeowners generally benefit from classification as real property, particularly when financing the home. The real property designation generally provides more favorable status in terms of taxation and consumer protection. Although more than three-quarters of states have some statutory method for converting a manufactured home from personal property to real property, these existing conversion statutes are often inadequate. Following is a discussion of the implications of property designation status.

The Importance of Designation as Real Property: A Summary of Advantages and Disadvantages for Homeowners

Advantages of Real Property Classification	Disadvantages of Real Property Classification
Increased availability of favorable financing	Possible greater tax burden
More favorable titling options	Possible loss of some consumer protections
Equitable taxation	Limitations on bankruptcy cram down
Possibility of homestead exemptions	
Better consumer protections	
Stronger protections for heirs	
More vibrant resale market	
Equitable safeguards upon default	

Designation as real property affects owners of manufactured housing in seven key areas. These seven key areas affected touch each phase of the homeownership process from appraisals to financing, to taxation, to resale, and include:

1. Appraisals and Sales
2. Financing
3. Taxes and Tax Exemptions
4. Federal and State Consumer Protections
5. Protections for Spouses and Joint Ownership
6. Rights upon Default
7. Bankruptcy

1. Appraisals and Sales

Home appraisers and real estate agents must typically be licensed by the state. In some states, there are restrictions placed on these professions regarding real property, and sometimes appraisers are not permitted to appraise personal property. Even where there are regulations in place allowing real estate appraisers to appraise manufactured housing considered personal property, the confusing status of such housing is discouraging, even for seasoned appraisal professionals. Difficulties in obtaining an accurate appraisal also severely limit financing options for prospective purchasers and homeowners seeking refinancing, as most traditional mortgage lenders require an appraisal. Similarly, in some states real estate agents and brokers are prohibited from listing properties not classified as real property. This can be a tremendous disadvantage to owners of homes considered personal property, because it is difficult to sell a home without the assistance of an agent. These limitations not only hurt individual homeowners, but also harm the broader resale market for manufactured homes.

Imprecise conversion statutes make it harder for appraisers to appraise manufactured homes. It is evident that both homeowners and the industry would benefit from clear, easily monitored regulations that allow appraisers to more accurately determine the legal status and value of a home (Georgia and Alabama are two examples of states where appraisal boards have made efforts recently to clear up confusion that may arise after converting a manufactured home from personal to real property). Policies that allow clear and easy determination of a home's status as real property would make appraisals more accurate, lenders more comfortable with the knowledge that the home's status is settled, and homes easier to sell, as buyers would be assured of a home's status.

2. Financing

Most site-built homes are financed by a real estate mortgage, while manufactured homes classified as personal property are financed by chattel lending. Chattel is the legal term for personal property, as opposed to "real" property, which generally includes land and the structures attached to the land. Chattel loans, which include loans for televisions and automobiles, differ in many respects from mortgages. The key disadvantages to chattel financing of homes compared to conventional mortgage financing include shorter loan terms (typically 20 years instead of 30), higher interest rates (at least two to five percentage points higher) and a smaller pool of lenders from which to choose.

Permitting conversion of a manufactured home to real property can improve financing options, but it does not automatically permit the owner or purchaser to obtain conventional financing terms. However, designation of a manufactured home as personal property is almost certain to preclude favorable, conventional financing terms.

3. Taxes and Tax Exemptions

Although each state tax code is unique, states typically differentiate between real and personal property in several situations. Manufactured homes are almost universally considered personal property at the time of purchase, even if they are later converted to real property (unless the home is a used unit and was converted to real property by a previous owner.) As such, the buyer pays sales tax at purchase. In contrast, buyers of site-built homes usually pay excise or transfer taxes, which are calculated at a lower rate that factors in both the home purchase transaction and a sales tax on building materials. Because of this different tax structure, in states without a sales tax reduction or exemption for buyers of manufactured homes homebuyers are typically taxed at a far higher rate when buying a manufactured home The inequity is exacerbated when a home is sold as personal property and then converted to real property. In this case, the home is often taxed at a higher rate (i.e. as personal property) upon sale, but after conversion the homeowner's annual property tax bill is higher than it would have been, because real property is taxed at a higher annual rate than personal property tax rate.

This classification also affects the broader community by determining which government entity receives the tax payment. Real property taxes are typically paid to a local municipality, while in many jurisdictions taxes on personal property and sales tax revenue go to the state. There are significant revenue consequences for government entities when the classification of homes is changed; the fact that changing the classification of manufactured homes creates winners and losers in regard to tax revenue can make reform difficult.

Exempt or protected property, which may not be subject to taxation or may be unavailable to creditors seeking to enforce judgments, is also affected. A home's classification as real or personal property may also affect the owner's ability to claim the property as exempt. One such issue that many states have addressed is the homestead exemption. In many states, the homestead exemption applies to a manufactured home regardless of property classification. Thus, even if a manufactured home is treated as personal property for most purposes, it may qualify for the homestead exemption because of the liberal construction of homestead exemption laws in many states. However, in some states the applicability of the homestead exemption to manufactured homes has not been clearly established.

4. Federal and State Consumer Protections

Some federal and state consumer protection statutes apply only to real property, while others apply only to personal property. Although such distinctions can be explained by the separate evolution of laws dealing with goods and services and laws regulating real property transactions, the distinctions can lead to results that are inconsistent and at times inequitable. Such inconsistencies are especially apparent when looking at a manufactured home transaction, because the same home may be considered goods or real property. The distinction can have important consequences for the homeowner. While the home remains the same, the protections that apply depend upon the home's classification as real or personal property. A discussion of existing federal and state laws and their consequences for owners of manufactured homes follows.

- ***Federal Truth in Lending Act.*** The federal Truth in Lending Act (TILA) requires certain disclosures in any consumer credit transaction. It only applies to loans over $25,000 if the creditor takes a security interest in the borrower's principal dwelling. This is true for both real and personal property, and it covers manufactured homes. Thus, TILA covers credit secured by a manufactured home that is the consumer's principal dwelling regardless of whether the home is considered real or personal property.

- ***Federal Real Estate Settlement and Procedures Act.*** The federal Real Estate Settlement Procedures Act (RESPA) requires disclosures about closing costs (both before and at the time of settlement), and notices about escrow accounts, changes in loan servicing, and the right to obtain account information through a written request. It also prohibits kickbacks

and unearned fees for settlement services, charges for preparation of certain documents, and steering of borrowers to a particular title insurance company. Furthermore, it regulates the handling of escrow accounts. RESPA applies to all loans secured by a first or subordinate lien on one-to-four family residential real property. The loan must also be made by a federally insured lender or be federally related in a manner specified by the law. The U.S. Department of Housing and Urban Development (HUD) regulations interpreting RESPA limit the Act's coverage to certain mortgage loans and to real property.

The regulations do provide RESPA protection to certain owners of manufactured homes, as they include coverage for loans secured by real property upon which there is a manufactured home. However, the regulations do not explicitly state that any manufactured home classified as real property is covered by RESPA, an omission that calls for clarification. Loans on homes classified as personal property on leased land are clearly not covered by RESPA.

- ***The Federal Credit Practices Rule and the Federal Reserve Board's Regulation AA, Unfair or Deceptive Acts or Practices.*** The Federal Trade Commission (FTC) has authority to create rules that define and prevent unfair or deceptive acts or practices. One such rule is the Credit Practices Rule. It limits late charges and informs cosigners of their liability, while also prohibiting consumer credit contracts from containing confessions of judgment, wage assignments, and waivers of exemption. Although the rule explicitly excludes credit involving the purchase of real property, it is silent on other types of real estate loans (e.g. refinancing or lines of credit. Accordingly, although the rule clearly applies to credit involving the purchase of a home considered personal property, there is some ambiguity as to its application when a home is real property.

  The Credit Practices Rule does not apply to creditors outside of the FTC's authority, including banks, savings and loans, and credit unions. The regulators of these three types of entities have their own versions of the rule, however. The Federal Reserve Board (FRB) adopted a version of the Credit Practices Rule, and its guidelines defer how the dwelling is treated to state law, but if it is considered real property then the transaction would be exempt from this rule. The Office of Thrift Supervision (OTS) enacted an analogous rule that excludes real property and looks to state law to make that determination. The National Credit Union Administration (NCUA) enacted a similar rule applicable to credit unions and provides no exemption for real property loans.

- ***The Federal Fair Housing Act.*** The federal Fair Housing Act prohibits discrimination in the sale, rental or financing of homes. Analysis of the scope of the Act is difficult because different sections use different language to describe which transactions are covered. In most instances the Act applies to dwellings, which would certainly include manufactured homes, however one section ambiguously applies to dwellings and also to refinance loans secured by real estate. Although no cases appear on point, arguably the Act applies to the sale of all homes, but to refinancing of a manufactured home only if it is considered real property.

- ***The Federal Magnuson-Moss Warranty Act.*** The Magnuson-Moss Act regulates, simplifies and standardizes written warranties, implied warranties and service contracts. It applies only to personal property – not real property – and it covers the sale of both new and used goods. The Act has almost universal application to the sale of new manufactured homes, because even in states where a home may be converted to real property, it is generally classified as personal property at the time of sale.

- ***State Warranty Laws.*** Article 2 of the Uniform Commercial Code (UCC) sets forth warranty law for goods and has been enacted into law in every state but Louisiana. The UCC addresses both express and implied warranties and also sets forth consumer remedies for breach of warranty. Article 2 of the UCC defines goods as "all things (including specially manufactured goods) which are movable at the time of identification to the contract for sale." Although Article 9 of the UCC makes more specific reference to the definition of goods to be inclusive of manufactured homes, the Article 2 definition appears to be broad enough to cover new manufactured homes, because they are movable when manufactured, even if they are or will be permanently placed upon land or titled as real property. If a home is attached to land and sold as part of the land, however, it is less likely to fall within the scope of Article 2 of the UCC. In such instances common law warranties may apply, or courts may look to the UCC by analogy. Regardless, it is the permanent attachment to the land rather than the home's designation as real or personal property that will determine applicability.

- ***State Laws Prohibiting Unfair and Deceptive Acts and Practices.*** All 50 states have at least one enacted statute applicable to most consumer transactions designed to prevent deception and abuse, though not all apply to real property transactions. In some states real property is excluded because courts have ruled that real estate is not "goods or services," terminology used in many of the statutes. In other states, however, such language includes real property. Some statutes explicitly cover real property or all property. In other states, courts have found legislative intent to cover real property where the statute is silent about coverage of real estate. Even in states where the statute does not apply to the sale of real estate, services and personal property related to such transactions may be covered.

5. Protections for Spouses and Joint Ownership

At common law, "dower interest" protects a wife by not allowing her to be "disinherited" by her husband; a "curtsey interest" provides a similar protection for a husband. Both interests typically apply only to real property. Some states retain the dower and curtsey interest, but most states provide a similar protection for spouses and children through a concept known as an "elective share." States that use elective shares may still have protections for real property not available for personal property, such as a requirement that any conveyance of the homestead be authorized by both spouses, which may or may not include manufactured homes not considered real property. This has tremendous impact on families living in manufactured homes. If the home is titled in only one spouse's name, that spouse could transfer the home without obtaining any consent from the other spouse. Were the home real property, lenders involved in the closing would require that both spouses consent to the transfer.

Furthermore, there are different ways by which two or more people can jointly hold title to property. The co-owners may have an undivided interest in the property that each owner may transfer or bequeath, or the ownership may include a right of survivorship, which provides that upon the death of one owner, the other takes full title to the property, subject to the liabilities of the decedent. At common law, married couples may hold real property as "tenants by the entireties." Some states now allow both real and personal property to be held by the entireties, while other states have enacted special statutes extending the right to hold property as tenants by the entireties to manufactured homes. A tenancy by the entireties provides some advantages not available to other forms of co-ownership. Neither spouse can individually transfer or encumber the real property in a way that will affect the other spouse's right of survivorship in the whole property. Unlike other types of co-ownership, a creditor cannot attach or execute upon entireties property to collect a debt owed by only one of the property owners; entireties property can only be attached for joint debts. This is a significant disadvantage for owners of manufactured homes classified as personal property and not allowed to be held by the entireties.

6. Rights upon Default

The distinction between real property and personal property is especially important in the event of default. When a homeowner fails to make payments, the rights and responsibilities of the homeowner and lender depend upon the home's classification. If a home is personal property, the rights of the creditor and homeowner are governed by the UCC. Article 9 of the UCC applies to any contractual transaction that uses personal property as security. If a manufactured home is personal property and not affixed to real property, then it is governed only by Article 9 or other state laws dealing with repossession – not by state foreclosure law.

Such a home is generally subject to self-help repossession: a taking of the home by the lender without any oversight. Such repossession does not allow the homeowner to assert any claims or defenses that might stop the repossession and is also likely to involve the taking of the homeowner's household goods and belongings. The primary restriction that the UCC places on self-help repossession is that the creditor is liable to the consumer if he or she breaches the peace during the repossession.

If a home is real property, then in most states the creditor must use the foreclosure process when a homeowner defaults. In some states, foreclosure is a relatively balanced process, with judicial supervision, reasonable advance notice to the homeowner, and an opportunity for the homeowner to present defenses prior to foreclosure. Several states, however, allow nonjudicial foreclosure. In these states, a home (whether site-built or manufactured) can be sold by the creditor without any involvement of a judge and with minimal notice (as little as 14 or 15 days, respectively, in Virginia and Georgia, for example). While in the vast majority of states the foreclosure process provides more protections, in isolated cases when the homeowner lives in nonjudicial foreclosure states, classifying the homes as personal property may in fact provide more protections.

It is important to note that when a home is placed on real property the home may become a "fixture." UCC Article 9 defines fixtures as goods that have become so related to particular real property that an interest in them arises under real property law. When a home is a fixture, the lender may choose a UCC remedy or state foreclosure law, unless there is a law that specifies a procedure for converting a manufactured home to real property, which may specify the default remedy.

7. Bankruptcy

Bankruptcy Code Section 1322 enables bankruptcy courts to modify the rights of holders of most secured claims and may modify the payment amount, defer payments, or eliminate a creditor's lien. The modification may allow a consumer filing bankruptcy to keep a possession that secures a loan while reducing the monthly payment. This right to modify has limitations, including the limitation that applies to debts secured by real property that is the debtor's principal residence. This limitation means that owners of manufactured homes classified as real property will generally not be allowed to modify a first mortgage on their home. Although a homeowner whose home is not real property was previously eligible for such a modification, recent changes to bankruptcy law make it unclear whether the homeowner can modify a personal property loan on their primary residence.

For now, real property designation may be a disadvantage to some homeowners if courts continue to use the distinction between real and personal property to determine whether a loan is eligible for modification. Homeowners whose manufactured homes are classified as real property may not be able to modify debts secured by the home, whereas they would be eligible for a cram down if the home were personal property. However, several recently introduced bills propose permitting bankruptcy courts to modify the terms of real property loans on a borrower's principal residence, which would make the home's classification less important.

ANALYSIS OF STATE STATUTES THAT ALLOW CONVERSION FROM PERSONAL TO REAL PROPERTY

Approximately three-quarters of the states have statutes that set forth a procedure to convert a manufactured home from personal to real property and document that conversion. Generally, the procedure involves surrendering the certificate of title or manufacturer's certificate of origin and then filing an affidavit in the local county land records. Typically, the manufactured home must be permanently affixed to the land, a concept often specifically defined. Many states also require that the homeowner own the land in addition to the home. Other states allow a home to be converted to real property if it is permanently affixed to land that the owner is renting, typically requiring that the lease be for a minimum specified period of time.

Many state statutes that allow homes on rented land to be converted to real property were created to allow financing of manufactured homes under the Freddie Mac Leasehold Estate Mortgage Program. Fannie Mae manages a similar program that is being piloted in New Hampshire. Statutes that allow homes on rented land to be treated as real property have particular significance in resident-owned communities, and communities owned by nonprofits or community land trusts because in such situations, each homeowner rents a lot from the cooperative, nonprofit or land trust. Some statutes allow homes under these conditions to be treated as real estate.

Title purging after conversion to real estate is critical in order to avoid opportunities of fraud and provide lenders with the security of clear ownership by the homeowner. A state that does not have a title purging statute may still grant requests to cancel a manufactured home's certificate of title. For example, if a home has a certificate of title, a state motor vehicle department may grant a request to cancel the title upon a showing that the home is not capable of being operated on a public highway. Some states have administrative rules allowing cancellation of the title. Even without a title purging statute, a state motor vehicle department may agree to cancel a title if the owner shows that a home no longer meets the jurisdiction's definition of motor vehicle because it has been attached to the land. However, as discussed in a later section, the effect of title purging, by statute or otherwise, may not always be clear. A few states, such as New York, specifically forbid title purging.

Strengths of Existing State Conversion Laws

Cancellation of Certificate of Title. Conversion statutes in states that use a certificate of title for manufactured homes generally also prescribe procedures to make sure that the certificate of title is cancelled when the home is converted to real property. This is key, because the coexistence of two title documents – the certificate of title and the deed – enables an unscrupulous owner to sell the manufactured home twice, assigning the certificate of title to one buyer and conveying a deed to the other.

Protection of Secured Lenders. Most conversion statutes ensure the protection of secured parties. Before a state allows for the conversion of a manufactured home from personal to real property, they typically require the secured party to either release its security interest or accept a mortgage in substitution for the UCC security.

Opportunities to Strengthen Existing State Conversion Laws

Increase Clarity. The ultimate effect of using a state's conversion statute is not always clear. Some state statutes indicate that once a home is converted to real property, foreclosure law applies. Others achieve the same result by stating that the home, upon conversion, is subject to all laws that apply to real estate. Some conversion statutes say nothing about the implications of the conversion or state only some effect on the manner in which the home is taxed. Other statutes merely provide that upon completion of the requirements the title may be surrendered, without stating if all real estate laws apply to the home thereafter.

Adding to the confusion, a state's statute may be located among the state's manufactured home statutes or may be part of the state's motor vehicle, finance or tax laws. Although some courts have held that when a statute treats a manufactured home as real property for one purpose, such as taxation, it should be treated as real property for other purposes as well, such as bankruptcy. The lack of clarity in the statute can leave homeowners vulnerable.

In addition, some statutes lack clarity as to whether the statutory conversion procedure supplants common law methods of conversion. Such common law methods of conversion, rules created by precedent of previous court cases rather than statutes created by a legislature, typically involve actions of the homeowner that are sufficient to show that the home has become a part of the land on which it is sited.

Lenders wanting to sell their loans on the secondary mortgage market may insist that a home be converted to real property. Fannie Mae, for example, requires a manufactured home be legally classified as real property, and financing must be secured by a mortgage or deed of trust recorded in the jurisdiction's land records. In states where there is less clarity around conversion, a lender may be reluctant to extend conventional style financing. Therefore, clarity is critical in regulations for converting a manufactured home from personal to real property.

Ensure Reasonable Land Ownership and Lease Requirements. Many states permit a manufactured home to convert to real property only if the home and the land that home is placed upon are both owned by the same person. Although policymakers and practitioners may be unfamiliar with the idea of a home being real property even though it sits upon land owned by another, there are several common examples. Many commercial buildings are not owned by the same entity which owns the land, yet the buildings are generally classified as real property. Similarly, community land trust homes sit on land leased, not owned, by the homeowner, and often homes in such situations are classified as real property.

More recent statutes for the conversion of manufactured homes permit the home itself to become real property, even when placed on leased land. Unfortunately, many of these statutes place severe restrictions on such conversions. Typically, they require long-term leasehold interest by the homeowners, often between 20 and 35 years. While long-term leases do provide some protection to homeowners and secured lenders, this protection is not comprehensive. Even with a long-term lease, the homeowner may still be vulnerable to rent increases or other changes that might ultimately force the home off the land. Lease requirements also put landowners, with the power to permit or deny a long-term lease, in control of a homeowner's ability to classify the home as real property. Requiring such a lease to convert the home to real property places many owners of manufactured homes on leased land at a disadvantage without actually conferring the safeguards that the measure may seek to put in place.

A Special Note on State Automatic Conversion Laws

Many issues must be considered before creating a new conversion statute or modernizing existing statutes. A list of recommendations is available at the end of this legislative guide. However, advocates are cautioned to pay special attention to the issue of automatic conversion versus procedures for conversion – each has advantages and disadvantages. Most states that have enacted conversion statutes require that the homeowner take affirmative steps to convert the home to real property. Although conversion to real property may take place without any sort of bureaucratic procedure in states that continue to permit common law conversions, the number of such states is decreasing as more states make the statutory conversion process the sole means of conversion. Even states that continue to allow common law conversions generally require clear intentional acts on the part of the homeowner to convert the home to real property.

There is an alternative to such conversion requirements. A scant few states provide for automatic conversion to real property by virtue of physical actions of the homeowner, such as connection to utility service, rather than requiring procedural actions. Such approaches get rid of bureaucratic hurdles to real property designation, clearly benefiting homeowners who want their homes to be treated as real property.

There are, however, some potential disadvantages to an automatic conversion process. Automatic conversions may create confusion as to the status of the home. If conversion depends upon certain facts, such as whether the home sits upon a permanent foundation or is connected to utilities, it may be unclear to prospective buyers, lenders and even the homeowner whether the home is real or personal property. Making the determination may require verification of factual criteria that can give rise to disputes. A well-documented formal conversion process may avoid many of these issues. Alternatively, a conversion that occurs automatically upon the sale to the consumer would ease the burden of verifying that the home was, in fact, converted to real property.

An automatic conversion also removes the conversion option from the homeowner's control. Although homeowners will generally benefit from a real property designation, there may be situations in which the homeowner would benefit from maintaining a personal property designation. For example, in some states treatment as real property may entail a significant tax increase for the homeowner.

Even more disadvantageous to many homeowners is an unusual provision found in several conversion statutes that permits homes on leased land to become real property only if the home is financed through Fannie Mae, Freddie Mac, the Federal Housing Administration and other similar programs. Most of these statutes were enacted in response to Freddie Mac's program to make mortgage loans on manufactured homes atop leased land, which required that the home be real property. Such conversions statutes were designed to increase the likelihood of conventional financing for owners of manufactured homes, but it is not clear why the benefits of a real property designation should be denied to homeowners on leased land who already own their homes or are financing the home in some other way. Therefore, state conversion statues must be reasonable and not overly burdensome with regard to land ownership and lease requirements.

Call for Reasonable Permanent Foundation Requirements. A majority of states with a statutory method for converting manufactured homes to real property require that the home be placed upon a permanent foundation before conversion. This requirement may mirror the standard foundation required for installation of all manufactured homes in that state, while in other states this requirement is more stringent than standard installation requirements.

States differ as to foundation requirements. Some may permit footings and piers; others may require a more extensive and expensive foundation, such as a masonry wall for the entire perimeter of the home. In addition to cost, a requirement for a permanent foundation presents other difficulties. Few homeowners on leased land would invest in such a foundation without feeling secure in their right to remain on the land. In addition, many manufactured home community owners, and in some cases local government regulations, prohibit such extensive foundations in land-lease communities. Therefore, states should not impose requirements regarding a home's foundation beyond those required to site any manufactured home.

Remove Permission of Landowner Requirements. Of the states that do permit homes sited on leased land to become real property, some, unfortunately, require that the homeowner obtain the permission of the landowner (expressed as a clause in the lease) in order to reclassify the home. Requiring such permission is an unnecessary burden on the homeowner as a conversion of the home to real property need not affect landowner rights. The permission of the landowner may be seen as necessary to protect secured lenders, because lenders may fear that landowners will treat the home as a fixture and convey it with the land. However, such fraudulent activity can be prevented by clear cross-referencing between the land deed and the home deed. Therefore, state conversion laws should not require permission from the landowner, nor should they affect the landowner's interests.

Create User Friendly Conversion Statutes. In states with conversion statutes, courts commonly find that a home continues to be personal property until the statutory procedures are followed. Thus, even if a home is permanently affixed to the land, it may be considered personal property unless the owner surrendered the title and filed the proper papers to convert it to real property.

If the conversion is completed as part of a financing arrangement, it is likely that the conversion process will be properly followed, as the lender wishes to ensure that its security interest in the home is properly recorded and perfected. When a homeowner attempts conversion on his or her own, however, successful completion of the required procedures is less certain. Requirements may be relatively complex for a lay person, and homeowners may not be able to afford the services of an attorney to assist in the conversion process. Therefore, state conversion statues should be straight-forward and not require professional expertise.

RECOMMENDATIONS FOR STRONG LAWS TO PROMOTE MANUFACTURED HOMES AS REAL PROPERTY

- Conversion should be available regardless of who owns the land upon which the home is placed.
- Conversion should make the home real property for all purposes.
- Conversion should protect secured parties' interest in the home.
- Conversion should not require homes on rented land to have a specific lease term.
- Conversion should not impose requirements regarding the home's foundation beyond those required to site any manufactured home.
- Conversion should not affect the landowner's interests, if the home is on rented land, nor should it require the permission of the landowner.
- Conversion procedures should create a clear chain of ownership to facilitate title searches.
- Conversion procedures should be user-friendly and permit homeowners to convert their homes without hiring a professional for assistance.
- The Real Estate Settlement and Procedures Act should apply to all loan transactions secured by a manufactured home,

regardless of the home's classification as real or personal property.

- Conversion should provide a bright line rule for when a home is real property, to ensure predictable and consistent results.
- Conversion procedures should include the cancellation of certificates of title, in order to reduce the possibility of fraud.
- Protections against unfair and deceptive practices (state UDAP statutes) should apply to manufactured home sales and state homestead exemption laws should apply to manufactured homes, regardless of whether the home is real or personal property.
- Laws regarding appraisers and real estate agents should eliminate restrictions that impede their involvement in manufactured home sales, regardless of whether the home is real or personal property.
- Automatic treatment of homes as real property should be considered in states where manufactured and site-built homes are taxed at substantially the same rate.

ABOUT I'M HOME

I'M HOME, or Innovations in Manufactured Homes, is an initiative of CFED, a national nonprofit organization dedicated to expanding economic opportunities for all Americans. The I'M HOME network includes nonprofit and for-profit, national and local partners who together work toward ensuring that all homeowners, regardless of whether their home is manufactured or site-built, enjoy the same rights and privileges of homeownership, including asset building opportunities. For more information about I'M HOME, please visit www.cfed.org/go/imhome.

ABOUT THE NATIONAL CONSUMER LAW CENTER

The National Consumer Law Center (NCLC) is the nation's consumer law expert, helping consumers, their advocates and public policymakers use powerful and complex consumer laws on behalf of low-income and vulnerable Americans seeking economic justice. NCLC is the leading consumer legal advocate promoting legal protections for owners of manufactured homes. For more information about NCLC please visit www.consumerlaw.org.

Appendix A

EXISTING STATE CONVERSION STATUES

In the following summaries of state statutes that specify a procedure for the conversion of a manufactured home to real property, the terminology of the statutes as to manufactured or mobile homes is retained.

Alabama

A mobile home title may be cancelled if the home is affixed to real property owned by the homeowner – ownership of both the home and the land must be identical. The owner must submit an application to the state department of revenue, including a release of any liens noted on the title. If the mobile home is later detached from the land, the owner must reapply for a new certificate of title.[1] This statute is part of the state title law and does not state whether the home is treated as real property for foreclosure or other purposes after the title is cancelled.

Arizona

A mobile home permanently affixed, i.e., installed on real property owned by the homeowner,[2] and for which an affidavit of affixture is recorded, shall be assessed as real property for tax purposes.[3] A mobile located in a mobile home park will, along with the leasehold interest, be treated as real property if the homeowner files an affidavit of affixture with the county recorder and: (1) the home was installed on the real property with all wheels and axles removed in compliance with local and state installation standards; (2) the owner of the home entered into a lease of at least twenty years for the lot and the lease specifically permits the recording of an affidavit of affixture; and (3) a memorandum of lease, signed by both landlord and tenant, is recorded that lists specified information.[4] Regardless of whether the home is located in a park, the affidavit of affixture must identify the holder of any security interest in the home that is not terminated by the consent of the secured party, and any such interest survives recordation of the affidavit.[5] When an affidavit of affixture is recorded, the owner must surrender the certificate of title.[6] A lien on a mobile home for which an affidavit of affixture is recorded may be perfected either in the manner provided by law for real property or in the manner provided for fixtures.[7]

Arkansas

If a mobile or manufactured home is affixed to real estate, the title may be surrendered to the state department of finance and administration for cancellation. After cancellation, a security interest, lien, or encumbrance may be obtained in the same manner as for real property.[8]

California

If a manufactured or mobile home is affixed to a permanent foundation in compliance with state standards,[9] default and sale are governed by California's mortgage foreclosure laws.[10] The homeowner must own the land or have a minimum 35-year lease.[11] Any lienholders must consent to the attachment of the home to the land.[12] The owner must surrender the certificate of title, and a statement that the home was affixed to real property is to be recorded in the county land records.[13] Once these procedures are completed, the home is deemed a fixture and an improvement to the real property.[14] Default and sale are also governed by the state mortgage foreclosure laws if the creditor has a security interest in the land in addition to the home.[15]

Colorado

The owner of a manufactured home, once it is permanently affixed to the ground so that it can no longer be drawn over the public highways, may surrender the certificate of title and apply for purging of the title. The owner must also obtain the consent of the holders of any unreleased security interests in the home. The home then becomes real property, and subject to all laws that would apply to real estate.[16] Although the statute does not

explicitly state that the homeowner must also own the land upon which the home is placed, it appears that after conversion the home is taxed as part of the land upon which it sits, and so conversion would only be practical when the homeowner also owns the land. Although the statute does not address retitling, the Colorado Division of Motor Vehicles, Department of Revenue, currently permits a bonding procedure to allow homeowners to reestablish title.[17]

Connecticut

Title conveyances to manufactured homes are recorded on the land records with the town clerk's office of municipality.[18] While the document conveying title to homes on leased land must recite information about the land or park where the home is located,[19] it appears to allow conveyance of homes located upon land owned by the homeowner by deed, and such home would become part of the real property.[20]

Florida

The owner of a mobile home permanently affixed to land also owned by the homeowner, or in which the homeowner has a recorded leasehold interest of at least 30 years, may retire title to the home.[21] Before title is retired the following documents must be recorded in the official records of the clerk of court in the county where the home is located: (1) the original title to the home, including a statement by any recorded lienholder that the security interest has been released or will be upon retirement of title; (2) legal description of the real property, and if the homeowner's interest in the property is a leasehold, a copy of the lease; and (3) a sworn statement of the owner that he or she owns the home and the real property or leasehold interest. After the title is retired, the home is only conveyed by deed or real estate contract along with the property to which it is affixed.[22] A new title may be obtained if the home is to be removed from the land.[23]

Another Florida statute provides that if the mobile home is classified as personal property by a seller or lender at the time a security interest in the home was granted, it shall continue to be so classified for all purposes relating to the loan and security agreement.[24]

Georgia

A manufactured or mobile home is personal property unless: (1) the home is or is to be permanently affixed to real property and one or more persons with an ownership interest in the home also has an ownership interest in the real property; and (2) the owner and all holders of security interests sign and file a certificate of permanent location with the clerk of the local superior court and the state revenue commissioner. Once such a certificate is properly filed, the home is a part of the real property for all legal purposes, including foreclosure.[25]

Idaho

A manufactured home may constitute real property if the home is permanently affixed to a foundation and the running gear is removed. The home must be sited on land owned (or being purchased) by the homeowner or, if the home is being financed in accordance with a federal housing agency's guidelines, is leased by the homeowner. The homeowner must record with the county recorder a statement of intent to declare the home as real property, and must turn over the certificate of title. Upon exercise of this option, lending institutions may treat the home as real property.[26] Physical removal of the home from the land is then prohibited unless the owner applies to have a new certificate of title issued.[27]

Indiana

If a manufactured home is attached to real estate by a permanent foundation, the owner may submit the certificate of title and an affidavit to the bureau of motor vehicles.[28] The county recorder is then to record the affidavit in the county real estate records,[29] and the home is thereafter deemed to be an improvement to the real estate.[30]

Iowa

Iowa has separate provisions depending on whether or not the home is in a manufactured home community. If the home is located in a manufactured home community and installed on a permanent foundation, the owner may surrender the certificate of title to the county treasurer for the purpose of assuring eligibility for federal mortgage lending programs. The title cannot be surrendered if there are unreleased security interests. A foreclosure action on a manufactured home whose title has been surrendered must be conducted as a real estate foreclosure. The owner may reapply for a certificate of title at a later date.[31] If the home is not in a manufactured home community, it must be placed on a permanent foundation. If a security interest is noted on the title, the homeowner must tender a mortgage on the real estate to the creditor, or the secured party must consent to the conversion, in which case the secured party retains a security interest in the home that is separate from any interest in the land. This statute is a tax law that does not state whether foreclosure law applies after the home is converted to real property.[32]

Kansas

Whenever a manufactured or mobile home is permanently affixed to real property by placement upon a permanent foundation that cannot be removed intact from the land, the owner may apply to have the certificate of title eliminated. The application must include an affidavit signed by the owner and all parties having a security interest in the home. If the application is approved, it is filed in the county registry of deeds. Once the certificate of title is eliminated, ownership of the home is an incident of ownership of the land under governing real property law, and the home is subject to a lien only as part of the real property.[33]

Kentucky

When a manufactured home is or is to be permanently affixed to real estate, the owner may file an affidavit of conversion with, and surrender the certificate of title to, the county clerk, who is then to record the affidavit. The home is then deemed an improvement of the real estate.[34]

Louisiana

A manufactured home is considered immovable when a document describing the home and the land is recorded in the local parish records. The document must include a declaration by the owner of the home and any holder of a security interest in the home that the home is to remain permanently attached to the land. Once this document is recorded, the home is subject to all laws concerning immovable property.[35] However, the rights of the holder of a validly recorded chattel mortgage or a security interest perfected under Article 9 of the UCC are unaffected.[36] The owner may reverse the process so that the home is once again treated as movable property by filing another statement of intent and applying for a new certificate of title.[37]

Michigan

The owner of a mobile home affixed to real property in which the owner also has an ownership interest, may apply for cancellation of the certificate of title. To be considered affixed to the real property, the wheels, towing hitches and running gear must be removed and the home must be attached to a foundation or other support system. The application must include the written consent of each holder of a security interest to termination of the security interest and cancellation of the title. Once the title is cancelled, the mobile home is considered part of the realty and a lienholder may perfect a new security interest or lien on the mobile home only in the manner prescribed by the real estate laws.[38] The owner may reapply for a certificate of title at a later date.[39]

In 2003, the Sixth Circuit had held that security interests in manufactured homes in Michigan could be perfected only by recording them on the title, not by recording a traditional mortgage.[40] The legislature responded by amending its titling laws to recognize both methods.[41] It amended the statute again two years later to make this rule retroactive.[42]

Minnesota

When a manufactured home is affixed to real property, and financed by a mortgage on the real property, the owner of the home must surrender the certificate of title to the registrar of motor vehicles for cancellation. The department is then to issue a notice of surrender, which may be recorded in the county recorder's office or the registrar of titles. The statute provides that the manufactured home is then deemed to be an improvement to real property. The department may not cancel the certificate of title, however, if an unsatisfied security interest is noted on it.[43]

Mississippi

An owner of a manufactured or mobile home ,who also owns the land on which the home is located, has the option of declaring whether the home is to be classified as personal or real property. To be classified as real property, the wheels and axles must be removed and the home must be anchored and blocked in accord with rules adopted by the commissioner of insurance.[44] A certificate that the home has been classified as real property is then recorded in the county land records,[45] and the home's certificate of title may be sent to the state tax commission for cancellation.[46] The home is then treated as real property for purposes of *ad valorem* taxation, and a security interest in the home and land may be obtained through the use of a mortgage or deed of trust.[47]

Missouri

The owner of a manufactured home may convert it to real property by attaching it to a permanent foundation on real property that the owner of the home also owns, and removing or modifying the transportation apparatus so that it is impractical to reconvert it to be readily movable.[48] Unlike the other statutes summarized in this subsection, this statute does not provide for surrender of the title or recordation of a document in the county land records.

Montana

A manufactured home is considered an improvement to real property if the running gear is removed, the home is attached to a permanent foundation on land that is owned or being purchased by the owner of the home (or that is placed on the land with the permission of the landowner), and a statement of intent declaring the manufactured home as an improvement to real property is recorded with the county. The statement of intent must include, inter alia, a description of any security interests in the home and approval from all lienholders to eliminate the certificate of title. After these steps are completed, the manufactured home may not be removed from the land unless the owner files a statement of reversal of this declaration. A manufactured home that has been declared an improvement to real property must be treated by lending institutions in the same manner as any other improvement to real property.[49]

Nebraska

The title for a mobile or manufactured home may be canceled if it is affixed to real property in which the owner of the home has any ownership interest. The statute defines ownership interest as fee simple interest, or an interest as a lessee that continues for at least twenty years after the required affidavit. The title is surrendered for cancellation to the county clerk or designated official where the title is issued or to the Department of Motor Vehicles if title is issued by the department. Along with the title to be surrendered an affidavit of affixture on a form provided by the department must be submitted. The form requires among other things, the names and addresses of all owners of the home, a description of the home, the legal description of the real property, a statement that the home is affixed, and the written consent of each lien holder to release its lien and cancel the title. After the title is canceled and the affidavit recorded, the home is treated as part of the real property.[50] The statute also provides a method for returning the home to the status of personal property.[51]

Nevada

A mobile or manufactured home is eligible to become real property if it becomes permanently affixed to land. The owner of the home must either own the land or, if the home is being financed in accordance with the guidelines

of a federal housing program, lease it. The owner must record an affidavit of conversion in the county recorder's office, deliver a copy of the affidavit and all documents relating to the home to the manufactured housing division of the state department of business and industry, and pay the current year's personal property tax.[52] (But homes that are sited on lots outside mobile home parks in accordance with local zoning laws are automatically recorded as real property without the need for an affidavit.[53]) Once the home is converted to real property, it is deemed to be a fixture and an improvement to the real property.[54]

New Hampshire

A manufactured home placed on a site not owned by the homeowner but connected to utilities shall be deemed real estate for the purposes of transfer and shall be subject to attachment, liens, foreclosure and execution in the same manner as real estate.[55] However, security interests in manufactured housing may also be created and perfected under the U.C.C. as adopted by New Hampshire.[56] The statute does not address homes placed on land owned by the homeowner. Owners of manufactured homes in this situation must rely upon common law to determine if the home becomes real property. New Hampshire also has a statute which allows any lending institution to treat a manufactured home the same as realty for the purposes of securing loans to finance the home. When a lending institution exercises this option, no certificate of title is required, and all of the provisions of real estate law, including conveyances, deeds, and foreclosure, apply to the home. The home must be placed on a foundation or slab and hooked up to all conventional and necessary utility systems and must be intended to be used as a permanent dwelling unit.[57]

New Jersey

New Jersey requires that all manufactured homes not taxed as real property must have certificates of ownership (titles) issued by the Director of the Division of Motor Vehicles.[58] A manufactured home is taxed as real property when it is affixed to the land by a permanent foundation, or if by a nonpermanent foundation but connected to utility systems so as to render it habitable on a permanent basis.[59] However, a manufactured home installed in a park is not taxed as real property.[60] When a mobile or manufactured home is relocated from a park to land which the owner of the home also has an interest in or title to, the owner must file a notice with the Director of the Division of Motor Vehicles at least 10 days before the move. If the director accepts the notice as complete, the certificate of ownership is canceled on the date of relocation.[61]

North Carolina

A manufactured home qualifies as real property if it is a residential structure; the moving hitch, wheels, and axle have been removed; and the owner either owns the land on which it is located or has a lease of at least twenty years that expressly provides for disposition of the mobile home upon termination of the lease.[62] The owner of such a home may have the certificate of title cancelled by submitting it, along with an affidavit, to the division of motor vehicles.[63] If the certificate of title shows a security interest that has not been released, the division may not cancel the title without the written consent of all secured parties. The affidavit is then to be filed in the county registry of deeds. An owner who wishes to separate the home from the land after the title has been cancelled can apply for a new certificate of title. Once the certificate of title is cancelled and the affidavit is recorded, the manufactured home becomes an improvement to real property and any lien on the home shall be perfected and given priority in the manner provided for real property liens.[64]

Ohio

To be taxed as real property, a manufactured or mobile home must be affixed to a permanent foundation and be located on land that the owner of the home also owns.[65] The owner of a home, which will be taxed as real property, must surrender the certificate of title to the county auditor.[66] The owner must either satisfy any liens on the home, or, with the lienholder's consent, give the lienholder a mortgage on the home and land. Once surrendered, the title is to be deactivated, but it can be reactivated upon application by the homeowner. These statutes do not state what effect the deactivation of the title has outside the context of taxation, but a bankruptcy case holds that if a home was converted to real property through this procedure for taxation purposes it is also real property for purposes of bankruptcy law.[67]

Oregon

The owner of a manufactured structure, or the dealer selling it, may apply to the county assessor to have the structure recorded in the county deed records. The owner must either own the land on which the structure is located, or hold a recorded lease of twenty years or more that specifically permits the structure to be recorded in the county deed records. The owner must turn over any ownership document for cancellation. The deed records must list any unreleased security interest in the manufactured structure. Once recorded in the deed records, the manufactured structure is subject to the same provisions of law applicable to any other building, housing, or structure on the land, and may be sold separately from the land or leasehold estate only if the owner applies to have it removed from the deed records.[68]

Pennsylvania

Upon application, the department of transportation may cancel a certificate of title for a mobile home that is affixed to real property.[69] The home must be permanently mounted on a foundation.[70] The owner must complete a form and return it, along with the title, to the department of transportation.[71] If a lien appears on the certificate of title, the title will not be cancelled until the home owner submits satisfactory evidence that the lien has been recorded against the land.[72] After cancellation, the ownership interest in the mobile home, together with all liens and encumbrances on it, is transferred to and encumbers the real property.[73]

South Carolina

The owner of a manufactured home may affix the home to real property by installing it in accordance with the state installation standards, removing the wheels, axles, and towing hitch, and filing an affidavit for retirement of title.[74] The homeowner must either own the land on which it is located or have a leasehold estate of thirty-five years or more in the land. The local register of deeds or clerk of court must then record the affidavit as if it were a deed to real property. Upon completion of this process, the home is to be treated as real property for all purposes except condemnation.[75] The title certificate may be cancelled by presenting it to the division, along with a clocked and stamped copy of the affidavit.[76] Any party listed on the title certificate as having a security interest in the home must either lease the lien or consent to the cancellation of the title.[77] Once a manufactured home has been converted to real property in this manner, a manufactured home severance affidavit must be filed before it can be severed from the land.

South Dakota

If a mobile or manufactured home is fixed to real property, and the owner of the home also owns the land, the owner may request that the title to the home be surrendered.[78] If the owner wants to remove the home from the real property at a later time, the owner may apply to have a title reissued.[79] These statutes are part of the state motor vehicle titling laws and do not state the effect of surrendering the title.

Tennessee

If a manufactured home is affixed to real property, and the ownership of the home is identical to the ownership of the land, the owner may surrender the title to the state department of safety. The owner must submit an affidavit of affixation that, *inter alia*, certifies that all permits required by applicable governmental authorities have been obtained, the foundation system complies with the law and with the manufacturer's specifications, and the wheels and axles have been removed. All lienholders must have released their liens on the home. If the affidavit complies with all the statutory requirements, the county register of deeds is to record it. The home is then subject to taxation as an improvement to the land, but the statute does not specify the effect on foreclosure.[80]

Texas

A manufactured home can be treated as real property, if it is attached to land that the homeowner also owns, or which the homeowner is leasing under a long-term lease as defined by the state department of housing and community affairs.[81] To be attached to land it must be installed in compliance with state rules and connected to

a utility.[82] The owner must file an application for a statement of ownership and location with the department. In addition, each lienholder must either release the lien or give written consent to the conversion of the home to real property.[83] Within sixty days after the department issues a statement of ownership, the owner must file a certified copy in the real property records of the county in which the home is located and notify the department and the tax assessor-collector that the certified copy has been filed.[84] The home is then considered real property for all purposes.[85]

Another Texas statute provides that, if a consumer buys real property and a manufactured home at the same time, and certain other conditions are met, the creditor may elect to treat the home as if it were residential real property for all purposes in connection with the credit transaction.[86] If the creditor so elects, and discloses this election conspicuously to the consumer, then the transaction is considered to be a residential real property transaction for all purposes.[87]

Utah

A manufactured or mobile home is considered an improvement to real property if the homeowner also owns the land to which it is permanently affixed, or leases the land and is financing the home in accordance with federal housing agency guidelines. The owner must surrender the title and complete an affidavit that, *inter alia*, identifies any security interests in the home. The affidavit and the receipt for the surrender of the title are then recorded by the county recorder. The homeowner may acquire a new title upon removing the mobile home from the land. Since this statute is part of the state mortgage lending and servicing act, it is likely that it will govern whether foreclosure is the appropriate way for the lender to proceed in the event of default.[88]

Vermont

If a mobile home is financed while the home is permanently sited in a manner intended for continuous residential occupancy by the homeowner on land also owned by the homeowner, it shall be financed as a residence.[89] Otherwise a mobile home may be financed under 9 V.S.A. § 41a(b)(4) or 9 V.S.A. Pt. 3, Ch. 59, both of which regulate chattel loans.

Virginia

The owner of a manufactured home or house trailer that exceeds the size permitted for highway travel must apply for a title within thirty days after purchase. Once the wheels and other equipment that made the home mobile are removed and the home has been attached to realty, then the owner may return the title to the department of motor vehicles for cancellation. The home may then be transferred only as real estate. Any security interest perfected on the title continues despite the cancellation of the title.[90] A bankruptcy court has held that the determination of whether a mobile home is real or personal property must be made on a case-by-case basis and an owner's failure to comply with the statute, while it might be indicative of the owner's intent that home remain personal property, is not conclusive.[91]

Washington

The owner of a manufactured home that is affixed to land (i.e., installed in accordance with state installation standards[92]) may apply to have the title eliminated. The owner of the home must also own the land on which it is sited, have a lease of thirty-five years or more for the land, or be purchasing the land under a real estate contract.[93] The owner must submit the title and an application, which must identify any security interests, to the department of licensing for approval.[94] After approval, the title is to be cancelled and the approved application is to be recorded in the county real property records.[95] The statute provides that the manufactured home is then to be treated as real property as if it were a site-built structure,[96] except for purposes of taxation.[97] If the title has not been eliminated, the home is not real property.[98] The statute provides a procedure to obtain a new title if the home is to be removed from the land.[99]

West Virginia

The commissioner of motor vehicles may cancel a certificate of title for a mobile or manufactured home that is affixed to real property owned by the homeowner.[100] The homeowner must submit an application and the certificate of title. The cancellation certificate is then to be recorded in the county deed records. Upon recordation, the statute provides that the home is to be treated for all purposes as an appurtenance to the real estate to which it is affixed.[101]

Wisconsin

The owner of a manufactured home must obtain a certificate of title,[102] unless the homeowner is not a resident of Wisconsin[103] or the homeowner intends to make the home a fixture to land in which the homeowner has an ownership or leasehold interest.[104] The leasehold interest must be subject to Wisconsin's real property statutes which exclude leases for a term limited to one year or less.[105]

Wyoming

If a mobile home is installed on a permanent foundation and is taxable as real property,[106] and all liens have been paid, the certificate of title is to be surrendered to and cancelled by the county clerk.[107]

ENDNOTES

1 Ala. Code § 32-8-30.

2 Ariz. Rev. Stat. Ann. § 42-15201(2).

3 Ariz. Rev. Stat. Ann. § 42-15202.

4 Ariz. Rev. Stat. Ann. § 33-1501. A home recorded as real property under this statute is to be assessed as personal property for tax purposes, however. Ariz. Rev. Stat. § 42-15203(K).

5 Ariz. Rev. Stat. Ann. §§ 33-1501, 42-15203.

6 Ariz. Rev. Stat. Ann. § 28-2063.

7 Ariz. Rev. Stat. Ann. § 42-15205.

8 Ark. Code Ann. §§ 27-14-807, 27-14-1603.

9 Cal. Health & Safety Code § 18551 (West) (includes construction standards, plan approval, etc.).

10 Cal. Health & Safety Code § 18039.1 (West).

11 Cal. Health & Safety Code § 18551(a)(1)(A) (West).

12 Cal. Health & Safety Code § 18551(a)(1)(B) (West).

13 Cal. Health & Safety Code § 18551(a)(2), (3) (West).

14 Cal. Health & Safety Code § 18551(a)(4) (West).

15 Cal. Health & Safety Code § 18039.1 (West).

16 Colo. Rev. Stat. Ann. § 38-29-118.

17 http://www.dola.state.co.us/dpt/dpt_news/docs/Bulletins/2007%20bulletins/BULLEINNO04-07.pdf

18 Conn. Gen. Stat. Section 21-67a

19 Conn. Gen. Stat. Section 21-67a(c)

20 Connecticut information at www.efanniemae.com/sf/guides/ssg/relatedsellinginfo/manufachousing/.

21 Fla. Stat. §319.261

22 Fla. Stat. §319.261(5)

23 Fla. Stat. §319.261(6)

24 Fla. Stat. § 320.015.

25 Ga. Code Ann. §§ 8-2-180 to 8-2-183.

26 Idaho Code Ann. §§ 63-304(2), 63-305(1). Cf. In re Sasinouski, 52 B.R. 67 (Bankr. Idaho 1985) (even though home owner did not comply with Idaho title purging statute, land and mobile home were both encumbered by the deed of trust on land, where deed of trust did not explicitly exclude mobile home and lender relied upon appraisal that included both the home and land when making the loan).

[27] Idaho Code Ann. § 63-305.

[28] Ind. Code § 9-17-6-15.1.

[29] Ind. Code § 9-17-6-15.3.

[30] Ind. Code § 9-17-6-15.5.

[31] Iowa Code § 435.26A.

[32] Iowa Code § 435.26. See also Ford v. Venard, 340 N.W.2d 270 (Iowa 1983) (holding that Iowa's title purging statute was not intended to be the exclusive method to convert mobile home to real property and that common-law methods of converting personal to real property remained).

[33] Kan. Stat. Ann. § 58-4214.

[34] Ky. Rev. Stat. Ann. § 186A.297 (West).

[35] La. Rev. Stat. Ann. § 9:1149.4. See also La. Rev. Stat. Ann. § 9:1146.3.

[36] La. Rev. Stat. Ann. § 9:1149.4.

[37] La. Rev. Stat. Ann. § 9:1149.6.

[38] Mich. Comp. Laws Ann. § 125.2330i(5).

[39] Mich. Comp. Laws Ann. § 125.2330i.

[40] Boyd v. Chase Manhattan Mortg. Corp. (In re Kroskie), 315 F.3d 644 (6th Cir. 2003).

[41] Mich. Pub. Act No. 44, S.B. 425 (2003), enacting Mich. Comp. Laws Ann. § 125.2330i..

[42] Mich. Comp. Laws Ann. § 125.2330i, as amended by Mich. Pub. Act No. 162, H.B. 4484 (2005). See In re Ozwalt, 444 F.3d 524 (6th Cir. 2006) (interpreting statute to allow security interest in mobile home to be perfected by filling of mortgage with county registry, without notation on title, even when transaction occurred before statutory amendments); MERS v. Pickrell, 721 N.W.2d 276 (Mich. Ct. App. 2006) (in light of 2005 statutory amendment, creditor has option of perfecting security interest in mobile home either under the Act or under real estate law, even for home that was affixed to real estate before earlier amendments in 2003); In re Hoggard, 330 B.R. 595, 605 (Bankr. W.D. Mich. 2005) (concluding that 2003 legislation overruled Kroskie; also finding security interest in home protected by Revised Article 9's priority rules). But cf. In re Gregory, 316 B.R. 82 (Bankr. W.D. Mich. 2004) (interpreting title purging statute not to have retroactive effect, a conclusion rejected by Sixth Circuit in In re Ozwalt, but finding security interest in home protected against bankruptcy trustee's strong-arm power because of Revised Article 9's changes to priority rules)

[43] Minn. Stat. § 168A.141. See also Minn. Stat. § 273.125 (standards for taxing mobile homes as real property).

[44] Miss. Code Ann. § 27-53-15.

[45] Id. See also Opinion Miss. Att'y Gen., Miller, No. 2005-0131, 2005 WL 1220419 (Miss. Att'y Gen. Apr. 8, 2005).

[46] Miss. Code Ann. § 63-21-30.

[47] Miss. Code Ann. § 27-53-15.

[48] Mo. Rev. Stat. §§ 700.111, 700.010(5) (definition of "manufactured home" as one that is, inter alia, readily movable). See In re Estate of Parker, 25 S.W.3d 611 (Mo. Ct. App. 2000) (mobile home not converted to real property when the home was held jointly by married couple and placed on land held by only by one spouse as it was not placed on land held by the owner of the home).

[49] Mont. Code Ann. § 15-1-116.

[50] Neb. Rev. Stat. § 60-169.

[51] Neb. Rev. Stat. § 60-169.

[52] Nev. Rev. Stat. § 361.244. See In re Colver, 13 B.R. 521 (Bankr. D. Nev. 1981) (mobile home placed on land owned by owner of home with its wheels removed remained personal property in absence of compliance with statute and when lender stated in security instrument that home would remain person property over the life of the loan).

[53] Nev. Rev. Stat. §§ 278.02095, 361.244(5).

[54] Nev. Rev. Stat. § 361.244(3).

[55] N.H. Rev. Stat. § 477:44; see also N.H. Rev. Stat. §80:18-a (defining "mortgage" for tax collection purposes to include security interests in manufactured housing created and perfected under N.H. Rev. Stat. § 477:44).

[56] N.H. Rev. Stat. § 477:44 IV.

[57] N.H. Rev. Stat. Ann. § 384:16-d.

[58] N.J. Stat. Ann. § 39:10-2, §39:10-6.

[59] N.J. Stat. Ann. § 39:10-2, §54:4-1.5-a.

[60] N.J. Stat. Ann. § 39:10-2, §54:4-1.5-b.

[61] N.J. Stat. Ann. § 39:10-2, §39:10-11.1.

[62] N.C. Gen. Stat. § 105-273(13).

[63] N.C. Gen. Stat. § 20-109.2.

[64] N.C. Gen. Stat. §§ 47-20.6, 47-20.7.

[65] Ohio Rev. Code Ann. § 4503.06(B)(1), (2) (West).

[66] Ohio Rev. Code Ann. § 4505.11 (West.

[67] In re Cluxton, 327 B.R. 612 (B.A.P. 6th Cir. 2005). See also Benner v. Hammond, 673 N.E.2d 205 (Ohio Ct. App. 1996) (holding that home that had title purged under revenue statute and was considered real property under the owner's mortgage was not a "trailer" for the purposes of a restrictive covenant).

[68] Or. Rev. Stat. § 446.626. See also Or. Rev. Stat. § 446.611 (means of perfecting security interest in mobile home that still has an ownership document).

[69] 75 Pa. Cons. Stat. § 1140.

[70] Pa. Code tit. 67, § 401.5(a).

[71] Id.

[72] Pa. Code tit. 67, § 401.5(b).

[73] 75 Pa. Cons. Stat. § 1140.

[74] S.C. Code § 56-19-510. See also S.C. Code § 56-19-500(1).

[75] S.C. Code § 56-19-510.

[76] S.C. Code § 56-19-520.

[77] Id.

[78] S.D. Codified Laws § 32-3-3.2.

[79] S.D. Codified Laws § 32-3-3.3.

[80] Tenn. Code Ann. § 55-3-138. See also Tenn. Code Ann. § 55-3-138 (procedure for reapplying for new certificate).

[81] Tex. Occ. Code Ann. § 1201.2055 (Vernon).

[82] Tex. Occ. Code Ann. § 1201.003(2-a) (Vernon).

[83] Tex. Occ. Code Ann. § 1201.2075 (Vernon).

[84] Tex. Occ. Code Ann. § 1201.2055 (Vernon).

[85] Id. See also Tex. Prop. Code Ann. § 2.001 (Vernon).

[86] Tex. Fin. Code Ann. § 347.455 (Vernon).

[87] Id.

[88] Utah Code Ann. § 70D-1-20. See also Utah Code Ann. § 41-1a-503.

[89] Vt.. Stat. Ann. tit. 9, § 2603 (b)

[90] Va. Code Ann. § 46.2-653.

[91] In re Banks, 259 B.R. 848 (Bankr. E.D. Va. 2001).

[92] Wash. Rev. Code § 65.20.020.

[93] Wash. Rev. Code §§ 65.20.020, 65.20.040.

[94] Wash. Rev. Code § 65.20.040.

[95] Wash. Rev. Code § 65.20.050.

[96] Id. See also Wash. Rev. Code §§ 65.20.030, 65.20.060 (manufactured home whose title has been eliminated may be conveyed only by deed or real estate contract).

[97] Wash. Rev. Code § 65.20.910.

[98] Wash. Rev. Code § 65.20.030.

[99] Wash. Rev. Code § 65.20.070.

[100] W. Va. Code § 17A-3-12b.

[101] Id. See also W. Va. Code § 15-5-12 (tax statute providing that a mobile home sited on land owned by someone other than the home owner is classified as personal property whether or not it is permanently affixed to the land, unless the certificate of title has been cancelled).

[102] Wis. Stat. §101.9203 (1)

[103] Wis. Stat. §101.9203 (3)

[104] Wis. Stat. §101.9203 (4)

[105] Wis. Stat. §706.001

[106] See Wyo. Stat. Ann. § 39-15-101(a)(v) (to be real property, must be physically or constructively annexed to the real property and adapted to the use of the real property, and there must be evidence of intent to make it a permanent part of the real property).

[107] Wyo. Stat. Ann. § 31-2-502.

WELLS FARGO

Senior Bank Administration
MAC K3212-051
P.O. Box 196127
Anchorage, AK 99519

Wells Fargo Bank, N.A.

March 21, 2011

Senator French
State Capitol
Room 417
Juneau, AK 99801

RE: SB-104 Manufactured Housing Conversion Procedure Process

Dear Senator French:

Wells Fargo is writing to support SB-104, the Manufactured Housing Conversion Procedure Process bill.

SB-104 will amend state law in Alaska to provide a formal method of eliminating the certificate of title to a manufactured home, converting the home to real property when the home is or will be permanently affixed to real property, and obtaining a new certificate of title when a home previously affixed to real property is severed.

Alaska's current statutes do not meet the eligibility requirements to sell a mortgage loan for a manufactured home to Fannie Mae or Freddie Mac, including the process to legally classify the home as real property and placing the lender in first lien position.

Wells Fargo has had to turn away business to potential borrowers because Alaska does not have a clear method of converting a factory built home to real property, especially older manufactured homes that come back on the market for resale.

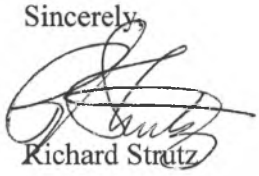
SB-104 would bring state definitions of manufactured homes into accordance with HUD definitions to create a system for title transfer and property conversion. Additionally, it would create a means for titling manufactured homes that have been affixed to property, but the title cannot be found.

We feel the bill will: (1) Help manufactured homeowners who have their manufactured home already affixed to real property be better able to gain access to credit and be able to more easily sell their homes; (2) Help manufactured homeowners in the state increase the value of their homes by allowing them to convert their manufactured homes to real property, including manufactured homes not covered by certificates of title or for which the certificates of title cannot be found; (3) Help lenders gain perfected security interests in manufactured homes; and (4) Help the Alaska Division of Motor Vehicles by putting

in place a formalized procedure for canceling a title when a manufactured home is put on a permanent foundation.

Thank you for the opportunity to provide comment on SB-104.

Sincerely,



Richard Stritz
Regional President
Wells Fargo Bank, N.A.
Anchorage, AK

Alaska Bankers Association
P.O. Box 241489 • Anchorage, Alaska 99524-1489 • Ph. 907-261-3525 • Fax 907-562-1758

March 25, 2011

Senator French
State Capitol
Room 417
Juneau, AK 99801

RE: SB-104 Manufactured Housing Conversion Procedure Process

Dear Senator French:

The Alaska Bankers Association consists of the following eight member banks: Alaska Pacific Bank, Denali State Bank, First Bank Ketchikan, First National Bank Alaska, KeyBank, Mt. McKinley Bank, Northrim Bank, and Wells Fargo Bank.

The Alaska Bankers Association supports SB-104, the Manufactured Housing Conversion Procedure Process bill.

SB-104 will amend state law in Alaska to provide a formal method of eliminating the certificate of title to a manufactured home, converting the home to real property when the home is or will be permanently affixed to real property, and obtaining a new certificate of title when a home previously affixed to real property is severed.

Alaska, unlike the vast majority of states, has no formal statutory procedure for converting a manufactured home to real property. Under current Alaska law including Alaska's Uniform Commercial Code, a security interest in a manufactured home permanently affixed to land can be perfected only by noting the secured party's interest on the home's certificate of title and recording a deed of trust with a fixtures clause and an appropriate description of the home. The need for legislation arises from the fact that the Alaska Division of Motor Vehicles ("DMV") will not issue a title for a manufactured home that is affixed to a permanent foundation, notwithstanding the requirements of the Uniform Commercial Code, and has created and administers a vaguely defined procedure with no record notice. The result for many Alaska manufactured homeowners is an unmarketable title to their home and for many lenders an unperfected security interest in their collateral.

In addition, Alaska's current statute does not meet the eligibility requirements to sell a mortgage for a manufactured home to Fannie Mae or Freddie Mac, including the process to legally classify the home as real property and placing the lender in first lien position. Alaska also does not have a clear method to convert a factory built home to real property, especially older manufactured homes that come back on the market for resale.

Alaska Bankers Association
P.O. Box 241489 • Anchorage, Alaska 99524-1489 • Ph. 907-261-3525 • Fax 907-562-1758

AK SB-104 will bring state definitions of manufactured housing into accordance with HUD definitions to create a system for title transfer and property conversion. Additionally, the bill will create a means for titling manufactured homes that have been affixed to property, but the title can't be found.

This bill is good for manufactured home owners and good for lenders that finance manufactured homes.

Thank you for the opportunity to provide comment on SB-104.

Sincerely,

ALASKA BANKERS ASSOCIATION

Joe Beedle
President

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **SB 104\I**
() Publish Date

Identifier (file name) SB104-DOA-DMV-03-25-11
Title Manufactured Homes as Real Property
Sponsor Senator French
Requester Senate State Affairs

Dept. Affected Administration
Appropriation Motor Vehicles
Allocation Motor Vehicles
OMB Component Number 2348

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable; initial version

Prepared by Whitney Brewster, Director
Division Motor Vehicles
Approved by John Cramer, Director
Department of Administration

Phone 907-269-5574
Date/Time 3/25/11 4:00 PM
Date 3/25/2011

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. SB 104\I

Analysis

This bill will have only a small financial impact on the Division of Motor Vehicles (DMV). DMV will absorb any implementation costs in its operating budget.

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 28, 2011

SUBJECT: Sectional summary for SB 104 relating to manufactured homes (Work Order No. 27-LS0467\I)

TO: Senator Hollis French
Attn: Andy Moderow

FROM: Theresa Bannister
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1. States the findings and purpose for the bill.

Section 2. Adds a new subsection to AS 06.05.207 of the banking code. Defines "real property" to include a manufactured home that has become real property under new sec. 34.85.010.

Section 3. Adds a new subsection to AS 06.15.250 of the mutual savings bank chapter. Defines "real property" to include a manufactured home that has become real property under new sec. 34.85.010.

Section 4. Amends AS 06.45.060(5)(A) of the credit union chapter to change "mobile home" to "manufactured home."

Section 5. Adds a new subsection to AS 06.45.060 of the credit union chapter to provide a definition of "manufactured home."

Section 6. Amends the definition of "mortgage loan" in AS 06.60.990(19) of the mortgage lending regulation chapter to include a manufactured home that has become real property under new sec. 34.85.010.

Section 7. Adds a new definition section to AS 09.45, the chapter relating to real property actions, to define "real property" to include a manufactured home that has become real property under new sec. 34.85.010 and to define "manufactured home."

Section 8. Amends AS 28.05.061(a), which relates to vehicle records, to list manufactured home documents as records that the Department of Administration is to file, maintain, and index.

Section 9. Adds new subsections to AS 28.05.061, which relates to vehicle records, to indicate what the department record must state for certain documents relating to manufactured homes. Defines "recording information" for AS 28.05.061.

Section 10. Amends AS 28.10.201(b) to reference a new subsection added by bill sec. 11 and to change "mobile home" to "manufactured home."

Section 11. Adds a new subsection to AS 28.10.201. Prohibits the department from issuing a certificate of title to a manufactured home if an application has been filed under secs. 28.10.262 - 28.10.264.

Section 12. Amends AS 28.10.211(c) to substitute "manufacturer's certificate of origin" for "manufacturer's statement of origin."

Section 13. Adds a new subsection to AS 28.10.211, relating to applications for vehicle titles. Allows the holder of a manufacturer's certificate of origin for a manufactured home to deliver the certificate to a person to facilitate the home's conveyance or encumbrance. The recipient holds it in trust.

Section 14. Adds a new subsection to AS 28.10.221, which relates to the refusal, suspension, or revocation of a vehicle title. Prohibits the department, with an exception for new sec. 28.10.263, from suspending or revoking a certificate of title to a manufactured home because the home is affixed to real property.

Section 15. Adds a new subsection to AS 28.10.261, which relates to evidence. Makes a manufactured home's certificate of title issued by the department prima facie evidence of what it says, even if the home is affixed to real property.

Section 16. Adds new sections to AS 28.10.

Sec. 28.10.262. Directs the department to cancel a manufacturer's certificate of origin to a manufactured home if an application is filed and certain other conditions are met. States that when a person satisfies this section, the manufactured home is not subject to AS 28.10.

Sec. 28.10.263. Directs the department to cancel a certificate of title to a manufactured home if an application is filed and certain other conditions are met. States that when a person satisfies this section, the manufactured home is not subject to AS 28.10.

Sec. 28.10.264. Directs the department, if an application is filed and certain other conditions are met, to confirm that the owner of a manufactured home has submitted an application that complies with (b) of this section and that the manufactured home is not subject to AS 28.10.

Sec. 28.10.265. Directs the department to issue a certificate of title for a manufactured home if an application is filed and certain other conditions are met. States that when a person satisfies this section, the manufactured home is subject to AS 28.10.

Sec. 28.10.266. Lists what an application under secs. 28.10.262 - 28.10.265 must provide.

Sec. 28.10.267. Establishes the requirements for the declaration required by sec. 28.10.266(11) for an application under sec. 28.10.264 or 28.10.265.

Sec. 28.10.268. Indicates the time when the requirements of secs. 28.10.262 - 28.10.264 are considered to be satisfied if an application under one of those sections is delivered to the department within 30 days after an affixation affidavit is recorded.

Sec. 28.10.269. Defines terms for AS 28.10.201 - 28.10.269.

Section 17. Adds new subsections to AS 28.10.371, which relates to liens and encumbrances on vehicles, to address certain situations involving liens on manufactured homes.

Section 18. Adds a new subsection to AS 28.10.381, which relates to liens and encumbrances on vehicles, to generally prohibit cancelling certificates while a lien or encumbrance is outstanding, and to state that the validity and priority of the liens and encumbrances continue.

Section 19. Adds a new subsection to AS 28.10.391, which relates to liens and encumbrances on vehicles, to indicate that the liens and encumbrances of converted manufactured homes are governed by real property law.

Section 20. Amends AS 28.10.661(2) to define "mobile home" as a "manufactured home" for the chapter.

Section 21. Adds a new paragraph to AS 28.10.661 to define "manufactured home" for the chapter.

Section 22. Amends AS 29.45.070, which relates to municipal taxation, to reflect the conversion to real property allowed by the new chapter in AS 34.85.

Section 23. Amends AS 34.03.360 of the state's uniform residential landlord and tenant act to add a definition of "mobile home."

Section 24. Amends AS 34.70.200(3) of the chapter dealing with disclosures in residential real property transfers to include as residential real property manufactured homes that have become real property under AS 34.85.010.

Section 25. Amends AS 34.80.090(6) of the chapter that deals with escrow transactions for residential real property to include converted manufactured homes as residential real property.

Section 26. Adds a new chapter relating to converting manufactured homes to real property.

Sec. 34.85.010. Lists the criteria for a manufactured home to become real property.

Sec. 34.85.020. Describes the effects of converting a manufactured home to real property.

Sec. 34.85.040. Describes how the ownership interest requirement of sec. 34.85.010 can be satisfied when the manufactured home owner does not own the real property where the home is located.

Sec. 34.85.060. Establishes what an affixation affidavit must provide.

Sec. 34.85.070. Describes what an owner's statement required for an affixation affidavit must state.

Sec. 34.85.080. Indicates that permanently affixing a manufactured home to real property or recording an affixation affidavit does not affect liens and encumbrances on the manufactured home unless certain conditions are met.

Sec. 34.85.090. Directs the recipient of a certified copy of an affidavit to deliver the copy to the department under secs. 28.10.262 - 28.10.264.

Sec. 34.85.100. States that, except as provided by certain statutes, an affixation affidavit is not necessary or effective to convey or encumber a manufactured home or to change the character of a manufactured home to real property. Indicates what a conveyance of land on which a manufactured home is located must recite. Voids an agreement that waives this section.

Sec. 34.85.110. Directs each person having an interest in the real property from which a converted manufactured home is severed to record a severance affidavit.

Sec. 34.85.120. Establishes what a severance affidavit must contain or be accompanied by.

Sec. 34.85.130. Directs the recipient of a certified copy of a severance affidavit to deliver the copy to the department under secs. 28.10.262 - 28.10.264.

Sec. 34.85.140. Requires an affixation affidavit and a severance affidavit to be acknowledged like real property conveyances and be in a recordable form. Directs the department to establish the forms for the affidavits.

Sec. 34.85.150. Establishes when a manufactured home is considered to be permanently affixed to real property.

Sec. 34.85.190. Defines terms for the new chapter.

Sec. 34.85.195. Gives the chapter a short title.

Section 27. Adds a new section to the state's chapter on the recording of real property documents. Directs the recorder to record an affixation affidavit and a severance affidavit if they meet specified requirements. Indicates what the recording officer must write on the recorded affidavit. Directs the recording officer to send a certified copy to the person designated in the affidavit.

Section 28. Amends the definition of "goods" in the Alaska Retail Installment Sales Act to include manufactured homes.

Section 29. Directs the Department of Administration to adopt regulations for this Act.

Section 30. Preserves rights and claims existing before January 1, 2012.

Section 31. Sets an immediate effective date for bill sec. 29, which authorizes the adoption of implementing regulations.

Section 32. Sets the effective date for all of the bill except bill sec. 29, which authorizes the adoption of implementing regulations.

If I may be of further assistance, please advise.

TLB:ljw
11-196.ljw

SB 121

<TARGET><BILL>SB 121</BILL><SUBJECT>SB 121</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 4/7/11

FURTHER: Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 2-16-12

State Affairs Committee considered SENATE BILL NO. 121

SB 121-TEACHERS & PUB EMPLOYEE RETIREMENT PLANS

"An Act relating to the public employees' retirement system and the teachers' retirement system; and providing for an effective date."

and recommends:

[ ] be **replaced** with **CS** SB 121 (STA) *[ ] Same Title [X] New Title*

[ ] adopt **previous CS** _____ SCS/CS- Forthcoming _____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
ADM	✓			1
REV	✓			2
ADM	Fiscal Info Forthcoming			3

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
K. Meyer	Meyer			X	
Giessel	Giessel			X	
CHAIR:	Wielechowski	X			

ALASKA STATE LEGISLATURE

Senate State Affairs Committee

Senator Bill Wielechowski, Chair

State Capitol Building, Room 101
Juneau, Alaska 99801-1182
Phone (907) 465-2435
Fax (907) 465-6615
sen.bill.wielechowski@legis.state.ak.us

Committee Members:

Senator Joe Paskvan, Vice-chair
Senator Albert Kookesh
Senator Kevin Meyer
Senator Cathy Giessel

AGENDA

September 15, 2011

9:00–9:10	Introductory remarks – Chair Wielechowski
9:10-9:25	Overview of the bill – Jesse Kiehl
9:25-9:35	Q and A from committee members
9:45 ~~9:35~~-10:00	Testimony from public employees
10:00-11:00	Report from actuary Flick Fornia about the costs of the proposed system
11:00-11:10	Break
11:10-11:30	Comments from the Administration
11:30-11:45	Additional remarks from Flick Fornia
11:45-12:15	Q and A from committee members
12:15-12:30	Closing remarks

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **SB 121**
() Publish Date

SB121-DOA-DRB-05-05-11
Title An Act relating to the PERS and TRS
Sponsor Sen. Egan, Menard, Paskvan, Davis, Kookesh, Wielechowski, et al
Requester Senate State Affairs

Dept. Affected Administration
Appropriation Centralized Administrative Services
Allocation Retirement and Benefits
OMB Component Number 64

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2013**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**	**FY 2018**
Personal Services							
Travel							
Services		124,412.0	0.0	19,853.0	29,165.0	40,781.0	53,920.0
Commodities							
Capital Outlay							
Grants							
Miscellaneous	0.0						
TOTAL OPERATING	**0.0**	**124,412.0**	**0.0**	**19,853.0**	**29,165.0**	**40,781.0**	**53,920.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF		124,412.0		19,853.0	29,165.0	40,781.0	53,920.0
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other (please identify)							
TOTAL	**0.0**	**124,412.0**	**0.0**	**19,853.0**	**29,165.0**	**40,781.0**	**53,920.0**

Estimate of any current year (FY2011) cost _____

60% convert ↓ 80% will take DB ↓

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Update

Prepared by Jim Puckett, Director — Phone 465-4471
Division Retirement and Benefits — Date/Time 10/7/11 12:00 AM
Approved by John Cramer, Deputy Commissioner — Date
Department of Administration

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. SB 121

Analysis

SB 121 allows future and current defined contribution PERS and TRS members an opportunity to choose between a defined contribution (DC) and a defined benefit (DB) plan. Current DC members will have a one-time opportunity to convert to the DB plan. The DC member's employee and employer contributions will be transferred to the DB plan along with the total service the employee has accrued. If the combined contributions is insufficient to purchase the employee's service, the remainder will be made up from the general fund. The general fund expenditure will occur in FY 13 during the first 60 days after the effective date of the bill that allows for DC members to convert to the DB plan.

Costs outlined below for the choice option assumes 60% of current defined contribution members will elect to convert to the DB plan and that 80% of future members will choose the DB plans either by choice or by default.

The first impact on contributions rates will occur in FY 15 considering the two-year delay in budgeting contribution payments. Results are based on the draft 2010 actuarial valuation.

Because this bill will increase employer normal costs, under SB 125 (2008), which caps employer contribution rates at 22% for PERS and 12.56% for TRS, employers will therefore contribute less to past service costs. The amount that employers are no longer paying will be paid by the general fund.

Dollars are in thousands

PERS DB Plan	**FY 13**	**FY 14**	**FY 15**	**FY16**	**FY 17**	**FY18**	**FY 19**
Increase in Normal Cost Amount	$0	N/A	$17,568	$25,629	$35,788	$46,977	$57,771
Gf Transfer to Pay Unfunded Past Service Cost	$91,724	N/A	$0	$0	$0	$0	$0
Total Increase in Annual Employer Contribution Amount	N/A	N/A	$17,568	$25,629	$35,788	$46,977	$57,771

TRS DB Plan	**FY 13**	**FY 14**	**FY 15**	**FY16**	**FY 17**	**FY18**	**FY 19**
Increase in Normal Cost Amount	$0	N/A	$2,285	$3,536	$4,993	$6,943	$8,764
GF Transfer to Pay Unfunded Past Service Cost	$32,688	N/A	$0	$0	$0	$0	$0
Total Increase in Annual Employer Contribution Amount	N/A	N/A	$2,285	$3,536	$4,993	$6,943	$8,764
Totals for both plans:	$124,412	N/A	$19,853	$29,165	$40,781	$53,920	$66,535

buckconsultants A Xerox Company

October 7, 2011

VIA EMAIL

Mr. Jim Puckett
Acting Director
Division of Retirement and Benefits
Department of Administration
State of Alaska
333 Willoughby Avenue
6th Floor State Office Building
Juneau, AK 99811-0208

RE: Fiscal Note for Senate Bill No. 121 – New Tier for PERS and TRS Healthcare - REVISED

Dear Jim:

As requested, we are providing the following information for a revised Fiscal Note on SB 121 which allows current Defined Contribution Retirement (DCR) members and future members to have a choice between the DCR Plan and the Defined Benefit (DB) Plan. Current DCR members or any future members that elect to go into the DB Plan will enter Tier V for PERS and Tier IV for TRS. These tiers will have the same pension benefits as the latest DB tier but they will have different healthcare benefits. Under the new tiers, members will receive system-paid healthcare benefits at Medicare eligible age (age 65) instead of at age 60. This bill affects the State of Alaska Public Employees' Retirement System Defined Benefit Plan (PERS DB) and the Teachers' Retirement System Defined Benefit Plan (TRS DB). We are assuming the proposed benefit changes would become effective as of July 1, 2012 and will first impact contribution rates during FY15 considering the two-year delay in budgeting contribution payments. Our results are based on the 2010 actuarial valuation results.

The table below shows the cost of the bill for Fiscal Years 2015 through 2019. Dollars are in thousands.

PERS DB Plan	**FY15**	**FY16**	**FY17**	**FY18**	**FY19**
Increase in Normal Cost Amount	$ 17,568	$ 25,629	$ 35,788	$ 46,977	$ 57,771
General Fund Transfer to Pay Unfunded Past Service Cost	$ 91,724	$ 0	$ 0	$ 0	$ 0
Total Increase in Annual Employer Contribution Amount	$ 109,292	$ 25,629	$ 35,788	$ 46,977	$ 57,771

TRS DB Plan	**FY15**	**FY16**	**FY17**	**FY18**	**FY19**
Increase in Normal Cost Amount	$ 2,285	$ 3,536	$ 4,993	$ 6,943	$ 8,764
General Fund Transfer to Pay Unfunded Past Service Cost	$ 32,688	$ 0	$ 0	$ 0	$ 0
Total Increase in Annual Employer Contribution Amount	$ 34,973	$ 3,536	$ 4,993	$ 6,943	$ 8,764

Total PERS and TRS	$ 144,265	$ 29,165	$ 40,781	$ 53,920	$ 66,535

1200 17th Street, Suite 1200 • Denver, CO 80202
720.359.7700 • 720.359.7701 (fax)

Summary for Analysis Continuation Section of Fiscal Note

The data, assumptions, plan provisions and methods used for the costs are described in the actuarial valuation reports for PERS and TRS as of June 30, 2010. The assets are based on the June 30, 2010 information provided by Christina Maiquis. We have assumed that the bill will become effective July 1, 2012. We have also assumed that 60% of current DCR members will elect to convert to the DB Plan, and that 80% of future members will choose the DB Plans either by choice or by default. A description of Tier V benefits for PERS and Tier IV benefits for TRS was provided by Kathy Lea.

Please let us know if you need any further information.

Sincerely,

David H. Slishinsky

David H. Slishinsky, F.C.A., A.S.A., E.A.
Principal and Consulting Actuary

/mlp

c: Mr. Mike Barnhill, State of Alaska
Ms. Teresa Kesey, State of Alaska
Ms. Kathy Lea, State of Alaska
Mr. Chris Hulla, Buck Consultants
Ms. Kyla Kaltenbach, Buck Consultants
Mr. Aaron Jurgaitis, Buck Consultants
Mr. Colin Wein, Buck Consultants

1. This fiscal note reflects an increasing normal cost rate. The administration has been bemoaning the increases in the amount the state must pay to cover their part of increasing costs as a result of SB 125. So- they are already expecting an increase-

The increase that would be germane here is the increase that may or may not be generated by SB 121 ABOVE what is already projected.

What is the ' fiscal note' of the status quo going out into the future? And then what is the difference between the cost of the expected normal cost rate increases and the cost of our bill?

2. If you look at the transition costs $91.7 million to $32.7 million, the ratio is a little less than 3 to 1. The member ration is about 4 to 1 PERS over TRS and the payroll about 3.5 to 1 ($200 million versus $60 million). So how can it be that this fiscal note shows increases in normal cost amounts of an 8 to 1 ratio (FY 15 is $17.6 million PERS and $2.3 million TRS)

How can the increase in normal cost amounts in FY 15-19 be so much more dramatic in PERS than in TRS?

3. In reviewing a 2008 letter from Buck, it states that when an increased number of older members choose the DB plan, it increases the cost (pg. 1, paragraph 3). Now, with SB 121, Buck is saying an increased number of younger members increases it?

Is the State, Division of Retirement and Benefit, through Buck Consulting, comparing to status quo health care costs when we know increases are on the way, or are we looking at costs attributable to this bill?

4. Please explain to me how pushing out retirement to Medicare age eligibility did not significantly lower costs? (this is to see if they explain it the way Flick did in his 7:49 am e-mail today)

5. I hate to be suspicious but this legislation has been on the table for over 6 months. Now after substantial delays we get a late response that seems suspicious and over-inflated.

How Do we work with the administration to have them present legislation that provides retirement choice to public employees, realizing there is no social security safety net for them? To re-phrase how can we design a plan that is cost-neutral that allows public employees to complete a career of public service in Alaska and not be the training ground for other states to take our trained public employees out of Alaska by simply providing a dignified retirement?

NEA-ALASKA

Affiliated with the National Education Association

For Immediate Release
February 2, 2012

Contact: Barb Angaiak, President
Lori Blakeslee, Communications Manager
907.263.8529 (direct) 907.301.8335 (cell)

NEA-Alaska President Barb Angaiak Urges Governor Parnell to Reconsider his Position on Pension

Anchorage, AK – February, 2, 2012. NEA-Alaska President Barb Angaiak released the following statement regarding Governor Parnell's pension comments in the *Juneau Empire* on February 2, 2012.

"I am very disappointed in Governor Parnell's refusal to consider returning to a defined benefit pension plan for state employees. I strongly urge Governor Parnell to reconsider. The legislation SB 121 is not a return to the old defined benefit system. SB 121 is a compromise that creates less of a benefit but provides retirement security at no additional cost to the state or other employers.

Just last week, hundreds of Alaskan teachers and support professionals were in Anchorage for NEA-Alaska's annual Delegate Assembly. Members were very vocal on the need to return to a defined benefit pension plan.

It was one young teacher who expressed it best. He was very clear that unless there is a return to a defined benefit pension plan for all teachers, Alaska will lose its best and brightest because they will not be able to afford to continue to teach in our great state.

The defined benefit pension plan issue does not just affect educators. It has serious ramifications on the stability of our teaching staff, which ultimately impacts all Alaskan students."

President Angaiak represents the organization's 13,000+ educators and education support professionals. NEA-Alaska is the state's largest union.

###

SB 121
Alaska Pensions

Retirement choices for the Last Frontier

New hires get a choice

- SB 121 creates a new defined benefit tier
  - New hires can choose a guaranteed benefit or to control their money
- The new tier is:
  - less costly
  - more predictable
- Those who serve Alaskans can choose the retirement plan that fits their service
  - State, city, and school district employees
    - Teachers, biologists, firefighters, programmers, auditors, police, social workers, nurses, correctional officers, highway maintenance workers

A balanced approach

- Each system has its strengths
  - Guaranteed benefits means knowing you'll have enough to retire
    - But you can't strike it rich
    - And it takes a long time to earn
  - Controlling your investments means you could 'beat the street'
    - And you can take it with you when you move
    - But there are no guarantees

Employees differ

- Commissioner
- Highway maintenance
- Research biologist
- Management biologist
- Teacher
- City manager
- Trooper
- Eligibility Tech
- Nurse
- Investment officer

All Alaskans Benefit

- A choice of retirement plans gives the state, cities, & schools the tools to recruit and retain
  - They can deliver the best value for public dollars
- When the national unemployment rate falls
  - How does Alaska remain competitive?
  - Keeping good employees and attracting better

What stays the same?

- The Defined Contribution system does not change.
- The DB safeguards remain in place
- DB pension benefits

What's different?

- It takes longer for new hires to earn retiree health insurance
  - Pegged to Medicare
- DB retirement eligibility similar to DC tiers.
- Lower cost
- One-time chance to convert

A responsible approach

- SB 121's new tier has costs comparable to the DC tiers
- SB 121 takes longer to earn retiree health insurance
  - And eliminates the most expensive years for most employees
- All the 2004 safeguards remain:
  - Review by a second actuary
  - Minimum salaries for elected officials
  - Alaska experience studies
  - ARM Board
  - No paying less than the cost

More for Alaskans' Money

- Professional investment managers
- No added costs for running two systems
- $800 million/year in DB benefits (state, federal, & private) are a shock absorber for the Alaska economy.
- Employees who prefer portability and control have the choice
- Cities, school districts, and the state have a great recruiting tool

SB 121: A good choice for Alaska

MEDIA ADVISORY FOR
RESPONSE TO GOVERNOR'S CONFUSING STATEMENTS ON PENSION BILL

Media Advisory for February 2, 2012

Contact: Joelle Hall, APPC
907-229-3445

Advocates of a bi-partisan Senate bill to give state employees the option of choosing a 401k style pension or a traditional defined benefit pension call on governor to explain his confusing opposition

Group questions Parnell's rhetoric as divisive and confusing

In an interview yesterday with the Juneau Empire, Governor Parnell said he opposes a bill designed to give state employees a choice between a 401k style retirement and a traditional defined benefit pension, even if it saves the state millions.

"Its disappointing and confusing that the governor would take a stance against a plan that will save the states millions on what appears to be a strictly ideological stance," said Vince Beltrami, president of the Alaska AFL-CIO. "It is perplexing in that the governor will enjoy a traditional pension himself because of his state service, but he's willing to block future public employees from receiving the same benefit. Add to this the fact that most of these employees will receive no social security. Its an insult to our valued public employees."

In 2006, under pressure from then Governor Frank Murkowski, the Alaska Legislature made a controversial move, passing a bill by only one vote that eliminated a traditional pension system for the state's public employees. Since closing the defined benefit pension system the unfunded liability has ballooned.

Not only did this move not fix the problem, it has created new ones. Alaska is now a training ground for Police Officers, Firefighters, Teachers and other public employees who now have no reason to stay in the only state that offers no defined benefit pension and no social security.

In a 2011 poll paid for by the Alaska Public Pension Coaltion, 75% of Alaskans favored new employees being included in the defined benefit pension system again.

The Alaska AFL CIO is a member of Alaska Public Pension Coalition and we urge Governor Parnell to review SB 121 again. SB121 is a common sense, fiscally responsible, compromise. It creates a shared risk system that gives Alaska the best of both worlds, portability for those that want it, and a guaranteed pension after decades of service. If the governor truly is concerned about doing what's right for the people of Alaska, he will put aside his ideological differences and join in supporting a truly bi-partisan effort to not only restore dignity to our valued public servants, but create the tool that will keep them here, serving Alaska.

Retired **P**ublic **E**mployees of **A**laska, APEA/AFT
3310 Arctic Blvd., Suite 200, Anchorage, Alaska 99503
Phone: (907) 274-1703 or (800) 478-9992, Fax: (907) 277-4588
Email: rpea@alaska.net
Web site: www.rpea.apea-aft.org

January 30, 2012

Senator Bill Wielechowski, Chair
Senators Paskvan, Vice Chair, Kookesh, Meyer and Giessel, Members
Senate State Affairs Committee
Alaska State Legislature
State Capitol, Room 101
Juneau, AK 99801-1182

Re: RPEA Testimony in Support of SB121

Dear Chair Wielechowski and Members of the Committee:

The Retired Public Employees of Alaska ("RPEA") once again thanks you and the Committee for the opportunity to present testimony in support of SB121, the reinstatement of a defined benefit pension option, at the public hearing held on January 26, 2012. As indicated by our witness and Legislative Director, Ted Moninski, the RPEA remains committed to ensuring an equitable and reliable pension opportunity for all public employees – past, present and future. As our testimony demonstrated, a return to a cost-neutral defined benefit pension option is not only in the best interests of employees and retirees; it is clearly in the best interest of Alaska – its citizens, its businesses and its economy.

As noted in our hearing presentation, the RPEA submits the attached written copy of its testimony and stands ready to assist the Committee and the Legislature in a full and favorable consideration of this important legislation.

Sincerely,

Robert J. Doll, President
Retired Public Employees of Alaska

Retired Public Employees of Alaska, APEA/AFT
3310 Arctic Blvd., Suite 200, Anchorage, Alaska 99503
Phone: (907) 274-1703 or (800) 478-9992, Fax: (907) 277-4588
Email: rpea@alaska.net
Web site: www.rpea.apea-aft.org

January 30, 2012

Senator Bill Wielechowski, Chair
Senators Paskvan, Vice Chair, Kookesh, Meyer and Giessel, Members
Senate State Affairs Committee
Alaska State Legislature
State Capitol, Room 101
Juneau, AK 99801-1182

Re: RPEA Testimony in Support of SB121

Dear Chair Wielechowski and Members of the Committee:

The Retired Public Employees of Alaska ("RPEA") once again thanks you and the Committee for the opportunity to present testimony in support of SB121, the reinstatement of a defined benefit pension option, at the public hearing held on January 26, 2012. As indicated by our witness and Legislative Director, Ted Moninski, the RPEA remains committed to ensuring an equitable and reliable pension opportunity for all public employees – past, present and future. As our testimony demonstrated, a return to a cost-neutral defined benefit pension option is not only in the best interests of employees and retirees; it is clearly in the best interest of Alaska – its citizens, its businesses and its economy.

As noted in our hearing presentation, the RPEA submits the attached written copy of its testimony and stands ready to assist the Committee and the Legislature in a full and favorable consideration of this important legislation.

Sincerely,

Robert J. Doll, President
Retired Public Employees of Alaska

RPEA Testimony for Senate State Affairs Committee Hearing re SB121
January 26, 2012

Good morning Mr. Chairman and members of the Committee. My name is Ted Moninski and I am here today to present the official position of the Retired Public Employees of Alaska, an organization of Alaska retirees that currently includes more than 2,000 active members. RPEA members have worked for public employers in every corner of the state and in virtually every service capacity. The RPEA offers its testimony today in support of SB121.

Both in the past, and again today, you have heard from a number of witnesses who have described the reasons why SB121 is good public policy and will enhance the public workforce both now and into the future. That testimony is compelling and the RPEA urges you to give it careful consideration. But, rather than repeat what you have already heard, the RPEA hopes to convince you that SB121 is also good for the state of Alaska – for all of its citizens, its businesses and its economy.

Historically, many Alaskans made the decision to leave the state after retirement. That trend is changing for public sector retirees in large part because of the availability of a monthly pension that is enhanced by the Alaska Cost of Living Allowance and Post Retirement Pension Adjustments – all features of Alaska's defined benefits plan. As a result, nearly two thirds of public employee retirees now remain in Alaska after retirement. All retirees purchase goods and services from Alaska businesses and now infuse an estimated $2 billion into the Alaska economy each year. This direct economic input sustains as many as 12 thousand private and public sector jobs on a year round basis. Because many retirees own their own homes, they also make a substantial contribution to the local tax base in the communities where they reside. These expenditures diversify and help stabilize the economy of Alaska. It is clearly in Alaska's best interest to incent employees to remain in Alaska after retirement.

It has been noted that most public employee retirees do not have access to federal Social Security pension benefits or have had those benefits substantially reduced as a result of their public service. Going forward, in the absence of both a reliable state pension and diminished access to Social Security, public employees who were hired after 2006 must rely on their savings, including their defined contributions plan. However, national studies show that more than two thirds of defined contribution plan participants cash out their assets when terminating employment, rather than rolling them over into another retirement plan. In such cases, retirees will have substantially diminished reserves for their retirement years. Many will not be able to afford to continue to live in Alaska and the very positive contributions made by retirees to Alaska's jobs and overall economy will be lost.

Beyond the many positive direct impacts retirees have in the Alaska economy, they also provide many other indirect benefits. For example retired citizens engage in both formal and informal volunteer work the value of which is estimated to be in the tens of millions of dollars. In addition, retirees often support family members, including adult children, enabling them to seek, find and retain meaningful employment in Alaska. One estimate of the value of retiree caregiving is close to $50 million annually. Again, providing an incentive for retirees to remain in Alaska is unquestionably in the public interest. For all of these reasons and others we do not have time to

address at this time, the RPEA urges your favorable consideration of SB121 to reinstate a defined benefit option for public employees.

The RPEA appreciates this opportunity to offer its comments and will make a written version of this testimony available to the Committee. I would be happy to answer any questions you might have.

Major Changes in SB 121

Substantive changes in Sen. L&C "R" version:

- The changes in the bill take effect 7/1/2013

- Employees currently in the DC plan who convert are not automatically entitled to credit for all the time they've worked.
    - The actuarial 'time value' of the DC account will be credited automatically.
    - The employee may choose to create an indebtedness to make up any shortage, up to the actual years of service.

- Retirees in the new Defined Benefit tiers will pay a share of the premiums for medical insurance. These will be the same as DC retirees:
    - If the retiree is eligible for Medicare, the retiree pays:
        - 30 percent with 10-15 years of service
        - 25 percent with 15-20 years of service
        - 20 percent with 20-25 years of service
        - 15 percent with 25-30 years of service
        - 10 percent with 30 or more years of service
    - If a teacher, peace officer, or firefighter works 25 years or more, the retiree pays the percentages above, *even if not eligible for Medicare.*
    - If a PERS employee who is not a peace officer or firefighter works 30 years or more, the retiree pays 10 percent of the premium *even if not eligible for Medicare.*

The CS also makes some technical and mechanical changes:

- The title is more descriptive of the bill.
- When an employee converts from one plan to another, the change is retroactive to the date of hire. (This does not change the service credit provisions in the bill.)
- Language was clarified to ensure survivors of Defined Benefit members are eligible for survivor benefits.
- References to the Alaska Retirement Management Board transferring funds were changed to the administrator (Department of Administration) to reflect current practice.
- Language requiring individual accounts to be transferred with "interest" was changed to "with investment earnings and losses" to avoid confusion with statutory interest rates under other retirement statutes.

27-LS0281\R
Wayne
1/23/12

CS FOR SENATE BILL NO. 121(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS EGAN, Menard, Paskvan, Davis, Kookesh, Wielechowski, Ellis, Thomas, French, McGuire

A BILL

FOR AN ACT ENTITLED

"An Act relating to new defined benefit tiers in the public employees' retirement system and the teachers' retirement system; providing certain employees an opportunity to choose between the defined benefit and defined contribution plans of the public employees' retirement system and the teachers' retirement system; and providing for an effective date."

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

*** Section 1.** AS 14.25.009 is repealed and reenacted to read:

Sec. 14.25.009. Applicability of AS 14.25.009 - 14.25.220. (a) The provisions of AS 14.25.009 - 14.25.220 apply to teachers who are eligible to be members of the teachers' retirement system under AS 14.25.009 - 14.25.220 and are not members of the defined contribution retirement plan under AS 14.25.310 - 14.25.590.

(b) An employer that participates in the plan shall also participate in the defined contribution retirement plan under AS 14.25.310 - 14.25.590.

New Text Underlined [DELETED TEXT BRACKETED]

*** Sec. 2.** AS 14.25.040(a) is amended to read:

(a) Unless a teacher or member participates in a university retirement program under AS 14.40.661 - 14.40.799 or has elected under **AS 14.25.330 or former** AS 14.25.540 to participate in the plan established in AS 14.25.310 - 14.25.590, a teacher or member contracting for service with a participating employer is subject to AS 14.25.009 - 14.25.220.

*** Sec. 3.** AS 14.25.050(a) is amended to read:

(a) Except as provided in (c) **and (e)** of this section, beginning January 1, 1991, each member shall contribute to the plan an amount equal to 8.65 percent of the member's base salary accrued from July 1 to the following June 30. [THE EMPLOYER SHALL DEDUCT THE CONTRIBUTION FROM THE MEMBER'S SALARY AT THE END OF EACH PAYROLL PERIOD, AND THE CONTRIBUTION SHALL BE CREDITED BY THE PLAN TO THE MEMBER CONTRIBUTION ACCOUNT. THE CONTRIBUTIONS SHALL BE DEDUCTED FROM EMPLOYEE COMPENSATION BEFORE THE COMPUTATION OF APPLICABLE FEDERAL TAXES AND SHALL BE TREATED AS EMPLOYER CONTRIBUTIONS UNDER 26 U.S.C. 414(h)(2). A MEMBER MAY NOT HAVE THE OPTION OF MAKING THE PAYROLL DEDUCTION DIRECTLY IN CASH INSTEAD OF HAVING THE CONTRIBUTION PICKED UP BY THE EMPLOYER.]

*** Sec. 4.** AS 14.25.050 is amended by adding new subsections to read:

(e) Except as provided in (a) and (c) of this section, a member who first participates in the plan after June 30, 2006, shall contribute to the plan an amount equal to eight percent of the employee's base salary accrued from July 1 to the following June 30.

(f) The employer shall deduct the contributions under (a) and (e) of this section from the member's salary at the end of each payroll period, and the contributions shall be credited by the plan to the member contribution account. The contributions shall be deducted from employee compensation before the computation of applicable federal taxes and shall be treated as employer contributions under 26 U.S.C. 414(h)(2). A member may not have the option of making the payroll deduction

directly in cash instead of having the contribution picked up by the employer.

*** Sec. 5.** AS 14.25.130(c) is amended to read:

(c) Once each year during the first five years following appointment to disability under this section, and once every three-year period thereafter, the administrator may require a disabled member who **first became a member before July 1, 2006, and who** has not attained eligibility for normal retirement to undergo a medical or mental examination by a competent physician. The administrator shall suspend any disability benefit for a disabled member who refuses to undergo a physical or mental examination when requested under this section.

*** Sec. 6.** AS 14.25.130 is amended by adding new subsections to read:

(g) A person who first becomes a member after June 30, 2006, and who is receiving a benefit under this section shall undergo a medical examination as often as the administrator considers advisable, but not more frequently than once each year. The administrator shall determine the place of the examination and engage the physician or physicians. If, in the judgment of the administrator, the examination indicates that the disabled member is no longer incapacitated because of a total and apparently permanent occupational disability, the administrator may not issue further disability benefits to the member.

(h) A person who first becomes a member after June 30, 2006, and who is appointed to disability benefits shall apply to the division of vocational rehabilitation of the Department of Labor and Workforce Development within 30 days after the date disability benefits commence. The member shall be enrolled in a rehabilitation program if the member meets the eligibility requirements of the division of vocational rehabilitation. Unless the member demonstrates cause, benefits shall terminate at the end of the first month in which a disabled member

(1) fails to report to the division of vocational rehabilitation;

(2) is certified by the division of vocational rehabilitation as failing to cooperate in a vocational rehabilitation program;

(3) fails to interview for a job; or

(4) fails to accept a position offered.

*** Sec. 7.** AS 14.25.168(d) is amended to read:

(d) A benefit recipient**, or the surviving spouse of a benefit recipient, who first becomes a member before July 1, 2006,** may elect major medical insurance coverage in accordance with regulations and under the following conditions:

(1) a **benefit recipient** [PERSON] who has less than 25 years of membership service and who is younger than 60 years of age must pay an amount equal to the full monthly group premium for retiree major medical insurance coverage;

(2) a disabled member, a disabled member who is appointed to normal retirement, a person 60 years of age or older, or a person who has at least 25 years of membership service is not required to make premium payments.

* **Sec. 8.** AS 14.25.168 is amended by adding a new subsection to read:

(g) A benefit recipient, or the surviving spouse of a benefit recipient, who first becomes a member after June 30, 2006, may elect major medical insurance coverage in accordance with regulations and under the following conditions:

(1) if the participating member or surviving spouse is not eligible for Medicare, the cost of a monthly premium for retiree major medical insurance coverage elected under this section is equal to the full monthly group premium for retiree major medical insurance coverage;

(2) if the participating member or surviving spouse is eligible for Medicare, the cost of a monthly premium for retiree major medical insurance coverage is a percentage of the full monthly group premium, as follows:

(A) 30 percent if the member had 10 or more, but less than 15, years of service;

(B) 25 percent if the member had 15 or more, but less than 20, years of service;

(C) 20 percent if the member had 20 or more, but less than 25, years of service;

(3) the cost of a monthly premium paid by the member or the member's surviving spouse for retiree major medical insurance coverage is

(A) 15 percent of the full monthly group premium if the participating member has 25 or more years of service;

(B) 10 percent of the full monthly group premium if the

participating member has 30 or more years of service;

(4) a disabled member or a disabled member who is appointed to normal retirement is not required to make premium payments.

*** Sec. 9.** AS 14.25.310 is amended to read:

Sec. 14.25.310. Applicability of AS 14.25.310 - 14.25.590. The provisions of AS 14.25.310 - 14.25.590 apply only to

(1) teachers who first become members on or after July 1, 2006, **and before the effective date of this section who do not transfer to a defined benefit retirement plan under AS 14.25.009 - 14.25.220 or AS 39.35.095 - 39.35.680;**

(2) teachers described in AS 14.25.330 who elect under that section to become [TO MEMBERS WHO ARE EMPLOYED BY EMPLOYERS THAT DO NOT PARTICIPATE IN THE DEFINED BENEFIT RETIREMENT PLAN ESTABLISHED UNDER AS 14.25.009 - 14.25.220, TO FORMER MEMBERS UNDER AS 14.25.220, OR TO] members**; and**

(3) teachers who **transferred** [TRANSFER] into the defined contribution retirement plan under **former** AS 14.25.540.

*** Sec. 10.** AS 14.25.310 is amended by adding a new subsection to read:

(b) An employer that participates in the plan shall also participate in the defined benefit retirement plan under AS 14.25.009 - 14.25.220.

*** Sec. 11.** AS 14.25.330 is repealed and reenacted to read:

Sec. 14.25.330. Retirement plan election option. (a) A teacher who is first hired on or after the effective date of this section may make a one-time election to participate in the defined contribution retirement plan under AS 14.25.310 - 14.25.590 retroactive to the date of hire and may transfer to that plan employee contributions, if any, and employer contributions, if any, that have been made to the defined benefit retirement plan under AS 14.25.009 - 14.25.220. Before employer contributions are transferred under this subsection, the administrator shall recalculate them under AS 14.25.070.

(b) The election to participate in the defined contribution retirement plan under (a) of this section must be made within 90 days after the date of hire, and be made in writing on a form and in the manner prescribed by the administrator. Before

accepting an election to participate in the defined contribution retirement plan, the administrator shall, within 20 days after the administrator receives notification of the teacher's date of hire, provide the teacher eligible to make an election to participate in the defined contribution retirement plan under AS 14.25.310 - 14.25 590 with

(1) information, including calculations to illustrate the effect of moving the teacher's retirement plan from the defined benefit retirement plan to the defined contribution retirement plan; and

(2) other information clearly to inform the teacher of the potential consequences of the teacher's election.

(c) An election made under (a) of this section to participate in the defined contribution retirement plan is irrevocable. Retroactive to the date of hire, the teacher shall be enrolled as a member of the defined contribution retirement plan under AS 14.25.310 - 14.25.590, the member's participation in the plan shall be governed by the provisions for the defined contribution retirement plan, and the member's participation in the defined benefit retirement plan under AS 14.25.009 - 14.25.220 shall terminate. An election made by an eligible member who is married is not effective unless the election is signed by the member's spouse.

(d) When a member makes an election under (a) of this section, the administrator shall cause the total amount of the member's employee and employer contributions, with investment earnings and losses through the final day of the member's participation in the defined contribution retirement plan, to be actuarially calculated and transferred to the member's designated account in the defined contribution retirement plan. The board shall establish transfer procedures by regulation, but the actual transfer may not be later than 30 days after the date the administrator receives the member's election form under (b) of this section, unless the major financial markets for securities available for a transfer are seriously disrupted by an unforeseen event that also causes the suspension of trading on any national securities exchange in the country where the securities were issued. In that event, the 30-day period of time may be extended by a resolution of the board. Transfers are not commissionable or subject to other fees and may be in the form of securities or cash as determined by the board. Securities shall be valued on the date of receipt in the

member's account.

(e) An election made by an eligible member who is married is not effective unless the election is signed by the individual's spouse. An eligible member whose accounts are subject to a qualified domestic relations order may not make an election to participate in the defined contribution retirement plan under this section unless the qualified domestic relations order is amended or vacated and court-certified copies of the order are received by the administrator.

* **Sec. 12.** AS 39.35.095 is repealed and reenacted to read:

Sec. 39.35.095. Applicability of AS 39.35.095 - 39.35.680. (a) The provisions of AS 39.35.095 - 39.35.680 apply to public employees who are eligible to be members of the public employees' retirement system under AS 39.35.095 - 39.35.680 and are not members of the defined contribution retirement plan under AS 39.35.700 - 39.35.990.

(b) A public organization or a municipality or other political subdivision of the state that participates in the plan shall also participate in the defined contribution retirement plan under AS 39.35.700 - 39.35.900.

* **Sec. 13.** AS 39.35 is amended by adding a new section to read:

Sec. 39.35.128. Participation of elected officials of political subdivisions. (a) A person who is an elected official of a political subdivision of the state and who has not participated in the plan or waived participation in the plan before July 1, 2013, is a member of the plan if

(1) the political subdivision has elected under AS 39.35.600 - 39.35.650 to designate elected officials in the classifications of employees entitled to participate in the plan; and

(2) the elected official receives compensation from the political subdivision for services as an elected official in the amount of at least $2,001 a month.

(b) An elected official entitled to participate under this section, and who either has no previous service under the system with the political subdivision or is retired under the system, may file a waiver of participation in the plan with the administrator within 30 days after the later of July 1, 2013, or the date that the elected official's term of office begins. A waiver is irrevocable for the remainder of the elected official's

service as an elected official or employee of the political subdivision.

* **Sec. 14.** AS 39.35.160(a) is amended to read:

(a) **Subject to (e) of this section, beginning** [BEGINNING] January 1, 1987, each peace officer or firefighter shall contribute to the plan an amount equal to seven and one-half percent of the peace officer's or firefighter's compensation. Except as provided in **(d) and (e)** [(d)] of this section, beginning January 1, 1987, each other employee shall contribute to the plan an amount equal to six and three-quarters percent of the employee's compensation. [THE CONTRIBUTIONS SHALL BE DEDUCTED BY THE EMPLOYER AT THE END OF EACH PAYROLL PERIOD. THE CONTRIBUTIONS SHALL BE DEDUCTED FROM EMPLOYEE COMPENSATION BEFORE COMPUTATION OF APPLICABLE FEDERAL TAXES, AND THE CONTRIBUTIONS SHALL BE TREATED AS EMPLOYER CONTRIBUTIONS UNDER 26 U.S.C. 414(h)(2). A MEMBER MAY NOT HAVE THE OPTION OF MAKING THE PAYROLL DEDUCTION DIRECTLY INSTEAD OF HAVING THE CONTRIBUTION PICKED UP BY THE EMPLOYER.]

* **Sec. 15.** AS 39.35.160 is amended by adding new subsections to read:

(e) Except as provided in (a) and (d) of this section, an employee, including a peace officer or firefighter, who first participates in the plan after June 30, 2006, shall contribute to the plan an amount equal to eight percent of the employee's compensation.

(f) Contributions under (a) and (e) of this section shall be deducted by the employer at the end of each payroll period. The contributions shall be deducted from employee compensation before computation of applicable federal taxes, and the contributions shall be treated as employer contributions under 26 U.S.C. 414(h)(2). A member may not have the option of making the payroll deduction directly instead of having the contribution picked up by the employer.

* **Sec. 16.** AS 39.35.410(g) is amended to read:

(g) A disabled employee **who first became a member before July 1, 2006, and who is** receiving an occupational disability benefit shall undergo a medical examination as often as the administrator considers advisable but not more frequently than once each year. The administrator shall determine the place of the examination

and engage the physician or physicians. If, in the judgment of the administrator, the examination indicates that the retired employee is no longer incapacitated because of a total and apparently permanent occupational disability, the administrator may not issue further disability benefits to the employee.

* **Sec. 17.** AS 39.35.410 is amended by adding a new subsection to read:

(k) A person who first becomes a member after June 30, 2006, and who is appointed to disability benefits shall apply to the division of vocational rehabilitation within 30 days after the date disability benefits commence. The employee shall be enrolled in a rehabilitation program if the employee meets the eligibility requirements of the division of vocational rehabilitation. Unless the employee demonstrates cause, benefits shall terminate at the end of the first month in which a disabled employee

(1) fails to report to the division of vocational rehabilitation;

(2) is certified by the division of vocational rehabilitation as failing to cooperate in a vocational rehabilitation program;

(3) fails to interview for a job; or

(4) fails to accept a position offered.

* **Sec. 18.** AS 39.35.535(c) is amended to read:

(c) A benefit recipient may elect major medical insurance coverage in accordance with regulations and under the following conditions:

(1) a person**, or the surviving spouse of a person, who becomes a member before July 1, 2006**, other than a disabled member or a disabled member who is appointed to normal retirement, must pay an amount equal to the full monthly group premium for retiree major medical insurance coverage if the person is

(A) younger than 60 years of age and has less than

(i) 25 years of credited service as a peace officer under AS 39.35.360 and 39.35.370; or

(ii) 30 years of credited service under AS 39.35.360 and 39.35.370 that is not service as a peace officer; or

(B) of any age and has less than 10 years of credited service;

(2) a person**, or the surviving spouse of a person, who becomes a member before July 1, 2006,** is not required to make premium payments for retiree

major medical coverage if the person

(A) is a disabled member;

(B) is a disabled member who is appointed to normal retirement;

(C) is 60 years of age or older and has at least 10 years of credited service; or

(D) has at least

(i) 25 years of credited service as a peace officer under AS 39.35.360 and 39.35.370; or

(ii) 30 years of credited service under AS 39.35.360 and 39.35.370 not as a peace officer;

(3) a benefit recipient who first becomes a member after June 30, 2006, or a benefit recipient who is the surviving spouse of a person who first becomes a member after June 30, 2006, except as provided in (4) and (5) of this subsection, shall pay an amount equal to the full monthly group premium for retiree major medical insurance coverage; however, except as provided in (4) and (5) of this subsection, if the benefit recipient is eligible for Medicare, the cost of a monthly premium is a percentage of the full monthly group premium, as follows:

(A) 30 percent if the member has 10 or more, but less than 15, years of service;

(B) 25 percent if the member has 15 or more, but less than 20, years of service;

(C) 20 percent if the member has 20 or more, but less than 25, years of service;

(D) 15 percent if the member has 25 or more, but less than 30, years of service not as a peace officer;

(4) except as provided in (5) of this subsection, a benefit recipient who first becomes a member after June 30, 2006, or a benefit recipient who is the surviving spouse of a person who first becomes a member after June 30, 2006, shall pay a monthly premium that is

(A) 15 percent of the cost of a full monthly group premium

if the member has 25 or more, but less than 30, years of service as a peace officer; or

(B) 10 percent of the cost of a full monthly group premium if the member has 30 or more years of service;

(5) a benefit recipient who first becomes a member after June 30, 2006, is not required to make premium payments for retiree major medical coverage if the recipient

(A) is a disabled member; or

(B) is a disabled member who is appointed to normal retirement.

*** Sec. 19.** AS 39.35.620(k) is amended to read:

(k) Termination of an employer's participation in the plan does not bar future participation in the system by that employer if the employer is current with payments on amounts due under AS 39.35.625. [IF A PREVIOUSLY TERMINATED EMPLOYER RETURNS TO THE SYSTEM, THE EMPLOYER MAY ONLY PARTICIPATE IN THE PLAN ESTABLISHED UNDER AS 39.35.700 - 39.35.990. EMPLOYEES MAY BE CREDITED UNDER AS 39.35.700 - 39.35.990 ONLY WITH SERVICE SUBSEQUENT TO THE DATE OF RETURN.]

*** Sec. 20.** AS 39.35.680(18) is amended to read:

(18) "employer" means

(A) the State of Alaska;

(B) a political subdivision or public organization of the state that participates in the plan based on a resolution to participate in the plan that was approved by the administrator [ON OR BEFORE JULY 1, 2006]; or

(C) a political subdivision or public organization of the state that, as a result of consolidation or reorganization [THAT OCCURS ON OR AFTER JULY 1, 2006], assumes liability under the plan of a political subdivision or public organization described in (B) of this paragraph;

*** Sec. 21.** AS 39.35.700 is amended to read:

Sec. 39.35.700. Applicability of AS 39.35.700 - 39.35.990. The provisions of AS 39.35.700 - 39.35.990 apply only to

(1) members first hired on or after July 1, 2006, **and before the effective date of this section who do not transfer to a defined benefit retirement plan under AS 14.25.009 - 14.25.220 or AS 39.35.095 - 39.35.680;**

(2) public employees described in AS 39.35.720 who elect under that section to become [TO MEMBERS WHO ARE EMPLOYED BY EMPLOYERS THAT DO NOT PARTICIPATE IN THE DEFINED BENEFIT RETIREMENT PLAN ESTABLISHED UNDER AS 39.35.095 - 39.35.680, TO FORMER MEMBERS AS DEFINED IN AS 39.35.680, OR TO] members**; and**

(3) members who **transferred** [TRANSFER] into the defined contribution retirement plan under **former** AS 39.35.940.

*** Sec. 22.** AS 39.35.700 is amended by adding a new subsection to read:

(b) A public organization under AS 39.35.680 or a municipality or other political subdivision of the state that participates in the plan shall also participate in the defined benefit retirement plan under AS 39.35.095 - 39.35.680.

*** Sec. 23.** AS 39.35.720 is repealed and reenacted to read:

Sec. 39.35.720. Retirement plan election option. (a) A public employee who is first hired on or after the effective date of this section may make a one-time election to participate in the defined contribution retirement plan under AS 39.35.700 - 39.35.990 retroactive to the date of hire and may transfer to that plan employee contributions, if any, and employer contributions, if any, that have been made to the defined benefit retirement plan under AS 39.35.095 - 39.35.680. Before employer contributions are transferred under this subsection, the administrator shall recalculate them under AS 39.35.255.

(b) The election to participate in the defined contribution retirement plan under (a) of this section must be made within 90 days after the date of hire, and be made in writing on a form and in the manner prescribed by the administrator. Before accepting an election to participate in the defined contribution retirement plan under AS 39.35.700 - 39.35.990, the administrator shall, within 20 days after the administrator receives notice of the public employee's date of hire, provide the employee eligible to make an election to participate in the defined contribution retirement plan with

(1) information, including calculations to illustrate the effect of moving the employee's retirement plan from the defined benefit retirement plan to the defined contribution retirement plan; and

(2) other information to clearly inform the employee of the potential consequences of the employee's election.

(c) An election made under (a) of this section to participate in the defined contribution retirement plan is irrevocable. Retroactive to the date of hire, the employee shall be enrolled as a member of the defined contribution retirement plan under AS 39.35.700 - 39.35.990, the member's participation in the plan shall be governed by the provisions for the defined contribution retirement plan, and the member's participation in the defined benefit retirement plan under AS 39.35.095 - 39.35.680 shall terminate. An election made by an eligible member who is married is not effective unless the election is signed by the member's spouse.

(d) When a member makes an election under (a) of this section, the administrator shall cause the total amount of the member's employee and employer contributions, with investment earnings and losses through the final day of the member's participation in the defined contribution retirement plan, to be actuarially calculated and transferred to the member's designated account in the defined contribution retirement plan. The board shall establish transfer procedures by regulation, but the actual transfer may not be later than 30 days after the date the administrator receives the member's completed election form under (b) of this section, unless the major financial markets for securities available for a transfer are seriously disrupted by an unforeseen event that also causes the suspension of trading on any national securities exchange in the country where the securities were issued. In that event, the 30-day period of time may be extended by a resolution of the board. Transfers are not commissionable or subject to other fees and may be in the form of securities or cash as determined by the board. Securities shall be valued on the date of receipt in the member's account.

(e) An election made by an eligible member who is married is not effective unless the election is signed by the individual's spouse. An eligible member whose accounts are subject to a qualified domestic relations order may not make an election

to participate in the defined contribution retirement plan under this section unless the qualified domestic relations order is amended or vacated and court-certified copies of the order are received by the administrator.

* **Sec. 24.** AS 14.25.012(c), 14.25.540; AS 39.35.940, and 39.35.957(b) are repealed.

* **Sec. 25.** The uncodified law of the State of Alaska is amended by adding a new section to read:

RETIREMENT PLAN ELECTION CHOICE. (a) A teacher who was first hired after June 30, 2006, and before the effective date of this section and who is a member of the defined contribution plan of the teachers' retirement system under AS 14.25.310 - 14.25.590 may make a one-time election, within 90 days after the effective date of this section, to participate in the defined benefit retirement plan under AS 14.25.009 - 14.25.220 and to transfer all contributions, including employer contributions, that have been made or should be made to the defined contribution retirement plan for service the member completes before the effective date of the member's participation in the defined benefit retirement plan.

(b) A public employee who was first hired after June 30, 2006, and before the effective date of this section and who is a member of the defined contribution plan of the public employees' retirement system under AS 39.35.700 - 39.35.990 may make a one-time election, within 90 days after the effective date of this section, to participate in the defined benefit retirement plan under AS 39.35.095 - 39.35.680 and to transfer all contributions, including employer contributions, that have been made or should be made to the defined contribution retirement plan for any service the member completes before the effective date of the member's participation in the defined benefit retirement plan.

* **Sec. 26.** The uncodified law of the State of Alaska is amended by adding a new section to read:

RETIREMENT PLAN ELECTION PROCEDURE; REGULATIONS REQUIRED. (a) The election to participate in the defined benefit retirement plan under sec. 25 of this Act must be made in writing on forms and in the manner prescribed by the administrator. Before accepting an election to participate in the defined benefit retirement plan, the administrator shall provide the employee planning on making an election to participate in the defined benefit retirement plan with information, including calculations to illustrate the effect of moving the employee's retirement plan from the defined contribution retirement plan to the

defined benefit retirement plan as well as other information clearly to inform the employee of the potential consequences of the employee's election.

(b) An election made under sec. 25 of this Act to participate in the defined benefit retirement plan is irrevocable. On the effective date of the election, the participant shall be enrolled as a member of the defined benefit retirement plan, the member's participation in the plan shall be governed by the provisions for the defined benefit retirement plan, and the member's participation in the defined contribution retirement plan shall terminate. The participant's enrollment in the defined benefit retirement plan shall be effective retroactive to the date of hire. An election made by an eligible member who is married is not effective unless the election is signed by the individual's spouse.

(c) When a member makes a one-time election under sec. 25 of this Act, the administrator shall cause the total amount of the member's employee and employer contributions, with investment earnings and losses through the final day of the member's participation in the defined contribution retirement plan, to be actuarially calculated and, subject to (d) of this section, transferred to the pension fund in the defined benefit retirement plan. On the effective date of the member's participation in the defined benefit retirement plan, the member shall be credited with service in the defined benefit retirement plan that is equal to the member's service in years, including fractional years, recognized for computing benefits that may be due from the defined contribution retirement plan. The board shall establish transfer procedures by regulation, but the actual transfer may not be later than 30 days after the date the administrator receives the member's completed election forms under (a) of this section, unless the major financial markets for securities available for a transfer are seriously disrupted by an unforeseen event that also causes the suspension of trading on any national securities exchange in the country where the securities were issued. In that event, the 30-day period of time may be extended by a resolution of the board. Transfers are not commissionable or subject to other fees and may be in the form of securities or cash as determined by the board. Securities shall be valued on the date of receipt in the participant's account.

(d) If the value actuarially calculated under (c) of this section is insufficient to pay for a service credit equal to the participant's actual service, the administrator shall allow the participant to create an indebtedness up to the amount needed to eliminate the insufficiency;

however, if that value exceeds the amount needed to pay for a service credit equal to the participant's actual service, the administrator shall cause the excess to be paid to the participant as a rollover transfer to either an individual employee annuity account in the Department of Administration under the terms of AS 39.30.150 - 39.30.180 (Alaska Supplemental Annuity Plan) or, if the participant's employer does not participate in the Alaska Supplemental Annuity Plan, to an eligible retirement plan under AS 14.25.360(d) or AS 39.35.760(d). An excess under this subsection may not be used to purchase service credit in a retirement plan administered under AS 14.25 or AS 39.25.

(e) The provisions of this section are subject to the requirements of the Internal Revenue Code and the limitations under AS 14.25.010, 14.25.320(c) and (d), 14.25.490, AS 39.35.115, 39.35.678, 39.35.710(c) and (d), and 39.35.895.

(f) In this section,

(1) "administrator" means the commissioner of administration or the person designated by the commissioner of administration under AS 39.35.003 for a public employees' retirement plan and under AS 14.25.003 for a teachers' retirement plan;

(2) "board" means the Alaska Retirement Management Board established under AS 37.10.210;

(3) "defined benefit retirement plan" means the retirement plan established under

(A) AS 14.25.009 - 14.25.220 for a teacher; or

(B) AS 39.35.095 - 39.35.680 for a public employee;

(4) "defined contribution retirement plan" means the retirement plan established under

(A) AS 14.25.310 - 14.25.590 for a teacher; or

(B) AS 39.35.700 - 39.35.990 for a public employee;

(5) "Internal Revenue Code" the meaning given in AS 39.35.990.

*** Sec. 27.** The uncodified law of the State of Alaska is amended by adding a new section to read:

ADOPTION OF REGULATIONS. The commissioner of administration shall adopt regulations necessary to implement the changes made by this Act. The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the effective date of the law

implemented by the regulation.

* **Sec. 28.** Sections 26 and 27 of this Act take effect immediately under AS 01.10.070(c).

* **Sec. 29.** Except as provided in sec. 28 of this Act, this Act takes effect July 1, 2013.

SENATOR DENNIS EGAN

SB 121 – Alaska Pensions

Sponsor Statement

SB 121 lets teachers, Troopers, firefighters and other public employees choose one of two state retirement systems: an individual defined contribution retirement account, or earning a defined benefit pension.

A defined benefit pension takes time to earn, but rewards a record of public service by paying a guaranteed monthly benefit and, for long-term employees, health insurance. An individual defined contribution account is portable from one employer to another, and flexible in how it can be used, but makes no guarantees. SB 121 will let newly hired public servants in Alaska choose the one that fits best.

SB 121 creates a new more stable, more predictable defined benefit pension tier for teachers and public employees. A few years ago, Alaska beefed up oversight of the pension system. Now we have two actuaries analyzing the health of the pension trusts, there are more frequent experience studies and the law bars the practice of sometimes paying less than the cost of benefits. SB 121 keeps these smart reforms, making Alaska pensions stronger than ever.

And the defined benefit pensions for new employees under SB 121 will cost employers less than the pension tiers that came before, saving money for schools, cities, and the State of Alaska.

Alaska teachers and public employees don't earn Social Security, and many even lose Social Security benefits they earned in past jobs. So for most, a defined benefit pension makes sense. Other employees will choose individual defined contribution accounts because they prefer flexibility, portability, and control, or because their plans do not include long-term service in the public sector. SB 121 maintains their option to choose an individual account.

The teachers who educate our children, the police and firefighters who protect our families, and the public employees who serve our state and cities will be able to choose the benefit that best fits their service.

ALASKA SENATE
STATE CAPITOL • JUNEAU, ALASKA 99801-1182 • (907) 465-4947 • FAX (907) 465-2108
SENATOR.DENNIS.EGAN@LEGIS.STATE.AK.US

William B. Fornia, FSA | President

March 8, 2011

CONFIDENTIAL

Alaska Public Pension Coalition

Subject: Analysis of Egan Bill

Dear Coalition Partners:

We have analyzed the actuarial impact of the February 12, 2011 draft Bill from Senator Egan which would modify the retirement program for those now covered by the Defined Contribution Retirement (DCR) program.

The primary features of the bill are:

- Those hired on or after July 1, 2006 would receive the retirement, death and disability benefits currently provided by Tier 2 of TRS and Tier 3 of PERS, rather than the DCR benefits under Tier 3 of TRS and Tier 4 of PERS.
- Peace Officers and firefighters in PERS would contribute 7.50% of pay; other PERS members would contribute 6.75%; those in TRS would contribute 8.65%
- Those individuals would be eligible to receive retiree major medical coverage without having to pay premiums, under the following conditions:
    - For teachers, after June 30, 2011 new retirees are eligible with 25 years of service or at the age of Medicare eligibility [65] with at least 8 years of service.
    - For peace officers and firefighters, after June 30, 2011 new members are eligible with 25 years of service or at the age of Medicare eligibility [65] with at least 10 years of service.
    - For other PERS members, after June 30, 2011 new members are eligible with 30 years of service or at the age of Medicare eligibility [65] with at least 10 years of service.

This information is provided according to PTA's understanding and interpretation of the Work Draft legislation. Please advise us if our interpretation above is not consistent with your understanding. If so, our findings would differ.

The major implications of the bill as we see it are:

- Pension benefits will revert to the prior defined benefit plan tiers
- Retiree health benefits will be stronger than those under DCR, but not as strong as those provided under the latest tier DB plans. Retiree health care premiums are paid as illustrated by the following table:

	Teachers	Peace Officers & Firefighters	Other PERS
Latest Tier DB Plan Health Care Eligibility	Age 60 or 25 years	Age 60 or 25 years	Age 60 or 30 years
DCR Program Health Care Eligibility	Medicare Age [65]	Medicare Age [65]	Medicare Age [65]
Egan Bill Health Care Eligibility	Medicare Age [65] with 8 years or any age with 25 years	Medicare Age [65] with 10 years or any age with 25 years	Medicare Age [65] with 10 years or any age with 30 years

Cost Comparisons

The actuary for the Alaska Department of Administration Division of Retirement Benefits regularly reports on the financial condition of the Alaska Public Employees' Retirement System (PERS) and Alaska Teachers' Retirement System (TRS). These analyses are conducted primarily through an "actuarial valuation", which calculates the plans costs and liabilities. The actuary has calculated the Normal Cost under both the prior tier DB plans as well as under the DCR program. We have been asked to estimate the costs of the proposed program in the draft Egan bill. These cost estimates are being done without the benefit of the full actuarial data that would be used by the actuary. Consequently, their numbers will likely be different than ours, and more correct. We also understand that the actuarially assumed rate of investment return is being reduced from 8.25% to 8.00%. Our estimates are still based on 8.25%, so the "official" cost numbers will likely be slightly higher than ours.

The following tables develop our cost estimates and compare the three programs:

Teachers Retirement System	DB Plan Tier 2	DCR Plan Tier 3	Proposed Tier 4
Total Retirement Normal Cost	11.39%	NA	11.39%
Member Contributions	(8.65%)	(8.00%)	(8.65%)
Net Employer Retirement Normal Cost	2.74%	NA	2.74%
DC Employer Contribution Rate	NA	7.00%	NA
Occupational Death and Disability Normal Cost Rate	NA	0.05%	NA
Medical Normal Cost Rate	5.33%	0.64%	4.52%
HRA Contribution Rate	NA	3.00%	NA
Total Employer Cost	8.07%	10.69%	7.26%
DCR Payroll during FY 2011	$59,750,000	$59,750,000	$59,750,000
Total Employer Cost on FY 2011 Basis	$4,800,000	$6,400,000	$4,300,000

Public Employees Retirement System – Peace Officers & Firefighters	DB Plan Tier 3	DCR Plan Tier 4	Proposed Tier 5
Total Retirement Normal Cost	12.30%	NA	12.30%
Member Contributions	(7.50%)	(8.00%)	(7.50%)
Net Employer Retirement Normal Cost	4.80%	NA	4.80%
DC Employer Contribution Rate	NA	5.00%	NA
Occupational Death and Disability Normal Cost Rate	NA	1.04%	NA
Medical Normal Cost Rate	5.90%	0.43%	5.35%
HRA Contribution Rate	NA	3.00%	NA
Total Employer Cost	10.70%	9.47%	10.15%
DCR Payroll during FY 2011	$21,192,000	$21,192,000	$21,192,000
Total Employer Cost on FY 2011 Basis	$2,300,000	$2,000,000	$2,200,000

Other Public Employees Retirement System Members	DB Plan Tier 3	DCR Plan Tier 4	Proposed Tier 5
Total Retirement Normal Cost	9.58%	NA	9.58%
Member Contributions	(6.75%)	(8.00%)	(6.75%)
Net Employer Retirement Normal Cost	2.83%	NA	2.83%
DC Employer Contribution Rate	NA	5.00%	NA
Occupational Death and Disability Normal Cost Rate	NA	0.16%	NA
Medical Normal Cost Rate	7.00%	0.56%	3.60%
HRA Contribution Rate	NA	3.00%	NA
Total Employer Cost	9.83%	8.72%	6.43%
DCR Payroll during FY 2011	$200,739,000	$200,739,000	$200,739,000
Total Employer Cost on FY 2011 Basis	$19,700,000	$17,500,000	$12,900,000

Some of these cost comparisons are very intriguing. Note that the costs for the Peace Officers and Firefighters are roughly comparable to the Tier 3 and Tier 4 costs. But the costs for Other PERS member is dramatically lower than either the Tier 3 or Tier 4 costs. This is because they are losing significantly on the medical premium payments, by no longer being able to retire at age 60 with premium payment made by the plan unless they have 30 years of service. I estimate that only about a third of these Other PERS members would have 30 years by the time they attain age 65, meaning that this benefit would have no value for most of them. That is the reason the medical normal cost rate is so much lower for Other PERS Tier 5 than for Other PERS Tier 3. It will be interesting to see what the "official" actuarial cost determination is.

Please also realize that the cost determinations above do not include any cost for the retroactive feature of the bill. I understand that those costs were estimated to be $37 million in 2009. We do not have the data necessary to make an estimate of the cost this year. Because of the market recovery, the cost might possibly have decreased since 2009.

Conclusions.

The proposed program would result in stronger pension benefits through the return of the Defined Benefit plan for members hired since 2006. It would provide improved health care plan benefits, but no future HRA contributions. Member contribution rates would decrease for PERS members and increase slightly for TRS members. As a result of all this, employer costs on a FY 2011 basis would increase by about $200,000 for PERS Peace Officer and Firefighter members, but would decrease substantially for TRS ($2.1 million) and Other PERS ($4.6 million) members. In total, employer costs would fall by about $6 million.

The PERS and TRS actuary will calculate more precise costs, based on complete data and their new actuarial assumptions. The costs above should be considered a starting point for analysis of the bill.

The work reflected herein was conducted by Pension Trustee Advisors under my direction. I look forward to discussing this with you further.

Sincerely,

William B. Fornia, FSA
President

Cc:

Joelle Hall, Alaska AFLCIO
Lydia Garcia, NEA Alaska
Derek Hsieh, APDEA
Bruce Ludwig, APEA/AFT
Jim Duncan, ASEA/AFSCME Local 52
Norm Ruggles, PTA

Alaska Division of Retirement and Benefits

Teachers' Retirement System (TRS) Plan Comparison Chart

Feature	Tier I July 1, 1955 – June 30, 1990	Tier II Entered on or after July 1, 1990	Tier III Entered on or after July 1, 2006
Employee Contribution	Pre-tax employee contribution: 8.65% beginning 1/1/91	Pre-tax employee contribution: 8.65% beginning 1/1/91	Pre-tax employee contribution: 8% Employee may make additional contributions.
Employer Contribution	Determined by annual actuarial valuation.	Determined by annual actuarial valuation.	7% - DC account 1.75% Health Plan - determined by annual actuarial valuation after FY07. HRA - Flat dollar amount per employee based on 3% of the employer's average annual employee compensation.
Vesting	Members vest with 8 years of service.	Members vest with 8 years of service.	100% vested in employee contributions from inception. Vested in employer contributions based on the following schedule: 25% after 2 years of service, 50% after 3 years, 75% after 4 years and 100% after five years.
Qualifications for Retirement	Normal retirement age is 55, with early retirement at age 50; teachers can retire at any age after 20 years of membership service.	Normal retirement age is 60, with early retirement at age 55; teachers can retire at any age after 20 years of membership service.	None for investment account. Taxes and penalties may apply if withdrawn before age 59 1/2. See requirements for Retirement Medical Coverage.
Benefit Calculation Formula	Benefit formula is 2% for the first 20 years **and all years of service prior to July 1, 1990**, 2.5% thereafter. Benefit calculation is determined on the average of the high three contract salaries.	Benefit formula is 2% for the first 20 years, 2.5% thereafter. Benefit calculation is determined on the average of the high three contract salaries.	DC account balance plus investment earnings.
Alaska Cost-of-living Increases (COLA)	An Alaska Cost-of-Living Allowance is payable to benefit recipients who remain domiciled in Alaska after retirement. The allowance is 10% of the base benefit.	An Alaska Cost-of-Living Allowance is payable to benefit recipients 65 or older or disability benefit recipients regardless of age who remain domiciled in Alaska after retirement. The allowance is 10% of the base benefit.	None provided.

More detailed information may be found on the Division website, www.state.ak.us/drb, *or in the TRS Information Handbook.*

Feature	Tier I July 1, 1955 – June 30, 1990	Tier II Entered on or after July 1, 1990	Tier III Entered on or after July 1, 2006
Post Retirement Pension Adjustments (PRPA) **(Inflation protection)**	PRPA increases granted on an ad hoc basis. If an ad hoc is not granted, tier I employees must be age 60 or over or receiving benefits for 8 years to qualify for the automatic PRPA. The automatic PRPA legislated in 1990 applied to all members regardless of hire date.	Automatic PRPA adjustments to disabled members, retirees 60 and over, and those who have received benefits for 8 years.	None provided.
Retirement Medical Coverage	Medical coverage is provided to all benefit recipients and their eligible dependents. The retiree medical plan premium is paid by the retirement system.	The retirement system pays the retiree medical plan premium for all disabilitants regardless of age, for retirees and survivors over age 60 and for retirees with at least 25 years of membership service. This coverage includes eligible dependents. Retirees and survivors under age 60, with less than 25 years of membership service must pay the full premium cost if they want coverage.	Access to medical coverage at Medicare eligible age with 10 years of service or at any age with 30 years of service. Must retire directly from the system. If not eligible for Medicare, must pay full premium. May use health reimbursement arrangement (HRA) account to pay premiums. Once the HRA is exhausted, member self- pays premiums. When eligible for Medicare, the percentage of premium paid by the retiree or surviving spouse is: 10-14 years of service - 30% 15-19 years - 25% 20-24 years - 20% 25-29 years - 15% 30 years or more - 10%
Disability Benefits	Disability benefits are 50% of base salary, plus 10% for each eligible dependent child up to a maximum of 4 children.	Disability benefits are 50% of base salary, plus 10% for each eligible dependent child up to a maximum of 4 children.	Must be a total and presumably permanent disability whose cause is directly related to performance of duties of the job or an on the job injury. Benefit is 40% of salary, earns service while on occupational disability. Employer continues to make all required contributions as if the member were working, plus the member's required contributions to the DC account, without deduction from the member's disability payment. Disability benefits cease when the member becomes eligible for normal retirement at Medicare eligible age and 10 years of service or at any age with 30 years of service. No medical insurance until eligible for normal retirement.

More detailed information may be found on the Division website, www.state.ak.us/drb, *or in the TRS Information Handbook.*

ALASKA

NATIONAL INSTITUTE ON Retirement Security
Reliable Research. Sensible Solutions

Pensionomics:

Measuring the Economic Impact of State and Local Pension Plans

Key Findings

Benefits paid by state and local pension plans support a significant amount of economic activity in the state of Alaska.

Pension benefits received by retirees are spent in the local community. This spending ripples through the economy, as one person's spending becomes another person's income, creating a *multiplier effect*.

Expenditures stemming from state and local pensions supported...

- 6,270 jobs that paid $385.2 million in wages and salaries
- $1.0 billion in total economic output
- $155.5 million in federal, state, and local tax revenues

... in the state of Alaska

Each dollar paid out in pension benefits supported $1.25 in total economic activity in Alaska.

Each dollar "invested" by Alaska taxpayers in these plans supported $6.35 in total economic activity in the state.

Overview

Expenditures made by retirees of state and local government provide a steady economic stimulus to Alaska communities and the state economy. In 2006, 34,962 residents of Alaska received a total of $819.50 million in pension benefits from state and local pension plans, with $808.64 million paid from plans within the state and the remainder originating from plans in other states.

The average pension benefit received was $1,953 per month or $23,440 per year. These modest benefits provide retired teachers, public safety personnel and others who served the public during their working careers income to meet basic needs in retirement.

Impact on Jobs and Incomes

Retiree expenditures stemming from state and local pension plan benefits supported 6,270 jobs in the state. The total income to state residents supported by pension expenditures was $385.2 million.

Of this, the greatest share, $188.0 million, was comprised of employee compensation (wages and salaries). Proprietors' income (self-employment income) represented $33.6 million, and other property income (including payments from interest, rent, royalties, profits and dividends) totaled $163.6 million.

Economic Impact

State and local pension funds in Alaska and other states paid a total of $819.50 million in benefits to Alaska residents in 2006. Retirees' expenditures from these benefits supported a total of $1.0 billion in total economic output in the state, and $430.7 million in value added in the state.

$790.8 million in direct economic impacts were supported by retirees' expenditures on goods and services from businesses in the state. An additional $120.4 million in indirect economic impact resulted when these businesses purchased additional goods and services, generating additional income in the local economy. $112.8 million in induced impacts occurred when employees hired by businesses as a result of the direct and indirect impacts made expenditures, supporting even more additional income.

For more information on the data and methodology used for these estimates, please refer to *Pensionomics: Measuring the Economic Impact of State and Local Pension Plans* National Institute on Retirement Security: Washington DC. February 2009. www.nirsonline.org

Economic Multipliers

Taxpayer Contribution Factor*

$1.00
contributed by Alaska taxpayers to state and local pensions

$6.35
total economic activity

Each $1 in taxpayer contributions to Alaska's state and local pension plans supported $6.35 in total output in the state. This reflects the fact that taxpayer contributions are a minor source of financing for retirement benefits - investment earnings and employee contributions finance the lion's share.

Pension Benefit Multiplier

$1.00
pension benefits paid to retirees in Alaska

$1.25
total economic activity

Each $1 in state and local pension benefits paid to Alaska residents ultimately supported $1.25 in total output in the state. This "multiplier" incorporates the direct, indirect and induced impacts of retiree spending, as it ripples through the state economy.

* Caution should be used in interpreting this number, because the Census data used reflect the taxable status of contributions only; because employee contributions may be reported as taxpayer contributions, the multiplier here may be underestimated.

Impact on Tax Revenues

State and local pension payments made to Alaska residents supported a total of $155.5 million in revenue to federal, state and local governments. Taxes paid by retirees and beneficiaries directly out of pension payments totaled $28.7 million. Taxes attributable to direct, indirect and induced expenditures accounted for $126.8 million in tax revenue.

Federal Tax	87.5 million
State/Local Tax	67.8 million
Other Corporate Taxes	0.2 million
Total	**$155.5 million**

Economic Impacts by Industry Sector

The economic impact of state and local pension benefits was broadly felt across various industry sectors in the state. The ten industry sectors with the largest employment impacts are presented in the table below.

Industry	Employment Impact (# Jobs)	Value Added Impact ($ millions)	Income Impact ($ millions)	Output Impact ($ millions)
Health Care and Social Assistance	1,354	$75.0	$74.2	$119.1
Retail Trade	1,331	64.4	50.9	97.0
Accommodation and Food Services	839	26.7	23.8	50.0
Other Services (Except Public Administration)	479	14.2	13.3	27.1
Real Estate and Rental and Leasing	452	33.8	28.2	50.8
Professional, Scientific, and Technical Services	229	11.8	11.5	23.2
Arts, Entertainment, and Recreation	229	6.2	5.6	10.8
Finance and Insurance	227	24.2	23.3	43.9
Public Administration	196	10.1	10.1	20.7
Transportation and Warehousing	187	11.4	10.8	22.0

Alaska Division of Retirement and Benefits

Public Employees' Retirement System (PERS) Plan Comparison Chart

Feature	Tier I 1/1/61 - 6/30/86	Tier II Entered on or after 7/1/86	Tier III Entered on or after 7/1/96	Tier IV Entered on or after 7/1/06
Employee Contribution	Pre-tax employee contribution: 6.75% beginning 1/1/87—all others 7.5% beginning 1/1/87—police and fire 9.6% beginning 7/1/99—school district	Pre-tax employee contribution: 6.75% beginning 1/1/87—all others 7.5% beginning 1/1/87—police and fire 9.6% beginning 7/1/99—school district	Pre-tax employee contribution: 6.75% beginning 1/1/87—all others 7.5% beginning 1/1/87—police and fire 9.6% beginning 7/1/99—school district	Pre-tax employee contribution: 8% all employees Employee may make additional contributions.
Employer Contribution	Determined by annual actuarial valuation.	Determined by annual actuarial valuation.	Determined by annual actuarial valuation.	5% DC Account 1.75% Health Plan - determined by annual actuarial valuation after FY07. HRA - Flat dollar amount per employee based on 3% of the employer's average annual employee compensation. .4% Disability - P/F .3 All others
Vesting	Members vest with 5 years of service.	Members vest with 5 years of service.	Members vest with 5 years of service.	100% vested in employee contributions from inception. Vested in employer contributions based on the following schedule: 25% after 2 years of service, 50% after 3 years, 75% after 4 years and 100% after five years.
Qualifications for Retirement	Normal retirement age is 55, with early retirement at age 50; police/fire members can retire at any age after 20 years of police/fire service; all other members can retire at any age after 30 years of membership service. Early retirement reduction will be 1/2% per month or 6% per year for every year less than the required normal retirement age.	Normal retirement age is 60, with early retirement at age 55; police/fire members can retire at any age after 20 years of police/fire service; all other members can retire at any age after 30 years of membership service. Early retirement reduction will be 1/2% per month or 6% per year for every year less than the required normal retirement age.	Normal retirement age is 60, with early retirement at age 55; police/fire members can retire at any age after 20 years of police/fire service; all other members can retire at any age after 30 years of membership service. Early retirement reduction will be 1/2% per month or 6% per year for every year less than the required normal retirement age.	None for investment account. Taxes and penalties may apply if withdrawn before age 59-1/2. See requirements for Retirement Medical Coverage.
Benefit Calculation Formula	Benefit formula is 2% for first 10 years **and all years of service prior to July 1, 1986,** 2.25% for the next 10 years, 2.5% per year thereafter. Benefit calculation is determined on the average of the high three consecutive years' salary. Police/Fire - 2% X 10, 2.5% over 10.	Benefit formula is 2% for first 10 years, 2.25% for the next 10 years, and 2.5% per year thereafter. Benefit calculation is determined on the average of the high three consecutive years' salary. Police/Fire - 2% X 10, 2.5% over 10.	Benefit formulas did not change; however, the benefit calculation is determined on the average of the high **five** consecutive years' salary. The benefit calculation for police and fire members is the average of the high **three** consecutive years regardless of tier (effective 2002).	DC account balance plus investment earnings. May be received in several different payment options. Payout options include lump sum payments, rollovers to another qualified plan, or annuities. Annuities may be taken as a lifetime annuity, joint and survivor annuity, or for a period certain.
Alaska Cost-of-living Increases (COLA)	An Alaska Cost-of-Living Allowance is payable to benefit recipients who remain domiciled in Alaska after retirement. The allowance is $50 or 10% of the base benefit, whichever is greater.	An Alaska Cost-of-Living Allowance is payable to benefit recipients 65 or older or disability benefit recipients regardless of age who remain domiciled in Alaska after retirement. The allowance is $50 or 10% of the base benefit, whichever is greater.	An Alaska Cost-of-Living Allowance is payable to benefit recipients 65 or older or disability benefit recipients regardless of age who remain domiciled in Alaska after retirement. The allowance is $50 or 10% of	None provided.

More detailed information may be found on the Division website, www.state.ak.us/drb, or in the PERS Information Handbook.

*Credited service includes all service used in the calculation of a retirement benefit.

Feature	Tier I 1/1/61 - 6/30/86	Tier II Entered on or after 7/1/86	Tier III Entered on or after 7/1/96	Tier IV Entered on or after 7/1/06
			the base benefit, whichever is greater.	
Post Retirement Pension Adjustments (PRPA) **(Inflation Protection)**	PRPA increases granted on an ad hoc basis. If an ad hoc is not granted, tier I employees must be age 60 or over or receiving benefits for 5 years to qualify for the automatic PRPA. The automatic PRPA legislated in 1986 applied to all members regardless of hire date.	Automatic PRPA adjustments to disabled members, retirees 60 and over, and those who have received benefits for 5 years.	Automatic PRPA adjustments to disabled members, retirees 60 and over, and those who have received benefits for 5 years.	None provided.
Retirement Medical Coverage	Medical coverage is provided to all benefit recipients and their eligible dependents. The retiree medical plan premium is paid by the retirement system.	Medical coverage is provided to disabilitants, regardless of age and benefit recipients over age 60 or • Peace officer/fire members with 25 years of police/fire service • all other members with 30 years of membership service and their eligible dependents. The retirement system pays the retiree medical plan premium. Retirees and survivors under age 60 must pay the full premium cost if they want coverage.	Same as Tier II. However, employees must accrue a minimum of 10 years of **credited service***, to have system-paid coverage at age 60. Employees with less than 10 years must pay the full premiums as long as they wish to continue medical coverage.	Access to medical coverage at Medicare eligible age with 10 years of service or at any age with 25 years of service for peace officers and firefighters or with 30 years of service for all others. Must retire directly from the system. If not eligible for Medicare, must pay full premium. May use health reimbursement arrangement (HRA) account to pay premiums. Once the HRA is exhausted, member self- pays premiums. When eligible for Medicare, the percentage of premium paid by the retiree or surviving spouse is: 10-14 years of service - 30% 15-19 years - 25% 20-24 years - 20% 25-29 years - 15% 30 years or more - 10%
Disability Benefits	Disability benefits for members: nonoccupational disability benefits are calculated as a normal retirement. Occupational disability provides 40% of the gross monthly compensation. Different occupational disability formula available before 7/1/76.	Disability benefits for members: nonoccupational disability benefits are calculated as a normal retirement. Occupational disability provides 40% of the gross monthly compensation.	Disability benefits for members: nonoccupational disability benefits are calculated as a normal retirement. Occupational disability provides 40% of the gross monthly compensation.	Must be a total and presumably permanent disability whose cause is directly related to performance of duties of the job or an on the job injury. Benefit is 40% of salary, earns service while on occupational disability. Employer continues to make all required contributions as if the member were working, plus the member's required contributions to the DC account, without deduction from the member's disability payment. Disability benefits cease when the member becomes eligible for normal retirement at Medicare eligible age and 10 years of service or at any age with 25 years of service for peace officers and firefighters or with 30 years of service for all others. Medical insurance is available to members receiving disability when member is eligible for a normal retirement.

More detailed information may be found on the Division website, www.state.ak.us/drb, or in the PERS Information Handbook.

*Credited service includes all service used in the calculation of a retirement benefit.

National Conference on Public Employee Retirement Systems

NCPERS Research Series

May 2007

The Top Ten Advantages of Maintaining Defined Benefit Pensions

Legislation has been proposed in several states to replace state and local government defined benefit (DB) retirement plans with defined contribution (DC) plans. At issue is not whether state and local employees should have access to DC plans—many already do in conjunction with their DB plans or else through supplemental DC-type plans, which play a useful role in providing additional tax-deferred retirement savings.[1] Rather the issue is whether defined benefit plans should be eliminated and replaced with defined contribution plans.

While recognizing that DC plans are useful in providing supplemental retirement benefits, this paper discusses the advantages of maintaining state and local DB plans and argues against replacing them with DC plans. Eliminating the DB plan and switching to a DC plan is likely to be a lose-lose situation for governments, their employees, and taxpayers for many reasons. After briefly describing how DB and DC plans work, this paper will discuss the following 10 advantages of retaining DB plans:

- Retaining a DB plan is likely to cost state and local governments less over the short term. The long-term cost savings of switching to a DC plan are uncertain at best.
- Almost all state and local DB plans provide disability and survivor benefits as well as retirement income. Switching to a DC plan would require employers to obtain these benefits from another source, likely at a higher cost.
- DB plans enhance the ability of state and local governments to attract qualified employees and retain them throughout their careers. Switching to a DC plan would limit this ability, possibly producing or exacerbating labor shortages in key service areas by increasing employee turnover rates. Higher turnover rates result in increased training costs and lower levels of productivity that can, in turn, result in the need for a larger total workforce.

Contents

Background 2

Chart 1: Participants in State and Local Government DB Plans 3

Chart 2: Accumulated Assets and Annual Benefit Payments of State and Local Government DB Plans 4

How DB Plans Work 4

How DC Plans Work 5

Advantages 6

Conclusion 14

Illustration by James Endicott © images.com

[1] Examples of DC-type plans available to state and local employees include governmental deferred compensation plans (also known as "457 plans") and 403(b) annuities. In addition, some state and local employees are also covered by 401(k) plans, if the plans were established before May 6, 1986. As reported by the Nationwide Retirement Education Institute in their 2004 report *America's Retirement Voice: Public Sector Retirement Yesterday, Today, and Tomorrow,* governmental 457 plans are in place for most large and mid-size cities and counties and all 50 states, covering approximately 3 million participants. According to a 2006 survey by the National Association of Government Defined Contribution Administrators (NAGDCA), 7.4 million governmental employees are eligible to participate in some form of defined contribution plan. This represents about half of current state and local government employees.

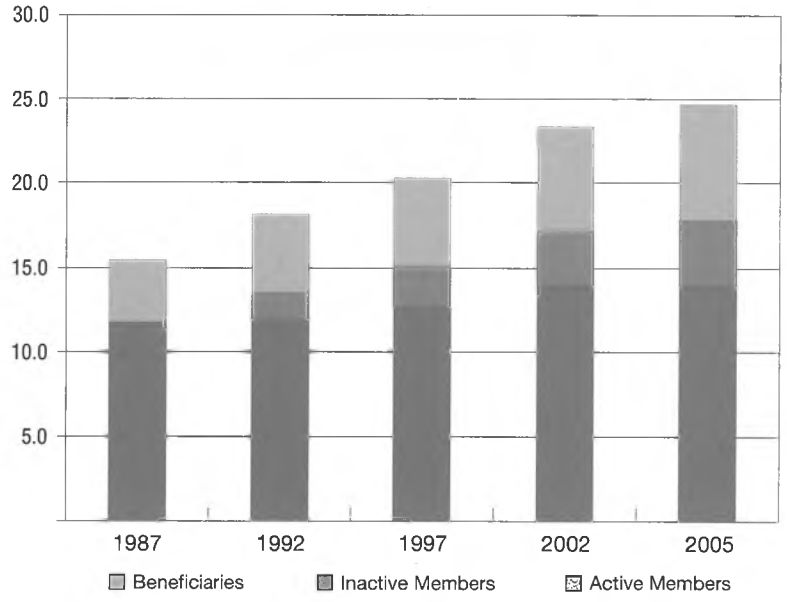
- DB plans help state and local governments manage their labor force by providing flexible incentives that encourage employees to work longer or retire earlier, depending on the circumstances. Switching to a DC plan would limit this flexibility and make these incentives more expensive for the employer.
- By pooling risk over a relatively large number of participants, DB plans lower the overall risk do to investment losses and participants outliving retirement benifits. Switching to a DC plan would require each individual to bear these risks alone, consequently requiring higher contributions than if the risks were pooled.
- DB plans earn higher investment returns and pay lower investment management fees, on average, than DC plans. Switching to a DC plan is likely to lower investment earnings used to finance retirement benefits and increase management costs, to the detriment of plan participants.
- DB plan investment earnings reduce future employer contributions. Switching to a DC plan would prevent state and local governments from reducing employer contributions through investment earnings, which currently fund over two-thirds of public retirement benefits.
- DB plans provide secure retirement benefits based on a person's salary and period of service. Switching to a DC plan is likely to result in lower and less secure retirement benefits for many long-term governmental employees, including firefighters, police officers, and teachers, who constitute over half of state and local government workers.[2] State and local employees who are without Social Security coverage would be put at even greater risk.
- DB plans help sustain state and local economies by providing adequate and steady retirement benefits for a significant portion of the workforce. Switching to a DC plan may slow state and local economies, since a large number of retirees would likely receive lower retirement benefits.
- DB plans provide benefits that help ensure an adequate standard of living throughout retirement. Switching to a DC plan likely would result in pressure on state and local governments to augment DC plan benefits and require increased financial assistance for retirees.

Background

State and local government retirement plans in the United States cover 14.1 million active employees (about 10 percent of the U.S. labor force) and 6.9 million retirees,[3] including teachers, police officers, firefighters, legislators, judges, and general employees. Ninety percent of state and local governmental employees are covered by defined benefit retirement plans.[4] Approximately 25 percent are not covered by Social Security, including close to half of public school teachers and about 70 percent of police officers and firefighters. State and local retirement plans paid annual benefits of $141 billion in 2005, averaging about $20,400 per retiree.[5] As of December 31, 2006, state and local plans had accumulated $3 trillion in assets, which were invested in a broadly diversified mix of equity and fixed-income securities.[6]

[2] U.S. Census Bureau, *Statistical Abstract of the United States 2004-2005* (Washington, DC: U.S. Government Printing Office, 2004), Table No. 454. Teachers, school employees, police officers, and firefighters constitute approximately 60 percent of state and local government employees.
[3] U.S. Census Bureau, *State and Local Government Employee-Retirement Systems,* Fiscal Year 2005, Table 5a. In addition to active employees and retirees, state and local plans also cover 3.8 million inactive members who are eligible for retirement benefits upon reaching retirement age. (www.census.gov/govs/www/retire05.html)
[4] U.S. Bureau of Labor Statistics, *Employee Benefits in State and Local Governments, 1998.* (Washington, DC: U.S. Government Printing Office, 2000), p. 5.
[5] U.S. Census Bureau, *State and Local Government Employee-Retirement Systems,* Fiscal Year 2005, Table 1. Average benefit calculated by the author and rounded to the nearest hundred dollars.
[6] Board of Governors of the Federal Reserve System, *Flow of Funds Accounts of the United States: Flows and Outstandings, Fourth Quarter 2006*, Table L-119. (www.federalreserve.gov/releases/z1/current/z1.pdf)

Chart I: Participants in State and Local Government DB Plans



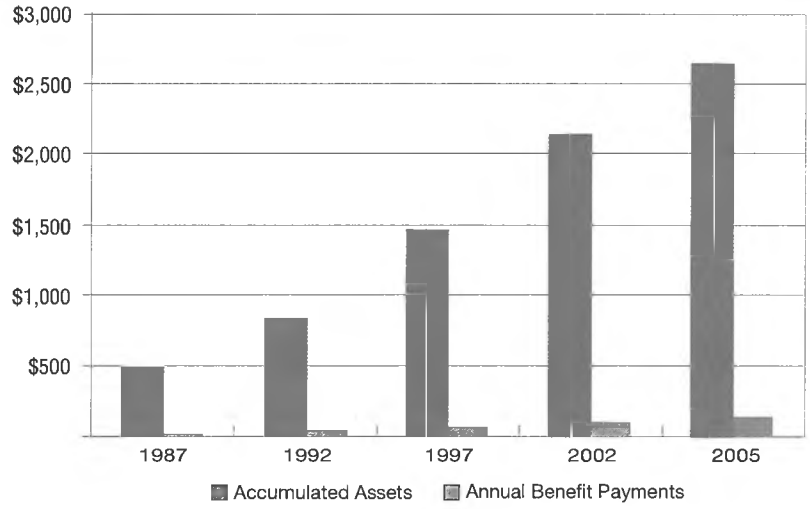
Source: U.S. Census Bureau, State and Local Government Employee-Retirement Systems, annual

Since the mid-1990s, legislation has been proposed in several states to replace state and local DB plans with DC plans. The pace of these proposals increased from 2003 through 2006, partly due to equity market downturns in 2000 through 2002 that resulted in increased contribution rates for many DB plans, both public and private. Proponents of the change argue that switching to a DC plan would lower the government's cost of providing retirement benefits, thereby reducing state and local taxes. They also argue that DC plans would benefit public employees by giving them higher benefits through DC plan investment earnings and by making it easier for employees to take their benefits with them when they change jobs.

As this paper shows, it is likely that switching to a DC plan would increase retirement costs over the short-term and possibly over the long-term as well. In addition, recent studies indicate that retirement benefits provided though DC plans are, on average, significantly lower than those provided through DB plans. Moreover, while DC plans are useful for providing supplemental, tax-deferred retirement savings, replacing DB plans with DC plans could cause severe, unintended consequences:

- Governments could lose a valuable tool for attracting and retaining qualified employees;
- Public employees could lose a significant amount of retirement income, potentially affecting state and local economies; and
- Legislators could face additional pressure to increase DC retirement benefits and provide additional financial assistance for public-sector retirees.

Chart 2: Accumulated Assets and Annual Benefit Payments of State and Local Government DB Plans



Source: U.S. Census Bureau, State and Local Government Employee-Retirement Systems, annual

How DB Plans Work

In a typical DB plan, employers promise to pay retirement benefits based on an employee's period of service and final average salary. A typical benefit formula for state and local general employees is 2 percent times final average salary times years of service.[7] Under this formula, an employee who works 20 years and retires with a final average salary of $40,000 would earn an annual benefit of $16,000.

Eligibility for the benefit (i.e., vesting) usually requires employees to work for a minimum period of time, typically 5 years.[8] Upon retirement, the benefit is provided as a series of monthly payments over the retiree's lifetime (and the surviving spouse's lifetime if this option is selected by the member who, in return, receives a reduced benefit). Most state and local employees are in DB plans that provide cost-of-living adjustments as protection against inflation. In addition, most also provide disability and pre-retirement death benefits.

DB plan benefits are financed by contributions from the employer (and most often from employees as well) and investment income. Employee contributions are usually established at a fixed rate of pay, averaging a little over 4 percent for general employees and almost 7 percent for public safety employees and teachers.[9] Employer contributions are calculated so

[7] The "2 percent" portion of this benefit formula is referred to as the "benefit multiplier." Benefit multipliers vary, depending on occupation and Social Security coverage. According to the NASRA/NCTR 2003 Public Fund Survey, the median benefit multiplier is 1.85 percent for state and local employees covered by Social Security and 2.20 percent for those not covered by Social Security.

[8] National Education Association, *Characteristics of Large Public Education Pension Plans* (Washington, DC: National Education Association, 2004). The 88 statewide plans surveyed cover 9.4 million active workers. Fifty-seven percent of the plans had vesting periods of five years.

[9] Public Pension Coordinating Council, *2000 Survey of State and Local Government Employee Retirement Systems*, April 2000, Table VII-7. Employee contributions as a percentage of payroll averaged 4.2 percent for general employees, 6.8 percent for teachers, and 6.9 percent for public safety employees.

that, over the long-run (50 years or more), annual contributions plus expected investment earnings are enough to pay the promised benefits plus administrative expenses. These calculations are done by actuaries and designed to maintain employer contribution rates at a level percent of payroll, by smoothing short-term investment fluctuations and using other actuarial techniques.[10] Plan assets are invested in professionally managed, broadly diversified portfolios, with investment fees paid by the plan or employer. Retirement benefits are paid from accumulated contributions and investment earnings.

For employers, a key advantage of DB plans is that investment earnings reduce future employer contributions. In other words, employer and employee contributions generate investment earnings that, in turn, are used to pay benefits that would otherwise have to be paid from future employer contributions. From 1986 through 2005, state and local DB plan investments earned $2.26 trillion, reducing the need for additional employer contributions and taxpayer revenues.[11]

A potential disadvantage of DB plans is that when investment earnings are less than expected, additional employer contributions are required. However, it should be noted that the $2.26 trillion earned by state and local investments over the past 20 years includes investment losses that occurred in 2000 through 2002, as well as in 1987 and 1994.

For employees, a key advantage of DB plans is that they provide secure and predictable retirement income over their lifetimes based on pre-retirement earnings. A key disadvantage is that employees who do not remain employed long enough to become vested often lose their DB plan benefits, although employee contributions are nearly always returned with interest.

How DC Plans Work

In a DC plan, employers provide employees with individual investment accounts and promise to contribute a certain amount to the accounts ranging from 3.5 percent to 8 percent (or more) of pay while the employee is employed. Employees can also contribute to their accounts and decide how the assets are invested, choosing from a number of funds representing major investment categories. Investment management fees are paid from the employee's account, reducing the funds available to pay benefits. At retirement, the employee's benefit is paid solely from the contributions and investment earnings that have accumulated in the individual's account.

For employers, one advantage of DC plans is that the employer's contribution rate is fixed and unaffected by downturns in investment markets. Moreover, the employer has no financial liability for the employees after they retire, even if the DC accounts are insufficient to provide an adequate retirement benefit. (While this may be an advantage for private-sector employers, it is a disadvantage for state and local governments—and taxpayers—who may have to pay increased public financial assistance as a result.)

A disadvantage for employers is that DC plans may not be a strong incentive for attracting and retaining qualified employees, especially if competing employers are offering DB

[10] These smoothing techniques work well when investment fluctuations are moderate and short-lived.
[11] U.S. Department of Commerce, U.S. Census Bureau, through 1996, *Finances of Employee-Retirement Systems of State and Local Governments*, Series GF, No. 2, annual; beginning 1997, *State and Local Government Employee-Retirement Systems*, annual.

plans. Moreover, if employees' account balances are inadequate to provide retirement benefits when the employees intend to retire, employers can end up with a number of active employees who are not performing at peak productivity (also known as being "retired in place"). Another disadvantage is that, since the employer's contribution rate is fixed in a DC plan, upturns in the investment markets do not reduce the employer's contribution rate, as they do in DB plans.

For employees, one advantage of DC plans is that the vesting period is typically shorter than for DB plans. Six months to two years is typical.[12] Moreover, DC accounts are more "portable"—that is, easier to transfer if the employee changes jobs. A major disadvantage is that DC accounts are subject to investment risk and may not be enough to sustain employees throughout their retirement. Another disadvantage is that a high percentage of employees cash-out and spend some or all of their DC accounts when they change jobs, significantly reducing the amounts available to pay retirement benefits.[13]

The remainder of this paper describes the advantages of retaining DB plans.

Advantage 1: Retaining a DB plan is likely to cost state and local governments less over the short term. The long-term cost savings of switching to a DC plan are uncertain at best.

- **DC plans are costly to establish and maintain.** A DC plan must be designed, vendors must be selected, its operation must be monitored, and employees must be informed about plan features and available investments. Staff time is spent throughout this process, and the sponsoring government must pay legal and consulting fees. If a third-party administrator is not hired to operate the plan, the government must do this as well. Even if a third-party administrator is hired, the government will still have operating costs related to the DC plan, possibly ranging in the millions of dollars.

    - For example, the budget for the State of Florida's DC plan, established in 2000, totaled $89 million from FY 2001 through FY 2004. This includes $55 million to educate Florida's 650,000 government employees about the new plan.[14] As of 2004, approximately 3 percent of DB participants had chosen to transfer to the DC plan.[15]

- **Pension benefits currently promised to state and local employees and retirees may not be abandoned. Switching to a DC plan does not reduce accrued DB plan benefits already earned.** Most governmental DB plan benefits are protected by the state's constitution or statutes that prevent accrued benefits from being reduced. Consequently, when an alternative DC plan is established, current DB plan members remain in the DB plan but may be given the option to transfer to the new DC plan. For current DB plan members who elect the DC plan, the value of the member's accrued DB benefit is often transferred to the DC plan.[16]

[12] However, some public-sector DC plans require 5 years of service (or more) for employees to completely vest in the employer's contributions.
[13] This is surprising since the cashed-out amounts are subject to income taxes. In many cases they are also subject to a 10 percent penalty tax on early distributions.
[14] Information provided by the Pension Protection Coalition, based on an analysis of the Florida Public Employee Optional Retirement Program's approved budgets and revenue collections. The analysis was done for the Coalition by the law firm of Olson, Hagel & Fishburn, LLP, January 18, 2005. The budgeted amounts exclude investment management fees paid by plan participants. Used with permission.
[15] Anya Sostek, "Pension Pendulum," *Governing Magazine*, March 2004: 28.
[16] If the member's accrued DB benefit is not transferred to the DC plan, it is maintained in the DB plan.

- **When given the option, most employees remain in the DB plan.** In most cases, only a small percent of employees elect to transfer from the DB plan to the DC plan.[17] To increase the number of employees who eventually enter the DC plan, some governments have restricted the DB plan to current employees and have required newly hired employees to join the DC plan.[18]

- **Even when new hires are required to join the DC plan, long-term cost savings for employers are uncertain and may take many years to realize.** When a DB plan is closed to new hires, it still covers current employees and retirees, and benefits continue to accrue to active employees as a result of their service. To the extent that plan assets are less than accrued liabilities, unfunded liabilities remain. For DB plans with unfunded liabilities, closing the DB plan to new hires will likely increase the employer's annual required contribution rate. Because new hires are not entering the plan, the cost of funding the liabilities is spread over a declining number of active members,[19] thereby increasing the employer's contribution rate as a percent of covered payroll. In addition, since a growing portion of plan assets must be used to pay benefits, a growing portion of assets will likely be held in short-term securities, thereby reducing investment returns.

    - For example, the Los Angeles County Employees Retirement Association (LACERA) estimated that the County's DB plan contribution rate would increase by 3.66 percent if employees hired after July 1, 2007, were required to join a DC plan. This would increase County contributions to the closed DB plan by $206 million in 2008. While the contributions would gradually decline over time, the County would have to wait until 2018 to see any savings in DB plan costs as a result of the change.[20]

- **In several cases, states have replaced (or have considered replacing) DC plans due to inadequacy of plan benefits or increased costs.**

    - In 1977, the North Dakota Public Employees Retirement System, originally established as a DC plan in 1966, was changed to a DB plan. Reasons given include the need to provide adequate retirement benefits and the need to attract and retain quality employees.[21]

    - In 2000, the State of Nebraska reviewed its two DC retirement plans for state and county workers and found that between 1983 and 1999 the DC plans' investment returns averaged only 6 percent compared with 11 percent for the state's DB plans. Recognizing these returns were inadequate to

[17] Sostek, 2004. Three percent of employees covered by the DB plan elected to join the new DC plan in Florida, 6 percent in Michigan, and 2.5 percent in Ohio.
[18] National Association of State Retirement Administrators, "Overview of Plan Types." Of the 14 state retirement systems discussed in this paper, only two (Michigan and West Virginia) required newly hired employees to join the DC plan. The remaining systems offered DC plans as a voluntary alternative to the DB plan or offered a new plan that combined DB and DC plan features. Available on the NASRA web site (www.nasra.org).
[19] Governmental Accounting Standards Board, Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* (Norwalk, CT: Governmental Accounting Standards Board, 1994), p. 7. In situations where a DB plan is closed to new members, unfunded liabilities are amortized as a level percent of projected payroll, including projected decreases in the number of active plan members.
[20] Los Angeles County Employees Retirement Association, "Proposals to Close Public Defined Benefit Plans." (http://www.lacera.com/home/ProposalstoClosePublicDefinedBenefitPlans.html).
[21] North Dakota Legislative Council, Employee Benefits Program Committee, "Public Employees Retirement Programs – History," October 1998.

sustain retirement benefits, the state responded by creating a new hybrid plan for state and county workers, combining both DB and DC plan features.[22]

- In 2005, the West Virginia Legislature passed a law requiring teachers in the Teacher's Defined Contribution (TDC) Plan (created in 1991) to transfer into the State Teachers' Retirement System, a DB plan, effective upon approval by TDC plan members. According to the West Virginia Consolidated Public Retirement Board's actuary, the change would save the State $1.9 billion over the next 30 years, because lower employer contributions were required for the DB plan (4.3 percent of payroll) than for the DC plan (7.5 percent of payroll). State teacher representative also indicated the change would help prevent teachers from leaving their jobs.[23] In 2006, TDC plan members voted to merge with the DB plan. However, because the law required the transfer of vested DC assets, it was contested and overturned in circuit court.[24]

Advantage 2: Almost all state and local DB plans provide disability and survivor benefits as well as retirement income. Switching to a DC plan would require employers to obtain these benefits from another source, likely at a higher cost.

- **Almost all state and local DB plans provide disability and survivor benefits.** According to the U.S. Bureau of Labor Statistics, 97 percent of state and local government employees in DB plans have disability coverage through the plan and 93 percent may elect joint and survivor benefits.[25] These benefits are largely funded through contributions and investment earnings. Disability and survivor benefits are especially important for employees in hazardous occupations such as firefighters and police officers who may die or become disabled in the line of duty.

- **Few DC plans provide disability benefits. Moreover, DC plan survivor benefits are usually limited to the participant's account balance.** In the absence of a DB plan, employers would need to obtain disability and pre-retirement death benefits through commercial insurance or else would have to self-fund the benefits. Either of these options would result in additional administrative costs. If the benefits were obtained through commercial insurance, the employer's cost would also include the insurer's profit margin.

Advantage 3: DB plans enhance the ability of state and local governments to attract qualified employees and retain them throughout their careers. Switching to a DC plan would limit this ability, possibly producing or exacerbating labor shortages in key service areas by increasing employee turnover rates. Higher turnover rates result in increased training costs and lower levels of productivity that can, in turn, result in the need for a larger total workforce.

- **Employers offer retirement plans as a way to attract qualified employees and retain them so their skills and experience are used efficiently.** According to the Diversified

[22] Anya Sostek, p. 28.
[23] Jim Wallace, "Teacher pension bill has hurdles," *Charleston Daily Mail*, March 31, 2005.
[24] *Antony J. Barbario v. West Virginia Consolidated Public Retirement Board*, Civil Action 06-C-687, Circuit Court of Kanawha County, West Virginia.
[25] U.S. Department of Labor, Bureau of Labor Statistics, *Employee Benefits in State and Local Governments, 1998* (Washington, DC: U.S. Government Printing Office, December 2000), pp 94-98.

Investment Advisors' Report on Retirement Plans, most large employers see a tangible value in offering a defined benefit plan to their employees – despite the high costs sometimes associated with it. Fifty-eight percent of plan sponsors with 25,000 or more employees believe that their DB plans have a major impact on employee retention.[26]

- **DB plan provisions encourage employees to remain with an employer longer than DC plan provisions.** The vesting period for DB plans is typically longer (e.g., 5 years) than the vesting period for DC plans (e.g., 6 months to 2 years). Consequently, employees have a financial incentive to continue working for the employer at least until they vest. After that, DB plan benefit accruals based on continued service provide an additional financial incentive to remain.

- **Key governmental service areas, such as education and public safety, require skilled and dedicated employees to work in positions involving high levels of stress or physical activity or both.** Individuals with the skills and temperament to take on these roles usually have other opportunities in the labor market. DB plans provide strong incentives by rewarding long-term, dedicated service with a secure retirement.

Advantage 4: DB plans help state and local governments manage their labor force by providing flexible incentives that encourage employees to work longer or retire earlier, depending on circumstances. Switching to a DC plan would limit this flexibility and make these incentives more expensive for the employer.

- **Governments can use DB plan benefits as a way to manage their labor force by rewarding longer employment and encouraging retirement after a certain period of employment.** DB plan benefit formulas can be structured to provide incentives for longer employment by increasing the benefit multiplier after a certain period of service.

    - For example, the formula could provide benefits of 2.0 percent of final average earnings for the first 20 years of service and 2.2 percent for service over 20 years. To encourage retirement after a certain period of employment, DB benefit formulas can limit benefit accruals to a maximum percent of final average earnings or a maximum years of service. In this example, if the benefit accrual was limited to 62 percent of final average earnings, it would encourage employees to retire after 30 years of service. Other options, such as early retirement incentives (ERIs) and deferred retirement option plans (DROPs), are also available.

Advantage 5: By pooling risk over a relatively large number of participants, DB plans lower the overall risk do to investment losses and participants outliving retirement benifits. Switching to a DC plan would require each individual to bear these risks alone, consequently requiring higher contributions than if the risks were pooled.

- **DC plan participants must save enough to ensure they will not outlive their accumulated assets while protecting their funds against financial market fluctuations.** According to the Society of Actuaries RP-2000 mortality tables, 50 percent of U.S.

[26] "Majority of U.S. Companies That Offer a Pension Plan Say It Impacts Employee Retention," *Business Wire*, September 7, 2004.

males who reach age 65 will live to age 83, 10 percent will live to age 93, and about 1 percent will live to 100. Moreover, 50 percent of U.S. females who reach age 65 will live to age 85, 10 percent will live to age 96, and 2 percent will live to 100. To ensure their DC accounts will sustain them over their expected lifetimes, DC plan participants must save enough to ensure their benefits will be paid into their 90s.

- A 25 year old male would have to save 17 percent of his salary each year to age 65 in order to replace 75 percent of his pre-retirement income from age 65 to age 93 (assuming 7 percent annual investment returns). A 25 year old female would have to save 18 percent of her salary to assure 75 percent income replacement to age 96. However, if these longevity risks were pooled over a large enough group to allow the risks to be fully averaged, the required savings rate would fall to 13.6 percent of salary for both males and females.[27] Risk pooling is one of the main advantages of a DB plan.

- **In order to lower investment risk, DC plan participants usually shift a greater portion of their assets from stocks into bonds as they grow older. While this helps protect against equity market downturns, it also lowers likely investment return.** According to a 2004 Employee Benefit Research Institute study, 401(k) plan participants in their 20s invest 65 percent of their account balances in equities (including company stock) and 21 percent in fixed-income securities, on average. Participants in their 60s invest 49 percent in equities and 40 percent in fixed-income securities.[28] In contrast, large public retirement systems hold 60 percent of assets in equities, 29 percent in fixed-income securities, and the remaining 11 percent in other investments.[29] This pooling of assets allows DB plans to maintain a more diversified portfolio and helps to lower investment management fees.

- **By averaging longevity and investment risks over a large number of participants, DB plans lower the total costs of providing retirement benefits.** Instead of requiring contributions large enough to fund retirement benefits through each individual's maximum life expectancy, DB plans only need to fund benefits through the average life expectancy of the group. This lowers required contributions. Moreover, by spreading investment risk over a longer period, DB plans can maintain an investment mix that includes a higher percentage of equity investments. This increases likely investment returns, which further lower required contributions. In the example presented earlier in this section, if the pooling of funds could increase investment returns from 7 percent to 8 percent, then the required savings rate for the pooled participants would fall from 13.6 percent to 10.0 percent.[30]

[27] Gabriel, Roeder, Smith & Company, "The Advantages of Risk Pooling for Financing Retirement Benefits," *GRS Insight*, July 2006. (http://www.gabrielroeder.com/pubs/GRSInsight-2006-07.pdf)
[28] Sara Holden and Jack VanDerhei, "401(k) Plan Asset Allocation, Account Balances, and Loan Activity in 2004," *EBRI Issue Brief*, No. 272, August 2004. Employee Benefit Research Institute.
[29] Keith Brainard, *Public Fund Survey Summary of Findings for FY 2005*, National Associaiton of State Retirement Administrators, September, 2006, p. 5.
[30] Gabriel, Roeder, Smith & Company, "The Advantages of Risk Pooling for Financing Retirement Benefits," *GRS Insight*, July 2006. (http://www.gabrielroeder.com/pubs/GRSInsight-2006-07.pdf)

Advantage 6: DB plans earn higher investment returns and pay lower investment management fees, on average, than DC plans. Switching to a DC plan is likely to lower investment earnings used to finance retirement benefits and increase management costs, to the detriment of plan members.

- **On average, investment returns for DC plans are lower than for DB plans, resulting in significantly lower investment earnings over an individual's lifetime.** According to Boston College economist Alicia Munnell, DB plans outperformed DC plans by one percentage point annually, on average, between 1988 and 2004.[31] For a person contributing $5,000 to a DC plan each year for 40 years, the difference between an 8.0 percent annual return and a 7.0 percent return amounts to a loss of over $279,000.[32] Other studies show that individual, non-professional investors may underperform the market by as much as 2.0 percent annually.[33] The difference between an 8.0 percent annual return and a 6.0 percent return amounts to a loss of over $521,000.[34]

- **Administration and investment costs for DC plans can be more than four times higher than for DB plans. In DC plans, these costs are borne directly by individual plan participants through deductions from their DC accounts.** According to the Investment Management Institute, the operating expense ratio for DB plans averaged 31 basis points in 2003 (31 cents per $100 of assets) compared with 96 to 175 basis points for DC plans.[35] According to the Illinois Municipal Retirement Fund, the total annual administrative and investment cost for their DB plan amounted to 44 basis points in 1999. Had they switched to a DC plan, total annual administrative and investment costs could have increased up to 225 basis points, or up to $250 million more than the annual administrative and investment costs paid by the DB plan.[36]

- **Employees direct their own investments in a DC plan, usually selecting from among several funds that reflect major investment categories. Generally, employees have limited investment experience or training.** According to a 2007 study by Watson Wyatt Worldwide, many DC plan participants "don't start saving soon enough, don't save enough, and don't follow sound investment principles in managing their retirement assets." The study also found that assets are more effectively managed in DB plans, in part because plan administrators work with consultants and professional asset managers to set and implement investment goals.[37]

- **DC plan participants often cash-out and spend some or all of their DC accounts when they switch jobs. As a result, the accounts contain less money to earn investment returns and to pay benefits at retirement.** According to Alicia Munnell, more than half of DC plan participants withdraw funds from their DC accounts when they change jobs, removing between one-quarter and one-third of their total DC plan assets before they reached retirement.[38]

---

[31] Alicia H. Munnell et al, "Investment Returns: Defined Benefit vs. 401(k) Plans," *Issue Brief*, Center for Retirement Research at Boston College, September 2006.
[32] Author's calculations.
[33] W. Michael Carter, Actuary. February 6, 1998. Letter comment on "Pension Liberation: A Proactive Solution to the Nation's Public Pension Systems." Letter is posted on the National Council on Teacher Retirement website (www.nctr.org).
[34] Author's calculations.
[35] Sean Collins, "The Expenses of Defined Benefit Pension Plans and Mutual Funds," *Perspective*, Vol. 9, No. 6, December 2003. DC plan expenses include 12-b1 marketing and distribution fees.
[36] Louis W. Kosiba, "The Defined Benefit vs. Defined Contribution Debate: The $250 Million Question," Illinois Municipal Retirement Fund, October 13, 1999, p. 2. IMRF serves over 360,000 active employees, inactive members, retirees and beneficiaries.
[37] Watson Wyatt Worldwide, *Pension Aspirations and Realizations: A Perspective on Yesterday, Today, and Tomorrow*, March 2007.
[38] Alicia H. Munnell and Annika Sunden, *Coming Up Short, The Challenge of 401(k) Plans*, (Washington, DC: Brookings Institution Press, 2004), p. 132.

Advantage 7: DB plan investment earnings help to reduce future employer contributions. Switching to a DC plan would prevent state and local governments from reducing future employer contributions as a result of investment earnings, which currently fund over two-thirds of public retirement benefits.

- **State and local governments have benefited from investment returns overall and many have used investment earnings to reduce employer contributions.** Over the long-term, an employer's cost of providing DB plan benefits depends on investment earnings. Although investment earnings can fluctuate sharply at times (as happened from 2000 through 2002), over the last 20 years state and local governments have substantially benefited from investment returns and have used the accumulated assets to lower employer contributions. As provided in governmental accounting standards, plan assets that are greater than plan liabilities are amortized to reduce employer contributions.[39] A 2002 survey of Michigan state and local government retirement systems shows that of 115 independent local government retirement plans surveyed, employer contributions for 102 (89 percent) were below the normal cost of benefits as a result of this amortization.[40]

- **Most of the money paid into state and local retirement plans comes from investment earnings.** Over the 20-year period from 1986 through 2005, state and local government investment earnings amounted to about $2.3 trillion, compared with employer contributions of $790 billion and employee contributions of $400 billion.[41] This means two out of every three dollars paid into state and local retirement plans over the last 20 years was received from investment earnings. According to a paper on state and local retirement plans prepared for the Wharton School's Pension Research Council: **"Setting aside all the other benefits to employers and employees of DB plans, contributions to public pension plans may be among the best investments a state or local government can make."**[42]

Advantage 8: DB plans provide secure retirement benefits that are based on a person's salary and period of service. Switching to a DC plan is likely to result in lower and less secure retirement benefits for many long-term governmental employees, including firefighters, police officers, and teachers, who constitute over half of state and local government workers. State and local employees who are without Social Security coverage would be put at even greater risk.

- **Retirement benefits paid from DC plans are significantly less than those paid from DB plans.** The U.S. Congressional Research Service found that, for current older workers, DC-type plans will provide annual benefits of less than $5,000 for half the workers.[43] This is one-quarter of the $20,400 average annual benefits currently paid by governmental DB plans to state and local workers.

- **If average state and local retirement benefits fell from $20,000 to $5,000, it would mean a loss of approximately $106 billion in annual U.S. personal income.**[44] This loss would be felt by state and local economies, since many retirees remain in the

[39] Governmental Accounting Standards Board, Statement No. 27, p. 6.
[40] Gabriel, Roeder, Smith & Company, *2002 Michigan Public Employee Retirement Systems Survey,* (Southfield, MI: Gabriel, Roeder, Smith & Company, 2002).
[41] U.S. Department of Commerce, U.S. Census Bureau, through 1996, *Finances of Employee-Retirement Systems of State and Local Governments,* Series GF, No. 2, annual; beginning 1997, *State and Local Government Employee-Retirement Systems*, annual.
[42] Gary W. Anderson and Keith Brainard, "Profitable Prudence: The Case for Public Employer Defined Benefit Plans," Pension Research Council, Wharton School, University of Pennsylvania, 2004, p. 14.
[43] Patrick J. Purcell, "Retirement Savings and Household Wealth: A Summary of Recent Data," Washington, DC: Library of Congress, Congressional Research Service, December 11, 2003.
[44] Author's calculation based on $141 billion in annual pension benefits paid by state and local government retirement plans in 2005.

same location when they retire. These pension benefits are also, in most cases, subject to federal and state income taxes, thus resulting in a loss of tax revenues. Tax loses would also be seen in reductions of state sales tax revenues.

- **The change would have an even greater effect on the 25 percent of state and local government employees who are not covered by Social Security, including about half of school teachers and about 70 percent of police officers and firefighters.** When first enacted in 1935, Social Security excluded state and local employees, due largely to constitutional questions about the federal government's right to tax state and local governments. In 1950, Congress amended Social Security to allow state and local governments to voluntarily elect coverage. By then, however, half of the largest state and local plans had already been established, including many plans for teachers and public safety employees.[45] These DB plans provide benefits that compensate for the lack of Social Security coverage. Replacing them with defined contribution plans would put members at even greater risk, since they would not have Social Security benefits to fall back on.

Advantage 9: DB plans help sustain state and local economies by providing adequate retirement benefits for a significant portion of the workforce. Switching to a DC plan would likely slow state and local economies, since a large number of retirees would likely receive lower retirement benefits.

- **Public DB plans have a substantial impact on state and local economies.** For example, a 2006 economic impact study by the Perryman Group found that the $5.4 billion in annual benefits paid by the Teacher Retirement System of Texas (TRS) to approximately 250,000 retired teachers and beneficiaries generates $9.9 billon in total economic activity within the state. Moreover, as a result of TRS's strong investment performance, the overall return on state (and therefore taxpayer) contributions is significant: every $1 of state funds contributed to TRS leads to $7.85 in total spending in the Texas economy."[46]

- **The overall economic value added by the investment income of state and local DB plans over what would otherwise have been earned in DC plans is estimated to be about $200 billion annually, or 2.0 percent of U.S. Gross Domestic Product.**[47] In essence, state and local retirement plans act as financial engines, using employer and employee contributions to generate investment income that, when paid as retirement benefits, bolsters state and local economies by $200 billion a year. State and local retirees purchase a wide range of goods and services with their retirement income. These purchases, in turn, promote employment and create additional economic demand, generating additional economic activity. As a result of this multiplier effect, the economic activity generated by the higher investment earnings amounts to 2.0 percent of U.S. Gross Domestic Product. As a growing number of state and local employees retire, this percentage will likely increase.

[45] Olivia S. Mitchell, et al, *Pensions in the Public Sector*, (Philadelphia, PA: University of Pennsylvania Press, 2001) p. 13.
[46] The Perryman Group, *Beyond the Classroom: The Impact of Pension Benefits Paid by the Teacher Retirement System of Texas (TRS) on Business Activity in Texas, Its Regions, Metropolitan Areas, and Counties*, July 2006.
[47] Anderson and Brainard, p. 14.

Advantage 10: DB plans provide benefits that help to ensure an adequate standard of living throughout retirement.

Switching to a DC plan would likely result in pressure on state and local governments to augment DC plan benefits and require increased financial assistance for retirees.

- **If DC plan benefits are less than what is needed to ensure an adequate standard of living during retirement, continued pressure will be placed on state and local governments, legislators, and taxpayers as retirees outlive their retirement income.** Since DC benefits are not indexed to inflation, extended periods of even modest inflation will mean almost constant pressure for some form of additional financial support for retirees, who would make up a growing portion of the electorate. When DC plan benefit improvements are granted, they will be paid from current government revenues and will not be offset by investment earnings.

Conclusion

This paper addresses the question, "Should state and local government defined benefit plans be eliminated and replaced with defined contribution plans?" It concludes that such a move would have significant, long-term, detrimental effects on state and local governments, their employees, their economies, and ultimately the taxpayers.

In the final analysis, the real question is, "How can state and local governments efficiently provide secure, sufficient, and sustainable retirement benefits for their employees?" To answer this question, retirement benefits should be viewed in total, including benefits from Social Security, defined benefit plans, defined contribution plans, and individual savings. No single source alone is sufficient, but together they can be used to provide effective and efficiently funded retirement income. Eliminating defined benefit plans would only intensify future problems rather than provide solutions.

Instead, decisions should be based on a clear understanding of the goals that current plan design is intended to achieve for the various stakeholders, including the employer sponsoring the plan, plan participants, and taxpayers. Retirement plan design represents a significant public policy. Therefore, the plan sponsor contemplating changes must understand the policy implications of current plan design as well as any new proposals.

Success is most likely to happen after careful analysis. With proper analysis and an understanding of the needs of a changing population, fine-tuning the basic pension plan design can produce excellent results for all – sponsors, employees, retirees, and taxpayers.

NCPERS would like to thank the staff of Gabriel, Roeder, Smith & Company for their help in the preparation of this NCPERS Research Series publication.

National Conference on Public Employee Retirement Systems
444 N Capitol St, NW • Suite 221 • Washington, DC 20001 • 202-624-1456 • 1-877-202-5706 • 202-624-1439 FAX • info@NCPERS.org

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

BECKY HULTBERG, COMMISSIONER

SEAN PARNELL, GOVERNOR

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

April 13, 2011

The Honorable Bill Wielechowski, Chair
Senate State Affairs
State Capitol, Room 101
Juneau, AK 99801

Dear Senator Wielechowski:

Thank you for the opportunity to address the Senate State Affairs Committee during my confirmation hearing on Tuesday, April 5, 2011. Below is the response to the question that was raised during that session.

Q1: Given conservative assumptions about market performance and assuming typical step and cost of living increases, but not promotions, what would the balance of an employee's SBS account be as of July 1, 2036, assuming consistent step increases from an initial range 16, step A, over 30 years, for a PERS and TRS eligible employee?

A1: The SBS account balance for the employee after 30 years would be $427,312 (PERS only; TRS does not participate in SBS).

The total assets for a PERS employee under this scenario, assuming a conservative 4% investment return, would be about $880,000. This includes the defined contribution account balance accrued and invested with the same assumptions

I hope the question raised has been answered to your satisfaction. Please feel free to contact me at any time.

Sincerely,

Becky Hultberg

Becky Hultberg
Commissioner

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

BECKY HULTBERG, COMMISSIONER

SEAN PARNELL, GOVERNOR

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

April 4, 2011

The Honorable Johnny Ellis, Chair
Senate Finance Sub-Committee
State Capitol, Room 119
Juneau, AK 99801-1182

Dear Senator Ellis:

Thank you for your letter dated March 1, 2011, requesting information on the State's defined –contribution retirement programs. Below are the responses to questions you raised in your letter with the exception of the questions related to health reimbursement accounts, which I hope to have to you by the close of business tomorrow.

Statewide Personnel Requirements: *(Please note: Workplace Alaska, the State's online recruitment system has limited reporting capabilities which impedes our ability to provide the requested information. However, from fiscal year 2008 forward, recruitment data is available through the Alaska Data Enterprise Reporting System (ALDER). For this reason, several questions were answered for 2008 through 2010 only.)*

Q1: What was the average number of qualified applicants for all active recruitments in each year from 2001 to 2010?

A1: Please see attachment A, column titled: Average Qualified Applicant Count.

Q2: What was the average duration of all active recruitments in each year from 2001 to 2010?

A2: Due to reporting limitations, this information is not available. However, it is estimated that the average duration is 15 calendar days.

Q3: How many active recruitments were filled by Alaska residents in each year from 2001 to 2010?

A3: Please see attachment A, columns titled: Alaska Resident Hire Count and Percent of Resident Hire.

Q4: How many active recruitments were filled by non-Alaska residents in each year from 2001 to 2010?

A4: Please see attachment A, columns titled: Non-Alaska Resident Hire Count and Percent of Non-Alaska Resident Hire.

Q5: How many active recruitments were filled by current or former State of Alaska (SOA) employees in each year from 2001 to 2010?

A5: See attachment A, columns titled: Current Employee Appointees and Percent Current Employee Appointees.

Due to reporting limitations, we are unable to identify the number of vacancies filled by former State of Alaska employees.

Q6: How many active recruitments were filled by individuals who were not current or former SOA employees in each year from 2001 to 2010?

A6: Please see attachment A, columns titled: Non-Employee Appointees and Percent Non-Employee Appointees.

The data provided includes all appointees who were not working for the State of Alaska at the time of appointment. Therefore, former State of Alaska employees are included.

Q7: How many active recruitments were outstanding more than six months in each year from 2001 to 2010?

A7: Due to reporting limitations, this information is not available.

Q8: How many active recruitments were closed without hire due to lack of a qualified candidate in each year from 2001 to 2010?

A8: Please see the attachment A, columns titled: No Hire Made and Percent of No Hire Made.

The data provided reflects all recruitments in which no hire was made. We are unable to identify only those for which the reason was lack of a qualified candidate. A few of the other reasons for which hires were not made during this time period include:

- Hiring freeze in 2006 and 2009
- Noncompetitive appointment of an injured worker, layoff, transfer or rehire
- Position was recruited for in more than one location (e.g., Juneau and Anchorage)
- Position was recruited for at more than one level (e.g., Engineering Assistant I and II)
- Selection was not made within 90 days from recruitment closing date
- Current incumbent rescinded resignation

Q9: How many active recruitments were altered or adjusted after initial posting, including elimination of Alaska residency requirements, a reduction of minimum qualifications, or a change in employment location or conditions, in each year from 2001 to 2010?

A9: Please see attachment A, columns titled: Number Modified and Percent Modified.

It must be noted that these numbers represent all job postings that have been modified. Modifications include but are not limited to:

- Extension of recruitment closing date per hiring manager request
- Extension of recruitment closing date due to service interruption
- Change in scope (e.g., departmental to Alaska resident or Alaska resident to all applicant)
- Error correction

These numbers do not represent modifications such as a reduction in the minimum qualifications or a change in location. Modifications of this nature require a new recruitment posting. The disposition of the original posting would be "no hire made."

Statewide Personnel Retention:

Q10: What was the average tenure of the defined-benefit eligible employees leaving State employment in each year from 2001 to 2010?

A10: See Attachment B, column titled: Average Tenure by Year

Q11 What was the average tenure of the defined-contribution eligible employees leaving State employment in each year from 2006 to 2010?

A11: See attachment B, column titled: Average Tenure by Year

Q12: How many defined-benefit eligible employees who voluntarily terminated their State employment note in their exit survey that dissatisfaction with their tier of retirement benefits was a contributing factor to their choice to leave State employment in each year from 2001 to 2010?

A12: See attachment C, columns titled: Defined Benefit (DB) Comments and Percent of DB Comments vs Exit Survey Responses.

Data is not available for a full fiscal year prior to fiscal year 2003 as the survey was not utilized.

Q13: How many defined-contribution eligible employees who voluntarily terminated their State employment note in their exit survey that dissatisfaction with their tier of retirement benefits was a contributing factor to their choice to leave State employment in each year from 2006 to 2010?

A13: See attachment C, columns titled: Defined Contribution (DC) Comments and Percent of DC Comments vs Exit Survey Responses

Cost of Recruitment and Hiring:

Q14: What was the average cost in FY2010 of an active recruitment process from posting to issuance and acceptance of an offer of employment?

A14: The State's current processes and systems do not capture this information as much of the cost is related to staff time.

Q15: What was the average cost in FY2010 of the hiring process from the issuance and acceptance of an offer of employment to the full integration of the employee in the job responsibilities (including hiring paperwork, training, stationery, personal supplies, and all other costs related to the new employee)?

A15: Again, the State's current processes and systems do not capture this information.

Retirement Account Balances, Fees & Sufficiency:

Q16: If an employee hired into a PERS-eligible position (16a) on July 1, 2006; what would the balance of her PERS account be as of December 31, 2010, if she worked continuously in that position, attained typical step and COLA increases, and elected default retirement contribution and management options?

A16: The default option in 2006, was a fully managed account option that is tailored specifically for each participant. Assuming the individual averaged a 4% return during the period July 1, 2006, and December 31, 2010, the gross contribution balance would be approximately $32,272.

Q17: What portions of that balance would be: employee contributions, employer contributions, and interest/earnings?

A17:
Employee Contributions:	$17,829
Employer Contributions:	$11,143
Investment Earnings:	$ 3,300
	$32,272

Q18: How much would have been paid in fees from that account?

A 18:
$35 flat fee per year	=$175.00
Recordkeeping fee	=$106.56
Managed Account Fee	=$429.12
Five Yr. Total	$710.68

Q19: Given conservative assumptions about market performance and assuming typical step and COLA increases (but not promotions), what would the balance of her account be as of July 1, 2036? i.e. 30-years of service.

Assuming consistent step increases from an initial range 16 step A over the 30-year period the total gross balance would be $462,072.93

$85/400,000

A19: What would the account balances be (as of December 31, 2010, and as of July 1, 2036) if the employee was TRS-eligible under the same circumstanced?

2010 Balance = $ 37,237.47
2036 Balance = $533,161.07

Q20: What is the average account balance of all members in PERS Tier IV as of December 31, 2010, and TRS III?

A20: As of December 31, 2010, the average account balance of all members were as follows:

PERS = $ 9,694
TRS = $15,864

Q21: How is the fee amount determined for managing the defined-contribution retirement accounts?

A21: Members of the defined contribution retirement plans are currently defaulted into an age-based target date fund as of the date initial contributions are received. The age-based target date fund provides exposure to a diversified mix of stocks, bonds and cash or money market securities for long-term investors. The Trust is designed to initially invest in a moderate to high risk manner and gradually invest more conservatively, with emphasis on capital preservations as the target date approaches. With the exception of the standard fund management and administrative fees that pertain to all the investment options provided by the Plan, there are no additional fees.

Members can elect a more personalized management of their account by electing either of two options provided by Great-West Retirement Services. In both options members must actively elect to participate in the advice services and they provide additional information, such as other assets outside of the plan, potential retirement benefits from all expected sources, risk tolerance level and estimated retirement date. With this information, a customize portfolio can be built.

Under the Advice option, the member signs up, then submits all the information above and then requests the advice. The advice can be accepted or denied. The member can come back and request advice as often during the year as they wish. The member's account is not monitored or changed unless the member requests advice and accepts the advice. The fee for this service is $25 per year.

Under the Managed Accounts option, the member signs up, submits all the same information and from that point their account is monitored and adjusted by Great-West with no further intervention required by the members. The fee for this service is 0.50% of the balance annually charged on a quarterly basis.

Q22: How does that compare with members in the defined-benefit retirement system?

A22: Defined Benefit employees receive benefits based upon a formula rather than an account balance. No fees are imposed on the individual member.

Q23: How many defined-benefit members not yet vested converted to defined contributions?

A23: 46 PERS and 11 TRS members who were not vested elected to convert from the defined benefit plan to the defined contribution plan. Five employers, including the State of Alaska, offered a conversion opportunity.

Q24: How much money did they take with them?

A24: $496,792.06 in employee contributions and $496,792.06 in matching employer contributions. $993,584.12 total contributions.

Q25: How many of them are still public employees in the State of Alaska?

A25: Seven PERS members and three TRS members are currently active employees.

Q26: How many defined-benefit eligible employees who left state employment cashed out their accounts before June 30, 2005, returned to work for the state or local governments in order to become re-vested in a defined-benefits plan before July 1, 2010?

A26: There are 2,486 people who refunded on or before June 30, 2005 that have returned to a PERS DB position before July 1, 2010.

Classification:

Q27: Please describe the methodology of the "point factor method" and the selection of a vendor.

A27: Point Factor Evaluation System uses defined compensable factors and levels within each factor to establish the value of a position. Factors represent the requirements, responsibilities, and conditions used to measure the relative value of a particular job. The importance of each compensable factor is indicated by its relative weight. Position (job) descriptions are compared to the definitions of the factor levels to determine the appropriate level for that position. The corresponding points for that level are awarded to the position and the points for all factors are combined to derive a total score. The total score determines the job class level and salary range of the position.

The selection of a vendor will follow the standard Request for Proposals process in accordance with AS 36.30.

Q28: Will you be requiring a full review of every job description and all associated audits?

A28: Converting to a point factor method will not require a full review of every job (position) description. It will be assumed that positions are allocated to the appropriate job class. It is the job class specification that will be reviewed against the factors. A job class specification includes the class definition, distinguishing characteristics, typical duties and responsibilities, and minimum qualifications. As is the current practice, individual position descriptions will be reviewed as necessary following implementation.

I hope the questions raised have been answered to your satisfaction. Please feel free to contact me at any time.

Sincerely,

Becky Hultberg

Becky Hultberg
Commissioner

cc: Senate Finance Sub-Committee Members

Attachment A
Recruitment Analysis

Fiscal Year	Average Qualified Applicant Count	Non-Alaska Resident Hire Count	Percent of Non-Alaska Resident Hire	Alaska Resident Hire Count	Percent of Resident Hire	Current Employee Appointees	Percent Current Employee Appointees	Non-Employee Appointees	Percent Non-Employee Appointees	Total Appointed
2001	11									
2002	12									
2003	14									
2004	14									
2005	10									
2006	8									
2007	7									
2008	8	64	2%	3483	98%	1702	48%	1870	53%	3547
2009	9	143	5%	3028	95%	1307	41%	1889	60%	3171
2010	14	130	4%	3123	96%	1267	39%	2027	62%	3253

More people applying from lower 48

Fiscal Year	Recruitments Conducted	No Hire Made*	Percent No Hire Made
2001	2906	440	15%
2002	2950	484	16%
2003	2786	539	19%
2004	2415	439	18%
2005	3242	605	19%
2006	3505	855	24%
2007	3631	1017	28%
2008	3958	1135	29%
2009	3541	1094	31%
2010	3304	809	24%

hiring freeze

hiring freeze

Fiscal Year	Total Recruitments	Number Modified*	Percent Modified
2008	4139	1271	31%
2009	3511	1019	29%
2010	3361	925	28%

→ ALDER just implemented

***Further explanation provided in written response to Senator Ellis' letter dated March 1, 2011.**

Source: ALDER/Development Environment
G: ...Personnel\EPIC\Projects\Leg 2011 Leg Request\Recruitment Analysis
Prepared by C. Preecs, HRS, DOPLR EPIC

Attachment B
Average Tenure by Fiscal Year

Fiscal Year	Retirement System	Separated Employee Count	Average Tenure by Days	Average Tenure by Year
2001	Defined Benefit	1252	3000.8	3.4
2002	Defined Benefit	1221	2703.8	3.3
2003	Defined Benefit	1368	3072.6	3.7
2004	Defined Benefit	1383	3004.2	3.8
2005	Defined Benefit	1521	3189.2	4.2
2006	Defined Benefit	1560	3149.3	4.3
2007	Defined Benefit	1575	3658.8	4.3
	Defined Contribution	188	330.5	0.5
2008	Defined Benefit	1270	3830.3	3.5
	Defined Contribution	430	433.2	1.2
2009	Defined Benefit	944	4615.6	2.6
	Defined Contribution	520	576.6	1.4
2010	Defined Benefit	1025	4972.6	2.8
	Defined Contribution	607	653.4	1.7

Notes:
481 employees have been excluded from calculations due to unavailability of their original hire date
Average tenure is calculated by subtracting the separation date from the original hire date

Source: ALDER Rep Eff Date 03/03/11, PIT Date 03/03/11
G:\.....\Reporting\Projects\Leg 2011 Request\EX Branch Separated EE list from FY 2001 to 2010-Leg Senator Ellis-110315
Prepared By F. Hurt, HR Speciatlist, DOPLR EPIC

Attachment C

Exit Survey
Retirement Tier as a Contributing Factor to Separation of Employment

Fiscal Year	Executive Branch Separations	Total Exit Survey Responses	Exit Survey Response Rate	Defined Contribution (DC) Comments	Percent of DC Comments vs Exit Survey Responses	Defined Benefit (DB) Comments	Percent of DB Comments vs Exit Survey Responses	Unknown Tier Comments
2003	2976	90	3%			1	1%	
2004	2567	160	6%			2	1%	
2005	3037	183	6%			1	1%	
2006	2970	215	7%			1	0%	
2007	2943	242	8%			2	1%	1
2008	2649	297	11%	3	1%	1	0%	4
2009	2566	335	13%	6	2%	0	0%	7
2010	2991	499	17%	7	1%	3	1%	1
Grand Total	**22699**	**2021**	9%	**16**	**1%**	**11**	**1%**	**13**

In all survey responses counted in the columns titled "Defined Contribution (DC) Comments," Defined Benefit (DB) Comments," and "Unknown Tier Comments " the separting employee indicated that their retirement benefit was a contributing factor in their decision to separate from employment.

need to better implement exit surveys anonymous.

Source: Exit Survey Data Base
G:...EPIC\Reporting\Projects\Leg Request 2011\Exit Survey Retirement Benefit Responses-Ellis-110321
Prepared by R. Morrison, HRS, EPIC, DOPLR

State of Alaska PERS and TRS

Benefit Comparison Between Latest Tier DB and DCR Benefits

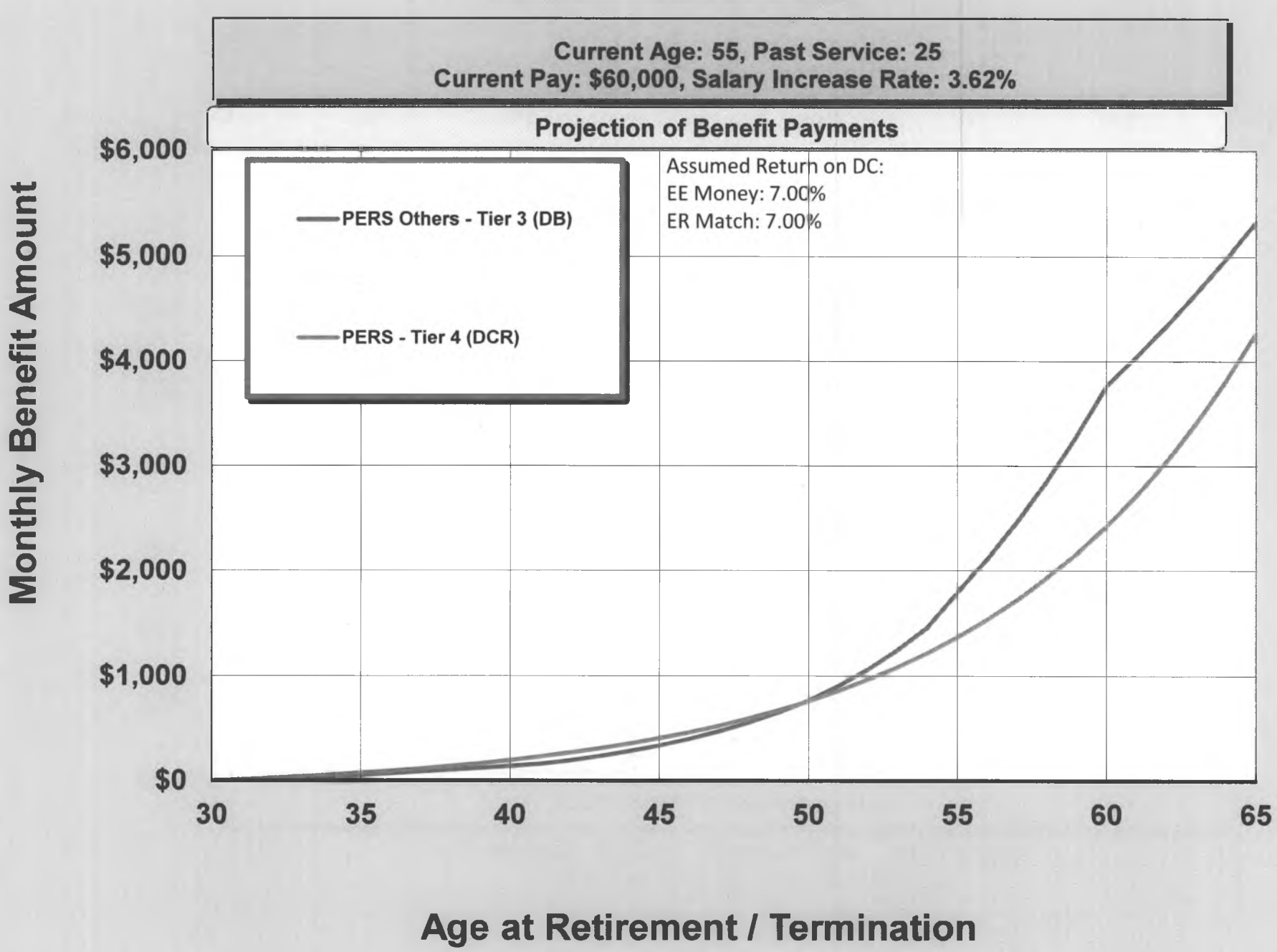
Illustrations for SB 121

October 13, 2011

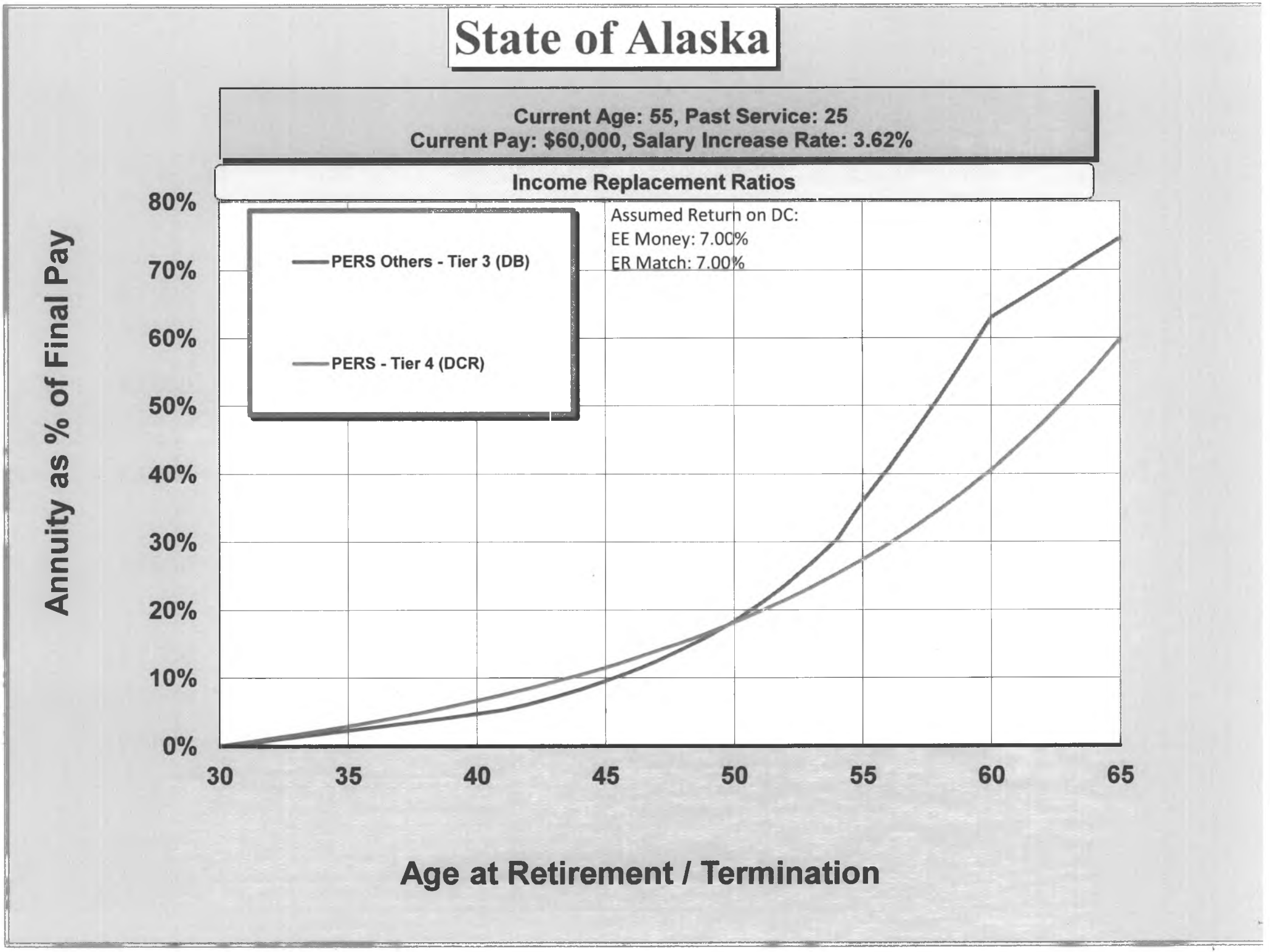
Assumptions

- Benefit amounts were projected for sample members based on average salary and career service for PERS and TRS
  - PERS Tier 3 DB benefit and Tier 4 DCR benefit for Peace Officers / Firefighters and Other members
  - TRS Tier 2 DB benefit and Tier 3 DCR benefit for all members
  - No Healthcare or SBS benefits were included
- Actuarial assumptions were made consistent with June 30, 2010 actuarial valuation reports
  - Life expectancy based on PERS/TRS mortality tables
  - DB benefits valued using 8% interest rate and 2% PRPA
  - DCR balances annuitized using 5% annuity conversion rate and 2% PRPA
  - DCR account balances projected with 7% rate of return for moderate investor, and 5% for conservative investor
  - Salaries were assumed to increase annually at 3.62%

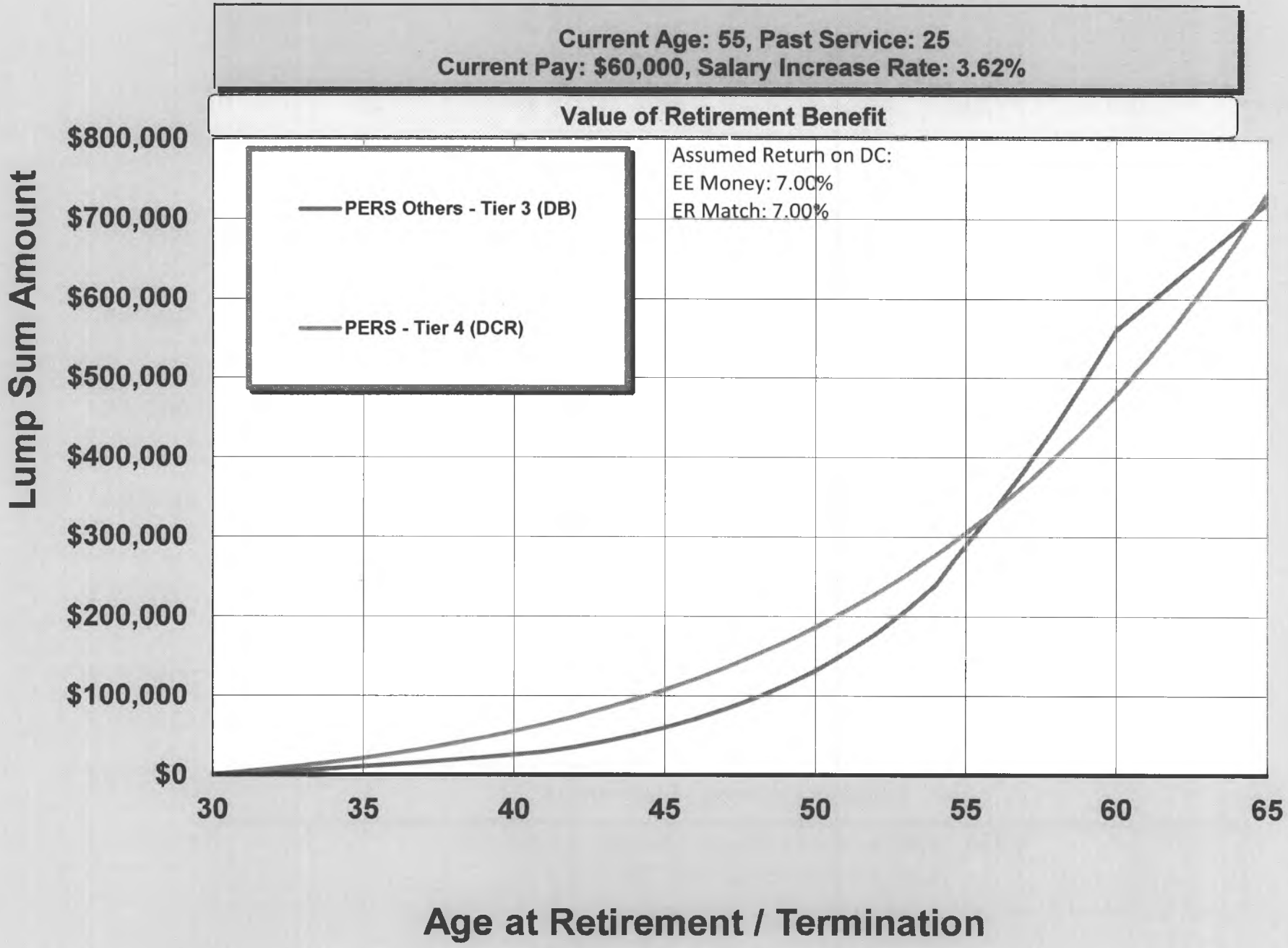
State of Alaska



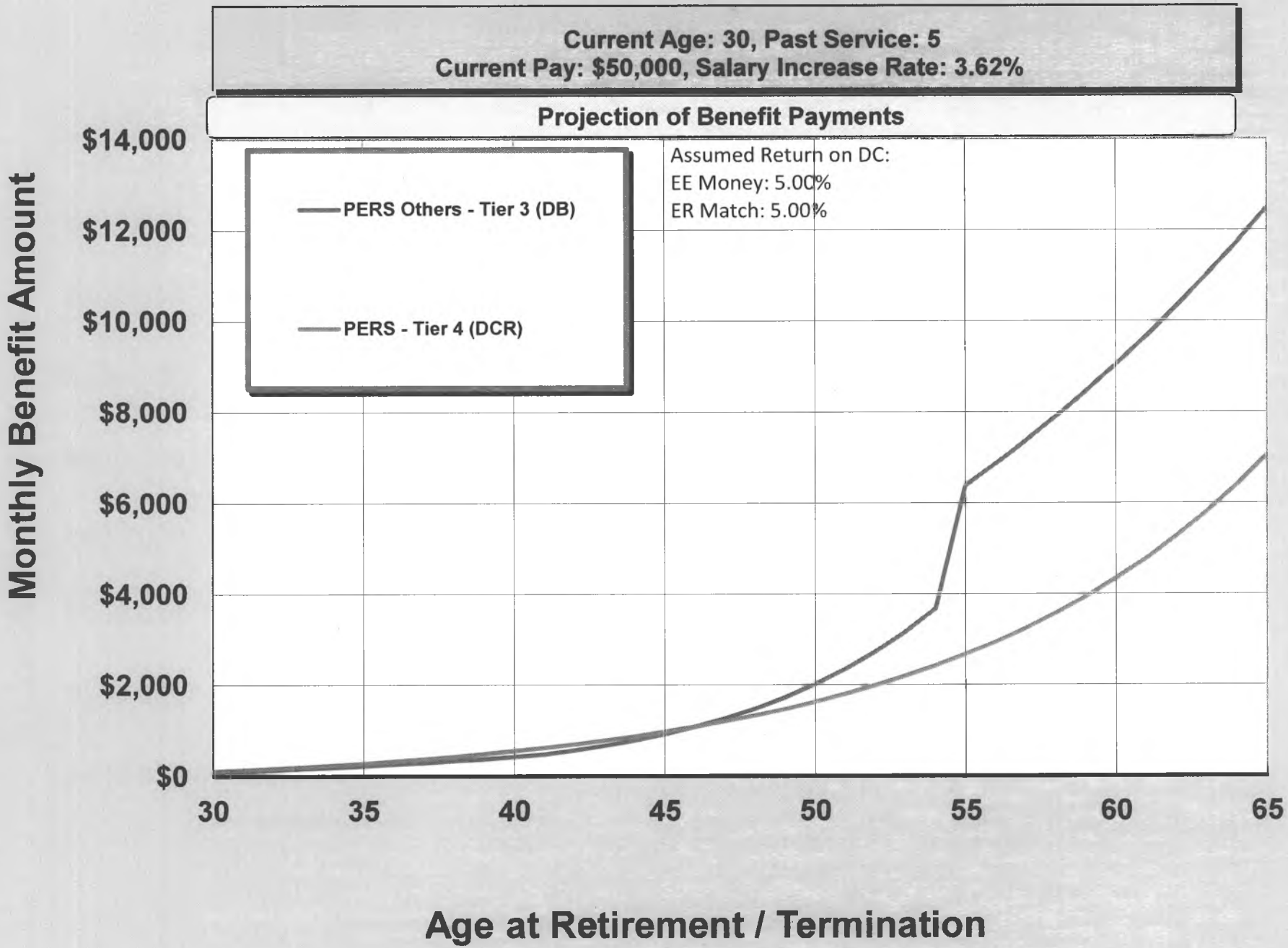
State of Alaska



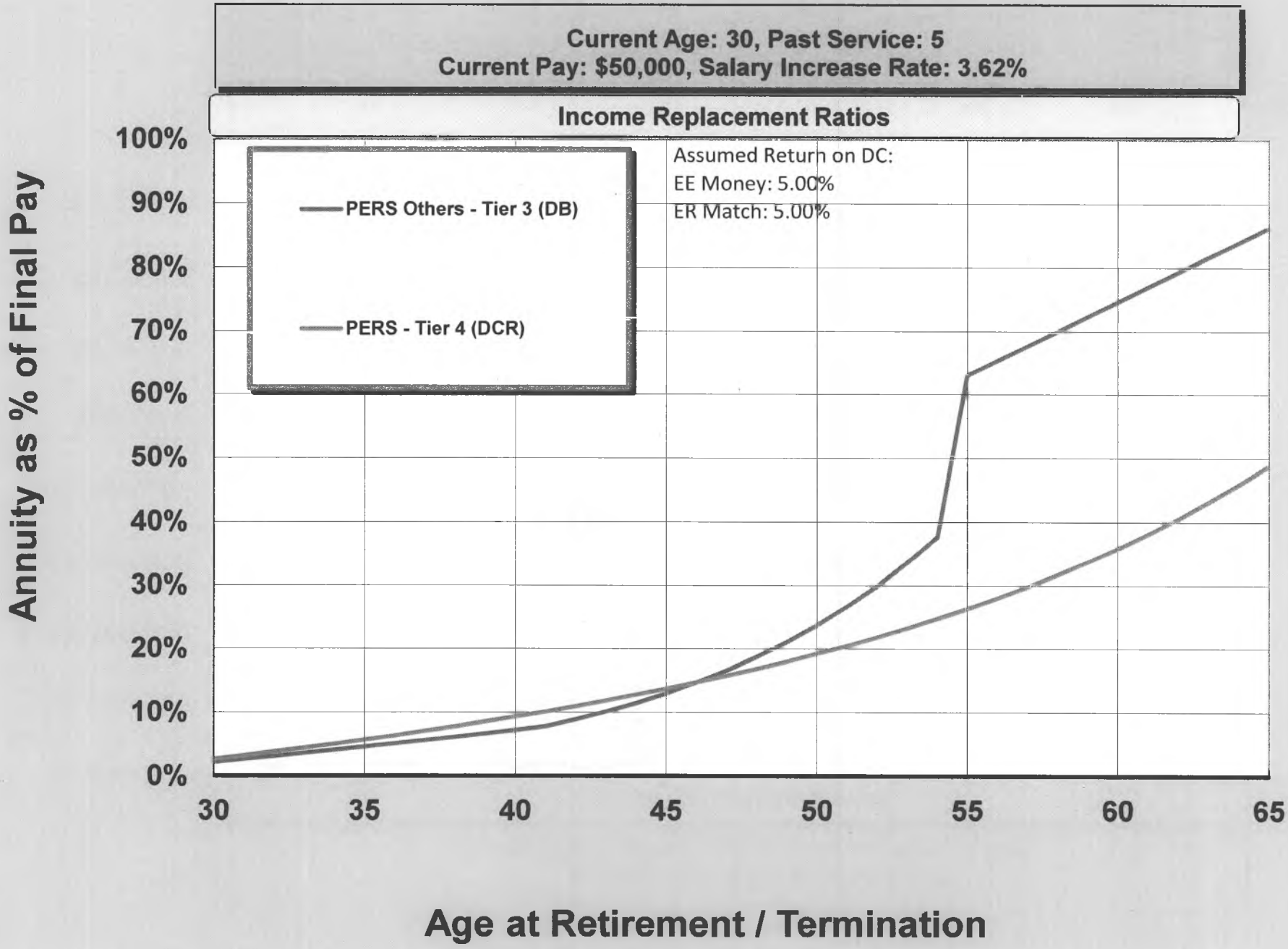
State of Alaska



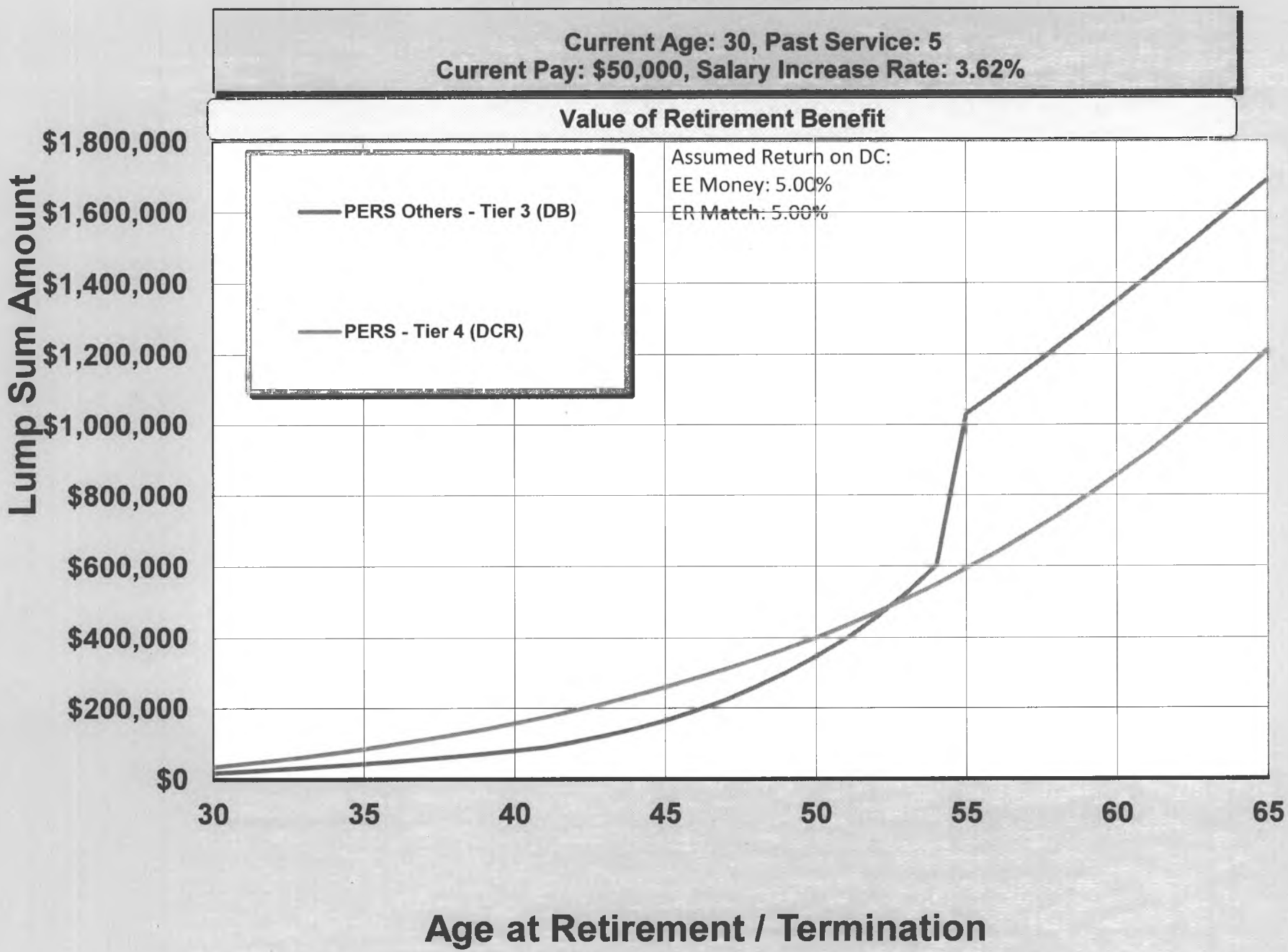
State of Alaska



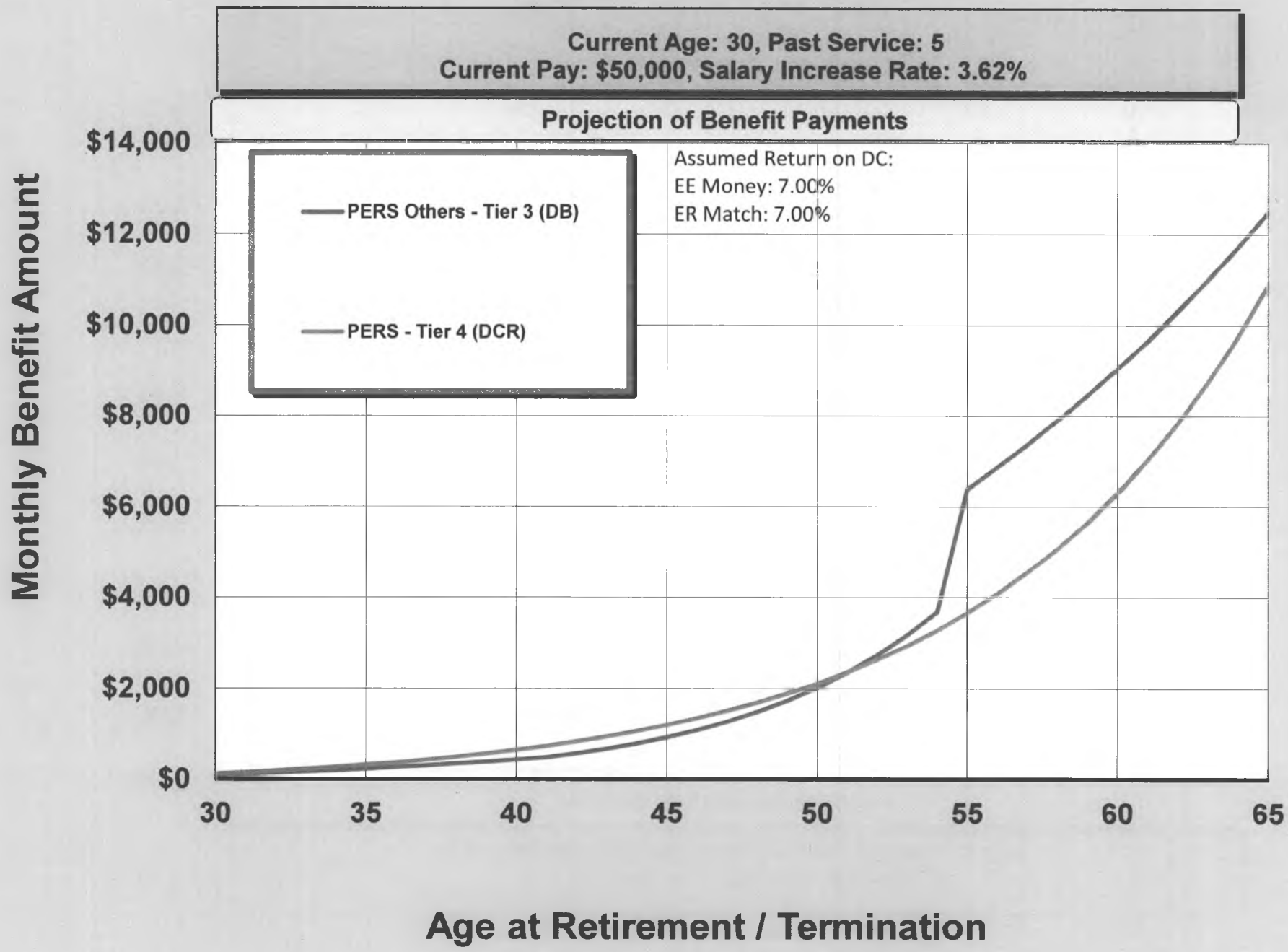
State of Alaska



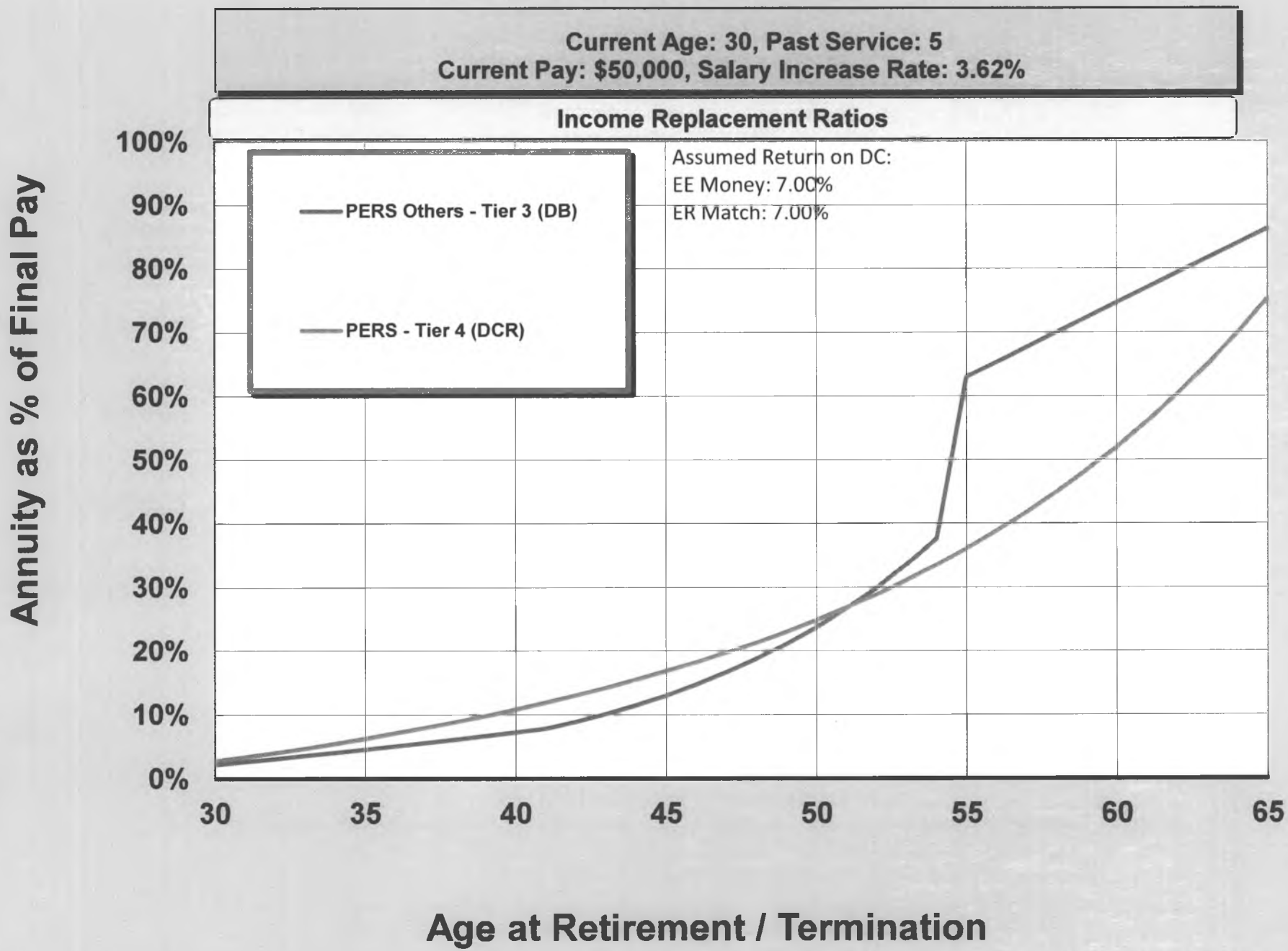
State of Alaska



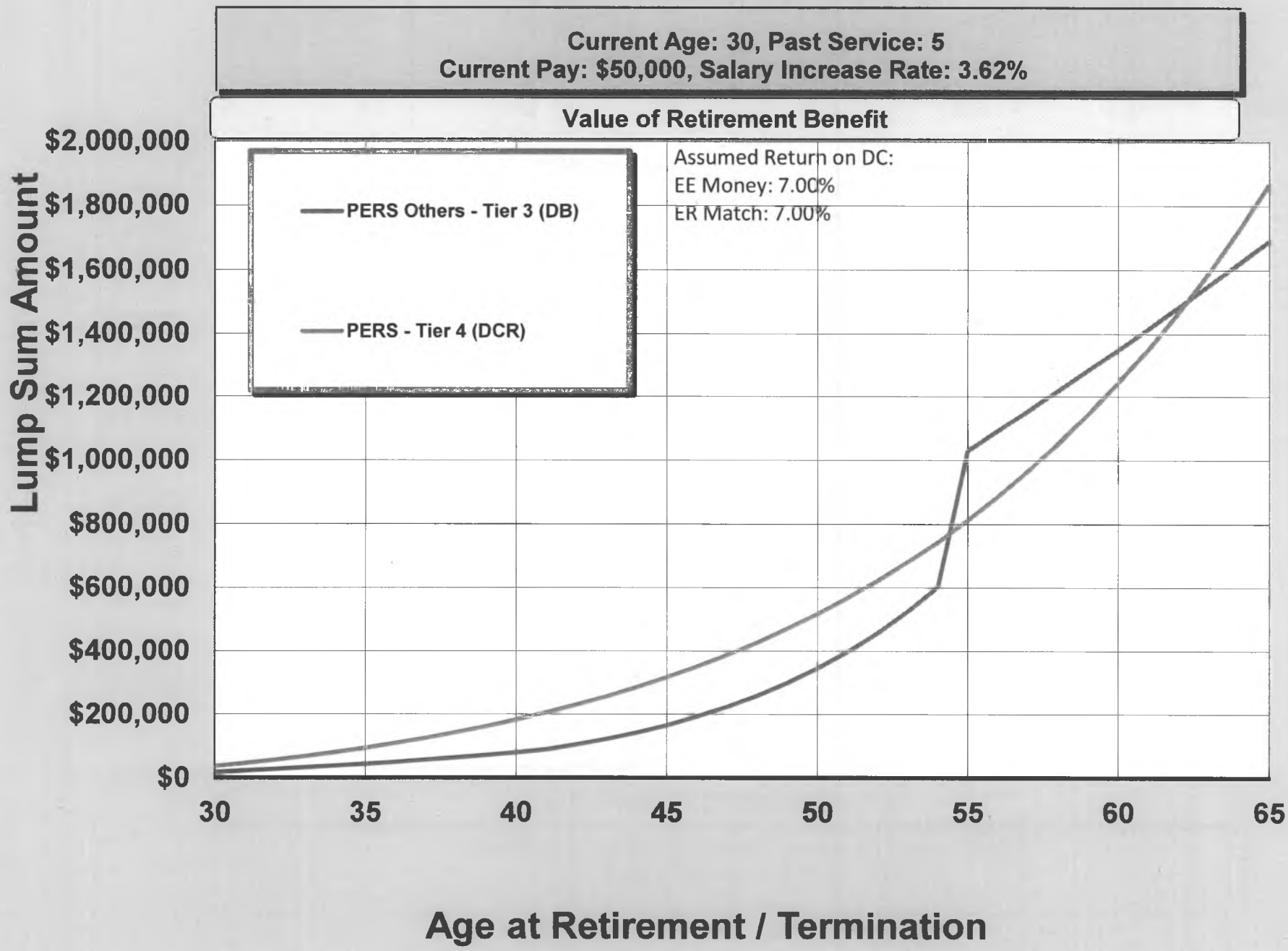
State of Alaska



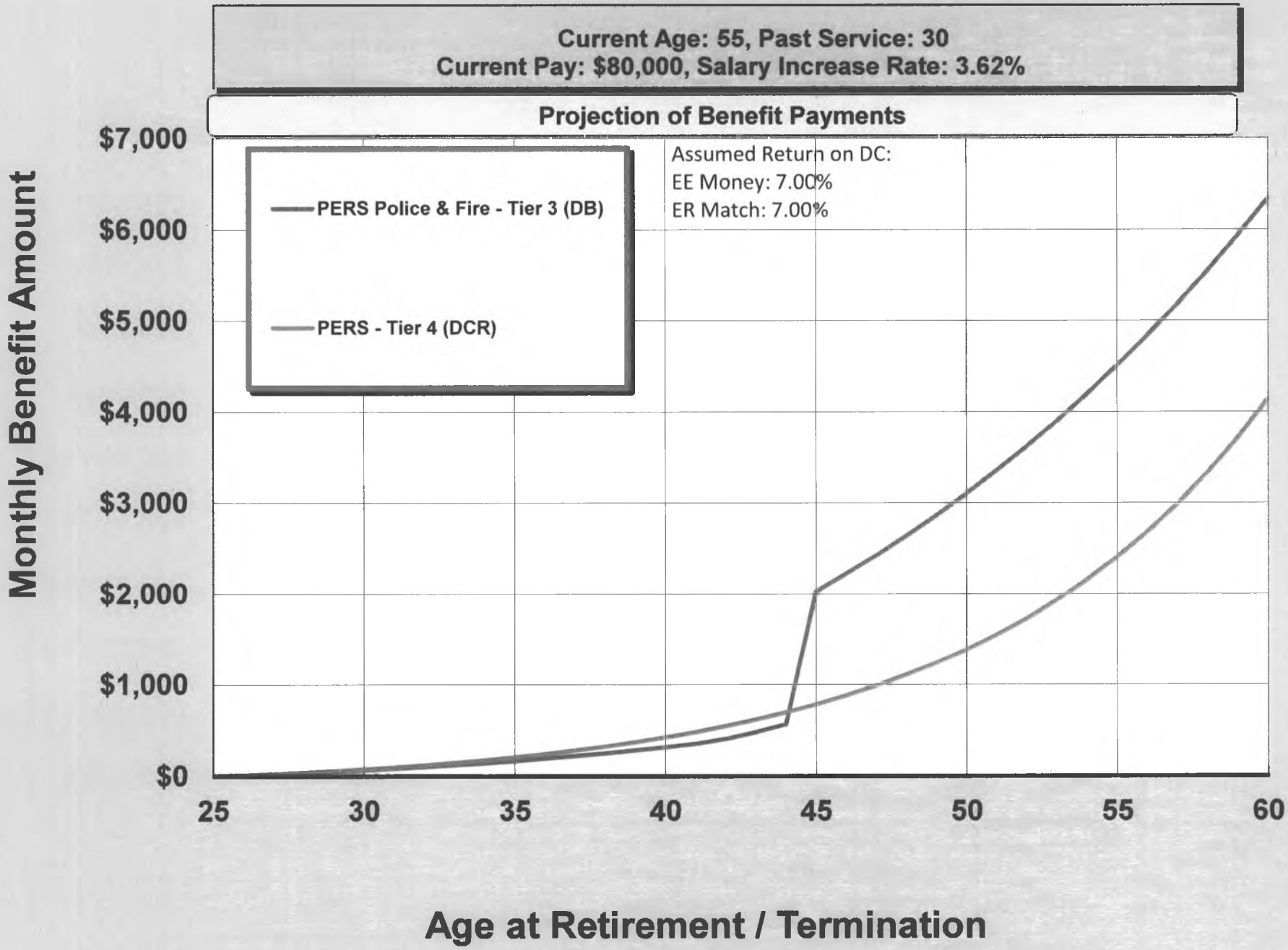
State of Alaska



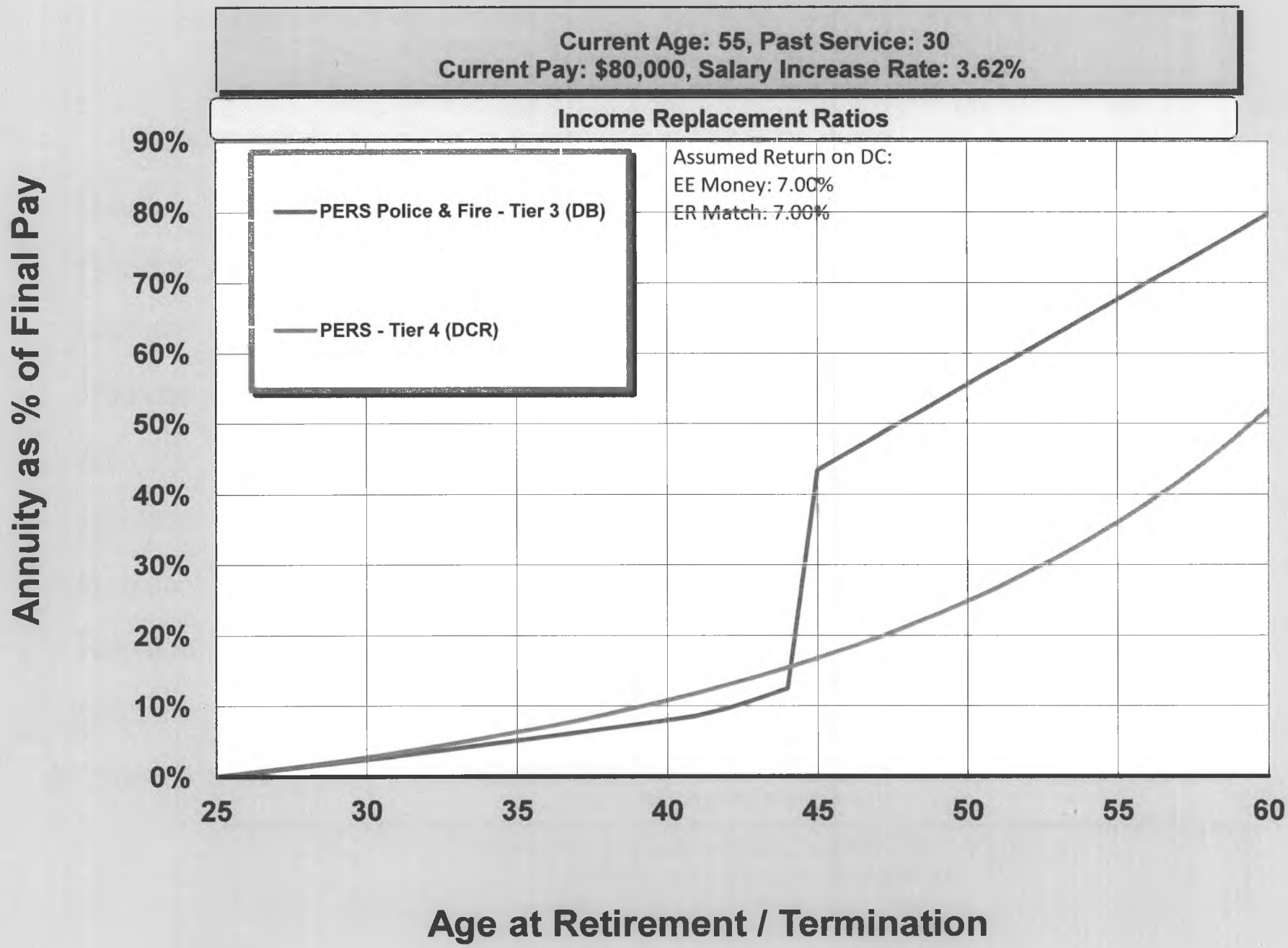
State of Alaska



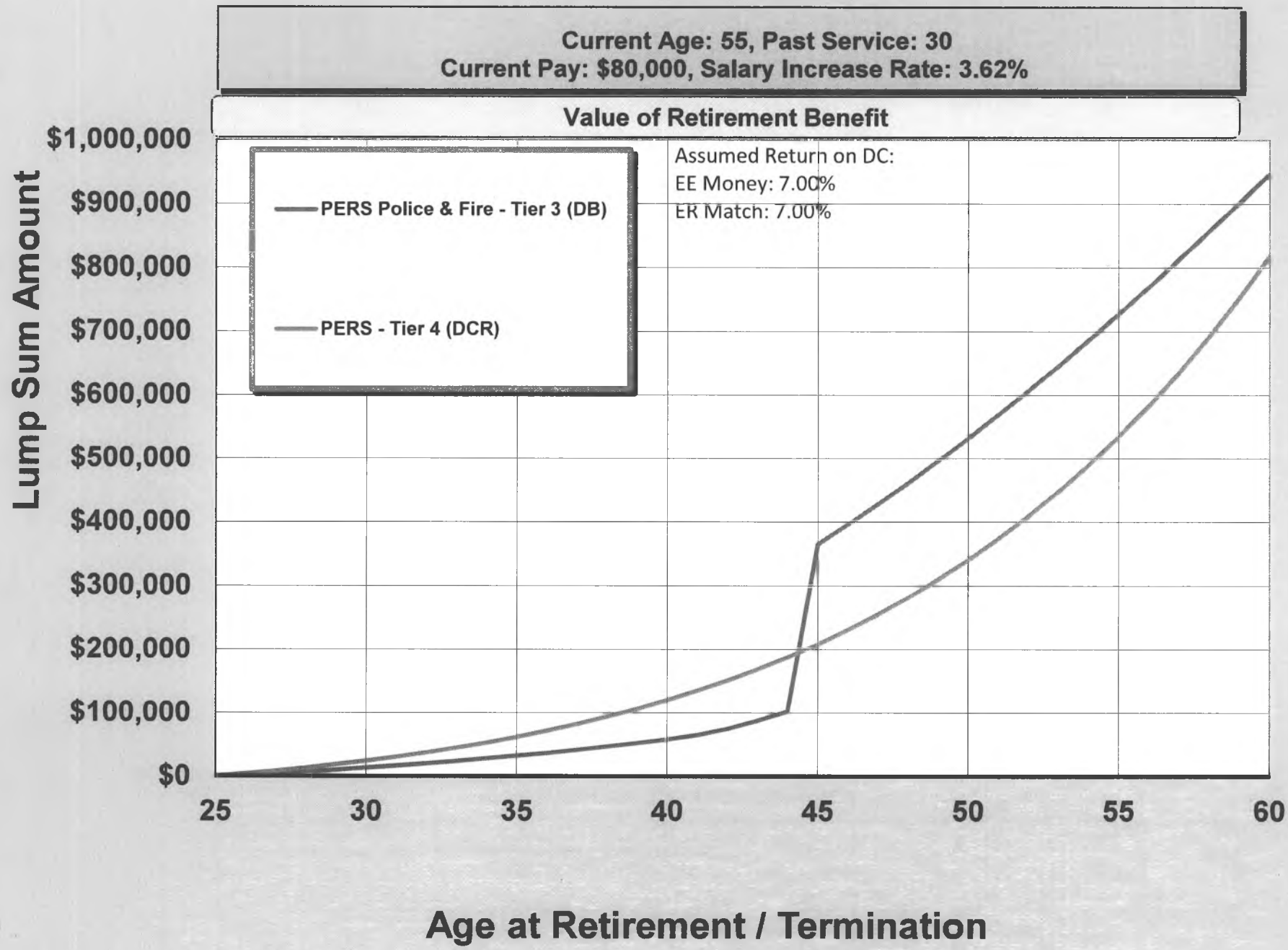
State of Alaska



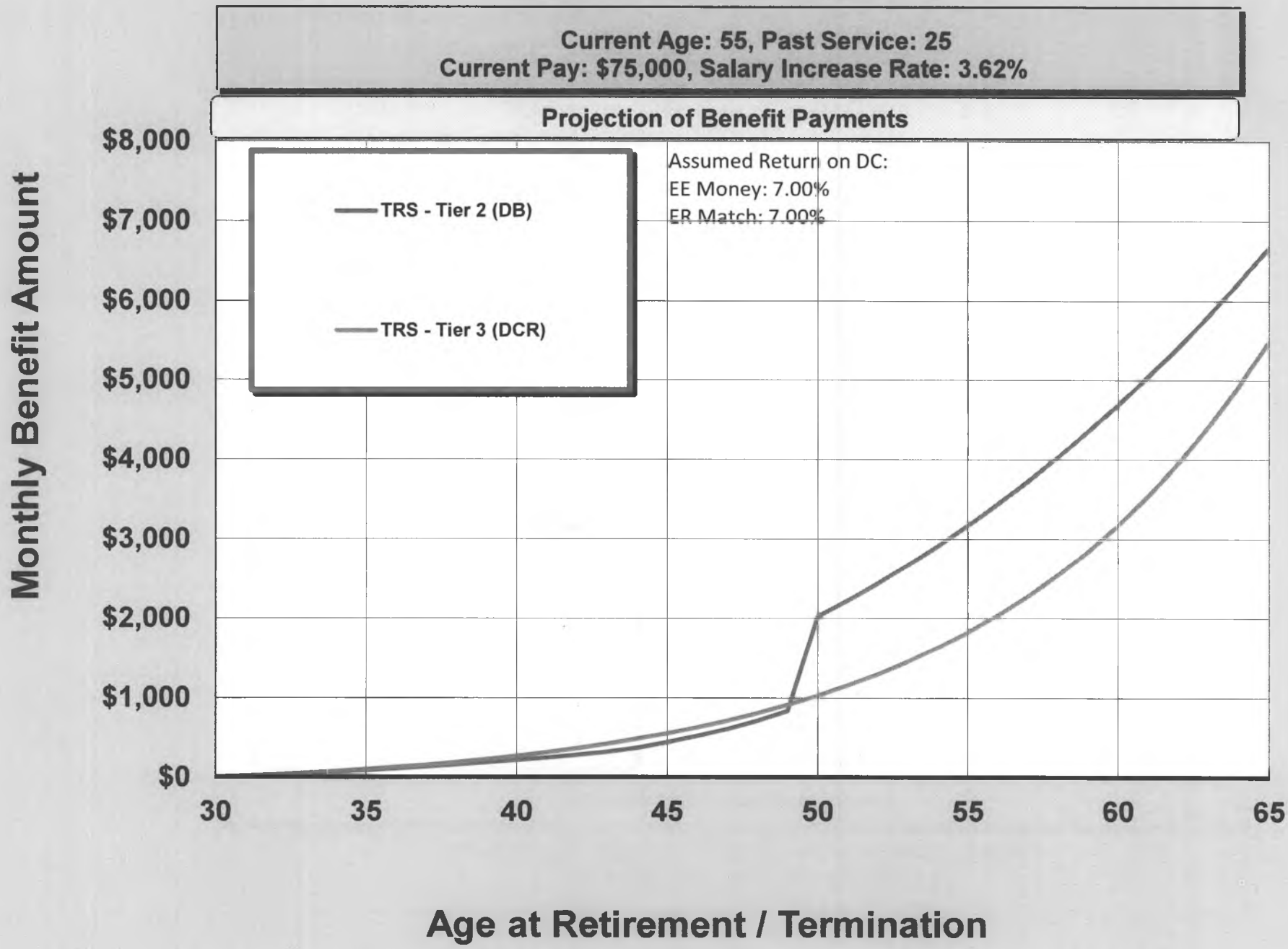
State of Alaska



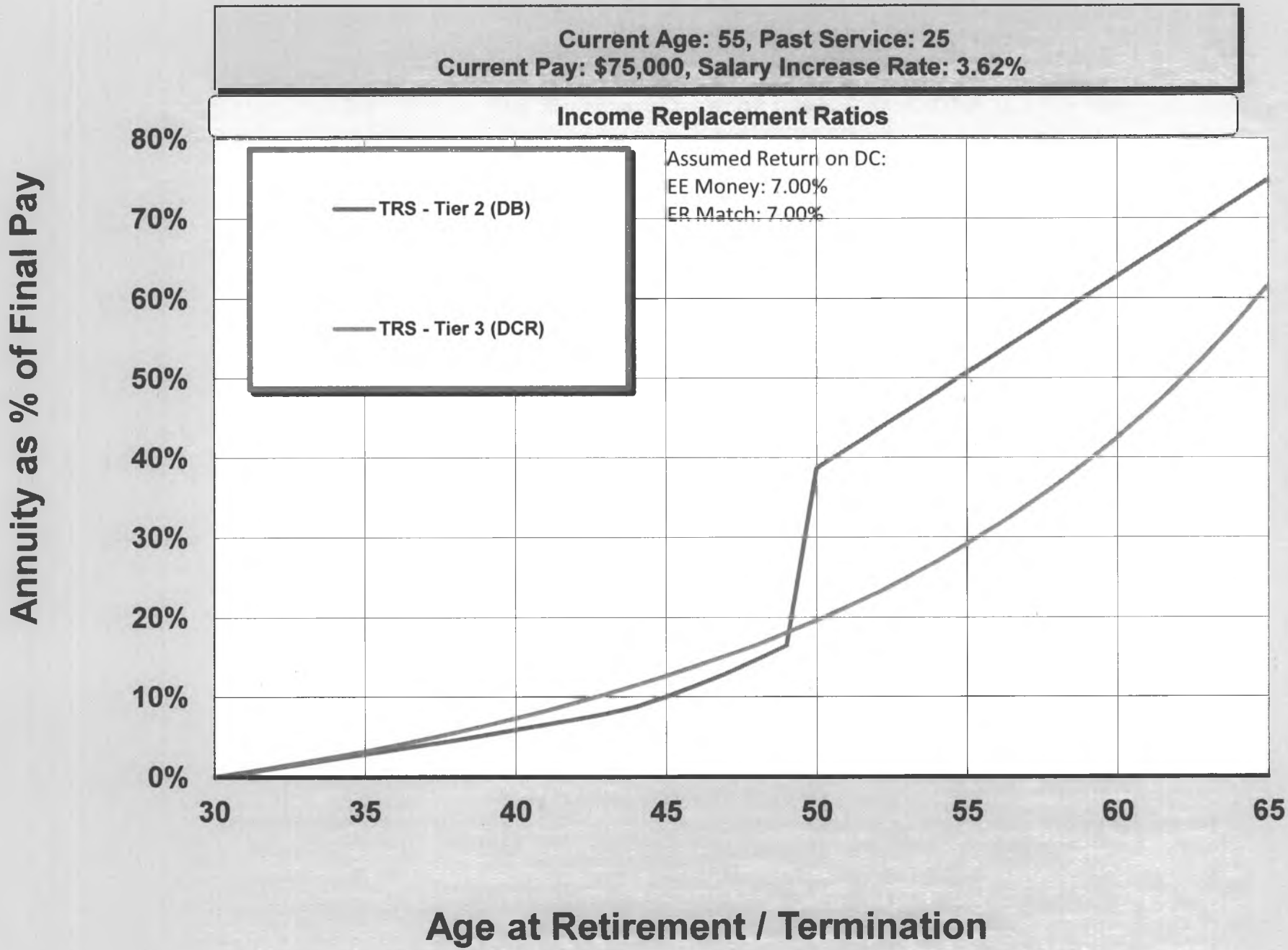
State of Alaska



State of Alaska

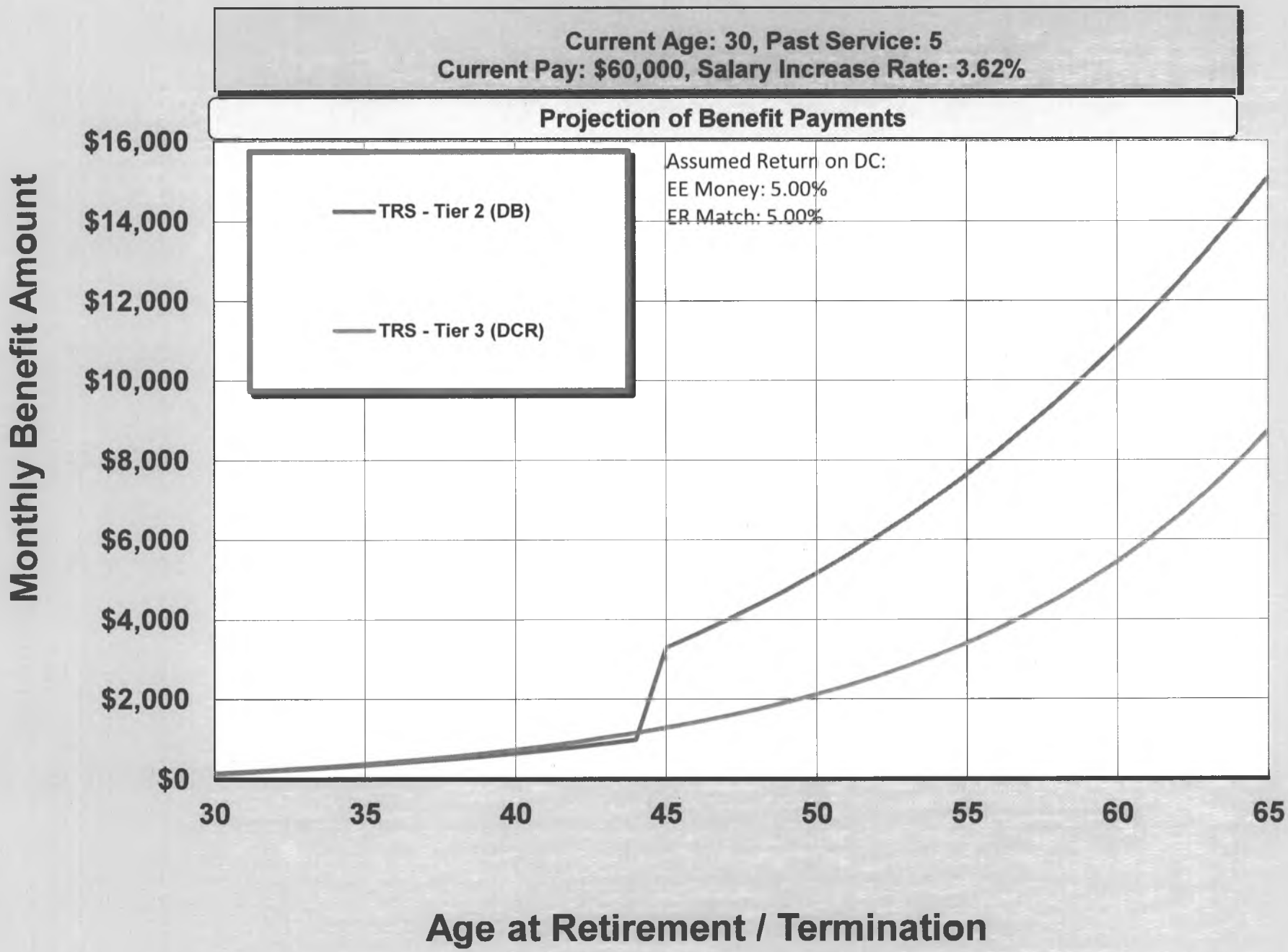


State of Alaska

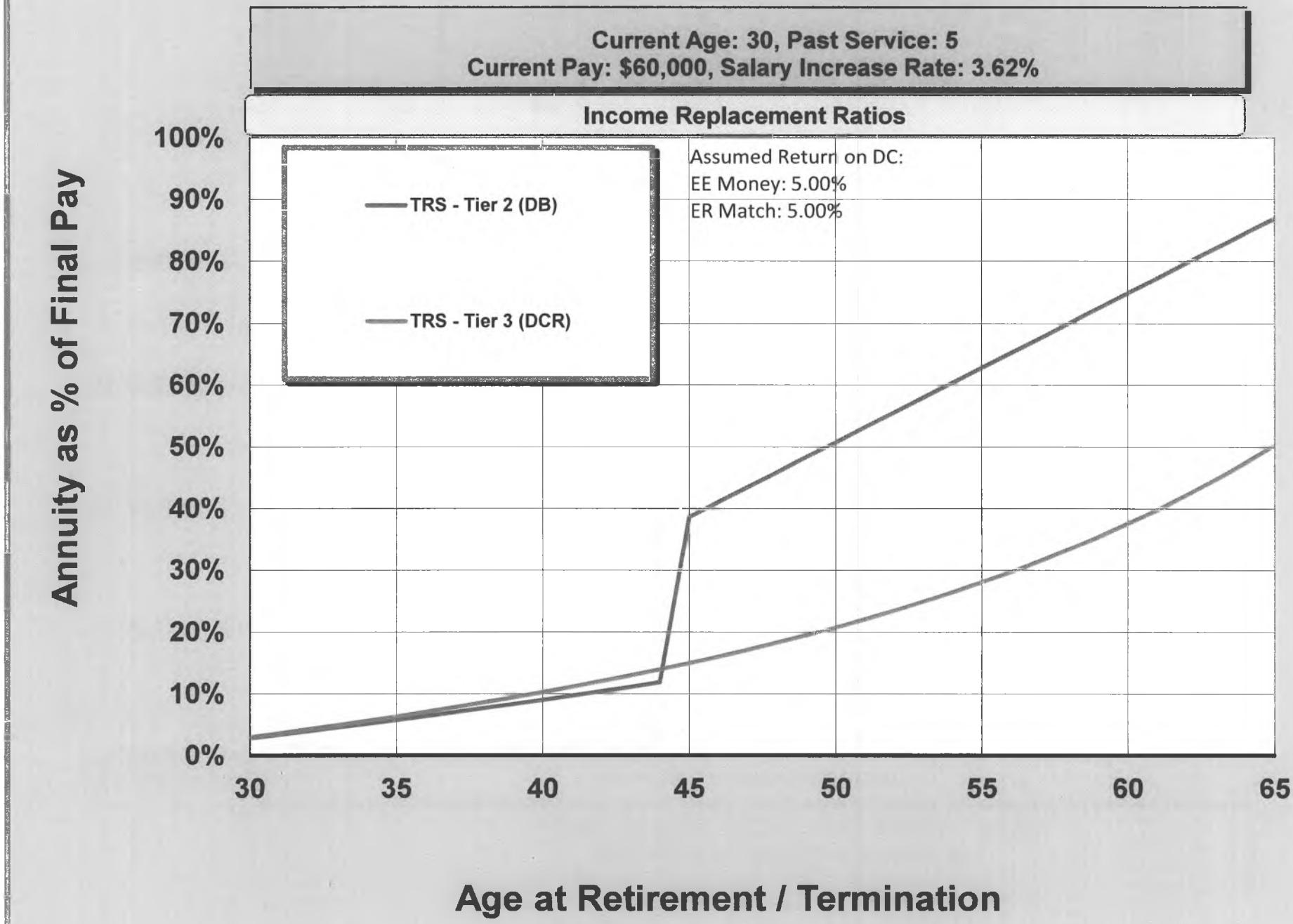


State of Alaska

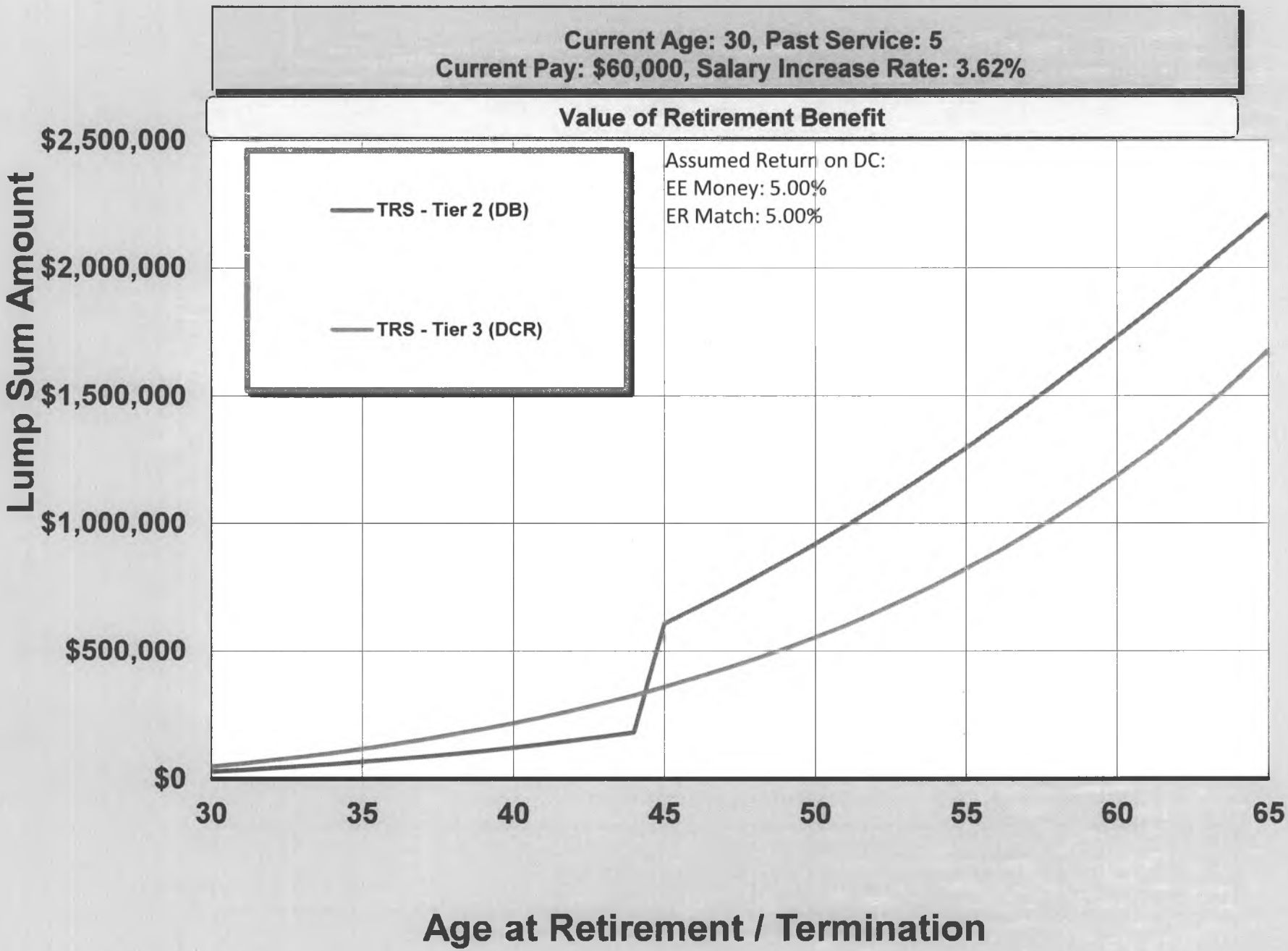
State of Alaska



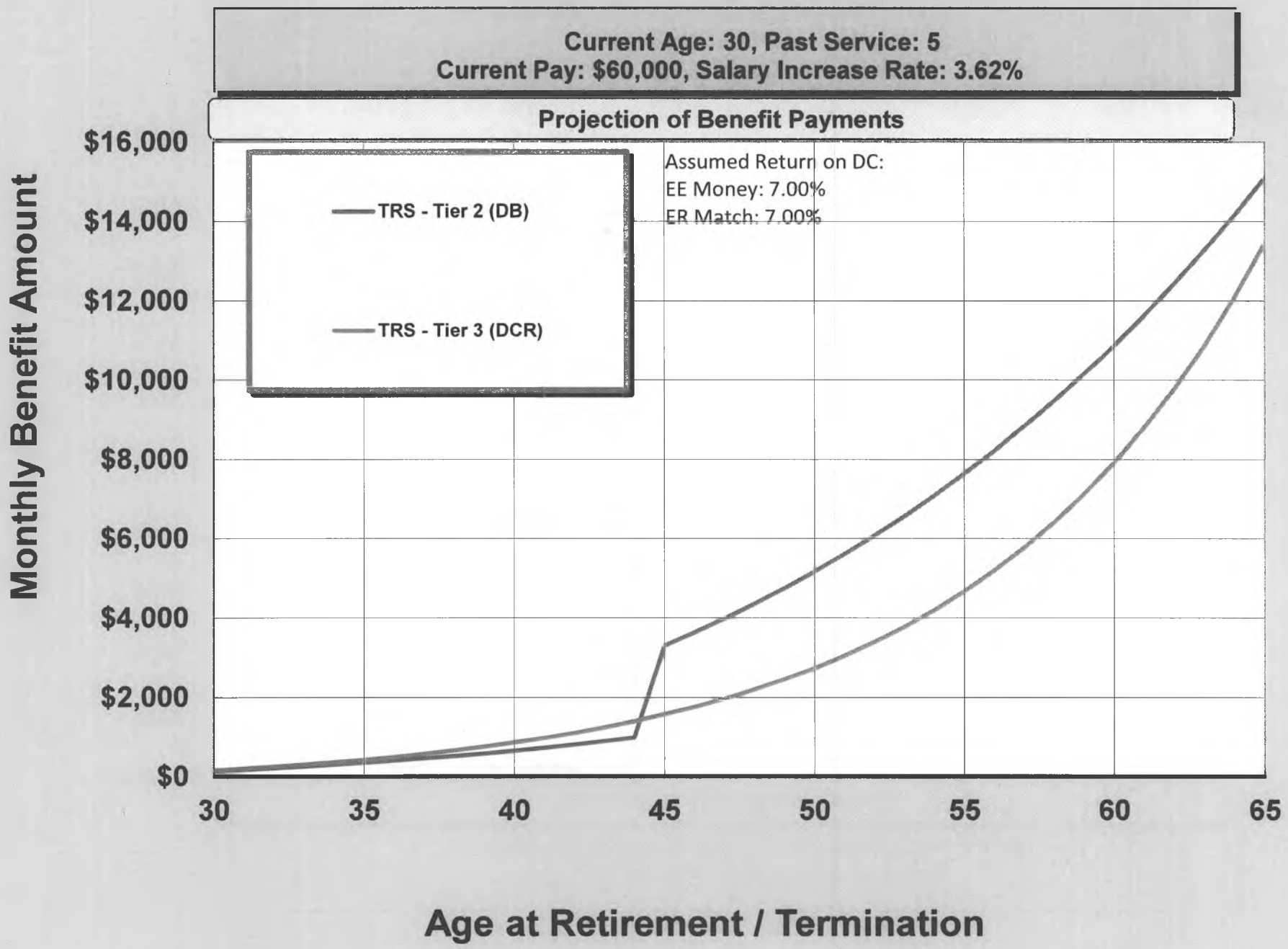
State of Alaska



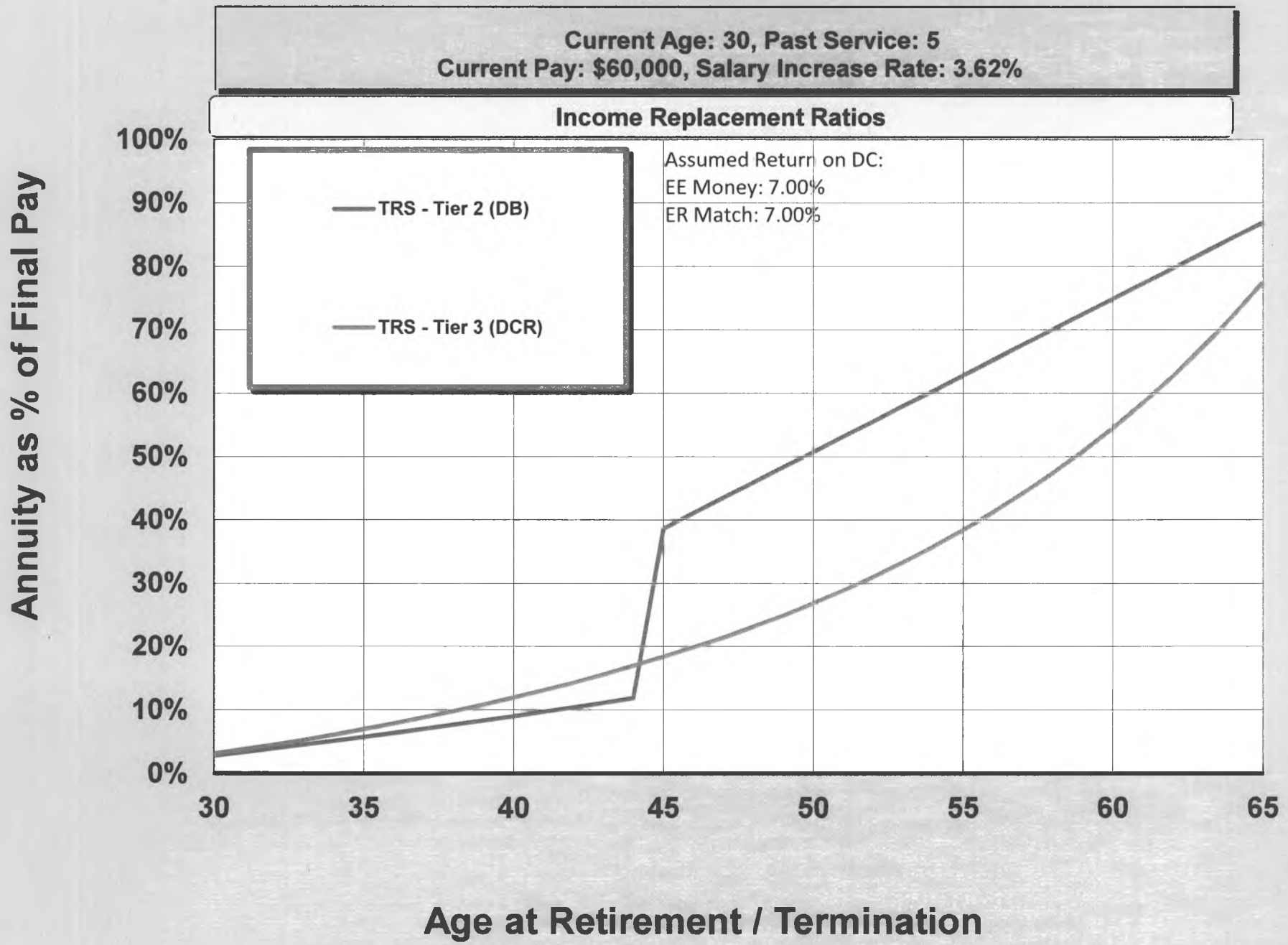
State of Alaska



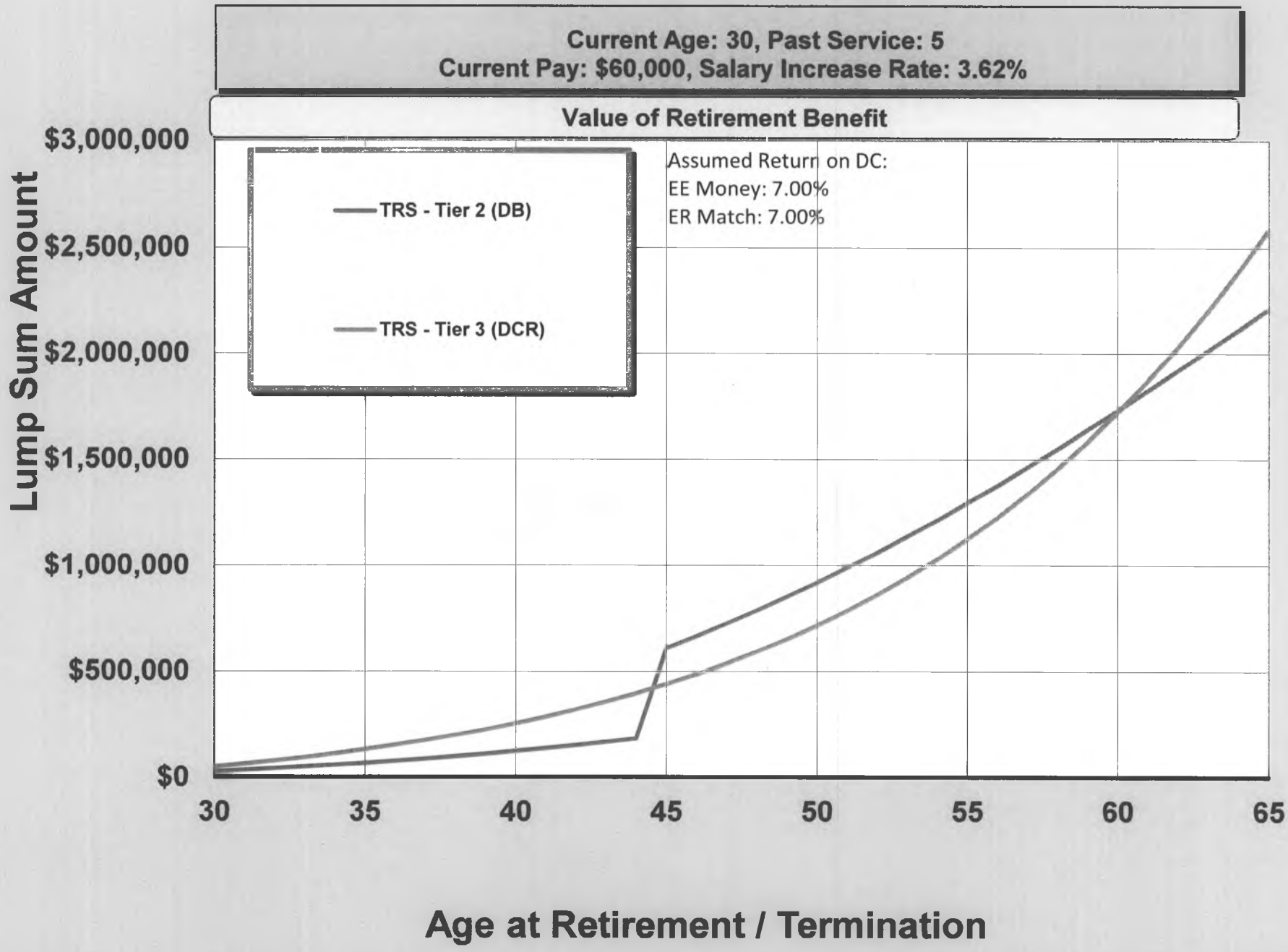
State of Alaska



State of Alaska



State of Alaska



Questions ?

buckconsultants A Xerox Company

October 7, 2011

VIA EMAIL

Mr. Jim Puckett
Acting Director
Division of Retirement and Benefits
Department of Administration
State of Alaska
333 Willoughby Avenue
6th Floor State Office Building
Juneau, AK 99811-0208

RE: Fiscal Note for Senate Bill No. 121 – New Tier for PERS and TRS Healthcare - REVISED

Dear Jim:

As requested, we are providing the following information for a revised Fiscal Note on SB 121 which allows current Defined Contribution Retirement (DCR) members and future members to have a choice between the DCR Plan and the Defined Benefit (DB) Plan. Current DCR members or any future members that elect to go into the DB Plan will enter Tier V for PERS and Tier IV for TRS. These tiers will have the same pension benefits as the latest DB tier but they will have different healthcare benefits. Under the new tiers, members will receive system-paid healthcare benefits at Medicare eligible age (age 65) instead of at age 60. This bill affects the State of Alaska Public Employees' Retirement System Defined Benefit Plan (PERS DB) and the Teachers' Retirement System Defined Benefit Plan (TRS DB). We are assuming the proposed benefit changes would become effective as of July 1, 2012 and will first impact contribution rates during FY15 considering the two-year delay in budgeting contribution payments. Our results are based on the 2010 actuarial valuation results.

The table below shows the cost of the bill for Fiscal Years 2015 through 2019. Dollars are in thousands.

PERS DB Plan	**FY15**	**FY16**	**FY17**	**FY18**	**FY19**
Increase in Normal Cost Amount	$ 17,568	$ 25,629	$ 35,788	$ 46,977	$ 57,771
General Fund Transfer to Pay Unfunded Past Service Cost	$ 91,724	$ 0	$ 0	$ 0	$ 0
Total Increase in Annual Employer Contribution Amount	$ 109,292	$ 25,629	$ 35,788	$ 46,977	$ 57,771

TRS DB Plan	**FY15**	**FY16**	**FY17**	**FY18**	**FY19**
Increase in Normal Cost Amount	$ 2,285	$ 3,536	$ 4,993	$ 6,943	$ 8,764
General Fund Transfer to Pay Unfunded Past Service Cost	$ 32,688	$ 0	$ 0	$ 0	$ 0
Total Increase in Annual Employer Contribution Amount	$ 34,973	$ 3,536	$ 4,993	$ 6,943	$ 8,764
Total PERS and TRS	$ 144,265	$ 29,165	$ 40,781	$ 53,920	$ 66,535

1200 17th Street, Suite 1200 • Denver, CO 80202
720.359.7700 • 720.359.7701 (fax)

Summary for Analysis Continuation Section of Fiscal Note

The data, assumptions, plan provisions and methods used for the costs are described in the actuarial valuation reports for PERS and TRS as of June 30, 2010. The assets are based on the June 30, 2010 information provided by Christina Maiquis. We have assumed that the bill will become effective July 1, 2012. We have also assumed that 60% of current DCR members will elect to convert to the DB Plan, and that 80% of future members will choose the DB Plans either by choice or by default. A description of Tier V benefits for PERS and Tier IV benefits for TRS was provided by Kathy Lea.

Please let us know if you need any further information.

Sincerely,

David H. Slishinsky

David H. Slishinsky, F.C.A., A.S.A., E.A.
Principal and Consulting Actuary

/mlp

c: Mr. Mike Barnhill, State of Alaska
Ms. Teresa Kesey, State of Alaska
Ms. Kathy Lea, State of Alaska
Mr. Chris Hulla, Buck Consultants
Ms. Kyla Kaltenbach, Buck Consultants
Mr. Aaron Jurgaitis, Buck Consultants
Mr. Colin Wein, Buck Consultants

State of Alaska
Summary of Normal Costs for New Tier Members under SB 121 DB/DC Choice Proposal - REVISED
($ in thousands)

PERS Others

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference
FY15	7,838	$374,608	$10,101	$37,621	$47,722	2.70%	10.04%	$4.80	5.22%	$19,555	3.48%	$13,036	$32,591	$15,131
FY16	10,183	498,502	13,442	52,185	65,626	2.70%	10.47%	5.12	5.22%	26,022	3.48%	17,348	43,370	22,256
FY17	12,261	622,231	16,778	68,508	85,286	2.70%	11.01%	5.59	5.22%	32,480	3.48%	21,654	54,134	31,152
FY18	14,124	746,155	20,119	85,684	105,803	2.70%	11.48%	6.07	5.22%	38,949	3.48%	25,966	64,915	40,888
FY19	15,822	871,246	23,492	102,776	126,268	2.70%	11.80%	6.50	5.22%	45,479	3.48%	30,319	75,798	50,470

PERS Peace Officer/Firefighter

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference
FY15	570	$35,710	$1,634	$3,910	$5,544	4.58%	10.95%	$6.86	5.22%	$1,864	3.48%	$1,243	$3,107	$2,437
FY16	741	47,520	2,174	5,333	7,508	4.58%	11.22%	7.20	5.22%	2,481	3.48%	1,654	4,135	3,373
FY17	898	59,315	2,714	7,082	9,796	4.58%	11.94%	7.88	5.22%	3,096	3.48%	2,064	5,160	4,636
FY18	1,047	71,415	3,268	9,034	12,302	4.58%	12.65%	8.63	5.22%	3,728	3.48%	2,485	6,213	6,089
FY19	1,190	84,049	3,846	10,767	14,613	4.58%	12.81%	9.05	5.22%	4,387	3.48%	2,925	7,312	7,301

PERS Total

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference
FY15	8,408	$410,318	$11,735	$41,531	$53,266	2.86%	10.12%	$4.94	5.22%	$21,419	3.48%	$14,279	$35,698	$17,568
FY16	10,924	546,022	15,616	57,518	73,134	2.86%	10.53%	5.27	5.22%	28,503	3.48%	19,002	47,505	25,629
FY17	13,160	681,546	19,492	75,590	95,082	2.86%	11.09%	5.74	5.22%	35,576	3.48%	23,718	59,294	35,788
FY18	15,171	817,570	23,387	94,718	118,105	2.86%	11.59%	6.24	5.22%	42,677	3.48%	28,451	71,128	46,977
FY19	17,012	955,295	27,338	113,543	140,881	2.86%	11.89%	6.67	5.22%	49,866	3.48%	33,244	83,110	57,771

Teachers' Retirement System

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference
FY15	2,016	$116,432	$2,550	$11,949	$14,499	2.19%	10.26%	$5.93	7.00%	$8,150	3.49%	$4,063	$12,214	$2,285
FY16	2,663	157,186	3,442	16,583	20,025	2.19%	10.55%	6.23	7.00%	11,003	3.49%	5,486	16,489	3,536
FY17	3,249	197,916	4,334	21,420	25,754	2.19%	10.82%	6.59	7.00%	13,854	3.49%	6,907	20,761	4,993
FY18	3,795	239,377	5,242	26,812	32,054	2.19%	11.20%	7.07	7.00%	16,756	3.49%	8,354	25,111	6,943
FY19	4,307	281,784	6,171	32,152	38,324	2.19%	11.41%	7.47	7.00%	19,725	3.49%	9,834	29,559	8,764

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **SB 121**
() Publish Date

SB121-DOA-DRB-05-05-11
Dept. Affected Administration
Title An Act relating to the PERS and TRS
Appropriation Centralized Administrative Services
Allocation Retirement and Benefits
Sponsor Sen. Egan, Menard, Paskvan, Davis, Kookesh, Wielechowski, et al
Requester Senate State Affairs
OMB Component Number 64

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2013**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**	**FY 2018**
Personal Services							
Travel							
Services		124,412.0	0.0	19,853.0	29,165.0	40,781.0	53,920.0
Commodities							
Capital Outlay							
Grants							
Miscellaneous	0.0						
TOTAL OPERATING	**0.0**	**124,412.0**	**0.0**	**19,853.0**	**29,165.0**	**40,781.0**	**53,920.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES							

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF		124,412.0		19,853.0	29,165.0	40,781.0	53,920.0
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other (please identify)							
TOTAL	**0.0**	**124,412.0**	**0.0**	**19,853.0**	**29,165.0**	**40,781.0**	**53,920.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Update

Prepared by Jim Puckett, Director
Phone 465-4471
Division Retirement and Benefits
Date/Time 10/7/11 12:00 AM
Approved by John Cramer, Deputy Commissioner
Department of Administration
Date

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** SB 121
2011 LEGISLATIVE SESSION

Analysis

SB 121 allows future and current defined contribution PERS and TRS members an opportunity to choose between a defined contribution (DC) and a defined benefit (DB) plan. Current DC members will have a one-time opportunity to convert to the DB plan. The DC member's employee and employer contributions will be transferred to the DB plan along with the total service the employee has accrued. If the combined contributions is insufficient to purchase the employee's service, the remainder will be made up from the general fund. The general fund expenditure will occur in FY 13 during the first 60 days after the effective date of the bill that allows for DC members to convert to the DB plan.

Costs outlined below for the choice option assumes 60% of current defined contribution members will elect to convert to the DB plan and that 80% of future members will choose the DB plans either by choice or by default.

The first impact on contributions rates will occur in FY 15 considering the two-year delay in budgeting contribution payments. Results are based on the draft 2010 actuarial valuation.

Because this bill will increase employer normal costs, under SB 125 (2008), which caps employer contribution rates at 22% for PERS and 12.56% for TRS, employers will therefore contribute less to past service costs. The amount that employers are no longer paying will be paid by the general fund.

Dollars are in thousands

PERS DB Plan	**FY 13**	**FY 14**	**FY 15**	**FY16**	**FY 17**	**FY18**	**FY 19**
Increase in Normal Cost Amount	$0	N/A	$17,568	$25,629	$35,788	$46,977	$57,771
Gf Transfer to Pay Unfunded Past Service Cost	$91,724	N/A	$0	$0	$0	$0	$0
Total Increase in Annual Employer Contribution Amount	N/A	N/A	$17,568	$25,629	$35,788	$46,977	$57,771

TRS DB Plan	**FY 13**	**FY 14**	**FY 15**	**FY16**	**FY 17**	**FY18**	**FY 19**
Increase in Normal Cost Amount	$0	N/A	$2,285	$3,536	$4,993	$6,943	$8,764
GF Transfer to Pay Unfunded Past Service Cost	$32,688	N/A	$0	$0	$0	$0	$0
Total Increase in Annual Employer Contribution Amount	N/A	N/A	$2,285	$3,536	$4,993	$6,943	$8,764
Totals for both plans:	$124,412	N/A	$19,853	$29,165	$40,781	$53,920	$66,535

FISCAL NOTE

STATE OF ALASKA cost ≠ codes
2012 LEGISLATIVE SESSION

Bill Version **SB121**
Fiscal Note Number
Publish Date

Identifier (file name) SB121-DOA-DRB-12-13-11
Title Teachers & Pub Employee Retirement Plans
Sponsor Senators Egan
Requester Senate State Affairs

Dept. Affected Department of Administration
Appropriation Centralized Administrative Services
Allocation Division of Retirement and Benefits
OMB Component Number 64

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous	124,412.0			19,853.0	29,165.0	40,781.0	53,920.0
TOTAL OPERATING	**124,412.0**	**0.0**	**0.0**	**19,853.0**	**29,165.0**	**40,781.0**	**53,920.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF	124,412.0			19,853.0	29,165.0	40,781.0	53,920.0
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**124,412.0**	**0.0**	**0.0**	**19,853.0**	**29,165.0**	**40,781.0**	**53,920.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Actuarial cost update for 2012

Prepared by Jim Puckett, Director — Phone 465-4471
Division Division of Retirement and Benefits — Date/Time 12/1/11 4:00 PM
Approved by John Cramer, Deputy Commissioner — Date 12/13/2011
Department of Administration

(Revised 8/17/2011 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** SB121
2012 LEGISLATIVE SESSION

Analysis

SB 121 allows future and current defined contribution PERS and TRS members an opportunity to choose between a defined contribution (DC) and a defined benefit (DB) retirement plan at the time of hire. Current DC members will have a one-time opportunity to convert to the DB plan. If the DC member elects to convert, the member's employee and employer contributions will be transferred to the DB plan along with the total service the employee has accrued. If the combined contributions are insufficient to fully purchase the employee's service, the remainder due will be paid from the general fund. The general fund expenditure will occur in FY 13 during the first 60 days after the effective date of the bill when conversion can occur.

Costs outlined below for the choice option assumes 60% of current defined contribution members will elect to convert to the DB plan and that 80% of future members will choose the DB plans either by choice or by default.

The first impact on contribution rates will occur in FY15 considering the two year delay in the plan valuation process. Results are based on the 2010 actuarial valuation.

Employer rates are capped at 22% for PERS by AS 39.35.255 and at 12.56% for TRS by AS 14.25.070. Because this bill will increase employer normal costs, employers will contribute less to the past service costs of the systems. The increased past service costs will be borne by the State of Alaska general fund.

Dollars are in thousands.

PERS DB Plan	FY 13	FY 14	FY 15	FY16	FY 17	FY 18	FY19
Increase in Normal Cost Amount	$0.0	$0.0	$ 17,568	$ 25,629	$ 35,788	$ 46,977	$ 57,771
GF Transfer to Pay Unfunded Past Service Cost	$ 91,724	$0.0	$0	$0	$0	$0	$0
Total Increase in Annual Employer Contribution Amount	N/A	$0.0	$ 17,568	$ 25,629	$ 35,788	$ 46,977	$ 57,771

TRS DB Plan	FY 13	FY 14	FY 15	FY16	FY 17	FY 18	FY19
Increase in Normal Cost Amount	$0.0	$0.0	$ 2,285	$ 3,536	$ 4,993	$ 6,943	$ 8,764
GF Transfer to Pay Unfunded Past Service Cost	$ 32,688	$0.0	$0	$0	$0	$0	$0
Total Increase in Annual Employer Contribution Amount	N/A		$ 9,172	$ 14,118	$ 18,657	$ 22,787	$ 26,641
Total for both plans	**$ 124,412**	**$0.0**	**$ 19,853**	**$ 29,165**	**$ 40,781**	**$ 53,920**	**$66,535**

FISCAL NOTE

STATE OF ALASKA cost ≠ codes
2012 LEGISLATIVE SESSION

Bill Version **SB121**
Fiscal Note Number
Publish Date

Identifier (file name) SB121-DOA-DRB-12-13-11
Title Teachers & Pub Employee Retirement Plans
Sponsor Senators Egan
Requester Senate State Affairs

Dept. Affected Department of Administration
Appropriation Centralized Administrative Services
Allocation Division of Retirement and Benefits
OMB Component Number 64

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services	122.0						
Travel	12.5		10.0	10.0	10.0	10.0	10.0
Services	635.2		9.3	9.3	9.3	9.3	9.3
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**769.7**	**0.0**	**19.3**	**19.3**	**19.3**	**19.3**	**19.3**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match	769.7	0.0	19.3	19.3	19.3	19.3	19.3
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**769.7**	**0.0**	**19.3**	**19.3**	**19.3**	**19.3**	**19.3**

POSITIONS							
Full-time							
Part-time							
Temporary	2.0		2	2	2	2	2

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Administrative fiscal note update

Prepared by Jim Puckett, Director — Phone 465-4471
Division Division of Retirement and Benefits — Date/Time 12/1/11 4:00 PM
Approved by John Cramer, Deputy Commissioner — Date 12/13/2011
Department of Administration

(Revised 8/17/2011 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** SB121
2012 LEGISLATIVE SESSION

Analysis

The Division of Retirement and Benefits will require two non-permanent employees to complete the preparation work to account for and produce the necessary documents and forms for the inception of the new tiers. Education to employers will be required to properly electronically report service and salaries of new employees and existing employees of the defined contribution plans who elect to convert to the new tier. Education to employees will be required for defined contribution employees to make an informed decision during the election period and for new members of the new tiers.

The division will be required to reprogram its existing system, the Combined Retirement System, which tracks all service and salaries reported by employers to the system, to accommodate the new provisions of the new tiers.

The estimated administrative costs to the division by fiscal year are as follows:

Dollars are in thousands

	FY13	FY14	FY15	FY16	FY17	FY18
PERSONAL SERVICES						
1-Non Permanent Account III	106.0	0.0	0.0	0.0	0.0	0.0
1-Non Permanent Publications Technician III	16.0	0.0	0.0	0.0	0.0	0.0
Non Perm Training	13.4	0.0	0.0	0.0	0.0	0.0
	135.4	0.0	0.0	0.0	0.0	0.0
TRAVEL						
Employer Reporting Training/Plan Educat	7.5	5.0	5.0	5.0	5.0	5.0
Reg. Counselor Travel/Employee Ed.	5.0	5.0	5.0	5.0	5.0	5.0
	12.5	10.0	10.0	10.0	10.0	10.0
SERVICES						
Communication/Postage						
-Choice Kit for new employee election	30.0	0.0	0.0	0.0	0.0	0.0
-Conversion notification to DC employee	8.1	0.0	0.0	0.0	0.0	0.0
-Update to PERS DB handbooks/brochure	322.3	0.0	0.0	0.0	0.0	0.0
Computer System Redesign	207.9	9.3	9.3	9.3	9.3	9.3
Computer System User Testing	36.6	0.0	0.0	0.0	0.0	0.0
Increased audit fees	5.6	0.0	0.0	0.0	0.0	0.0
	610.5	9.3	9.3	9.3	9.3	9.3
COMMODITIES						
Computer, phone, cubicle, supplies	11.3	0.0	0.0	0.0	0.0	0.0
TOTAL	769.7	19.3	19.3	19.3	19.3	19.3

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version **SB121**
Fiscal Note Number
() Publish Date

Identifier (file name) SB121-DOR-TRS-01-24-12
Title An Act relating to the PERS and TRS
Sponsor Senators Egan, Menard, Paskvan, Davis, Kookesh
Requester Senate State Affairs

Dept. Affected Revenue
Appropriation Taxation & Treasury
Allocation ARMB Custody & Mgmt Fee
OMB Component Number 2812

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services	593.0		690.0	795.0	909.0	1,032.0	1,164.0
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**593.0**	**0.0**	**690.0**	**795.0**	**909.0**	**1,032.0**	**1,164.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1029	PERS Trust (Other)	413.0		482.0	557.0	638.0	725.0	819.0
1034	Teach Ret (Other)	180.0		208.0	238.0	271.0	307.0	345.0
	TOTAL	**593.0**	**0.0**	**690.0**	**795.0**	**909.0**	**1,032.0**	**1,164.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial note.

Prepared by Pam Leary, Comptroller — Phone 465-2350
Division Treasury — Date/Time 1/24/12 12:00 AM
Approved by Angela Rodell, Deputy Commissioner — Date 1/24/12 12:00 AM
Department of Revenue

(Revised 11/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** SB121
2012 LEGISLATIVE SESSION

Analysis

SB 121 allows future and current defined contribution PERS and TRS members an opportunity to choose between a defined contribution (DC) and a defined benefit (DB) plan. Current DC members will have a one-time opportunity to convert to the DB plan. The DC member's employee and employer contributions will be transferred to the DB plan.

Assumptions:
60% of the current defined contribution plan will be elected by DC members to convert to the DB plan. 80% of future members will elect to be in the DB plan.
Rate of return assumed to be 8%
Management fees assumed at 35 basis points.

SB 121 – Making Promises and Keeping Promises

Department of Administration
Presentation to Senate State Affairs Committee
April 14, 2011

Making Promises

- Defined Benefit Plan Promises
  - Pension up to 67% of average salary
  - Annual cost of living increases
  - System-paid medical premiums
- Membership: 95,667

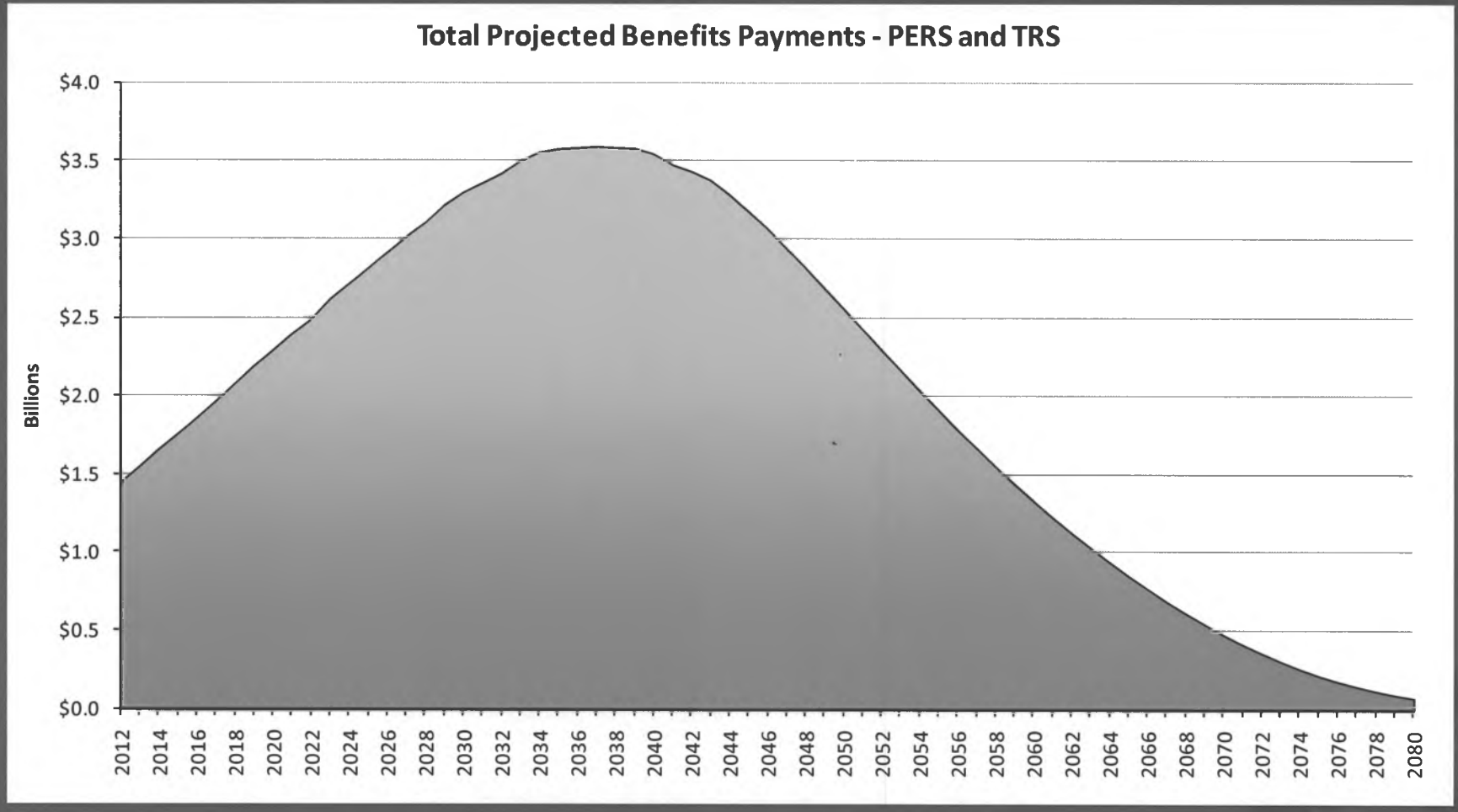
PERS	TRS
Tier I: 29,832	Tier I: 12,124
Tier II: 16,738	Tier II: 9,771
Tier III: 27,202	

Constitutional Obligation

- PERS/TRS DB Benefits will be paid until approximately 2080

- Benefit payments –
  -$1 billion per year from now until 2063
  -$3 billion per year from 2027-2046

PERS / TRS Hard Liabilities



Source: Buck Consultants

Increasing Cost of DB Plan Benefits

- People are living longer than expected
- People are retiring earlier than expected
- Health costs have substantially exceeded the rate of inflation

How We Plan to Keep Our Promises

- Continue to:
  - Invest $15.8 billion in assets
  - Collect 22% of payroll from PERS employers
  - Collect 12.5% of payroll from TRS employers
  - Collect 6.75% from PERS DB employees
  - Collect 8.65% from TRS DB employees
  - Request GF Contributions
  - Make all benefits payments when due

Current Difficulties

- Cost of promised benefits keeps increasing
- Unfunded liability now projected to exceed $11 billion
- PERS employer rate projected to increase from 30.75% in FY 12 to 32.83% for FY 13
- TRS employer rate projected to increase from 42.56% in FY 12 to 49.56% for FY 13
- Plan assets have been jeopardized by Great Recession and volatile markets

The Road Ahead

- Liabilities are projected to exceed $3 billion a year for the 20-year period 2027-2046
- Current assets are $16 billion with various streams of revenue
- New unfunded liabilities can develop at any time:
  - Mortality changes
  - Health care cost increases
  - Future investment loss

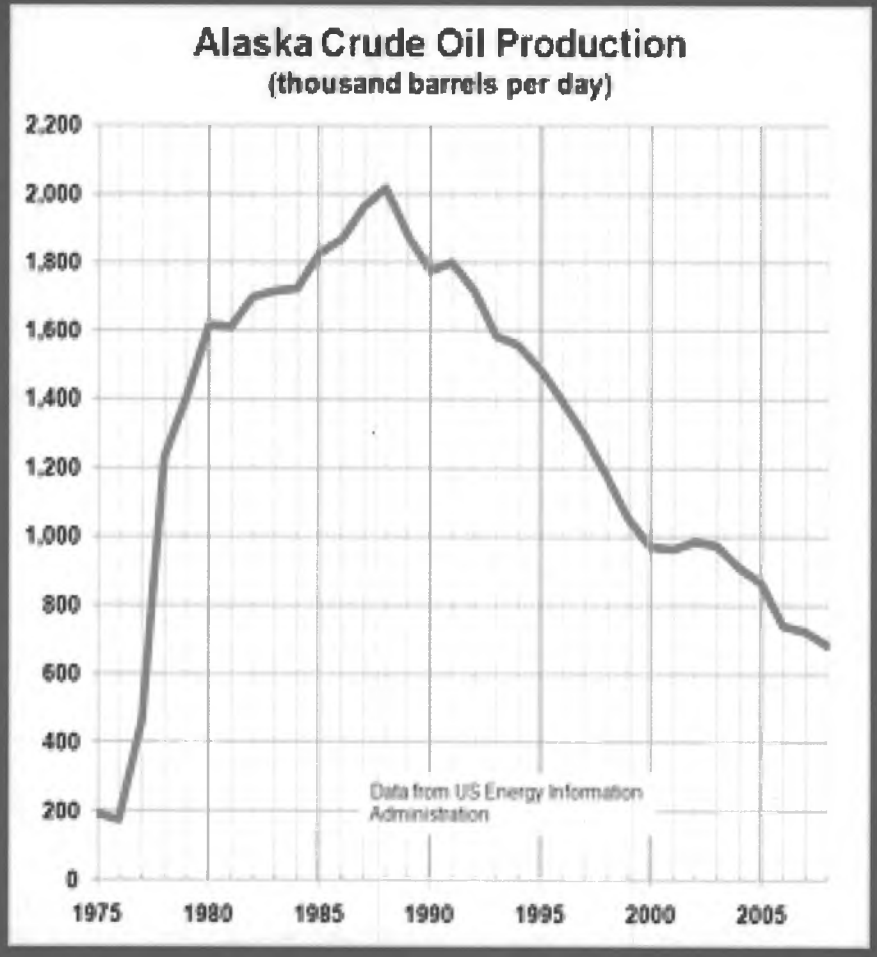
Pension Plans Need Backstops

- Alaska's experience from the 2000s
- Unfunded liabilities arise for a variety of reasons, negligent and non-negligent
- When unfunded liabilities have developed in the Alaska, by and large the GF has provided the solution

Making New Promises

- SB 121 makes new retirement promises to the next generation of state employees
- The State will need to keep those promises until at least 2080-2090
- $3 billion in annual benefit payments for current population will extend beyond 2047
- Where is the GF income in the future to backstop these new retirement promises?
  - Investment losses
  - Mortality changes
  - Increased health care costs

Can we make new promises that retirees and their families will be able to rely on in 2060-2090?



Does SB 121 Save Money?

- Employer contribution rates are set on combined DB/DC payroll
- Contribution rates will not decrease with SB 121
- State as an employer pays 5% for DC employees, 30.76% for DB employees
- DC account balances total approximately $300 million

Breaking Promises

- Retirement promises have been broken elsewhere
- Private employer retirement plan defaults prompted federal passage of ERISA in 1974
- Current threat of public pension defaults across the country
- Some states have broken promises and cut benefits to retirees
- Alaska has moral and constitutional obligation to keep its promises

Administration Position

- Keep the retirement promises we have made to date
- Don't make the problem worse
- Don't make new retirement promises that we cannot keep
- A revenue backstop is necessary to ensure new promises are kept; until Alaska's
  long term fiscal situation is solved
  this discussion is premature

SB 121
Technical Issues

TRS Issue

- Sec. 4 adds a requirement for SB 121 teachers who are disabled to apply for a vocational rehabilitation program. Inoperable provision.
- Sec. 21 requires current DC teachers to elect to transfer to the DB plan within 60 days of the effective date of legislation. Insufficient time period.

PERS Issues

- Sec. 14 removes current and future survivors from medical coverage due to new language “who becomes a member.” Survivors are not members.

PERS and TRS Issues

- Sec. 9 and 19 requires the PERS and TRS to provide a teacher or public employee with calculations to make a decision regarding participation in the DB or DC plan within 5 days of hire.
- Sec. 21 and 22 requires ARMB to ensure transfer of funds. Should be plan administrator.
- Sec. 22 requires any excess DC contributions to be paid to the member's SBS-AP account.

State of Alaska
Summary of Normal Costs for New Tier Members under CS SB 121 DB/DC Choice Proposal
($ in thousands)

PERS Others

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference	Pension Cost Difference	Healthcare Cost Difference
FY15	7,838	$374,608	$5,418	$18,937	$24,355	1.45%	5.06%	$2.42	5.22%	$19,555	3.48%	$13,036	$32,591	($8,236)	($14,137)	$5,901
FY16	10,183	498,502	7,210	26,458	33,668	1.45%	5.31%	2.60	5.22%	26,022	3.48%	17,348	$43,370	($9,702)	($18,812)	$9,110
FY17	12,261	622,231	9,000	35,057	44,057	1.45%	5.63%	2.86	5.22%	32,480	3.48%	21,654	$54,134	($10,077)	($23,480)	$13,403
FY18	14,124	746,155	10,792	44,070	54,862	1.45%	5.91%	3.12	5.22%	38,949	3.48%	25,966	$64,915	($10,053)	($28,157)	$18,104
FY19	15,822	871,246	12,602	53,085	65,687	1.45%	6.09%	3.36	5.22%	45,479	3.48%	30,319	$75,798	($10,111)	($32,877)	$22,766
FY20	17,368	998,726	14,445	63,839	78,284	1.45%	6.39%	3.68	5.22%	52,133	3.48%	34,756	$86,889	($8,605)	($37,688)	$29,083
FY21	18,788	1,126,513	16,294	74,712	91,006	1.45%	6.63%	3.98	5.22%	58,804	3.48%	39,203	$98,007	($7,001)	($42,510)	$35,509

PERS Peace Officer/Firefighter

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference	Pension Cost Difference	Healthcare Cost Difference
FY15	570	$35,710	$1,456	$2,142	$3,598	4.08%	6.00%	$3.76	5.22%	$1,864	3.48%	$1,243	$3,107	$491	($408)	$899
FY16	741	47,520	1,937	3,043	4,980	4.08%	6.40%	4.11	5.22%	2,481	3.48%	1,654	$4,135	$845	($544)	$1,389
FY17	898	59,315	2,418	4,122	6,540	4.08%	6.95%	4.59	5.22%	3,096	3.48%	2,064	$5,160	$1,380	($678)	$2,058
FY18	1,047	71,415	2,911	5,317	8,228	4.08%	7.45%	5.08	5.22%	3,728	3.48%	2,485	$6,213	$2,015	($817)	$2,832
FY19	1,190	84,049	3,426	6,376	9,802	4.08%	7.59%	5.36	5.22%	4,387	3.48%	2,925	$7,312	$2,490	($961)	$3,451
FY20	1,329	97,175	3,961	7,730	11,691	4.08%	7.95%	5.82	5.22%	5,073	3.48%	3,382	$8,455	$3,236	($1,112)	$4,348
FY21	1,461	110,877	4,519	8,968	13,487	4.08%	8.09%	6.14	5.22%	5,788	3.48%	3,859	$9,647	$3,840	($1,269)	$5,109

PERS Total

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference	Pension Cost Difference	Healthcare Cost Difference
FY15	8,408	$410,318	$6,874	$21,079	$27,953	1.68%	5.14%	$2.51	5.22%	$21,419	3.48%	$14,279	$35,698	($7,745)	($14,545)	$6,800
FY16	10,924	546,022	9,147	29,501	38,648	1.68%	5.40%	2.70	5.22%	28,503	3.48%	19,002	47,505	(8,857)	(19,356)	10,499
FY17	13,159	681,546	11,418	39,179	50,597	1.68%	5.75%	2.98	5.22%	35,576	3.48%	23,718	59,294	(8,697)	(24,158)	15,461
FY18	15,171	817,570	13,703	49,387	63,090	1.68%	6.04%	3.26	5.22%	42,677	3.48%	28,451	71,128	(8,038)	(28,974)	20,936
FY19	17,012	955,295	16,028	59,461	75,489	1.68%	6.22%	3.50	5.22%	49,866	3.48%	33,244	83,110	(7,621)	(33,838)	26,217
FY20	18,697	1,095,901	18,406	71,569	89,975	1.68%	6.53%	3.83	5.22%	57,206	3.48%	38,138	95,344	(5,369)	(38,800)	33,431
FY21	20,249	1,237,390	20,813	83,680	104,493	1.68%	6.76%	4.13	5.22%	64,592	3.48%	43,062	107,654	(3,161)	(43,779)	40,618

Teachers' Retirement System

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference	Pension Cost Difference	Healthcare Cost Difference
FY15	2,016	$116,432	$3,307	$7,441	$10,748	2.84%	6.39%	$3.69	7.00%	$8,150	3.49%	$4,063	$12,213	($1,465)	($4,843)	$3,378
FY16	2,663	157,186	4,464	10,274	14,738	2.84%	6.54%	3.86	7.00%	11,003	3.49%	5,486	16,489	(1,751)	(6,539)	4,788
FY17	3,249	197,916	5,621	13,230	18,851	2.84%	6.68%	4.07	7.00%	13,854	3.49%	6,907	20,761	(1,910)	(8,233)	6,323
FY18	3,795	239,377	6,798	16,507	23,305	2.84%	6.90%	4.35	7.00%	16,756	3.49%	8,354	25,110	(1,805)	(9,958)	8,153
FY19	4,307	281,784	8,003	19,720	27,723	2.84%	7.00%	4.58	7.00%	19,725	3.49%	9,834	29,559	(1,838)	(11,722)	9,886
FY20	4,788	325,194	9,236	22,975	32,211	2.84%	7.07%	4.80	7.00%	22,764	3.49%	11,349	34,113	(1,902)	(13,528)	11,626
FY21	5,249	370,319	10,517	26,328	36,845	2.84%	7.11%	5.02	7.00%	25,922	3.49%	12,924	38,846	(2,001)	(15,405)	13,404
FY22	5,687	416,745	11,836	30,130	41,966	2.84%	7.23%	5.30	7.00%	29,172	3.49%	14,544	43,716	(1,750)	(17,336)	15,586
FY23	6,097	464,227	13,184	34,120	47,304	2.84%	7.35%	5.60	7.00%	32,496	3.49%	16,202	48,698	(1,394)	(19,312)	17,918
FY24	6,480	512,664	14,560	38,081	52,641	2.84%	7.43%	5.88	7.00%	35,886	3.49%	17,892	53,778	(1,137)	(21,326)	20,189

Prepared as of February 1, 2012.

27-LS0281\R.1
Wayne
2/1/12

AMENDMENT #1

OFFERED IN THE SENATE

TO: CSSB 121(STA), Draft Version "R"

Page 6, line 21:

Delete "contribution"

Insert "benefit"

Page 6, line 23:

Delete "board"

Insert "administrator"

Page 13, line 17:

Delete "contribution"

Insert "benefit"

Page 13, line 19:

Delete "board"

Insert "administrator"

27-LS0281\R.2
Wayne
2/8/12

AMENDMENT #2

OFFERED IN THE SENATE

TO: CSSB 121(STA), Draft Version "R"

Page 4, line 10:

Delete "a new subsection"

Insert "new subsections"

Page 4, line 30, following "more":

Insert ", but less than 30,"

Page 5, following line 3:

Insert new subsections to read:

"(h) On or after July 1, 2018, and every five years thereafter, the administrator shall adjust the percentages under (g)(2) and (3) of this section as needed to maintain, but not to exceed, over the succeeding five years, an employer normal cost rate for the members and survivors who first became members after June 30, 2006, that does not exceed the combined total of the rates under AS 14.25.350(a), (b), (d), and (e) minus the employer normal cost rate attributable to the members who first became members after June 30, 2006, for benefits under AS 14.25.009 - 14.25.167. An adjustment made under this subsection shall remain in effect for five years. In making an adjustment under this subsection, the administrator shall maintain the five percent differences between (g)(2)(A), (B), and (C) of this section and the five percent differences between (g)(3)(A) and (B) of this section.

(i) When a member is appointed to retirement, the member obtains a vested right to the applicable percentage under (g)(2) or (3) of this section, as adjusted under (h) of this section, that is in effect when the member is appointed to retirement. A

member does not obtain a vested right to a percentage under (g)(2) or (3) of this section, as adjusted under (h) of this section, before the member is appointed to retirement."

Page 11, line 10, following "**retirement**":

Insert "**:**

(6) on or after July 1, 2018, and every five years thereafter, the administrator shall adjust the percentages under (3) and (4) of this subsection as needed to maintain, but not to exceed, over the succeeding five years, an employer normal cost rate for the members and survivors who first became members after June 30, 2006, that does not exceed the combined total of the rates under AS 39.35.750(a), (b), (d), and (e) minus the employer normal cost rate attributable to the members who first became members after June 30, 2006, for benefits under AS 39.35.095 - 39.35.530; an adjustment made under this paragraph shall remain in effect for five years; in making an adjustment under this paragraph, the administrator shall maintain the five percent differences between (3)(A), (B), (C), and (D) of this subsection and the five percent differences between (4)(A) and (B) of this subsection;

(7) when a member is appointed to retirement, the member obtains a vested right to the applicable percentage under (3) or (4) of this subsection, as adjusted under (6) of this subsection, that is in effect when the member is appointed to retirement; a member does not obtain a vested right to a percentage under (3) or (4) of this subsection, as adjusted under (6) of this subsection, before appointment to retirement."

State of Alaska
Summary of Normal Costs for New Tier Members under CS SB 121 DB/DC Choice Proposal
($ in thousands)

PERS Others

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference	Pension Cost Difference	Healthcare Cost Difference
FY15	7,838	$374,608	$5,418	$18,937	$24,355	1.45%	5.06%	$2.42	5.22%	$19,555	3.48%	$13,036	$32,591	($8,236)	($14,137)	$5,901
FY16	10,183	498,502	7,210	26,458	33,668	1.45%	5.31%	2.60	5.22%	26,022	3.48%	17,348	43,370	(9,702)	(18,812)	9,110
FY17	12,261	622,231	9,000	35,057	44,057	1.45%	5.63%	2.86	5.22%	32,480	3.48%	21,654	54,134	(10,077)	(23,480)	13,403
FY18	14,124	746,155	10,792	44,070	54,862	1.45%	5.91%	3.12	5.22%	38,949	3.48%	25,966	64,915	(10,053)	(28,157)	18,104
FY19	15,822	871,246	12,602	53,085	65,687	1.45%	6.09%	3.36	5.22%	45,479	3.48%	30,319	75,798	(10,111)	(32,877)	22,766
FY20	17,368	998,726	14,445	63,839	78,284	1.45%	6.39%	3.68	5.22%	52,133	3.48%	34,756	86,889	(8,605)	(37,688)	29,083
FY21	18,788	1,126,513	16,294	74,712	91,006	1.45%	6.63%	3.98	5.22%	58,804	3.48%	39,203	98,007	(7,001)	(42,510)	35,509
FY22	20,112	1,255,508	18,159	86,753	104,912	1.45%	6.91%	4.31	5.22%	65,538	3.48%	43,692	109,230	(4,318)	(47,379)	43,061
FY23	21,341	1,386,021	20,047	99,332	119,379	1.45%	7.17%	4.65	5.22%	72,350	3.48%	48,234	120,584	(1,205)	(52,303)	51,098
FY24	22,482	1,517,987	21,956	112,063	134,019	1.45%	7.38%	4.98	5.22%	79,239	3.48%	52,826	132,065	1,954	(57,283)	59,237
FY25	23,537	1,653,629	23,918	125,247	149,165	1.45%	7.57%	5.32	5.22%	86,319	3.48%	57,546	143,865	5,300	(62,401)	67,701
FY26	24,515	1,789,919	25,889	138,991	164,880	1.45%	7.77%	5.67	5.22%	93,434	3.48%	62,289	155,723	9,157	(67,545)	76,702
FY27	25,425	1,927,781	27,883	153,510	181,393	1.45%	7.96%	6.04	5.22%	100,630	3.48%	67,087	167,717	13,676	(72,747)	86,423
FY28	26,274	2,067,961	29,911	168,813	198,724	1.45%	8.16%	6.43	5.22%	107,948	3.48%	71,965	179,913	18,811	(78,037)	96,848
FY29	27,063	2,210,607	31,974	184,612	216,586	1.45%	8.35%	6.82	5.22%	115,394	3.48%	76,929	192,323	24,263	(83,420)	107,683
FY30	27,797	2,355,969	34,076	201,253	235,329	1.45%	8.54%	7.24	5.22%	122,982	3.48%	81,988	204,970	30,359	(88,906)	119,265
FY31	28,486	2,503,509	36,210	219,267	255,477	1.45%	8.76%	7.70	5.22%	130,683	3.48%	87,122	217,805	37,672	(94,473)	132,145
FY32	29,131	2,655,253	38,405	239,289	277,694	1.45%	9.01%	8.21	5.22%	138,604	3.48%	92,403	231,007	46,687	(100,199)	146,886
FY33	29,739	2,811,067	40,659	260,772	301,431	1.45%	9.28%	8.77	5.22%	146,738	3.48%	97,825	244,563	56,868	(106,079)	162,947
FY34	30,315	2,971,585	42,980	283,867	326,847	1.45%	9.55%	9.36	5.22%	155,117	3.48%	103,411	258,528	68,319	(112,137)	180,456
FY35	30,864	3,139,619	45,411	303,896	349,307	1.45%	9.68%	9.85	5.22%	163,888	3.48%	109,259	273,147	76,160	(118,477)	194,637
FY36	31,388	3,310,581	47,884	325,139	373,023	1.45%	9.82%	10.36	5.22%	172,812	3.48%	115,208	288,020	85,003	(124,928)	209,931
FY37	31,892	3,485,562	50,415	348,223	398,638	1.45%	9.99%	10.92	5.22%	181,946	3.48%	121,298	303,244	95,394	(131,531)	226,925
FY38	32,373	3,665,256	53,014	372,907	425,921	1.45%	10.17%	11.52	5.22%	191,326	3.48%	127,551	318,877	107,044	(138,312)	245,356
FY39	32,837	3,850,505	55,693	399,929	455,622	1.45%	10.39%	12.18	5.22%	200,996	3.48%	133,998	334,994	120,628	(145,303)	265,931
FY40	33,287	4,041,786	58,460	428,645	487,105	1.45%	10.61%	12.88	5.22%	210,981	3.48%	140,654	351,635	135,470	(152,521)	287,991
FY41	33,724	4,237,502	61,290	460,264	521,554	1.45%	10.86%	13.65	5.22%	221,198	3.48%	147,465	368,663	152,891	(159,908)	312,799
FY42	34,144	4,439,927	64,218	494,977	559,195	1.45%	11.15%	14.50	5.22%	231,764	3.48%	154,509	386,273	172,922	(167,546)	340,468

State of Alaska
Summary of Normal Costs for New Tier Members under CS SB 121 DB/DC Choice Proposal
($ in thousands)

PERS Peace Officer/Firefighter

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference	Pension Cost Difference	Healthcare Cost Difference
FY15	570	$35,710	$1,456	$2,142	$3,598	4.08%	6.00%	$3.76	5.22%	$1,864	3.48%	$1,243	$3,107	$491	($408)	$899
FY16	741	47,520	1,937	3,043	4,980	4.08%	6.40%	4.11	5.22%	2,481	3.48%	1,654	4,135	845	(544)	1,389
FY17	898	59,315	2,418	4,122	6,540	4.08%	6.95%	4.59	5.22%	3,096	3.48%	2,064	5,160	1,380	(678)	2,058
FY18	1,047	71,415	2,911	5,317	8,228	4.08%	7.45%	5.08	5.22%	3,728	3.48%	2,485	6,213	2,015	(817)	2,832
FY19	1,190	84,049	3,426	6,376	9,802	4.08%	7.59%	5.36	5.22%	4,387	3.48%	2,925	7,312	2,490	(961)	3,451
FY20	1,329	97,175	3,961	7,730	11,691	4.08%	7.95%	5.82	5.22%	5,073	3.48%	3,382	8,455	3,236	(1,112)	4,348
FY21	1,461	110,877	4,519	8,968	13,487	4.08%	8.09%	6.14	5.22%	5,788	3.48%	3,859	9,647	3,840	(1,269)	5,109
FY22	1,592	125,231	5,104	10,316	15,420	4.08%	8.24%	6.48	5.22%	6,537	3.48%	4,358	10,895	4,525	(1,433)	5,958
FY23	1,717	139,903	5,702	11,743	17,445	4.08%	8.39%	6.84	5.22%	7,303	3.48%	4,869	12,172	5,273	(1,601)	6,874
FY24	1,838	155,271	6,329	13,126	19,455	4.08%	8.45%	7.14	5.22%	8,105	3.48%	5,403	13,508	5,947	(1,776)	7,723
FY25	1,954	171,056	6,972	14,666	21,638	4.08%	8.57%	7.51	5.22%	8,929	3.48%	5,953	14,882	6,756	(1,957)	8,713
FY26	2,069	187,532	7,644	16,241	23,885	4.08%	8.66%	7.85	5.22%	9,789	3.48%	6,526	16,315	7,570	(2,145)	9,715
FY27	2,179	204,562	8,338	17,939	26,277	4.08%	8.77%	8.23	5.22%	10,678	3.48%	7,119	17,797	8,480	(2,340)	10,820
FY28	2,284	222,176	9,056	19,743	28,799	4.08%	8.89%	8.64	5.22%	11,598	3.48%	7,732	19,330	9,469	(2,542)	12,011
FY29	2,384	240,299	9,794	21,661	31,455	4.08%	9.01%	9.09	5.22%	12,544	3.48%	8,362	20,906	10,549	(2,750)	13,299
FY30	2,480	259,055	10,559	23,634	34,193	4.08%	9.12%	9.53	5.22%	13,523	3.48%	9,015	22,538	11,655	(2,964)	14,619
FY31	2,570	278,115	11,336	25,754	37,090	4.08%	9.26%	10.02	5.22%	14,518	3.48%	9,678	24,196	12,894	(3,182)	16,076
FY32	2,651	297,247	12,116	28,028	40,144	4.08%	9.43%	10.57	5.22%	15,516	3.48%	10,344	25,860	14,284	(3,400)	17,684
FY33	2,724	316,557	12,903	30,506	43,409	4.08%	9.64%	11.20	5.22%	16,524	3.48%	11,016	27,540	15,869	(3,621)	19,490
FY34	2,790	336,137	13,701	32,769	46,470	4.08%	9.75%	11.75	5.22%	17,546	3.48%	11,698	29,244	17,226	(3,845)	21,071
FY35	2,851	356,863	14,546	34,567	49,113	4.08%	9.69%	12.12	5.22%	18,628	3.48%	12,419	31,047	18,066	(4,082)	22,148
FY36	2,905	377,677	15,394	36,431	51,825	4.08%	9.65%	12.54	5.22%	19,715	3.48%	13,143	32,858	18,967	(4,321)	23,288
FY37	2,956	398,673	16,250	38,545	54,795	4.08%	9.67%	13.04	5.22%	20,811	3.48%	13,874	34,685	20,110	(4,561)	24,671
FY38	3,003	419,945	17,117	40,741	57,858	4.08%	9.70%	13.57	5.22%	21,921	3.48%	14,614	36,535	21,323	(4,804)	26,127
FY39	3,048	441,564	17,998	43,166	61,164	4.08%	9.78%	14.16	5.22%	23,050	3.48%	15,366	38,416	22,748	(5,052)	27,800
FY40	3,090	463,598	18,896	45,810	64,706	4.08%	9.88%	14.83	5.22%	24,200	3.48%	16,133	40,333	24,373	(5,304)	29,677
FY41	3,130	485,716	19,798	48,583	68,381	4.08%	10.00%	15.52	5.22%	25,354	3.48%	16,903	42,257	26,124	(5,556)	31,680
FY42	3,169	508,540	20,728	51,724	72,452	4.08%	10.17%	16.32	5.22%	26,546	3.48%	17,697	44,243	28,209	(5,818)	34,027

State of Alaska
Summary of Normal Costs for New Tier Members under CS SB 121 DB/DC Choice Proposal
($ in thousands)

PERS Total

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference	Pension Cost Difference	Healthcare Cost Difference
FY15	8,408	$410,318	$6,874	$21,079	$27,953	1.68%	5.14%	$2.51	5.22%	$21,419	3.48%	$14,279	$35,698	($7,745)	($14,545)	$6,800
FY16	10,924	546,022	9,147	29,501	38,648	1.68%	5.40%	2.70	5.22%	28,503	3.48%	19,002	47,505	(8,857)	(19,356)	10,499
FY17	13,159	681,546	11,418	39,179	50,597	1.68%	5.75%	2.98	5.22%	35,576	3.48%	23,718	59,294	(8,697)	(24,158)	15,461
FY18	15,171	817,570	13,703	49,387	63,090	1.68%	6.04%	3.26	5.22%	42,677	3.48%	28,451	71,128	(8,038)	(28,974)	20,936
FY19	17,012	955,295	16,028	59,461	75,489	1.68%	6.22%	3.50	5.22%	49,866	3.48%	33,244	83,110	(7,621)	(33,838)	26,217
FY20	18,697	1,095,901	18,406	71,569	89,975	1.68%	6.53%	3.83	5.22%	57,206	3.48%	38,138	95,344	(5,369)	(38,800)	33,431
FY21	20,249	1,237,390	20,813	83,680	104,493	1.68%	6.76%	4.13	5.22%	64,592	3.48%	43,062	107,654	(3,161)	(43,779)	40,618
FY22	21,704	1,380,739	23,263	97,069	120,332	1.68%	7.03%	4.47	5.22%	72,075	3.48%	48,050	120,125	207	(48,812)	49,019
FY23	23,058	1,525,924	25,749	111,075	136,824	1.68%	7.28%	4.82	5.22%	79,653	3.48%	53,103	132,756	4,068	(53,904)	57,972
FY24	24,320	1,673,258	28,285	125,189	153,474	1.68%	7.48%	5.15	5.22%	87,344	3.48%	58,229	145,573	7,901	(59,059)	66,960
FY25	25,491	1,824,685	30,890	139,913	170,803	1.68%	7.67%	5.49	5.22%	95,248	3.48%	63,499	158,747	12,056	(64,358)	76,414
FY26	26,584	1,977,451	33,533	155,232	188,765	1.68%	7.85%	5.84	5.22%	103,223	3.48%	68,815	172,038	16,727	(69,690)	86,417
FY27	27,604	2,132,343	36,221	171,449	207,670	1.68%	8.04%	6.21	5.22%	111,308	3.48%	74,206	185,514	22,156	(75,087)	97,243
FY28	28,558	2,290,137	38,967	188,556	227,523	1.68%	8.23%	6.60	5.22%	119,546	3.48%	79,697	199,243	28,280	(80,579)	108,859
FY29	29,447	2,450,906	41,768	206,273	248,041	1.68%	8.42%	7.00	5.22%	127,938	3.48%	85,291	213,229	34,812	(86,170)	120,982
FY30	30,277	2,615,024	44,635	224,887	269,522	1.68%	8.60%	7.43	5.22%	136,505	3.48%	91,003	227,508	42,014	(91,870)	133,884
FY31	31,056	2,781,624	47,546	245,021	292,567	1.68%	8.81%	7.89	5.22%	145,201	3.48%	96,800	242,001	50,566	(97,655)	148,221
FY32	31,782	2,952,500	50,521	267,317	317,838	1.68%	9.05%	8.41	5.22%	154,120	3.48%	102,747	256,867	60,971	(103,599)	164,570
FY33	32,463	3,127,624	53,562	291,278	344,840	1.68%	9.31%	8.97	5.22%	163,262	3.48%	108,841	272,103	72,737	(109,700)	182,437
FY34	33,105	3,307,722	56,681	316,636	373,317	1.68%	9.57%	9.56	5.22%	172,663	3.48%	115,109	287,772	85,545	(115,982)	201,527
FY35	33,715	3,496,482	59,957	338,463	398,420	1.68%	9.68%	10.04	5.22%	182,516	3.48%	121,678	304,194	94,226	(122,559)	216,785
FY36	34,293	3,688,258	63,278	361,570	424,848	1.68%	9.80%	10.54	5.22%	192,527	3.48%	128,351	320,878	103,970	(129,249)	233,219
FY37	34,848	3,884,235	66,665	386,768	453,433	1.68%	9.96%	11.10	5.22%	202,757	3.48%	135,172	337,929	115,504	(136,092)	251,596
FY38	35,376	4,085,201	70,131	413,648	483,779	1.68%	10.13%	11.69	5.22%	213,247	3.48%	142,165	355,412	128,367	(143,116)	271,483
FY39	35,885	4,292,069	73,691	443,095	516,786	1.68%	10.32%	12.35	5.22%	224,046	3.48%	149,364	373,410	143,376	(150,355)	293,731
FY40	36,377	4,505,384	77,356	474,455	551,811	1.68%	10.53%	13.04	5.22%	235,181	3.48%	156,787	391,968	159,843	(157,825)	317,668
FY41	36,854	4,723,218	81,088	508,847	589,935	1.68%	10.77%	13.81	5.22%	246,552	3.48%	164,368	410,920	179,015	(165,464)	344,479
FY42	37,313	4,948,467	84,946	546,701	631,647	1.68%	11.05%	14.65	5.22%	258,310	3.48%	172,206	430,516	201,131	(173,364)	374,495

State of Alaska
Summary of Normal Costs for New Tier Members under CS SB 121 DB/DC Choice Proposal
($ in thousands)

Teachers' Retirement System

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference	Pension Cost Difference	Healthcare Cost Difference
FY15	2,016	$116,432	$3,307	$7,441	$10,748	2.84%	6.39%	$3.69	7.00%	$8,150	3.49%	$4,063	$12,213	($1,465)	($4,843)	$3,378
FY16	2,663	157,186	4,464	10,274	14,738	2.84%	6.54%	3.86	7.00%	11,003	3.49%	5,486	16,489	(1,751)	(6,539)	4,788
FY17	3,249	197,916	5,621	13,230	18,851	2.84%	6.68%	4.07	7.00%	13,854	3.49%	6,907	20,761	(1,910)	(8,233)	6,323
FY18	3,795	239,377	6,798	16,507	23,305	2.84%	6.90%	4.35	7.00%	16,756	3.49%	8,354	25,110	(1,805)	(9,958)	8,153
FY19	4,307	281,784	8,003	19,720	27,723	2.84%	7.00%	4.58	7.00%	19,725	3.49%	9,834	29,559	(1,836)	(11,722)	9,886
FY20	4,788	325,194	9,236	22,975	32,211	2.84%	7.07%	4.80	7.00%	22,764	3.49%	11,349	34,113	(1,902)	(13,528)	11,626
FY21	5,249	370,319	10,517	26,328	36,845	2.84%	7.11%	5.02	7.00%	25,922	3.49%	12,924	38,846	(2,001)	(15,405)	13,404
FY22	5,687	416,745	11,836	30,130	41,966	2.84%	7.23%	5.30	7.00%	29,172	3.49%	14,544	43,716	(1,750)	(17,336)	15,586
FY23	6,097	464,227	13,184	34,120	47,304	2.84%	7.35%	5.60	7.00%	32,496	3.49%	16,202	48,698	(1,394)	(19,312)	17,918
FY24	6,480	512,664	14,560	38,081	52,641	2.84%	7.43%	5.88	7.00%	35,886	3.49%	17,892	53,778	(1,137)	(21,326)	20,189
FY25	6,837	562,375	15,971	42,331	58,302	2.84%	7.53%	6.19	7.00%	39,366	3.49%	19,627	58,993	(691)	(23,395)	22,704
FY26	7,174	613,016	17,410	46,809	64,219	2.84%	7.64%	6.53	7.00%	42,911	3.49%	21,394	64,305	(86)	(25,501)	25,415
FY27	7,496	664,940	18,884	51,705	70,589	2.84%	7.78%	6.90	7.00%	46,546	3.49%	23,206	69,752	837	(27,662)	28,499
FY28	7,799	717,892	20,388	57,010	77,398	2.84%	7.94%	7.31	7.00%	50,252	3.49%	25,054	75,306	2,092	(29,864)	31,956
FY29	8,085	771,823	21,920	62,534	84,454	2.84%	8.10%	7.73	7.00%	54,028	3.49%	26,937	80,965	3,489	(32,108)	35,597
FY30	8,354	826,955	23,486	68,248	91,734	2.84%	8.25%	8.17	7.00%	57,887	3.49%	28,861	86,748	4,986	(34,401)	39,387
FY31	8,603	882,285	25,057	74,520	99,577	2.84%	8.45%	8.66	7.00%	61,760	3.49%	30,792	92,552	7,025	(36,703)	43,728
FY32	8,833	938,353	26,649	81,372	108,021	2.84%	8.67%	9.21	7.00%	65,685	3.49%	32,749	98,434	9,587	(39,036)	48,623
FY33	9,046	995,359	28,268	88,667	116,935	2.84%	8.91%	9.80	7.00%	69,675	3.49%	34,738	104,413	12,522	(41,407)	53,929
FY34	9,245	1,053,336	29,915	96,251	126,166	2.84%	9.14%	10.41	7.00%	73,734	3.49%	36,761	110,495	15,671	(43,819)	59,490
FY35	9,429	1,112,586	31,597	103,846	135,443	2.84%	9.33%	11.01	7.00%	77,881	3.49%	38,829	116,710	18,733	(46,284)	65,017
FY36	9,604	1,172,610	33,302	111,851	145,153	2.84%	9.54%	11.65	7.00%	82,083	3.49%	40,924	123,007	22,146	(48,781)	70,927
FY37	9,767	1,233,614	35,035	120,896	155,931	2.84%	9.80%	12.38	7.00%	86,353	3.49%	43,053	129,406	26,525	(51,318)	77,843
FY38	9,923	1,295,853	36,802	130,693	167,495	2.84%	10.09%	13.17	7.00%	90,710	3.49%	45,225	135,935	31,560	(53,908)	85,468
FY39	10,069	1,359,505	38,610	141,417	180,027	2.84%	10.40%	14.04	7.00%	95,165	3.49%	47,447	142,612	37,415	(56,555)	93,970
FY40	10,211	1,424,719	40,462	153,150	193,612	2.84%	10.75%	15.00	7.00%	99,730	3.49%	49,723	149,453	44,159	(59,268)	103,427
FY41	10,347	1,491,201	42,350	166,212	208,562	2.84%	11.15%	16.06	7.00%	104,384	3.49%	52,043	156,427	52,135	(62,034)	114,169
FY42	10,478	1,559,673	44,295	180,315	224,610	2.84%	11.56%	17.21	7.00%	109,177	3.49%	54,433	163,610	61,000	(64,882)	125,882
FY43	10,607	1,630,380	46,303	195,761	242,064	2.84%	12.01%	18.46	7.00%	114,127	3.49%	56,900	171,027	71,037	(67,824)	138,861
FY44	10,732	1,703,466	48,378	212,093	260,471	2.84%	12.45%	19.76	7.00%	119,243	3.49%	59,451	178,694	81,777	(70,865)	152,642

State of Alaska
Summary of Normal Costs for New Tier Members under CS SB 121 DB/DC Choice Proposal
($ in thousands)

PERS Others

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference	Pension Cost Difference	Healthcare Cost Difference
FY15	7,838	$374,608	$5,418	$18,937	$24,355	1.45%	5.06%	$2.42	5.22%	$19,555	3.48%	$13,036	$32,591	($8,236)	($14,137)	$5,901
FY16	10,183	498,502	7,210	26,458	33,668	1.45%	5.31%	2.60	5.22%	26,022	3.48%	17,348	$43,370	($9,702)	($18,812)	$9,110
FY17	12,261	622,231	9,000	35,057	44,057	1.45%	5.63%	2.86	5.22%	32,480	3.48%	21,654	$54,134	($10,077)	($23,480)	$13,403
FY18	14,124	746,155	10,792	44,070	54,862	1.45%	5.91%	3.12	5.22%	38,949	3.48%	25,966	$64,915	($10,053)	($28,157)	$18,104
FY19	15,822	871,246	12,602	53,085	65,687	1.45%	6.09%	3.36	5.22%	45,479	3.48%	30,319	$75,798	($10,111)	($32,877)	$22,766
FY20	17,368	998,726	14,445	63,839	78,284	1.45%	6.39%	3.68	5.22%	52,133	3.48%	34,756	$86,889	($8,605)	($37,688)	$29,083
FY21	18,788	1,126,513	16,294	74,712	91,006	1.45%	6.63%	3.98	5.22%	58,804	3.48%	39,203	$98,007	($7,001)	($42,510)	$35,509

PERS Peace Officer/Firefighter

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference	Pension Cost Difference	Healthcare Cost Difference
FY15	570	$35,710	$1,456	$2,142	$3,598	4.08%	6.00%	$3.76	5.22%	$1,864	3.48%	$1,243	$3,107	$491	($408)	$899
FY16	741	47,520	1,937	3,043	4,980	4.08%	6.40%	4.11	5.22%	2,481	3.48%	1,654	$4,135	$845	($544)	$1,389
FY17	898	59,315	2,418	4,122	6,540	4.08%	6.95%	4.59	5.22%	3,096	3.48%	2,064	$5,160	$1,380	($678)	$2,058
FY18	1,047	71,415	2,911	5,317	8,228	4.08%	7.45%	5.08	5.22%	3,728	3.48%	2,485	$6,213	$2,015	($817)	$2,832
FY19	1,190	84,049	3,426	6,376	9,802	4.08%	7.59%	5.36	5.22%	4,387	3.48%	2,925	$7,312	$2,490	($961)	$3,451
FY20	1,329	97,175	3,961	7,730	11,691	4.08%	7.95%	5.82	5.22%	5,073	3.48%	3,382	$8,455	$3,236	($1,112)	$4,348
FY21	1,461	110,877	4,519	8,968	13,487	4.08%	8.09%	6.14	5.22%	5,788	3.48%	3,859	$9,647	$3,840	($1,269)	$5,109

PERS Total

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference	Pension Cost Difference	Healthcare Cost Difference
FY15	8,408	$410,318	$6,874	$21,079	$27,953	1.68%	5.14%	$2.51	5.22%	$21,419	3.48%	$14,279	$35,698	($7,745)	($14,545)	$6,800
FY16	10,924	546,022	9,147	29,501	38,648	1.68%	5.40%	2.70	5.22%	28,503	3.48%	19,002	47,505	(8,857)	(19,356)	10,499
FY17	13,159	681,546	11,418	39,179	50,597	1.68%	5.75%	2.98	5.22%	35,576	3.48%	23,718	59,294	(8,697)	(24,158)	15,461
FY18	15,171	817,570	13,703	49,387	63,090	1.68%	6.04%	3.26	5.22%	42,677	3.48%	28,451	71,128	(8,038)	(28,974)	20,936
FY19	17,012	955,295	16,028	59,461	75,489	1.68%	6.22%	3.50	5.22%	49,866	3.48%	33,244	83,110	(7,621)	(33,838)	26,217
FY20	18,697	1,095,901	18,406	71,569	89,975	1.68%	6.53%	3.83	5.22%	57,206	3.48%	38,138	95,344	(5,369)	(38,800)	33,431
FY21	20,249	1,237,390	20,813	83,680	104,493	1.68%	6.76%	4.13	5.22%	64,592	3.48%	43,062	107,654	(3,161)	(43,779)	40,618

Teachers' Retirement System

	Headcount	Salary	Employer Pension Normal Cost	Healthcare Normal Cost	Total Employer Normal Cost	Employer Pension Normal Cost Rate	Healthcare Normal Cost Rate (% of Pay)	Healthcare Normal Cost Rate (per member)	Employer DCR Contribution Pension Rate	Employer DCR Contribution PensionAmount	Employer DCR Contribution Healthcare Rate	Employer DCR Contribution Healthcare Amount	Employer DCR Contribution Total Amount	DB / DCR Cost Difference	Pension Cost Difference	Healthcare Cost Difference
FY15	2,016	$116,432	$3,307	$7,441	$10,748	2.84%	6.39%	$3.69	7.00%	$8,150	3.49%	$4,063	$12,213	($1,465)	($4,843)	$3,378
FY16	2,663	157,186	4,464	10,274	14,738	2.84%	6.54%	3.86	7.00%	11,003	3.49%	5,486	16,489	(1,751)	(6,539)	4,788
FY17	3,249	197,916	5,621	13,230	18,851	2.84%	6.68%	4.07	7.00%	13,854	3.49%	6,907	20,761	(1,910)	(8,233)	6,323
FY18	3,795	239,377	6,798	16,507	23,305	2.84%	6.90%	4.35	7.00%	16,756	3.49%	8,354	25,110	(1,805)	(9,958)	8,153
FY19	4,307	281,784	8,003	19,720	27,723	2.84%	7.00%	4.58	7.00%	19,725	3.49%	9,834	29,559	(1,836)	(11,722)	9,886
FY20	4,788	325,194	9,236	22,975	32,211	2.84%	7.07%	4.80	7.00%	22,764	3.49%	11,349	34,113	(1,902)	(13,528)	11,626
FY21	5,249	370,319	10,517	26,328	36,845	2.84%	7.11%	5.02	7.00%	25,922	3.49%	12,924	38,846	(2,001)	(15,405)	13,404
FY22	5,687	416,745	11,836	30,130	41,966	2.84%	7.23%	5.30	7.00%	29,172	3.49%	14,544	43,716	(1,750)	(17,336)	15,586
FY23	6,097	464,227	13,184	34,120	47,304	2.84%	7.35%	5.60	7.00%	32,496	3.49%	16,202	48,698	(1,394)	(19,312)	17,918
FY24	6,480	512,664	14,560	38,081	52,641	2.84%	7.43%	5.88	7.00%	35,886	3.49%	17,892	53,778	(1,137)	(21,326)	20,189

Prepared as of February 1, 2012.

Major Changes in SB 121

Substantive changes in Sen. L&C "R" version:

- The changes in the bill take effect 7/1/2013

- Employees currently in the DC plan who convert are not automatically entitled to credit for all the time they've worked.
    - The actuarial 'time value' of the DC account will be credited automatically.
    - The employee may choose to create an indebtedness to make up any shortage, up to the actual years of service.

- Retirees in the new Defined Benefit tiers will pay a share of the premiums for medical insurance. These will be the same as DC retirees:
    - If the retiree is eligible for Medicare, the retiree pays:
        - 30 percent with 10-15 years of service
        - 25 percent with 15-20 years of service
        - 20 percent with 20-25 years of service
        - 15 percent with 25-30 years of service
        - 10 percent with 30 or more years of service
    - If a teacher, peace officer, or firefighter works 25 years or more, the retiree pays the percentages above, *even if not eligible for Medicare.*
    - If a PERS employee who is not a peace officer or firefighter works 30 years or more, the retiree pays 10 percent of the premium *even if not eligible for Medicare.*

The CS also makes some technical and mechanical changes:

- The title is more descriptive of the bill.
- When an employee converts from one plan to another, the change is retroactive to the date of hire. (This does not change the service credit provisions in the bill.)
- Language was clarified to ensure survivors of Defined Benefit members are eligible for survivor benefits.
- References to the Alaska Retirement Management Board transferring funds were changed to the administrator (Department of Administration) to reflect current practice.
- Language requiring individual accounts to be transferred with "interest" was changed to "with investment earnings and losses" to avoid confusion with statutory interest rates under other retirement statutes.

27-LS0281\R
Wayne
1/23/12

CS FOR SENATE BILL NO. 121(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS EGAN, Menard, Paskvan, Davis, Kookesh, Wielechowski, Ellis, Thomas, French, McGuire

A BILL

FOR AN ACT ENTITLED

"An Act relating to new defined benefit tiers in the public employees' retirement system and the teachers' retirement system; providing certain employees an opportunity to choose between the defined benefit and defined contribution plans of the public employees' retirement system and the teachers' retirement system; and providing for an effective date."

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

*** Section 1.** AS 14.25.009 is repealed and reenacted to read:

Sec. 14.25.009. Applicability of AS 14.25.009 - 14.25.220. (a) The provisions of AS 14.25.009 - 14.25.220 apply to teachers who are eligible to be members of the teachers' retirement system under AS 14.25.009 - 14.25.220 and are not members of the defined contribution retirement plan under AS 14.25.310 - 14.25.590.

(b) An employer that participates in the plan shall also participate in the defined contribution retirement plan under AS 14.25.310 - 14.25.590.

* **Sec. 2.** AS 14.25.040(a) is amended to read:

(a) Unless a teacher or member participates in a university retirement program under AS 14.40.661 - 14.40.799 or has elected under **AS 14.25.330 or former** AS 14.25.540 to participate in the plan established in AS 14.25.310 - 14.25.590, a teacher or member contracting for service with a participating employer is subject to AS 14.25.009 - 14.25.220.

* **Sec. 3.** AS 14.25.050(a) is amended to read:

(a) Except as provided in (c) **and (e)** of this section, beginning January 1, 1991, each member shall contribute to the plan an amount equal to 8.65 percent of the member's base salary accrued from July 1 to the following June 30. [THE EMPLOYER SHALL DEDUCT THE CONTRIBUTION FROM THE MEMBER'S SALARY AT THE END OF EACH PAYROLL PERIOD, AND THE CONTRIBUTION SHALL BE CREDITED BY THE PLAN TO THE MEMBER CONTRIBUTION ACCOUNT. THE CONTRIBUTIONS SHALL BE DEDUCTED FROM EMPLOYEE COMPENSATION BEFORE THE COMPUTATION OF APPLICABLE FEDERAL TAXES AND SHALL BE TREATED AS EMPLOYER CONTRIBUTIONS UNDER 26 U.S.C. 414(h)(2). A MEMBER MAY NOT HAVE THE OPTION OF MAKING THE PAYROLL DEDUCTION DIRECTLY IN CASH INSTEAD OF HAVING THE CONTRIBUTION PICKED UP BY THE EMPLOYER.]

* **Sec. 4.** AS 14.25.050 is amended by adding new subsections to read:

(e) Except as provided in (a) and (c) of this section, a member who first participates in the plan after June 30, 2006, shall contribute to the plan an amount equal to eight percent of the employee's base salary accrued from July 1 to the following June 30.

(f) The employer shall deduct the contributions under (a) and (e) of this section from the member's salary at the end of each payroll period, and the contributions shall be credited by the plan to the member contribution account. The contributions shall be deducted from employee compensation before the computation of applicable federal taxes and shall be treated as employer contributions under 26 U.S.C. 414(h)(2). A member may not have the option of making the payroll deduction

directly in cash instead of having the contribution picked up by the employer.

* **Sec. 5.** AS 14.25.130(c) is amended to read:

(c) Once each year during the first five years following appointment to disability under this section, and once every three-year period thereafter, the administrator may require a disabled member who **first became a member before July 1, 2006, and who** has not attained eligibility for normal retirement to undergo a medical or mental examination by a competent physician. The administrator shall suspend any disability benefit for a disabled member who refuses to undergo a physical or mental examination when requested under this section.

* **Sec. 6.** AS 14.25.130 is amended by adding new subsections to read:

(g) A person who first becomes a member after June 30, 2006, and who is receiving a benefit under this section shall undergo a medical examination as often as the administrator considers advisable, but not more frequently than once each year. The administrator shall determine the place of the examination and engage the physician or physicians. If, in the judgment of the administrator, the examination indicates that the disabled member is no longer incapacitated because of a total and apparently permanent occupational disability, the administrator may not issue further disability benefits to the member.

(h) A person who first becomes a member after June 30, 2006, and who is appointed to disability benefits shall apply to the division of vocational rehabilitation of the Department of Labor and Workforce Development within 30 days after the date disability benefits commence. The member shall be enrolled in a rehabilitation program if the member meets the eligibility requirements of the division of vocational rehabilitation. Unless the member demonstrates cause, benefits shall terminate at the end of the first month in which a disabled member

(1) fails to report to the division of vocational rehabilitation;

(2) is certified by the division of vocational rehabilitation as failing to cooperate in a vocational rehabilitation program;

(3) fails to interview for a job; or

(4) fails to accept a position offered.

* **Sec. 7.** AS 14.25.168(d) is amended to read:

(d) A benefit recipient**, or the surviving spouse of a benefit recipient, who first becomes a member before July 1, 2006,** may elect major medical insurance coverage in accordance with regulations and under the following conditions:

(1) a **benefit recipient** [PERSON] who has less than 25 years of membership service and who is younger than 60 years of age must pay an amount equal to the full monthly group premium for retiree major medical insurance coverage;

(2) a disabled member, a disabled member who is appointed to normal retirement, a person 60 years of age or older, or a person who has at least 25 years of membership service is not required to make premium payments.

*** Sec. 8.** AS 14.25.168 is amended by adding a new subsection to read:

(g) A benefit recipient, or the surviving spouse of a benefit recipient, who first becomes a member after June 30, 2006, may elect major medical insurance coverage in accordance with regulations and under the following conditions:

(1) if the participating member or surviving spouse is not eligible for Medicare, the cost of a monthly premium for retiree major medical insurance coverage elected under this section is equal to the full monthly group premium for retiree major medical insurance coverage;

(2) if the participating member or surviving spouse is eligible for Medicare, the cost of a monthly premium for retiree major medical insurance coverage is a percentage of the full monthly group premium, as follows:

(A) 30 percent if the member had 10 or more, but less than 15, years of service;

(B) 25 percent if the member had 15 or more, but less than 20, years of service;

(C) 20 percent if the member had 20 or more, but less than 25, years of service;

(3) the cost of a monthly premium paid by the member or the member's surviving spouse for retiree major medical insurance coverage is

(A) 15 percent of the full monthly group premium if the participating member has 25 or more years of service;

(B) 10 percent of the full monthly group premium if the

participating member has 30 or more years of service;

(4) a disabled member or a disabled member who is appointed to normal retirement is not required to make premium payments.

*** Sec. 9.** AS 14.25.310 is amended to read:

Sec. 14.25.310. Applicability of AS 14.25.310 - 14.25.590. The provisions of AS 14.25.310 - 14.25.590 apply only to

(1) teachers who first become members on or after July 1, 2006, **and before the effective date of this section who do not transfer to a defined benefit retirement plan under AS 14.25.009 - 14.25.220 or AS 39.35.095 - 39.35.680;**

(2) teachers described in AS 14.25.330 who elect under that section to become [TO MEMBERS WHO ARE EMPLOYED BY EMPLOYERS THAT DO NOT PARTICIPATE IN THE DEFINED BENEFIT RETIREMENT PLAN ESTABLISHED UNDER AS 14.25.009 - 14.25.220, TO FORMER MEMBERS UNDER AS 14.25.220, OR TO] members**; and**

(3) teachers who **transferred** [TRANSFER] into the defined contribution retirement plan under **former** AS 14.25.540.

*** Sec. 10.** AS 14.25.310 is amended by adding a new subsection to read:

(b) An employer that participates in the plan shall also participate in the defined benefit retirement plan under AS 14.25.009 - 14.25.220.

*** Sec. 11.** AS 14.25.330 is repealed and reenacted to read:

Sec. 14.25.330. Retirement plan election option. (a) A teacher who is first hired on or after the effective date of this section may make a one-time election to participate in the defined contribution retirement plan under AS 14.25.310 - 14.25.590 retroactive to the date of hire and may transfer to that plan employee contributions, if any, and employer contributions, if any, that have been made to the defined benefit retirement plan under AS 14.25.009 - 14.25.220. Before employer contributions are transferred under this subsection, the administrator shall recalculate them under AS 14.25.070.

(b) The election to participate in the defined contribution retirement plan under (a) of this section must be made within 90 days after the date of hire, and be made in writing on a form and in the manner prescribed by the administrator. Before

accepting an election to participate in the defined contribution retirement plan, the administrator shall, within 20 days after the administrator receives notification of the teacher's date of hire, provide the teacher eligible to make an election to participate in the defined contribution retirement plan under AS 14.25.310 - 14.25 590 with

(1) information, including calculations to illustrate the effect of moving the teacher's retirement plan from the defined benefit retirement plan to the defined contribution retirement plan; and

(2) other information clearly to inform the teacher of the potential consequences of the teacher's election.

(c) An election made under (a) of this section to participate in the defined contribution retirement plan is irrevocable. Retroactive to the date of hire, the teacher shall be enrolled as a member of the defined contribution retirement plan under AS 14.25.310 - 14.25.590, the member's participation in the plan shall be governed by the provisions for the defined contribution retirement plan, and the member's participation in the defined benefit retirement plan under AS 14.25.009 - 14.25.220 shall terminate. An election made by an eligible member who is married is not effective unless the election is signed by the member's spouse.

(d) When a member makes an election under (a) of this section, the administrator shall cause the total amount of the member's employee and employer contributions, with investment earnings and losses through the final day of the member's participation in the defined contribution retirement plan, to be actuarially calculated and transferred to the member's designated account in the defined contribution retirement plan. The board shall establish transfer procedures by regulation, but the actual transfer may not be later than 30 days after the date the administrator receives the member's election form under (b) of this section, unless the major financial markets for securities available for a transfer are seriously disrupted by an unforeseen event that also causes the suspension of trading on any national securities exchange in the country where the securities were issued. In that event, the 30-day period of time may be extended by a resolution of the board. Transfers are not commissionable or subject to other fees and may be in the form of securities or cash as determined by the board. Securities shall be valued on the date of receipt in the

member's account.

(e) An election made by an eligible member who is married is not effective unless the election is signed by the individual's spouse. An eligible member whose accounts are subject to a qualified domestic relations order may not make an election to participate in the defined contribution retirement plan under this section unless the qualified domestic relations order is amended or vacated and court-certified copies of the order are received by the administrator.

* **Sec. 12.** AS 39.35.095 is repealed and reenacted to read:

Sec. 39.35.095. Applicability of AS 39.35.095 - 39.35.680. (a) The provisions of AS 39.35.095 - 39.35.680 apply to public employees who are eligible to be members of the public employees' retirement system under AS 39.35.095 - 39.35.680 and are not members of the defined contribution retirement plan under AS 39.35.700 - 39.35.990.

(b) A public organization or a municipality or other political subdivision of the state that participates in the plan shall also participate in the defined contribution retirement plan under AS 39.35.700 - 39.35.900.

* **Sec. 13.** AS 39.35 is amended by adding a new section to read:

Sec. 39.35.128. Participation of elected officials of political subdivisions. (a) A person who is an elected official of a political subdivision of the state and who has not participated in the plan or waived participation in the plan before July 1, 2013, is a member of the plan if

(1) the political subdivision has elected under AS 39.35.600 - 39.35.650 to designate elected officials in the classifications of employees entitled to participate in the plan; and

(2) the elected official receives compensation from the political subdivision for services as an elected official in the amount of at least $2,001 a month.

(b) An elected official entitled to participate under this section, and who either has no previous service under the system with the political subdivision or is retired under the system, may file a waiver of participation in the plan with the administrator within 30 days after the later of July 1, 2013, or the date that the elected official's term of office begins. A waiver is irrevocable for the remainder of the elected official's

service as an elected official or employee of the political subdivision.

*** Sec. 14.** AS 39.35.160(a) is amended to read:

(a) **Subject to (e) of this section, beginning** [BEGINNING] January 1, 1987, each peace officer or firefighter shall contribute to the plan an amount equal to seven and one-half percent of the peace officer's or firefighter's compensation. Except as provided in **(d) and (e)** [(d)] of this section, beginning January 1, 1987, each other employee shall contribute to the plan an amount equal to six and three-quarters percent of the employee's compensation. [THE CONTRIBUTIONS SHALL BE DEDUCTED BY THE EMPLOYER AT THE END OF EACH PAYROLL PERIOD. THE CONTRIBUTIONS SHALL BE DEDUCTED FROM EMPLOYEE COMPENSATION BEFORE COMPUTATION OF APPLICABLE FEDERAL TAXES, AND THE CONTRIBUTIONS SHALL BE TREATED AS EMPLOYER CONTRIBUTIONS UNDER 26 U.S.C. 414(h)(2). A MEMBER MAY NOT HAVE THE OPTION OF MAKING THE PAYROLL DEDUCTION DIRECTLY INSTEAD OF HAVING THE CONTRIBUTION PICKED UP BY THE EMPLOYER.]

*** Sec. 15.** AS 39.35.160 is amended by adding new subsections to read:

(e) Except as provided in (a) and (d) of this section, an employee, including a peace officer or firefighter, who first participates in the plan after June 30, 2006, shall contribute to the plan an amount equal to eight percent of the employee's compensation.

(f) Contributions under (a) and (e) of this section shall be deducted by the employer at the end of each payroll period. The contributions shall be deducted from employee compensation before computation of applicable federal taxes, and the contributions shall be treated as employer contributions under 26 U.S.C. 414(h)(2). A member may not have the option of making the payroll deduction directly instead of having the contribution picked up by the employer.

*** Sec. 16.** AS 39.35.410(g) is amended to read:

(g) A disabled employee **who first became a member before July 1, 2006, and who is** receiving an occupational disability benefit shall undergo a medical examination as often as the administrator considers advisable but not more frequently than once each year. The administrator shall determine the place of the examination

and engage the physician or physicians. If, in the judgment of the administrator, the examination indicates that the retired employee is no longer incapacitated because of a total and apparently permanent occupational disability, the administrator may not issue further disability benefits to the employee.

*** Sec. 17.** AS 39.35.410 is amended by adding a new subsection to read:

(k) A person who first becomes a member after June 30, 2006, and who is appointed to disability benefits shall apply to the division of vocational rehabilitation within 30 days after the date disability benefits commence. The employee shall be enrolled in a rehabilitation program if the employee meets the eligibility requirements of the division of vocational rehabilitation. Unless the employee demonstrates cause, benefits shall terminate at the end of the first month in which a disabled employee

(1) fails to report to the division of vocational rehabilitation;

(2) is certified by the division of vocational rehabilitation as failing to cooperate in a vocational rehabilitation program;

(3) fails to interview for a job; or

(4) fails to accept a position offered.

*** Sec. 18.** AS 39.35.535(c) is amended to read:

(c) A benefit recipient may elect major medical insurance coverage in accordance with regulations and under the following conditions:

(1) a person**, or the surviving spouse of a person, who becomes a member before July 1, 2006**, other than a disabled member or a disabled member who is appointed to normal retirement, must pay an amount equal to the full monthly group premium for retiree major medical insurance coverage if the person is

(A) younger than 60 years of age and has less than

(i) 25 years of credited service as a peace officer under AS 39.35.360 and 39.35.370; or

(ii) 30 years of credited service under AS 39.35.360 and 39.35.370 that is not service as a peace officer; or

(B) of any age and has less than 10 years of credited service;

(2) a person**, or the surviving spouse of a person, who becomes a member before July 1, 2006,** is not required to make premium payments for retiree

major medical coverage if the person

(A) is a disabled member;

(B) is a disabled member who is appointed to normal retirement;

(C) is 60 years of age or older and has at least 10 years of credited service; or

(D) has at least

(i) 25 years of credited service as a peace officer under AS 39.35.360 and 39.35.370; or

(ii) 30 years of credited service under AS 39.35.360 and 39.35.370 not as a peace officer;

(3) a benefit recipient who first becomes a member after June 30, 2006, or a benefit recipient who is the surviving spouse of a person who first becomes a member after June 30, 2006, except as provided in (4) and (5) of this subsection, shall pay an amount equal to the full monthly group premium for retiree major medical insurance coverage; however, except as provided in (4) and (5) of this subsection, if the benefit recipient is eligible for Medicare, the cost of a monthly premium is a percentage of the full monthly group premium, as follows:

(A) 30 percent if the member has 10 or more, but less than 15, years of service;

(B) 25 percent if the member has 15 or more, but less than 20, years of service;

(C) 20 percent if the member has 20 or more, but less than 25, years of service;

(D) 15 percent if the member has 25 or more, but less than 30, years of service not as a peace officer;

(4) except as provided in (5) of this subsection, a benefit recipient who first becomes a member after June 30, 2006, or a benefit recipient who is the surviving spouse of a person who first becomes a member after June 30, 2006, shall pay a monthly premium that is

(A) 15 percent of the cost of a full monthly group premium

if the member has 25 or more, but less than 30, years of service as a peace officer; or

(B) 10 percent of the cost of a full monthly group premium if the member has 30 or more years of service;

(5) a benefit recipient who first becomes a member after June 30, 2006, is not required to make premium payments for retiree major medical coverage if the recipient

(A) is a disabled member; or

(B) is a disabled member who is appointed to normal retirement.

*** Sec. 19.** AS 39.35.620(k) is amended to read:

(k) Termination of an employer's participation in the plan does not bar future participation in the system by that employer if the employer is current with payments on amounts due under AS 39.35.625. [IF A PREVIOUSLY TERMINATED EMPLOYER RETURNS TO THE SYSTEM, THE EMPLOYER MAY ONLY PARTICIPATE IN THE PLAN ESTABLISHED UNDER AS 39.35.700 - 39.35.990. EMPLOYEES MAY BE CREDITED UNDER AS 39.35.700 - 39.35.990 ONLY WITH SERVICE SUBSEQUENT TO THE DATE OF RETURN.]

*** Sec. 20.** AS 39.35.680(18) is amended to read:

(18) "employer" means

(A) the State of Alaska;

(B) a political subdivision or public organization of the state that participates in the plan based on a resolution to participate in the plan that was approved by the administrator [ON OR BEFORE JULY 1, 2006]; or

(C) a political subdivision or public organization of the state that, as a result of consolidation or reorganization [THAT OCCURS ON OR AFTER JULY 1, 2006], assumes liability under the plan of a political subdivision or public organization described in (B) of this paragraph;

*** Sec. 21.** AS 39.35.700 is amended to read:

Sec. 39.35.700. Applicability of AS 39.35.700 - 39.35.990. The provisions of AS 39.35.700 - 39.35.990 apply only to

(1) members first hired on or after July 1, 2006, **and before the effective date of this section who do not transfer to a defined benefit retirement plan under AS 14.25.009 - 14.25.220 or AS 39.35.095 - 39.35.680;**

(2) public employees described in AS 39.35.720 who elect under that section to become [TO MEMBERS WHO ARE EMPLOYED BY EMPLOYERS THAT DO NOT PARTICIPATE IN THE DEFINED BENEFIT RETIREMENT PLAN ESTABLISHED UNDER AS 39.35.095 - 39.35.680, TO FORMER MEMBERS AS DEFINED IN AS 39.35.680, OR TO] members**; and**

(3) members who **transferred** [TRANSFER] into the defined contribution retirement plan under **former** AS 39.35.940.

*** Sec. 22.** AS 39.35.700 is amended by adding a new subsection to read:

(b) A public organization under AS 39.35.680 or a municipality or other political subdivision of the state that participates in the plan shall also participate in the defined benefit retirement plan under AS 39.35.095 - 39.35.680.

*** Sec. 23.** AS 39.35.720 is repealed and reenacted to read:

Sec. 39.35.720. Retirement plan election option. (a) A public employee who is first hired on or after the effective date of this section may make a one-time election to participate in the defined contribution retirement plan under AS 39.35.700 - 39.35.990 retroactive to the date of hire and may transfer to that plan employee contributions, if any, and employer contributions, if any, that have been made to the defined benefit retirement plan under AS 39.35.095 - 39.35.680. Before employer contributions are transferred under this subsection, the administrator shall recalculate them under AS 39.35.255.

(b) The election to participate in the defined contribution retirement plan under (a) of this section must be made within 90 days after the date of hire, and be made in writing on a form and in the manner prescribed by the administrator. Before accepting an election to participate in the defined contribution retirement plan under AS 39.35.700 - 39.35.990, the administrator shall, within 20 days after the administrator receives notice of the public employee's date of hire, provide the employee eligible to make an election to participate in the defined contribution retirement plan with

(1) information, including calculations to illustrate the effect of moving the employee's retirement plan from the defined benefit retirement plan to the defined contribution retirement plan; and

(2) other information to clearly inform the employee of the potential consequences of the employee's election.

(c) An election made under (a) of this section to participate in the defined contribution retirement plan is irrevocable. Retroactive to the date of hire, the employee shall be enrolled as a member of the defined contribution retirement plan under AS 39.35.700 - 39.35.990, the member's participation in the plan shall be governed by the provisions for the defined contribution retirement plan, and the member's participation in the defined benefit retirement plan under AS 39.35.095 - 39.35.680 shall terminate. An election made by an eligible member who is married is not effective unless the election is signed by the member's spouse.

(d) When a member makes an election under (a) of this section, the administrator shall cause the total amount of the member's employee and employer contributions, with investment earnings and losses through the final day of the member's participation in the defined contribution retirement plan, to be actuarially calculated and transferred to the member's designated account in the defined contribution retirement plan. The board shall establish transfer procedures by regulation, but the actual transfer may not be later than 30 days after the date the administrator receives the member's completed election form under (b) of this section, unless the major financial markets for securities available for a transfer are seriously disrupted by an unforeseen event that also causes the suspension of trading on any national securities exchange in the country where the securities were issued. In that event, the 30-day period of time may be extended by a resolution of the board. Transfers are not commissionable or subject to other fees and may be in the form of securities or cash as determined by the board. Securities shall be valued on the date of receipt in the member's account.

(e) An election made by an eligible member who is married is not effective unless the election is signed by the individual's spouse. An eligible member whose accounts are subject to a qualified domestic relations order may not make an election

to participate in the defined contribution retirement plan under this section unless the qualified domestic relations order is amended or vacated and court-certified copies of the order are received by the administrator.

* **Sec. 24.** AS 14.25.012(c), 14.25.540; AS 39.35.940, and 39.35.957(b) are repealed.

* **Sec. 25.** The uncodified law of the State of Alaska is amended by adding a new section to read:

RETIREMENT PLAN ELECTION CHOICE. (a) A teacher who was first hired after June 30, 2006, and before the effective date of this section and who is a member of the defined contribution plan of the teachers' retirement system under AS 14.25.310 - 14.25.590 may make a one-time election, within 90 days after the effective date of this section, to participate in the defined benefit retirement plan under AS 14.25.009 - 14.25.220 and to transfer all contributions, including employer contributions, that have been made or should be made to the defined contribution retirement plan for service the member completes before the effective date of the member's participation in the defined benefit retirement plan.

(b) A public employee who was first hired after June 30, 2006, and before the effective date of this section and who is a member of the defined contribution plan of the public employees' retirement system under AS 39.35.700 - 39.35.990 may make a one-time election, within 90 days after the effective date of this section, to participate in the defined benefit retirement plan under AS 39.35.095 - 39.35.680 and to transfer all contributions, including employer contributions, that have been made or should be made to the defined contribution retirement plan for any service the member completes before the effective date of the member's participation in the defined benefit retirement plan.

* **Sec. 26.** The uncodified law of the State of Alaska is amended by adding a new section to read:

RETIREMENT PLAN ELECTION PROCEDURE; REGULATIONS REQUIRED. (a) The election to participate in the defined benefit retirement plan under sec. 25 of this Act must be made in writing on forms and in the manner prescribed by the administrator. Before accepting an election to participate in the defined benefit retirement plan, the administrator shall provide the employee planning on making an election to participate in the defined benefit retirement plan with information, including calculations to illustrate the effect of moving the employee's retirement plan from the defined contribution retirement plan to the

defined benefit retirement plan as well as other information clearly to inform the employee of the potential consequences of the employee's election.

(b) An election made under sec. 25 of this Act to participate in the defined benefit retirement plan is irrevocable. On the effective date of the election, the participant shall be enrolled as a member of the defined benefit retirement plan, the member's participation in the plan shall be governed by the provisions for the defined benefit retirement plan, and the member's participation in the defined contribution retirement plan shall terminate. The participant's enrollment in the defined benefit retirement plan shall be effective retroactive to the date of hire. An election made by an eligible member who is married is not effective unless the election is signed by the individual's spouse.

(c) When a member makes a one-time election under sec. 25 of this Act, the administrator shall cause the total amount of the member's employee and employer contributions, with investment earnings and losses through the final day of the member's participation in the defined contribution retirement plan, to be actuarially calculated and, subject to (d) of this section, transferred to the pension fund in the defined benefit retirement plan. On the effective date of the member's participation in the defined benefit retirement plan, the member shall be credited with service in the defined benefit retirement plan that is equal to the member's service in years, including fractional years, recognized for computing benefits that may be due from the defined contribution retirement plan. The board shall establish transfer procedures by regulation, but the actual transfer may not be later than 30 days after the date the administrator receives the member's completed election forms under (a) of this section, unless the major financial markets for securities available for a transfer are seriously disrupted by an unforeseen event that also causes the suspension of trading on any national securities exchange in the country where the securities were issued. In that event, the 30-day period of time may be extended by a resolution of the board. Transfers are not commissionable or subject to other fees and may be in the form of securities or cash as determined by the board. Securities shall be valued on the date of receipt in the participant's account.

(d) If the value actuarially calculated under (c) of this section is insufficient to pay for a service credit equal to the participant's actual service, the administrator shall allow the participant to create an indebtedness up to the amount needed to eliminate the insufficiency;

however, if that value exceeds the amount needed to pay for a service credit equal to the participant's actual service, the administrator shall cause the excess to be paid to the participant as a rollover transfer to either an individual employee annuity account in the Department of Administration under the terms of AS 39.30.150 - 39.30.180 (Alaska Supplemental Annuity Plan) or, if the participant's employer does not participate in the Alaska Supplemental Annuity Plan, to an eligible retirement plan under AS 14.25.360(d) or AS 39.35.760(d). An excess under this subsection may not be used to purchase service credit in a retirement plan administered under AS 14.25 or AS 39.25.

(e) The provisions of this section are subject to the requirements of the Internal Revenue Code and the limitations under AS 14.25.010, 14.25.320(c) and (d), 14.25.490, AS 39.35.115, 39.35.678, 39.35.710(c) and (d), and 39.35.895.

(f) In this section,

(1) "administrator" means the commissioner of administration or the person designated by the commissioner of administration under AS 39.35.003 for a public employees' retirement plan and under AS 14.25.003 for a teachers' retirement plan;

(2) "board" means the Alaska Retirement Management Board established under AS 37.10.210;

(3) "defined benefit retirement plan" means the retirement plan established under

(A) AS 14.25.009 - 14.25.220 for a teacher; or

(B) AS 39.35.095 - 39.35.680 for a public employee;

(4) "defined contribution retirement plan" means the retirement plan established under

(A) AS 14.25.310 - 14.25.590 for a teacher; or

(B) AS 39.35.700 - 39.35.990 for a public employee;

(5) "Internal Revenue Code" the meaning given in AS 39.35.990.

*** Sec. 27.** The uncodified law of the State of Alaska is amended by adding a new section to read:

ADOPTION OF REGULATIONS. The commissioner of administration shall adopt regulations necessary to implement the changes made by this Act. The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the effective date of the law

implemented by the regulation.

*** Sec. 28.** Sections 26 and 27 of this Act take effect immediately under AS 01.10.070(c).

*** Sec. 29.** Except as provided in sec. 28 of this Act, this Act takes effect July 1, 2013.

FISCAL NOTE

STATE OF ALASKA cost ≠ codes
2012 LEGISLATIVE SESSION

Bill Version **SB121**
Fiscal Note Number
Publish Date

Identifier (file name) SB121-DOA-DRB-12-13-11
Title Teachers & Pub Employee Retirement Plans
Sponsor Senators Egan
Requester Senate State Affairs

Dept. Affected Department of Administration
Appropriation Centralized Administrative Services
Allocation Division of Retirement and Benefits
OMB Component Number 64

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous	124,412.0			19,853.0	29,165.0	40,781.0	53,920.0
TOTAL OPERATING	**124,412.0**	**0.0**	**0.0**	**19,853.0**	**29,165.0**	**40,781.0**	**53,920.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF	124,412.0			19,853.0	29,165.0	40,781.0	53,920.0
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**124,412.0**	**0.0**	**0.0**	**19,853.0**	**29,165.0**	**40,781.0**	**53,920.0**

POSITIONS			
Full-time			
Part-time			
Temporary			

CHANGE IN REVENUES			

Estimated SUPPLEMENTAL (FY12) operating costs
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please not

Actuarial cost update for 2012

Do not adopt this note. A revised one is forthcoming based on R as amended

Prepared by Jim Puckett, Director — Phone 465-4471
Division Division of Retirement and Benefits — Date/Time 12/1/11 4:00 PM
Approved by John Cramer, Deputy Commissioner — Date 12/13/2011
Department of Administration

(Revised 8/17/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB121

Analysis

SB 121 allows future and current defined contribution PERS and TRS members an opportunity to choose between a defined contribution (DC) and a defined benefit (DB) retirement plan at the time of hire. Current DC members will have a one-time opportunity to convert to the DB plan. If the DC member elects to convert, the member's employee and employer contributions will be transferred to the DB plan along with the total service the employee has accrued. If the combined contributions are insufficient to fully purchase the employee's service, the remainder due will be paid from the general fund. The general fund expenditure will occur in FY 13 during the first 60 days after the effective date of the bill when conversion can occur.

Costs outlined below for the choice option assumes 60% of current defined contribution members will elect to convert to the DB plan and that 80% of future members will choose the DB plans either by choice or by default.

The first impact on contribution rates will occur in FY15 considering the two year delay in the plan valuation process. Results are based on the 2010 actuarial valuation.

Employer rates are capped at 22% for PERS by AS 39.35.255 and at 12.56% for TRS by AS 14.25.070. Because this bill will increase employer normal costs, employers will contribute less to the past service costs of the systems. The increased past service costs will be borne by the State of Alaska general fund.

Dollars are in thousands.

PERS DB Plan	FY 13	FY 14	FY 15	FY16	FY 17	FY 18	FY19
Increase in Normal Cost Amount	$0.0	$0.0	$ 17,568	$ 25,629	$ 35,788	$ 46,977	$ 57,771
GF Transfer to Pay Unfunded Past Service Cost	$ 91,724	$0.0	$0	$0	$0	$0	$0
Total Increase in Annual Employer Contribution Amount	N/A	$0.0	$ 17,568	$ 25,629	$ 35,788	$ 46,977	$ 57,771

TRS DB Plan	FY 13	FY 14	FY 15	FY16	FY 17	FY 18	FY19
Increase in Normal Cost Amount	$0.0	$0.0	$ 2,285	$ 3,536	$ 4,993	$ 6,943	$ 8,764
GF Transfer to Pay Unfunded Past Service Cost	$ 32,688	$0.0	$0	$0	$0	$0	$0
Total Increase in Annual Employer Contribution Amount	N/A		$ 9,172	$ 14,118	$ 18,657	$ 22,787	$ 26,641
Total for both plans	**$ 124,412**	**$0.0**	**$ 19,853**	**$ 29,165**	**$ 40,781**	**$ 53,920**	**$66,535**

FISCAL NOTE

STATE OF ALASKA cost ≠ codes
2012 LEGISLATIVE SESSION

Bill Version **SB121**
Fiscal Note Number
Publish Date

Identifier (file name) SB121-DOA-DRB-12-13-11
Title Teachers & Pub Employee Retirement Plans
Sponsor Senators Egan
Requester Senate State Affairs

Dept. Affected Department of Administration
Appropriation Centralized Administrative Services
Allocation Division of Retirement and Benefits
OMB Component Number 64

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services	122.0						
Travel	12.5		10.0	10.0	10.0	10.0	10.0
Services	635.2		9.3	9.3	9.3	9.3	9.3
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**769.7**	**0.0**	**19.3**	**19.3**	**19.3**	**19.3**	**19.3**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match	769.7	0.0	19.3	19.3	19.3	19.3	19.3
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**769.7**	**0.0**	**19.3**	**19.3**	**19.3**	**19.3**	**19.3**

POSITIONS							
Full-time							
Part-time							
Temporary	2.0		2	2	2	2	2

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial

Administrative fiscal note update

adopt this ...

Prepared by Jim Puckett, Director
Division Division of Retirement and Benefits
Approved by John Cramer, Deputy Commissioner
Department of Administration

Phone 465-4471
ate/Time 12/1/11 4:00 PM
Date 12/13/2011

(Revised 8/17/2011 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** SB121
2012 LEGISLATIVE SESSION

Analysis

The Division of Retirement and Benefits will require two non-permanent employees to complete the preparation work to account for and produce the necessary documents and forms for the inception of the new tiers. Education to employers will be required to properly electronically report service and salaries of new employees and existing employees of the defined contribution plans who elect to convert to the new tier. Education to employees will be required for defined contribution employees to make an informed decision during the election period and for new members of the new tiers.

The division will be required to reprogram its existing system, the Combined Retirement System, which tracks all service and salaries reported by employers to the system, to accommodate the new provisions of the new tiers.

The estimated administrative costs to the division by fiscal year are as follows:

Dollars are in thousands

	FY13	FY14	FY15	FY16	FY17	FY18
PERSONAL SERVICES						
1-Non Permanent Account III	106.0	0.0	0.0	0.0	0.0	0.0
1-Non Permanent Publications Technician III	16.0	0.0	0.0	0.0	0.0	0.0
Non Perm Training	13.4	0.0	0.0	0.0	0.0	0.0
	135.4	0.0	0.0	0.0	0.0	0.0
TRAVEL						
Employer Reporting Training/Plan Educat	7.5	5.0	5.0	5.0	5.0	5.0
Reg. Counselor Travel/Employee Ed.	5.0	5.0	5.0	5.0	5.0	5.0
	12.5	10.0	10.0	10.0	10.0	10.0
SERVICES						
Communication/Postage						
-Choice Kit for new employee election	30.0	0.0	0.0	0.0	0.0	0.0
-Conversion notification to DC employee	8.1	0.0	0.0	0.0	0.0	0.0
-Update to PERS DB handbooks/brochure	322.3	0.0	0.0	0.0	0.0	0.0
Computer System Redesign	207.9	9.3	9.3	9.3	9.3	9.3
Computer System User Testing	36.6	0.0	0.0	0.0	0.0	0.0
Increased audit fees	5.6	0.0	0.0	0.0	0.0	0.0
	610.5	9.3	9.3	9.3	9.3	9.3
COMMODITIES						
Computer, phone, cubicle, supplies	11.3	0.0	0.0	0.0	0.0	0.0
TOTAL	769.7	19.3	19.3	19.3	19.3	19.3

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SB121**
Fiscal Note Number:
() Publish Date:

Identifier (file name): SB121-DOR-TRS-01-24-12
Title: An Act relating to the PERS and TRS
Sponsor: Senators Egan, Menard, Paskvan, Davis, Kookesh
Requester: Senate State Affairs

Dept. Affected: Revenue
Appropriation: Taxation & Treasury
Allocation: ARMB Custody & Mgmt Fee
OMB Component Number: 2812

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services	593.0		690.0	795.0	909.0	1,032.0	1,164.0
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**593.0**	**0.0**	**690.0**	**795.0**	**909.0**	**1,032.0**	**1,164.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1029	PERS Trust (Other)	413.0		482.0	557.0	638.0	725.0	819.0
1034	Teach Ret (Other)	180.0		208.0	238.0	271.0	307.0	345.0
TOTAL		**593.0**	**0.0**	**690.0**	**795.0**	**909.0**	**1,032.0**	**1,164.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please n

Initial note.

adopt this note

Prepared by: Pam Leary, Comptroller — Phone: 465-2350
Division: Treasury — Date/Time: 1/24/12 12:00 AM
Approved by: Angela Rodell, Deputy Commissioner — Date: 1/24/12 12:00 AM
Department of Revenue

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** SB121
2012 LEGISLATIVE SESSION

Analysis

SB 121 allows future and current defined contribution PERS and TRS members an opportunity to choose between a defined contribution (DC) and a defined benefit (DB) plan. Current DC members will have a one-time opportunity to convert to the DB plan. The DC member's employee and employer contributions will be transferred to the DB plan.

Assumptions:
60% of the current defined contribution plan will be elected by DC members to convert to the DB plan. 80% of future members will elect to be in the DB plan.
Rate of return assumed to be 8%
Management fees assumed at 35 basis points.

SENATOR DENNIS EGAN

SB 121 – Alaska Pensions

Sponsor Statement

SB 121 lets teachers, Troopers, firefighters and other public employees choose one of two state retirement systems: an individual defined contribution retirement account, or earning a defined benefit pension.

A defined benefit pension takes time to earn, but rewards a record of public service by paying a guaranteed monthly benefit and, for long-term employees, health insurance. An individual defined contribution account is portable from one employer to another, and flexible in how it can be used, but makes no guarantees. SB 121 will let newly hired public servants in Alaska choose the one that fits best.

SB 121 creates a new more stable, more predictable defined benefit pension tier for teachers and public employees. A few years ago, Alaska beefed up oversight of the pension system. Now we have two actuaries analyzing the health of the pension trusts, there are more frequent experience studies and the law bars the practice of sometimes paying less than the cost of benefits. SB 121 keeps these smart reforms, making Alaska pensions stronger than ever.

And the defined benefit pensions for new employees under SB 121 will cost employers less than the pension tiers that came before, saving money for schools, cities, and the State of Alaska.

Alaska teachers and public employees don't earn Social Security, and many even lose Social Security benefits they earned in past jobs. So for most, a defined benefit pension makes sense. Other employees will choose individual defined contribution accounts because they prefer flexibility, portability, and control, or because their plans do not include long-term service in the public sector. SB 121 maintains their option to choose an individual account.

The teachers who educate our children, the police and firefighters who protect our families, and the public employees who serve our state and cities will be able to choose the benefit that best fits their service.

ALASKA SENATE
STATE CAPITOL • JUNEAU, ALASKA 99801-1182 • (907) 465-4947 • FAX (907) 465-2108
SENATOR.DENNIS.EGAN@LEGIS.STATE.AK.US

William B. Fornia, FSA | President

March 8, 2011

CONFIDENTIAL

Alaska Public Pension Coalition

Subject: Analysis of Egan Bill

Dear Coalition Partners:

We have analyzed the actuarial impact of the February 12, 2011 draft Bill from Senator Egan which would modify the retirement program for those now covered by the Defined Contribution Retirement (DCR) program.

The primary features of the bill are:

- Those hired on or after July 1, 2006 would receive the retirement, death and disability benefits currently provided by Tier 2 of TRS and Tier 3 of PERS, rather than the DCR benefits under Tier 3 of TRS and Tier 4 of PERS.
- Peace Officers and firefighters in PERS would contribute 7.50% of pay; other PERS members would contribute 6.75%; those in TRS would contribute 8.65%
- Those individuals would be eligible to receive retiree major medical coverage without having to pay premiums, under the following conditions:
    - For teachers, after June 30, 2011 new retirees are eligible with 25 years of service or at the age of Medicare eligibility [65] with at least 8 years of service.
    - For peace officers and firefighters, after June 30, 2011 new members are eligible with 25 years of service or at the age of Medicare eligibility [65] with at least 10 years of service.
    - For other PERS members, after June 30, 2011 new members are eligible with 30 years of service or at the age of Medicare eligibility [65] with at least 10 years of service.

This information is provided according to PTA's understanding and interpretation of the Work Draft legislation. Please advise us if our interpretation above is not consistent with your understanding. If so, our findings would differ.

The major implications of the bill as we see it are:

- Pension benefits will revert to the prior defined benefit plan tiers
- Retiree health benefits will be stronger than those under DCR, but not as strong as those provided under the latest tier DB plans. Retiree health care premiums are paid as illustrated by the following table:

	Teachers	Peace Officers & Firefighters	Other PERS
Latest Tier DB Plan Health Care Eligibility	Age 60 or 25 years	Age 60 or 25 years	Age 60 or 30 years
DCR Program Health Care Eligibility	Medicare Age [65]	Medicare Age [65]	Medicare Age [65]
Egan Bill Health Care Eligibility	Medicare Age [65] with 8 years or any age with 25 years	Medicare Age [65] with 10 years or any age with 25 years	Medicare Age [65] with 10 years or any age with 30 years

Cost Comparisons

The actuary for the Alaska Department of Administration Division of Retirement Benefits regularly reports on the financial condition of the Alaska Public Employees' Retirement System (PERS) and Alaska Teachers' Retirement System (TRS). These analyses are conducted primarily through an "actuarial valuation", which calculates the plans costs and liabilities. The actuary has calculated the Normal Cost under both the prior tier DB plans as well as under the DCR program. We have been asked to estimate the costs of the proposed program in the draft Egan bill. These cost estimates are being done without the benefit of the full actuarial data that would be used by the actuary. Consequently, their numbers will likely be different than ours, and more correct. We also understand that the actuarially assumed rate of investment return is being reduced from 8.25% to 8.00%. Our estimates are still based on 8.25%, so the "official" cost numbers will likely be slightly higher than ours.

The following tables develop our cost estimates and compare the three programs:

Teachers Retirement System	DB Plan Tier 2	DCR Plan Tier 3	Proposed Tier 4
Total Retirement Normal Cost	11.39%	NA	11.39%
Member Contributions	(8.65%)	(8.00%)	(8.65%)
Net Employer Retirement Normal Cost	2.74%	NA	2.74%
DC Employer Contribution Rate	NA	7.00%	NA
Occupational Death and Disability Normal Cost Rate	NA	0.05%	NA
Medical Normal Cost Rate	5.33%	0.64%	4.52%
HRA Contribution Rate	NA	3.00%	NA
Total Employer Cost	8.07%	10.69%	7.26%
DCR Payroll during FY 2011	$59,750,000	$59,750,000	$59,750,000
Total Employer Cost on FY 2011 Basis	$4,800,000	$6,400,000	$4,300,000

Public Employees Retirement System – Peace Officers & Firefighters	DB Plan Tier 3	DCR Plan Tier 4	Proposed Tier 5
Total Retirement Normal Cost	12.30%	NA	12.30%
Member Contributions	(7.50%)	(8.00%)	(7.50%)
Net Employer Retirement Normal Cost	4.80%	NA	4.80%
DC Employer Contribution Rate	NA	5.00%	NA
Occupational Death and Disability Normal Cost Rate	NA	1.04%	NA
Medical Normal Cost Rate	5.90%	0.43%	5.35%
HRA Contribution Rate	NA	3.00%	NA
Total Employer Cost	10.70%	9.47%	10.15%
DCR Payroll during FY 2011	$21,192,000	$21,192,000	$21,192,000
Total Employer Cost on FY 2011 Basis	$2,300,000	$2,000,000	$2,200,000

Other Public Employees Retirement System Members	DB Plan Tier 3	DCR Plan Tier 4	Proposed Tier 5
Total Retirement Normal Cost	9.58%	NA	9.58%
Member Contributions	(6.75%)	(8.00%)	(6.75%)
Net Employer Retirement Normal Cost	2.83%	NA	2.83%
DC Employer Contribution Rate	NA	5.00%	NA
Occupational Death and Disability Normal Cost Rate	NA	0.16%	NA
Medical Normal Cost Rate	7.00%	0.56%	3.60%
HRA Contribution Rate	NA	3.00%	NA
Total Employer Cost	9.83%	8.72%	6.43%
DCR Payroll during FY 2011	$200,739,000	$200,739,000	$200,739,000
Total Employer Cost on FY 2011 Basis	$19,700,000	$17,500,000	$12,900,000

Some of these cost comparisons are very intriguing. Note that the costs for the Peace Officers and Firefighters are roughly comparable to the Tier 3 and Tier 4 costs. But the costs for Other PERS member is dramatically lower than either the Tier 3 or Tier 4 costs. This is because they are losing significantly on the medical premium payments, by no longer being able to retire at age 60 with premium payment made by the plan unless they have 30 years of service. I estimate that only about a third of these Other PERS members would have 30 years by the time they attain age 65, meaning that this benefit would have no value for most of them. That is the reason the medical normal cost rate is so much lower for Other PERS Tier 5 than for Other PERS Tier 3. It will be interesting to see what the "official" actuarial cost determination is.

Please also realize that the cost determinations above do not include any cost for the retroactive feature of the bill. I understand that those costs were estimated to be $37 million in 2009. We do not have the data necessary to make an estimate of the cost this year. Because of the market recovery, the cost might possibly have decreased since 2009.

Conclusions.

The proposed program would result in stronger pension benefits through the return of the Defined Benefit plan for members hired since 2006. It would provide improved health care plan benefits, but no future HRA contributions. Member contribution rates would decrease for PERS members and increase slightly for TRS members. As a result of all this, employer costs on a FY 2011 basis would increase by about $200,000 for PERS Peace Officer and Firefighter members, but would decrease substantially for TRS ($2.1 million) and Other PERS ($4.6 million) members. In total, employer costs would fall by about $6 million.

The PERS and TRS actuary will calculate more precise costs, based on complete data and their new actuarial assumptions. The costs above should be considered a starting point for analysis of the bill.

The work reflected herein was conducted by Pension Trustee Advisors under my direction. I look forward to discussing this with you further.

Sincerely,

William B. Fornia, FSA
President

Cc:

Joelle Hall, Alaska AFLCIO
Lydia Garcia, NEA Alaska
Derek Hsieh, APDEA
Bruce Ludwig, APEA/AFT
Jim Duncan, ASEA/AFSCME Local 52
Norm Ruggles, PTA

Alaska Division of Retirement and Benefits

Teachers' Retirement System (TRS) Plan Comparison Chart

Feature	Tier I July 1, 1955 – June 30, 1990	Tier II Entered on or after July 1, 1990	Tier III Entered on or after July 1, 2006
Employee Contribution	Pre-tax employee contribution: 8.65% beginning 1/1/91	Pre-tax employee contribution: 8.65% beginning 1/1/91	Pre-tax employee contribution: 8% Employee may make additional contributions.
Employer Contribution	Determined by annual actuarial valuation.	Determined by annual actuarial valuation.	7% - DC account 1.75% Health Plan - determined by annual actuarial valuation after FY07. HRA - Flat dollar amount per employee based on 3% of the employer's average annual employee compensation.
Vesting	Members vest with 8 years of service.	Members vest with 8 years of service.	100% vested in employee contributions from inception. Vested in employer contributions based on the following schedule: 25% after 2 years of service, 50% after 3 years, 75% after 4 years and 100% after five years.
Qualifications for Retirement	Normal retirement age is 55, with early retirement at age 50; teachers can retire at any age after 20 years of membership service.	Normal retirement age is 60, with early retirement at age 55; teachers can retire at any age after 20 years of membership service.	None for investment account. Taxes and penalties may apply if withdrawn before age 59 1/2. See requirements for Retirement Medical Coverage.
Benefit Calculation Formula	Benefit formula is 2% for the first 20 years **and all years of service prior to July 1, 1990**, 2.5% thereafter. Benefit calculation is determined on the average of the high three contract salaries.	Benefit formula is 2% for the first 20 years, 2.5% thereafter. Benefit calculation is determined on the average of the high three contract salaries.	DC account balance plus investment earnings.
Alaska Cost-of-living Increases (COLA)	An Alaska Cost-of-Living Allowance is payable to benefit recipients who remain domiciled in Alaska after retirement. The allowance is 10% of the base benefit.	An Alaska Cost-of-Living Allowance is payable to benefit recipients 65 or older or disability benefit recipients regardless of age who remain domiciled in Alaska after retirement. The allowance is 10% of the base benefit.	None provided.

More detailed information may be found on the Division website, www.state.ak.us/drb, *or in the TRS Information Handbook.*

Feature	Tier I July 1, 1955 – June 30, 1990	Tier II Entered on or after July 1, 1990	Tier III Entered on or after July 1, 2006
Post Retirement Pension Adjustments (PRPA) **(Inflation protection)**	PRPA increases granted on an ad hoc basis. If an ad hoc is not granted, tier I employees must be age 60 or over or receiving benefits for 8 years to qualify for the automatic PRPA. The automatic PRPA legislated in 1990 applied to all members regardless of hire date.	Automatic PRPA adjustments to disabled members, retirees 60 and over, and those who have received benefits for 8 years.	None provided.
Retirement Medical Coverage	Medical coverage is provided to all benefit recipients and their eligible dependents. The retiree medical plan premium is paid by the retirement system.	The retirement system pays the retiree medical plan premium for all disabilitants regardless of age, for retirees and survivors over age 60 and for retirees with at least 25 years of membership service. This coverage includes eligible dependents. Retirees and survivors under age 60, with less than 25 years of membership service must pay the full premium cost if they want coverage.	Access to medical coverage at Medicare eligible age with 10 years of service or at any age with 30 years of service. Must retire directly from the system. If not eligible for Medicare, must pay full premium. May use health reimbursement arrangement (HRA) account to pay premiums. Once the HRA is exhausted, member self- pays premiums. When eligible for Medicare, the percentage of premium paid by the retiree or surviving spouse is: 10-14 years of service - 30% 15-19 years - 25% 20-24 years - 20% 25-29 years - 15% 30 years or more - 10%
Disability Benefits	Disability benefits are 50% of base salary, plus 10% for each eligible dependent child up to a maximum of 4 children.	Disability benefits are 50% of base salary, plus 10% for each eligible dependent child up to a maximum of 4 children.	Must be a total and presumably permanent disability whose cause is directly related to performance of duties of the job or an on the job injury. Benefit is 40% of salary, earns service while on occupational disability. Employer continues to make all required contributions as if the member were working, plus the member's required contributions to the DC account, without deduction from the member's disability payment. Disability benefits cease when the member becomes eligible for normal retirement at Medicare eligible age and 10 years of service or at any age with 30 years of service. No medical insurance until eligible for normal retirement.

More detailed information may be found on the Division website, www.state.ak.us/drb, *or in the TRS Information Handbook.*

January 23, 2012

Gary Miller
20135 Cohen Dr
Juneau, AK 99801-8211

Subject: SB 121 - "An Act relating to the public employees' retirement system and the teachers' retirement system; and providing for an effective date."

Senator Bill Wielechowski – Room 101
Senator Joe Paskvan – Room 115
Senator Cathy Giessel – Room 7
Senator Albert Kookesh – Room 11
Senator Kevin Meyer – Room 103

Please vote yes on SB 121. I am tier I and retired and my son is tier III with nine and one-half years of working for the State of Alaska as an account. We know the importance of having a defined benefit retirement system where we will have a monthly income to the day that we die. The current defined contribution tiers do not protect workers for life after they retire.

I have a three year old grandson here in Juneau. When he is old enough to start working he won't have a secure retirement if he works for the State of Alaska, becomes a teacher or works for a municipality. I spent my entire working career working for the State of Alaska (27 years) and the City and Borough of Juneau (2 years). It is important for me that he be able to stay in Alaska and have public service as an option for a career.

Thank you.

Gary Miller

Gary Miller

Wisconsin facing teacher exodus

By Scott Bauer

Associated Press / September 1, 2011

MADISON, Wis. - When students return today for the first day of school across Wisconsin, many familiar faces will be gone, as teachers chose retirement over coming back following the passage of a bill that would have forced them to pay more for benefits and taken away most of their collective bargaining rights.

Documents obtained by the Associated Press under the state's open records law show that about twice as many public school teachers decided to retire in the first half of this year as in each of the past two full years, part of a mass exit of public employees.

Their departures came after the bill passed but before the new law took effect. The bill, which was pushed by Governor Scott Walker and the Republican Legislature, led to weeks of protests at the Capitol.

The ensuing exodus of teachers and other state employees has spurred fears that the jobs might not be filled and that classroom leadership by veteran teachers will be lost.

Ginny Fleck, a German teacher from Green Bay with 30 years of experience, is among nearly 5,000 teachers who retired.

"It wouldn't make sense for me to teach one more year and basically lose $8,000," she said. Fleck, 69, decided to retire in February, even before the bill became law, in part because of the hit she would take to her $60,000 annual salary, and because of other changes the district was making.

In the first six months of 2011, overall public employee retirements were double that in all of either 2009 or 2010, according to data provided by the Wisconsin Retirement System. That includes 4,935 Wisconsin school district employees who started receiving retirement benefits, up from 2,527 teacher retirements in all of 2010 and 2,417 in 2009.

Teachers were not the only public employees heading for the exits. State agency retirements were particularly dramatic, nearly tripling from 747 in all of 2010 to 1,966 through June. Retirements from the University of Wisconsin System more than doubled, up from 480 last year to 1,091 this year. All told, 9,933 public workers had retired by the end of June, a 93 percent increase from 5,133 in 2010. The year before, there were 4,876 retirements.

The state Department of Administration said no decision has been made on how many of the government jobs will be filled.

"Each agency is looking at the vacancies created by retirements - case by case - and making decisions based on the needs of the agency, as well as with an eye toward keeping costs down for taxpayers," department spokeswoman Carla Vigue said.

Many public workers feel under attack by the measure, which required them to pay more for their health insurance and pension benefits and took away most of their ability to collectively bargain. Lawmakers pushed the changes as a way for schools and governments to deal with deep cuts necessitated by a state budget shortfall.

© Copyright 2011 Globe Newspaper Company.

STATE OF ALASKA
DEPARTMENT OF ADMINISTRATION
OFFICE OF THE COMMISSIONER

SEAN PARNELL, GOVERNOR

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

July 5, 2011

The Honorable Bill Wielechowski, Chair
Senate State Affairs
State Capitol, Room 101
Juneau, AK 99801

Re: Senate Bill 121

Dear Senator Wielechowski:

During the hearing for Senate Bill (SB) 121 before the Senate State Affairs Committee on April 14, 2011, questions were asked for which I promised a response. We apologize for the delay in responding. Various items had to be compiled and data verified before we could give a complete response. The questions and responses are as follows:

Q1: Is there any other state with a defined contribution plan only that also does not participate in Social Security?

A1: Thirteen states currently do not participate in Social Security. They are: Alaska, California, Colorado, Illinois, Louisiana, Maine, Nevada, Ohio, Connecticut, Massachusetts, Missouri, Rhode Island, and Texas. Currently all have defined benefit plans for public employees. However, Nevada has introduced legislation to change to a defined contribution hybrid plan for new employees.

We understand there are three counties in Texas that do not have a defined benefit plan or a defined contribution plan. The Galveston, Matagorda, and Brazoria counties opted out of Social Security in the early 1980's and replaced it with a hybrid plan that has a defined employer contribution coupled with a fixed annuity for the employee.

Q2: What are the total savings in state accounts? (i.e. Permanent Fund, etc.)

A2: The Permanent Fund, June 30, 2010, balance from the Annual Financial Report was $37 billion. The unaudited balance as of May 31, 2011 was $41 billion. From the State of Alaska Combined Annual Financial Report, Total Unrestricted Assets were $16.7 billion as of June 30, 2010.

Q3: What is the gross payroll for the Public Employees' Retirement System (PERS)?

A3: Gross payroll was approximately $1.4 billion for PERS in FY2010. Gross payroll for the

Teachers' Retirement System (TRS) was approximately $0.5 billion. *(Source: 2010 Draft Audit.)*

Q4: How much is paid towards the unfunded liability by employers?

A4: During FY2010 PERS employers paid 22% in employer contributions. Of that 22%, 12.54% went towards the unfunded liability, approximately $175.5 million. The General Fund pays almost all of the TRS unfunded liability.

Q5: What was the effect when the Mercer settlement was applied?

A5: The Mercer settlement was added to the Alaska Retiree Health Care Trust Fund (PERS and TRS) assets as of June 30, 2010 and therefore will be reflected in the actuarial rates for FY2013.

Q6: Isn't the problem basic math? Increase employer money in and employee money in.

A6: To address the continuing rise in employer costs the PERS was changed in 2008 from an agent multiple, employer plan, where each employer had their own rate calculated on their own experience, to a cost share plan with all employers paying the same rate. At that time, employer rates were established in statute at 22% for PERS and 12.56% for the TRS. The State of Alaska contributes the remaining contributions necessary to fully fund the systems for the year. Employee contributions are also set in statute at 7.25% for peace officer/firefighter members and 6.75% for all others.

The 2008 change had a dramatic impact for some PERS employers. For instance, the employer contribution rate for the City of Fairbanks dropped from 140% to 22%.

While employer contribution rates can be increased by legislation, employee contribution rates cannot be increased for any existing PERS or TRS members. Any changes to employee contributions can only apply to new employees entering the systems after the effective date of the change. *(Alaska Constitution, Article XII, Section 7)*

Q7: Has the State considered raising the retirement age in the retirement systems as a way to reduce costs?

A7: Due to the contractual protection clause toward retirement benefits found in Article XII, Section 7 of the Alaska Constitution, the State of Alaska cannot raise the retirement age of current retirees or current employees. To date, raising the retirement age of future employees has only informally been discussed. No actuarial study has been done on such a change.

Q8: Has the State reviewed the recruitment and retention data for the PERS/TRS Defined Contribution Retirement Plan?

A8: Comparing the current status of DCR Plan participants hired in the first two years of the plan to the current status of members of the last DB tiers hired in the last two years before the plans closed, shows that retention appears to be slightly better in the DCR plan, but generally the same.

The number of DCR Plan participants hired July 1, 2006 to June 30, 2008 as of April, 2011:

PERS:	7,595 total hired	3,724 currently active	49.03% retained
TRS:	1,718 total hired	983 currently active	57.22% retained

The number of DB Plan participants hired July 1, 2004 to June 30, 2006, retention as of April 19, 2011:

PERS Tier III:	8,402 total hired	3,763 currently active	44.79% retained
TRS Tier II:	1,779 total hired	952 currently active	53.51% retained

The State of Alaska Division of Personnel has reported the following retention percentages:

State of Alaska Executive Branch Rate of Employee Separation

2005	2006	2007	2008	2009	2010
15%	15%	16%	14%	12%	12%

Source: ALDER

Further information is available in the report on state employee retention. The report is available through the following link:

http://doa.alaska.gov/dop/resources/publications/

If you have any additional questions or need clarification of the answers provided above, please contact Jim Puckett at (907)465-4471.

Sincerely,

Mike Barnhill
Deputy Commissioner

cc: Becky Hultberg, Commissioner
John Cramer, Deputy Commissioner
Heather Brakes, Director, Legislative
Jim Puckett, Director, Division of Retirement and Benefits

PTA

William B. Fornia, FSA | President

April 7, 2011

CONFIDENTIAL

Alaska Public Pension Coalition

Subject: Analysis of Potential Pension Bills

Dear Coalition Partners:

We have analyzed the actuarial impact of the February 12, 2011 draft Bill from Senator Egan which would modify the retirement program for those now covered by the Defined Contribution Retirement (DCR) program, and two potential modifications to this initial draft.

The primary features of the bill are:

- Those hired on or after July 1, 2006 would receive the retirement, death and disability benefits currently provided by Tier 2 of TRS and Tier 3 of PERS, rather than the DCR benefits under Tier 3 of TRS and Tier 4 of PERS.
- Contributions for various members would increase:
    - Under the February 12 draft, Peace Officers and Firefighters in PERS would contribute 7.50% of pay; other PERS members would contribute 6.75%; those in TRS would contribute 8.65%
    - Under alternative I, Peace Officers and Firefighters in PERS would contribute 8.50% of pay; other PERS members would contribute 8.00%; those in TRS would contribute 9.00%
    - Under alternative II, Peace Officers and Firefighters in PERS would contribute 9.0% of pay; other PERS members would contribute 8.0%; those in TRS would contribute 10.0%
- Those individuals would be eligible to receive retiree major medical coverage without having to pay premiums, under the following conditions:
    - For teachers, after June 30, 2011 new retirees are eligible with 25 years of service or at the age of Medicare eligibility [65] with at least 8 years of service.
    - For peace officers and firefighters, after June 30, 2011 new members are eligible with 25 years of service or at the age of Medicare eligibility [65] with at least 10 years of service.
    - For other PERS members, after June 30, 2011 new members are eligible with 30 years of service or at the age of Medicare eligibility [65] with at least 10 years of service.

This information is provided according to PTA's understanding and interpretation of the Work Draft legislation. Please advise us if our interpretation above is not consistent with your understanding. If so, our findings would differ.

The major implications of the bill as we see it are:

- Pension benefits will revert to the prior defined benefit plan tiers
- Retiree health benefits will be stronger than those under DCR, but not as strong as those provided under the latest tier DB plans. Retiree health care premiums are paid as illustrated by the following table:

	Teachers	Peace Officers & Firefighters	Other PERS
Latest Tier DB Plan Health Care Eligibility	Age 60 or 25 years	Age 60 or 25 years	Age 60 or 30 years
DCR Program Health Care Eligibility	Medicare Age [65]	Medicare Age [65]	Medicare Age [65]
Egan Bill Health Care Eligibility	Medicare Age [65] with 8 years or any age with 25 years	Medicare Age [65] with 10 years or any age with 25 years	Medicare Age [65] with 10 years or any age with 30 years

Cost Comparisons

The actuary for the Alaska Department of Administration Division of Retirement Benefits regularly reports on the financial condition of the Alaska Public Employees' Retirement System (PERS) and Alaska Teachers' Retirement System (TRS). These analyses are conducted primarily through an "actuarial valuation", which calculates the plans costs and liabilities. The actuary has calculated the Normal Cost under both the prior tier DB plans as well as under the DCR program. We have been asked to estimate the costs of the proposed program in the draft Egan bill. These cost estimates are being done without the benefit of the full actuarial data that would be used by the actuary. Consequently, their numbers will likely be different than ours, and more correct.

We also have limited information to make a determination of the cost savings from additional employee contributions. An increased employee contribution does not generate a dollar for dollar reduction in employer contribution, because some employees terminate prior to retirement and receive a refund of their contributions. We also understand that the actuarially assumed rate of investment return is being reduced from 8.25% to 8.00%. Our estimates are still based on 8.25%, so the "official" cost numbers will likely be slightly higher than ours.

The following tables develop our cost estimates and compare the five programs:

Teachers Retirement System Estimated Cost Comparisons

Teachers Retirement System	DB Plan Tier 2	DCR Plan Tier 3	Proposed Tier 4 – Feb 12 Draft Bill	Proposed Tier 4 – Alternative I	Proposed Tier 4 – Alternative II
Total Retirement Normal Cost (including refunds)	11.39%	NA	11.39%	11.45%	11.62%
Member Contributions	(8.65%)	(8.00%)	(8.65%)	(9.00%)	(10.00%)
Net Employer Retirement Normal Cost	2.74%	NA	2.74%	2.45%	1.62%
DC Employer Contribution Rate	NA	7.00%	NA	NA	NA
Occupational Death and Disability Normal Cost Rate	NA	0.05%	NA	NA	NA
Medical Normal Cost Rate	5.33%	0.64%	4.52%	4.52%	4.52%
HRA Contribution Rate	NA	3.00%	NA	NA	NA
Total Employer Cost	8.07%	10.69%	7.26%	6.97%	6.14%
DCR Payroll during FY 2011	$59,750,000	$59,750,000	$59,750,000	$59,750,000	$59,750,000
Total Employer Cost on FY 2011 Basis	$4,800,000	$6,400,000	$4,300,000	$4,200,000	$3,700,000

PERS Police Officers & Firefighters Estimated Cost Comparisons

Public Employees Retirement System – Peace Officers & Firefighters	DB Plan Tier 3	DCR Plan Tier 4	Proposed Tier 5 – Feb 12 Draft Bill	Proposed Tier 5 – Alternative I	Proposed Tier 5 – Alternative II
Total Retirement Normal Cost (including refunds)	12.30%	NA	12.30%	12.36%	12.39%
Member Contributions	(7.50%)	(8.00%)	(7.50%)	(8.50%)	(9.00%)
Net Employer Retirement Normal Cost	4.80%	NA	4.80%	3.86%	3.39%
DC Employer Contribution Rate	NA	5.00%	NA	NA	NA
Occupational Death and Disability Normal Cost Rate	NA	1.04%	NA	NA	NA
Medical Normal Cost Rate	5.90%	0.43%	5.35%	5.35%	5.35%
HRA Contribution Rate	NA	3.00%	NA	NA	NA
Total Employer Cost	10.70%	9.47%	10.15%	9.21%	8.74%
DCR Payroll during FY 2011	$21,192,000	$21,192,000	$21,192,000	$21,192,000	$21,192,000
Total Employer Cost on FY 2011 Basis	$2,300,000	$2,000,000	$2,200,000	$2,000,000	$1,900,000

Other PERS Estimated Cost Comparisons

Other Public Employees Retirement System Members	DB Plan Tier 3	DCR Plan Tier 4	Proposed Tier 5 – Feb 12 Draft Bill	Proposed Tier 5 – Alternative I	Proposed Tier 5 – Alternative II
Total Retirement Normal Cost (including refunds)	9.58%	NA	9.58%	9.75%	9.75%
Member Contributions	(6.75%)	(8.00%)	(6.75%)	(8.00%)	(8.00%)
Net Employer Retirement Normal Cost	2.83%	NA	2.83%	1.75%	1.75%
DC Employer Contribution Rate	NA	5.00%	NA	NA	NA
Occupational Death and Disability Normal Cost Rate	NA	0.16%	NA	NA	NA
Medical Normal Cost Rate	7.00%	0.56%	3.60%	3.60%	3.60%
HRA Contribution Rate	NA	3.00%	NA	NA	NA
Total Employer Cost	9.83%	8.72%	6.43%	5.35%	5.35%
DCR Payroll during FY 2011	$200,739,000	$200,739,000	$200,739,000	$200,739,000	$200,739,000
Total Employer Cost on FY 2011 Basis	$19,700,000	$17,500,000	$12,900,000	$10,700,000	$10,700,000

Some of these cost comparisons are very intriguing. Note that the costs for the 7.50% plan for Peace Officers and Firefighters are roughly comparable to the Tier 3 and Tier 4 costs. But the costs for Other PERS member are dramatically lower than either the Tier 3 or Tier 4 costs. This is because they are losing significantly on the medical premium payments, by no longer being able to retire at age 60 with premium payment made by the plan unless they have 30 years of service. I estimate that only about a third of these Other PERS members would have 30 years by the time they attain age 65, meaning that this benefit would have no value for most of them. That is the reason the medical normal cost rate is so much lower for Other PERS Tier 5 than for Other PERS Tier 3. It will be interesting to see what the "official" actuarial cost determination is.

Please also realize that the cost determinations above do not include any cost for the retroactive feature of the bill. I understand that those costs were estimated to be $37 million in 2009. We do not have the data necessary to make an estimate of the cost this year. Because of the market recovery, the cost might possibly have decreased since 2009.

Conclusions

The proposed programs would result in stronger pension benefits through the return of the Defined Benefit plan for members hired since 2006. It would provide improved health care plan benefits, but no future HRA contributions. As a result of all this, employer costs on a FY 2011 basis could increase by about $200,000, or fall slightly, for PERS Peace Officer and Firefighter members, but would decrease substantially for TRS ($2.1 million to $2.7 million) and Other PERS ($4.6 million to nearly $7 million) members. In total, employer costs would fall by about $6 to $9 million, depending on the alternative chosen.

employer or employee costs?

The PERS and TRS actuary will calculate more precise costs, based on complete data and their new actuarial assumptions. The costs above should be considered a starting point for analysis of the bill.

The work reflected herein was conducted by Pension Trustee Advisors under my direction. I look forward to discussing this with you further.

Sincerely,

William B. Fornia, FSA
President

Cc:

Joelle Hall, Alaska AFLCIO
Lydia Garcia, NEA Alaska
Derek Hsieh, APDEA
Jim Duncan, ASEA/AFSCME Local 52
Norm Ruggles, PTA

Alaska State Legislature

Please enter into the record my testimony to the Senate State Affairs
committee name

Committee on SB 121, dated 4-14-11
bill # / subject public hearing date

April 13, 2011
Thank you to the sponsors and cosponsors of SB 121. As many of you know, returning Alaska to a defined benefit retirement plan for teachers and public employee has been the number one legislative priority of NEA-Alaska since this ill conceived legislation was enacted beginning July of 2006.
As we approach the fifth full year of implementation, it is appropriate the Alaska legislature take a serious look at this issue. Questions the legislature should ask would be: 1) is the new defined contribution system saving money? 2) is the new defined contribution system resolving the unfunded liability? 3) is Alaska having difficulty recruiting and retaining teachers and public employees because of the defined contribution retirement system currently in place?
Many are more qualified than I am to answer the above questions. As a local president working with approximately one third of our teaching force on the Kenai Peninsula currently in the defined contribution system, I know the conversations that I have had with teachers. Conversations much like the one I had last week when a Tier III teacher who has family and connections within the district called me and asked, "What advantage is it for me and my family to remain in Alaska?" These are the type of questions many of our young, best, and brightest employees are asking as they look toward their future and financial stability for their families.
When SB 141 was passed, the "portability" of the defined contribution system was one of its selling points to many legislators. I ask now as I asked then, "Why is it good to encourage people to leave our state?" Our communities are very often built around our schools and school employees are a vital part of our communities. Police officers, firefighters, and other public employees also contribute to the sense of community many of us feel. To have a retirement system that encourages people to move seems counterproductive to building strong communities in Alaska.
Thank you for introducing this legislation this session and hopefully it will get serious attention in the next legislative session.
Sincerely,
LaDawn Druce
President of the Kenai Peninsula Education Association

Signed: LaDawn Druce
Testifier

Kenai Peninsula Education Association
Representing (optional)

PO Box 2317 Soldotna, AK 99669
Address

260-3428
Phone number

Retired Public Employees of Alaska, APEA/AFT
211 Fourth St Suite 306
Juneau, AK 99801
Phone: (907) 586-2334 (800) 478-9991
Fax: (907) 463-4980
E-mail: rpeajnu@apea-aft.org
Website: www.rpea.apea-aft.org

Thursday, January 26, 2012

Subject: SB 121

My wife and I are both tier I retirees. We both spent most of our working lives working for the State of Alaska and both of us worked for the City and Borough of Juneau for a few years. I worked as a computer programmer with the State and my wife worked as a registered nurse for both the State and the City and Borough of Juneau. Neither of us would do that today with a defined contribution system because it does not offer the security of retirement checks for life, only the hope that the money lasts longer than our lives do.

One of my sisters-in-law is also a tier I retiree who worked for the State of Alaska as a counselor. My son works for the State as an Accountant III and one of my nephews works for the State as an Administrative Officer II. They are very fortunate to have gotten into tier III where they have a defined benefit retirement.

So why is RPEA so supportive of this legislation? Many of us have grandchildren. Some day when they reach retirement, as we have, they will need a secure retirement that lasts as long as they live. With a defined contribution retirement system the options for our grandchildren to stay in Alaska are diminished. Working for the State of Alaska or a municipality or as a teacher would leave them with a gamble for a retirement instead of a secure retirement.

How are you going to keep our grandchildren in Alaska?

Thank you.

Gary Miller

Gary Miller, RPEA
SE Chapter Chair

January 23, 2012

Gary Miller
20135 Cohen Dr
Juneau, AK 99801-8211

Subject: SB 121 - "An Act relating to the public employees' retirement system and the teachers' retirement system; and providing for an effective date."

Senator Bill Wielechowski – Room 101
Senator Joe Paskvan – Room 115
Senator Cathy Giessel – Room 7
Senator Albert Kookesh – Room 11
Senator Kevin Meyer – Room 103

Please vote yes on SB 121. I am tier I and retired and my son is tier III with nine and one-half years of working for the State of Alaska as an account. We know the importance of having a defined benefit retirement system where we will have a monthly income to the day that we die. The current defined contribution tiers do not protect workers for life after they retire.

I have a three year old grandson here in Juneau. When he is old enough to start working he won't have a secure retirement if he works for the State of Alaska, becomes a teacher or works for a municipality. I spent my entire working career working for the State of Alaska (27 years) and the City and Borough of Juneau (2 years). It is important for me that he be able to stay in Alaska and have public service as an option for a career.

Thank you.

Gary Miller

Gary Miller

NATIONAL INSTITUTE ON
Retirement Security
Reliable Research. Sensible Solutions.

A Better Bang for the Buck

The Economic Efficiencies of Defined Benefit Pension Plans

by Beth Almeida and William B. Fornia, FSA

August 2008

ABOUT THE AUTHORS

Beth Almeida is the Executive Director of the National Institute on Retirement Security. Before joining NIRS, she served as assistant director for strategic resources and as senior economist with the International Association of Machinists and Aerospace Workers (IAM) where she was instrumental in transitioning some 40,000 airline employees out of terminating or freezing pensions into the IAM's multi-employer defined benefit pension plan. Earlier in her career, Ms. Almeida led research initiatives at academic centers in Germany, France, and her home state of Massachusetts. She has authored numerous economic and pension publications and is a frequent speaker at academic and industry conferences, both in the US and abroad. Beth earned a bachelor's degree in international business from Lehigh University and a master's degree in economics from the University of Massachusetts Amherst.

William B. (Flick) Fornia is Senior Vice President, human resource consultant and actuary for Aon Consulting, specializing in public sector retirement plans. He has 29 years of actuarial and consulting experience, primarily in the areas of retiree pension and healthcare benefits. Mr. Fornia is an author and frequent speaker on all aspects of retirement programs including retiree healthcare plans, and the challenges of public sector defined contribution plans. Mr. Fornia earned a Bachelor of Arts in Mathematics at Whitman College. He is a Fellow of the Society of Actuaries, Enrolled Actuary, Member of the American Academy of Actuaries, and Fellow of the Conference of Consulting Actuaries. He currently serves on the American Academy of Actuaries Public Pensions Subcommittee, the Faculty of the Society of Actuaries Fellowship Admissions Course, and the Conference of Consulting Actuaries Committee on Professionalism.

ACKNOWLEDGEMENTS

The authors would like to thank Donald Fuerst, Ron Gebhardtsbauer, Phil Peterson, and Christian Weller for valuable comments on earlier drafts, helpful advice, and assistance. We also thank Ilana Boivie and Laura Vincent for their excellent research contributions in support of this report. Special thanks to Kelly Kenneally for helping to keep the project on track and in focus. The views in this report and any errors and omissions are those of the authors alone.

INTRODUCTION

Worries about retirement security abound. Families fear that they won't have enough to support an adequate retirement income as home values and financial markets plummet. Dwindling profit margins have employers looking to cut costs. And governments are concerned about delivering on the promises that they have made to their citizens and to their employees as tax revenues shrink amid a weakening economy.

In this environment, some have proposed replacing traditional defined benefit (DB) pensions with 401(k)-type defined contribution (DC) retirement savings plans in an effort to save money. But decision makers would be wise to look before they leap. To deliver the same level of retirement benefits, a DB plan can do the job at almost half the cost of a DC plan. Hence, DB plans should remain an integral part of retirement income security in an increasingly uncertain world because they offer employers and employees a better bang for the buck.

The value of traditional DB pensions to employees is generally recognized: they provide a secure, predictable retirement income that cannot be outlived. But less well known is the value of a DB pension to an employer. Due to their group nature, DB plans possess "built-in" savings, which make them highly efficient retirement income vehicles, capable of delivering retirement benefits at a low cost to the employer and employee. These savings derive from three principal sources.

First, DB plans better manage longevity risk, or the chance of running out of money in retirement. By pooling the longevity risks of large numbers of individuals, DB plans avoid the "oversaving" dilemma – that is, saving more than people need on average to avoid running out of cash – that is inherent in DC plans. Consequently, DB plans are able to do more with less.

Second, because DB plans, unlike the individuals in them, do not age, they are able to take advantage of the enhanced investment returns that come from a balanced portfolio throughout an individual's lifetime.

Third, DB plans, which are professionally managed, achieve greater investment returns as compared with DC plans that are made up of individual accounts. A retirement system that achieves higher investment returns can deliver any given level of benefit at a lower cost.

Because of these three factors, we find that a DB pension plan can offer the same retirement benefit at close to half the cost of a DC retirement savings plan. **Specifically, our analysis indicates that the cost to deliver the same level of retirement income to a group of employees is 46% lower in a DB plan than it is in a DC plan.** This is an important factor for policy makers to consider, especially with respect to public sector workforces, where tax dollars are an important source of funds for retirement benefits. DB plans are a more efficient use of taxpayer funds when offering retirement benefits to state and local government employees.

More specifically, this study finds that …

- Longevity risk pooling in a DB plan saves 15%,
- Maintenance of a balanced portfolio diversification in a DB plan saves 5%, and
- A DB plan's superior investment returns save 26%

… as compared with a typical DC plan.

TWO APPROACHES TO RETIREMENT: DB AND DC PLANS

Employers who offer retirement benefits can consider two basic approaches: a traditional defined benefit (DB) pension plan and a defined contribution (DC) retirement savings plan.[1] Each type of plan has certain distinguishing characteristics that influence their cost to employers and employees.[2]

How DB plans work

While employers have a good degree of flexibility in designing the features of a DB plan, there are some features all DB plans share.

DB plans are designed to provide employees with a predictable monthly benefit in retirement. The amount of the monthly pension is typically a function of the number of years an employee devotes to the job and the worker's pay – usually at the end of their career.[3] For example, the plan might provide a benefit in the amount of 1.5% of final average pay for each year worked. Thus, a worker whose final average salary was $50,000, and who had devoted 30 years to the job, would earn a monthly benefit of $1,875 ($22,500 per year), a sum that would "replace" 45% of his final average salary after he stops working. This plan design is attractive to employees because of the security it provides. Employees know in advance of making the decision to retire that they will have a steady, predictable income that will enable them to maintain a stable portion of their pre-retirement standard of living.

Benefits in DB plans are pre-funded. That is, employers (and, in the public sector, employees) make contributions to a common pension trust fund over the course of a worker's career. These funds are invested by professional asset managers whose activities are overseen by trustees and other fiduciaries. The earnings that build up in the fund, along with the dollars initially contributed, pay for the lifetime benefits a worker receives when he retires.

How DC plans work

DC plans function very differently than DB plans.

First, there is no implicit or explicit guarantee of retirement income in a DC plan. Rather, employers (and usually employees) contribute to the plan over the course of a worker's career. Whether the funds in the account will ultimately be sufficient to meet retirement income needs will depend on a number of factors, such as the level of employer and employee contributions to the plan, the investment returns earned on assets, whether loans are taken or funds are withdrawn prior to retirement, and the individual's lifespan.

DC plans are typically "participant directed," meaning that each individual employee can decide how much to save, how to invest the funds in the account, how to modify these investments over time, and at retirement, how to withdraw the funds.

While DC plan assets are also held in a pension trust, that trust is comprised of a large number of individual accounts. DC plans are typically "participant directed," meaning that each individual employee can decide how much to save, how to invest the funds in the account, how to modify these investments over time, and at retirement, how to withdraw the funds. Retirement experts typically advise individuals in DC plans to change their investment patterns over their lifecycle.

In other words, at younger ages, because retirement is a long way off, workers should allocate more funds to stocks, which have higher expected returns, but also higher risks. As one gets closer to retirement, experts suggest moving money away from stocks and into safer, but lower returning assets like bonds. This is to guard against a large drop in retirement savings on the eve of retirement, or in one's retirement years.

This high degree of participant direction makes DC plans very flexible in accommodating individuals' desires, decisions, and control. Employees, however, do not always follow the best expert advice when it comes to saving and investing for retirement.[4] Too many workers fail to contribute sufficient amounts to the plans, and individuals' lack of expertise in making investment decisions can subject individual accounts to extremely unbalanced portfolios with too little or too much invested in one particular asset, such as stocks, bonds, or cash. For example, one study found that more than half of all DC plan participants had either no funds invested in stocks—which exposes them to very low investment returns—or had almost all their assets allocated to stocks, making for a much more volatile portfolio.[5]

Another important difference between DC and DB plans becomes apparent at retirement. Unlike in DB plans, where workers are entitled to receive regular, monthly pension payments, in DC plans it is typically left to the retiree to decide how to spend one's retirement savings. Research suggests that many individuals struggle with this task, either drawing down funds too quickly and running out of money, or holding on to funds too tightly and enjoying a lower standard of living as a result.[6] In theory, employers that offer DC plans could provide annuity payout options, but in practice they rarely do.[7]

BOTH DB *AND* DC PLANS ARE IMPORTANT TO RETIREMENT SECURITY

Because individuals do not have perfect knowledge as to whether they will remain in a given job (and therefore in a given DB plan) until retirement, taking advantage of the opportunity to save in a supplemental DC plan can provide employees with useful diversification of retirement income sources.

DC plans are also flexible vehicles that can accommodate individual retirement income needs that can vary. For example, two otherwise identical workers might have different family situations, health needs, or simply different preferences and expectations about their retirement income needs. DC plans give workers the opportunity to save for retirement in a manner that reflects their individual situations.

This is why most retirement experts liken the ideal design of retirement income sources to a "three-legged stool," consisting of Social Security, a DB plan, and a supplemental DC savings plan. Indeed, researchers have found that workers who have access to all three sources of retirement income are in the best position to achieve a secure retirement.[8]

However, to the extent that retirement benefits for private sector employees constitute a cost to employers, and since benefits for public employees are supported by taxpayer contributions, designing retirement benefits in a fiscally responsible fashion is an important public policy goal. To that end, it is important for policymakers to recognize that the features that make DB plans highly attractive to employees – a predictable monthly retirement benefit, low fees and professional management of retirement assets – also provide significant savings for employers and taxpayers.

DB PLANS ARE MORE COST EFFECTIVE

The cost of either a DB or DC plan depends primarily, but not only, on the generosity of the benefits that it provides. Economists have found that DB plans are typically more generous than DC plans, and obviously, more generous benefits are more expensive.[9]

However, for any given level of benefit, a DB plan will cost less than a DC plan.[10] This makes DB plans, in the language of economists, *more efficient* since they stretch taxpayer, employer or employee dollars further in achieving any given level of retirement income.

This makes DB plans, in the language of economists, more efficient since they stretch taxpayer, employer or employee dollars further in achieving any given level of retirement income.

There are three primary reasons behind DB plans' cost advantage.

- First, because DB plans pool the longevity risks of large numbers of individuals, they avoid the "over-saving" dilemma inherent in DC plans. DB plans need only accumulate enough funds to provide benefits for the average life expectancy of the group. In contrast, individuals will need to set aside enough funds to last for the "maximum" life expectancy if they want to avoid the risk of running out of money in retirement. Since the maximum life expectancy can be substantially greater than the average life expectancy, a DC plan will have to set aside a lot more money than a DB plan to achieve the same level of monthly retirement income.
- Second, because DB plans do not age, unlike the individuals in them, they are able to take advantage of the enhanced investment returns that come from a balanced portfolio over long periods of time. For instance, ongoing DB plans generally include individuals with a range of ages. As older workers retire, younger workers enter the plan. As a result, the average age of the group in a mature DB plan does not change much. This means DB plans can ride out bear markets and take advantage of the buying opportunities that they present without having to worry about converting all of their money into cash for benefits in the near future. By contrast, individuals in DC plans must gradually shift to a more conservative asset allocation as they age, in order to protect against financial market shocks later in life. This process can sacrifice investment returns because people may have to sell assets when they are worth too little due to market fluctuations coinciding with retirement timing. Moreover, they are not able to take advantage of higher expected returns associated with a balanced portfolio.
- Third, DB plans achieve greater investment returns as compared with DC plans based on individual accounts. Superior returns can be attributed partly to lower fees that stem from economies of scale. Also, because of professional management of assets, DB plans achieve superior investment performance as compared to the average individual investor.

METHODOLOGY

We compare the relative costs of DB and DC plans by constructing a model that first calculates the cost of achieving a target retirement benefit in a typical DB plan. We express this cost as a level percent of payroll over a career. We then calculate the cost of providing the same retirement benefit under a DC plan. Additional details on our methodology can be found in the Technical Appendix to this report.

Our model is based on a group of 1,000 newly-hired employees. For the purposes of simplicity, we give all individuals a common set of features. All newly hired employees are female teachers aged 30 on the starting date of their employment. They work for three years and then take a two-year break from their careers to have and raise children. They return to work at age 35 and continue working until age 62. Thus, the length of the career is 30 years. By their final year of work, their salary has reached $50,000, having grown by about 4% percent each year.

Next, we define a target retirement benefit that, combined with Social Security benefits, will allow our 1,000 teachers to achieve generally accepted standards of retirement income adequacy. The plan provides a benefit in retirement equal to $26,684 per year or $2,224 per month. A cost of living adjustment is provided to ensure the benefit maintains its purchasing power during retirement. Thus, each teacher will receive a benefit equal to 53% of her final year's salary that adjusts with inflation, which we estimate at 2.8% per year. With this benefit and Social Security benefits, each teacher can expect to receive roughly 83% of her pre-retirement income – a level of retirement income that can be considered adequate, but not extravagant.

We define certain parameters for life expectancy and investment returns. Then, on the basis of all these inputs, we calculate the contribution that will be required to fund our target retirement benefit through the DB plan over the course of a career. We do the same for the DC plan.

WHAT IS AN "ADEQUATE" RETIREMENT BENEFIT?

Experts generally believe that in order for a retiree to maintain the same standard of living enjoyed during working years, income from all sources (Social Security, DB pensions, DC savings plans, etc.) should replace roughly 70 to 90 percent of pre-retirement income. Because some expenses (commuting costs, payroll taxes, etc.) disappear after retirement, it may be possible to maintain one's pre-retirement standard of living, even with a replacement ratio (that is, the ratio of retirement income to pre-retirement income) of less than 100%.

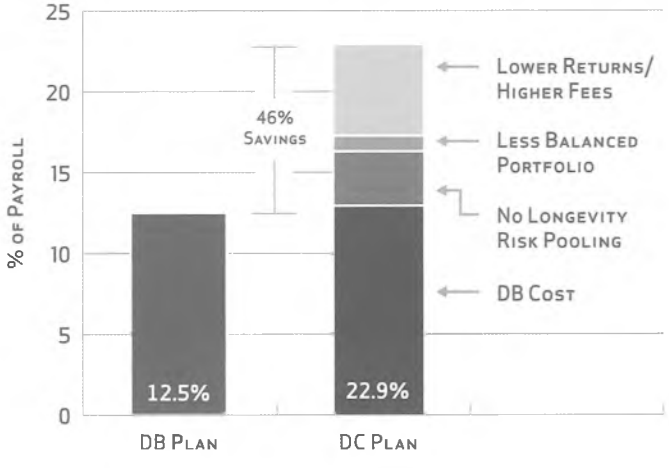
For example, Aon Consulting and Georgia State University estimate that a single retiree with a pre-retirement income of $50,000 would need to achieve a replacement ratio of 80% in order to maintain pre-retirement living standards.[11] Other analysts have recommended that workers seek to achieve an even higher replacement ratio. Human resources consulting firm Hewitt Associates predicts that employees will actually need *more* money in retirement than during their working years, and suggests a target replacement ratio of 125% to cover retiree healthcare and other expenses.[12] In our discussion, we target a replacement rate of 83% of pre-retirement income for both the DB and the DC plan.

DB PLANS ARE MORE COST EFFECTIVE BECAUSE OF LONGEVITY RISK POOLING, PORTFOLIO DIVERSIFICATION, AND SUPERIOR RETURNS

We find that the cost to fund the target retirement benefit under the DB plan comes to 12.5% of payroll each year. By comparison, we find that the cost to provide the same target retirement benefit under the DC plan is 22.9% of payroll each year. In other words, the DB plan can provide the same benefit at a cost that is 46% lower than the DC plan, as shown in Figure 1.

The DB cost advantage stems from differences in how benefits are paid out in each type of plan, how investment allocations shift in DC plans as individuals age, and how actual investment returns in DC plans compare with those in DB plans.

FIGURE 1:
Cost of DB and DC Plan as % of Payroll

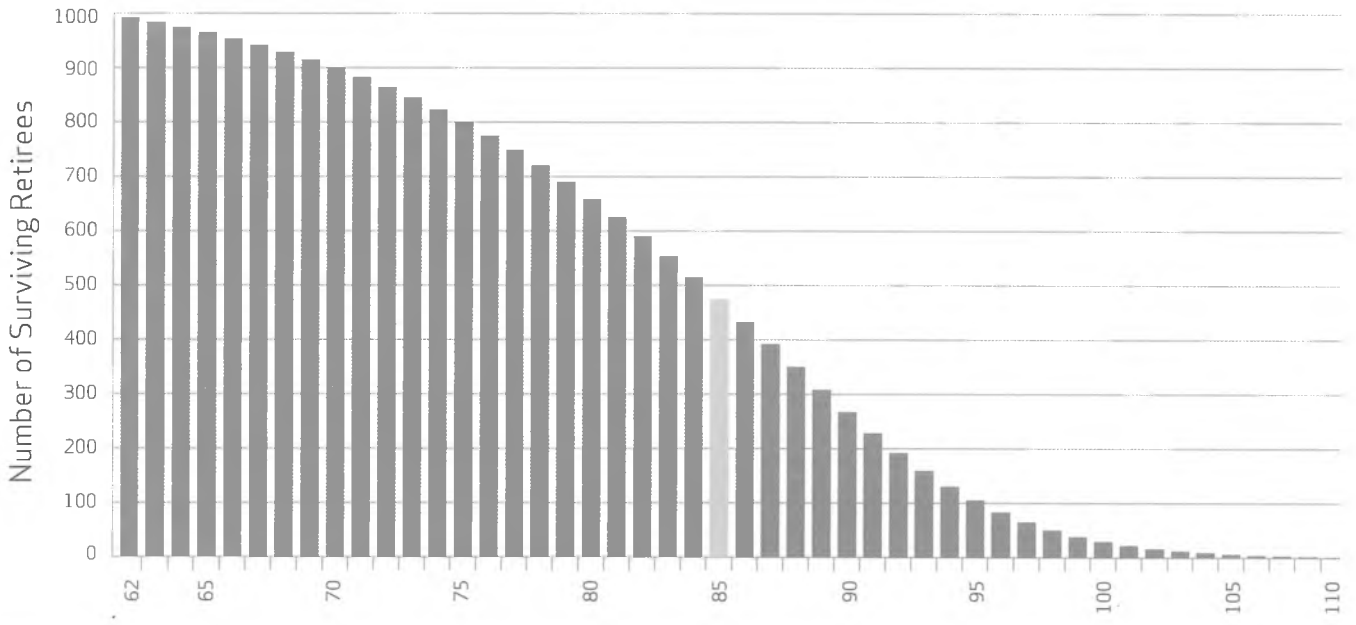


Longevity Risk Pooling

Longevity risk describes the uncertainty an individual faces with respect to their exact lifespan. While actuaries can tell us that, on average, our pool of female teachers who retire at age 62 will live to be 85, they can also predict that some will live only a short time, and some will live to be over 100. Figure 2 illustrates the longevity patterns among our 1,000 teachers. With each passing year, fewer retirees are still living. Age 85 corresponds to the year when roughly half of retirees are still alive.

In a DB plan, the normal form of benefit is a lifetime annuity, that is, a series of monthly payments that lasts until death. A DB plan with a large number of participants can plan for the fact that some individuals will live longer lives and others will live shorter lives. Thus, a DB plan needs only to ensure that it has enough assets set aside to pay for the *average* life expectancy of all individuals in the plan, or in this case, to age 85. Based on our target benefit level, the DB plan needs to have accumulated approximately $355,000 for each participant in the plan by the time they turn 62. This amount will ensure that every individual in the plan will receive a regular, inflation-adjusted monthly pension payment that lasts as long as they do. The contribution required to fund this benefit, smoothed over a career, comes to 12.5% of payroll.

Figure 2: **Longevity of 1,000 Retired Female Teachers**



WHAT ABOUT MONEY FOR A SURVIVING SPOUSE?

Our analysis did not explicitly analyze the effect of providing income to a retiree's surviving spouse. But the method of providing for spouse benefits would be similar under either the DB or DC approach. Under a DB plan, a retiree has the option of electing a reduced monthly benefit in exchange for a portion of the benefit continuing on to her surviving spouse if there is one. Virtually all pension plans offer at least a "50% Joint and Survivor" option and a "100% Joint and Survivor" option. For example, in our model, the retired teacher could have three payment options:

- $2,224 per month for as long as she lives, with no surviving spouse benefit, or
- $2,046 per month for as long as she lives, with half ($1,043) continuing to her surviving husband for as long as he lives, or
- $1,882 per month for as long as either the retiree or her husband lives

These three options are roughly "actuarially equivalent," meaning that for a large group following the actuarially assumed mortality and investment return patterns, the plan costs are neutral with respect to the option chosen.

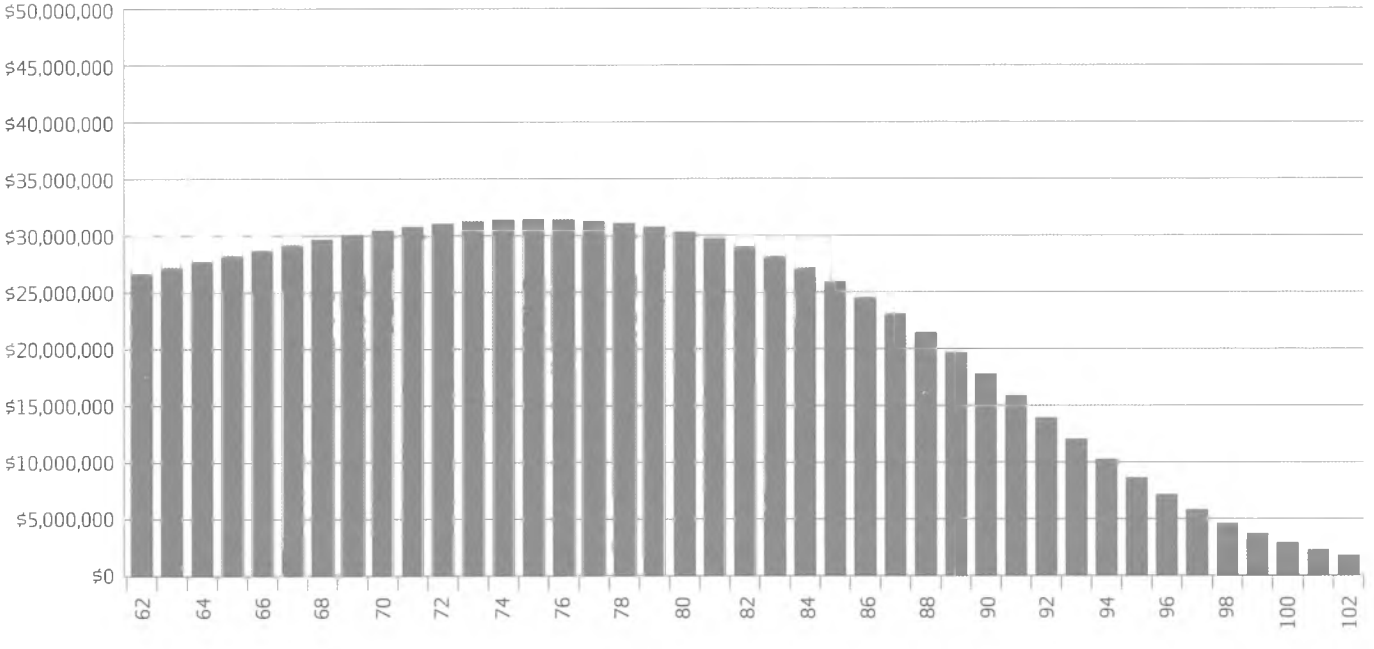
Under a DC plan, if this retiree wanted to provide her husband with retirement income should he outlive her, she would reduce the amount of her monthly withdrawals to enable him to be more likely to have residual assets available for him upon her death. If the retired couple were to make calculations as to how much to reduce their benefit, they would make calculations identical to those made by the plan to determine the actuarially equivalent benefit.

In other words, the desire of providing survivor income can be met through either a DB or DC plan.

We could have modeled our analysis based on a married retiree seeking survivor income protection, but adding this complexity would not have made a material difference in our analysis. This is because while it is difficult for a retiree to predict how long she will live, it is also difficult for a couple to predict how long they each will live.

Total annual payments out of the DB plan will have a hump-shaped pattern as seen in Figure 3. The amount of benefits paid out will increase for a number of years, because the effect of inflation adjustments is greater than the effect of individuals gradually dying off. At age 77, the impact of retiree deaths overtakes the effect of the cost of living adjustments and payments decline with each passing year. In the DB plan, every retiree recieves a steady inflation-adjusted monthly income that lasts until her death.

Figure 3: **Total Payments under the Defined Benefit Plan**

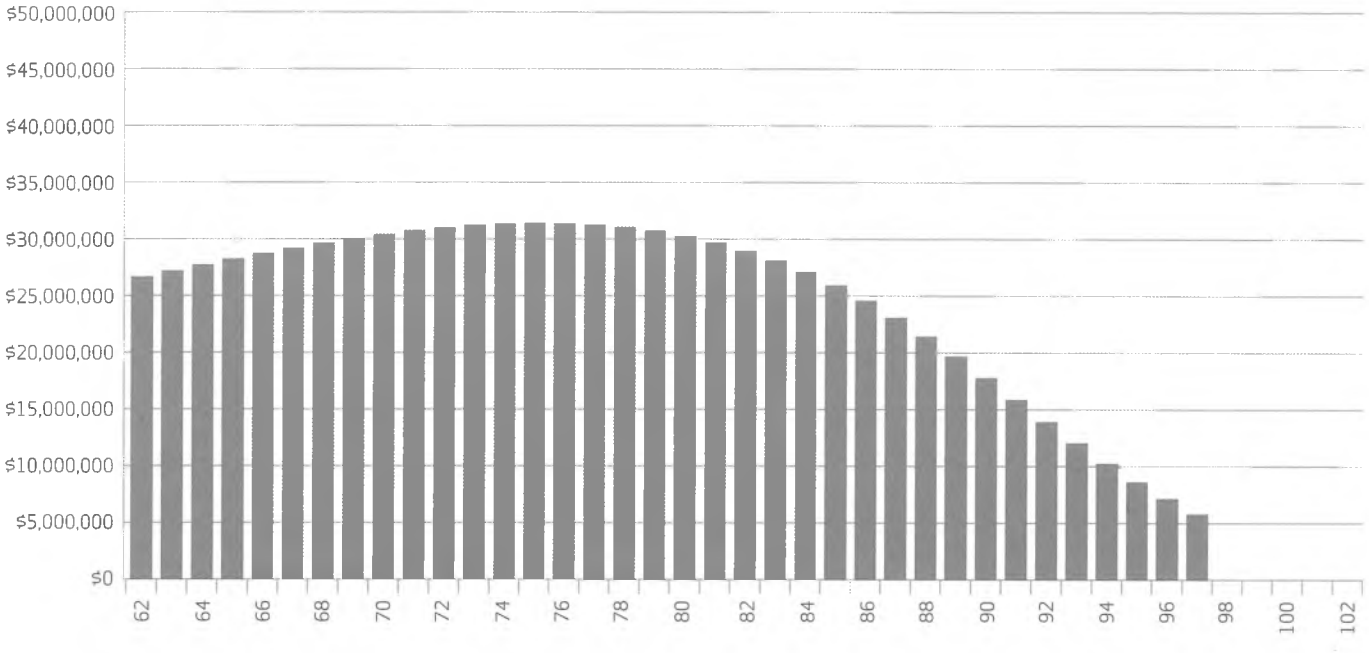


Next, we contrast this situation with that in a DC plan. Because DC plans rarely offer annuity options, individuals must self-insure longevity risks. This can be an expensive proposition. Because an individual in a DC plan does not know exactly how long she will live, she will probably not be satisfied with socking away an amount sufficient to last for the *average* life span, for if she lives past age 85, she will have depleted her retirement savings. For this reason, an individual will probably want to be sure that she has enough money saved to last for the *maximum* life span (or something close to it).

We define the "maximum life expectancy" for purposes of this analysis as 97 years old. It corresponds to the age beyond which only 10% of individuals survive, and therefore it is not a "true" measure of maximum life expectancy.[13] In fact, our mortality table indicates that one lucky individual out of the 1,000 will celebrate her 110th birthday. This simplifying assumption is intended to be more realistic (that most individuals will be satisfied with a 90% chance of not outliving their money, rather than a 100% chance), but it will also tend to understate the cost of the DC plan. Figure 4 illustrates the payout pattern under the DC plan, where individuals withdraw funds on an equivalent basis to the DB plan until age 97 – that is, in a series of regular, inflation adjusted payments. After age 97, there are no more withdrawals, even though 100 (10% of our initial pool of 1,000) teachers are still living. The money has simply run out.

Thus, our simplifying assumption of using a 90th percentile life expectancy of 97, rather than the true maximum life expectancy, will reduce the cost of providing the target benefit under the DC plan, but will also mean that individuals with exceptionally long lives will experience a reduced standard of living, compared to what they would experience under a DB plan. Thus, in our example, the DC plan ends up actually delivering less in total retirement benefits than the DB plan.

Figure 4: **Total Benefit Payments under the DC Plan Based on Life Expectancy of 97**



Of course, those 10% of individuals who do survive beyond age 97 would want to avoid the possibility of having their retirement income reduced to zero. It is likely that individuals will respond to a long life by gradually reducing their withdrawals from the plan to avoid running out of money. Thus, we assume that once an individual reaches age 90, she begins to reduce the size of annual withdrawals from the plan. This changes the withdrawal pattern to avoid the steep drop off in payments at age 97, as shown in Figure 5. However, it should be noted that those with very long lives will see their standard of living reduced significantly.

It is important to acknowledge that if a retiree dies before exhausting all of her retirement savings, the money in the account does not simply evaporate. Rather, it will pass to her estate. Benefits that were intended to be pension benefits become death benefits paid to heirs instead. This is the "over-saving" dilemma that is inherent in DC plans. As Figure 6 illustrates, the aggregate amount of money transferred to estates is substantial – totaling 24% of all assets accumulated in the plan.

While some individual heirs will benefit from these inter-generational transfers of wealth, they are not economically efficient from a taxpayer or employer perspective. Because heirs did not provide services that the employer/taxpayer benefited from, providing additional benefits to heirs is economically inefficient. Moreover, these additional "death benefits" are not tied in any direct way to an individual employee's productivity during her working years, rather their value is a function of living a shorter life.

DB plans avoid this problem entirely. By pooling longevity risks, DB plans can not only ensure that all participants in the plan will have enough money to last a lifetime, they can accomplish this goal with less money than would be required in a DC plan. Because DB plans need to fund only the *average* life expectancy of the group, rather than the *maximum* life expectancy for all individuals in the plan, less money needs to be accumulated in the pension fund. Remember that the DB plan needed to accumulate about $355,000 for each participant in the plan by the time they turn 62 in order to fund the target level of benefit. Due to the "over-saving" dilemma, DC plans must accumulate at least $455,000 per participant, or $100,000 more, in order to minimize the likelihood of running out of funds. In order to accumulate those additional amounts, contributions to the plan would climb to 16.0% of pay, from 12.5% under the DB plan.

Figure 5: **Total Benefit Payments under the DC Plan Based on Adjusted Life Expectancy**

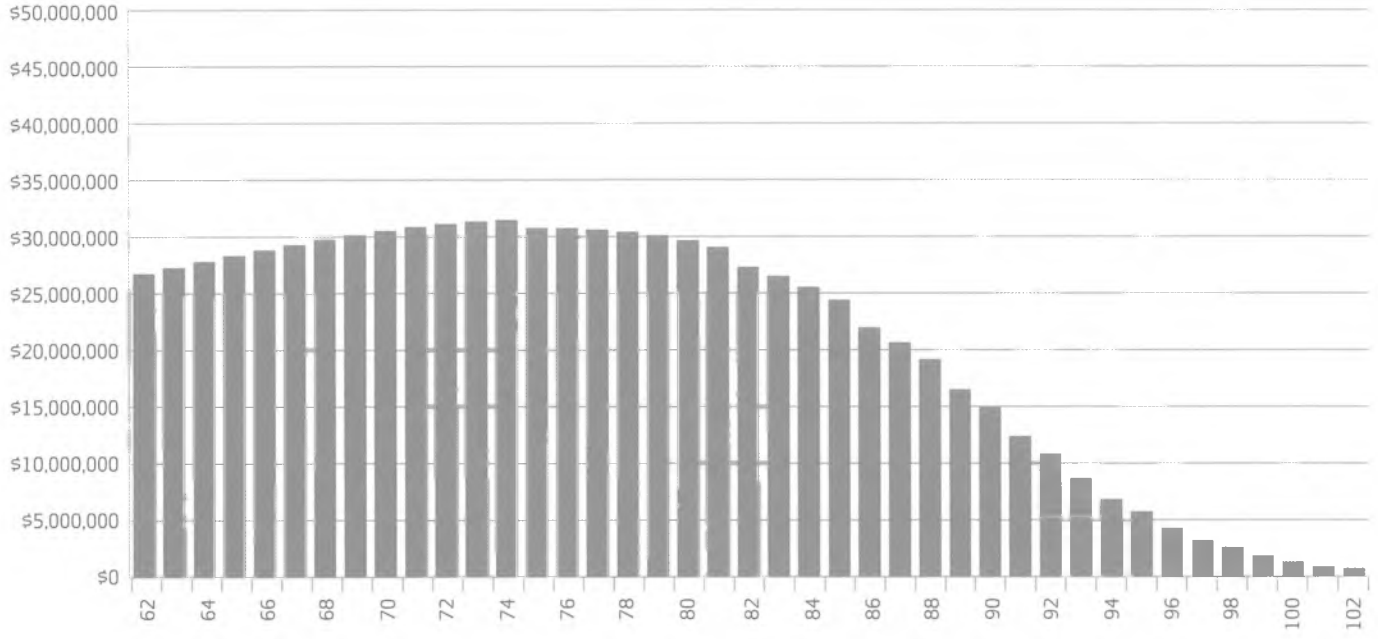
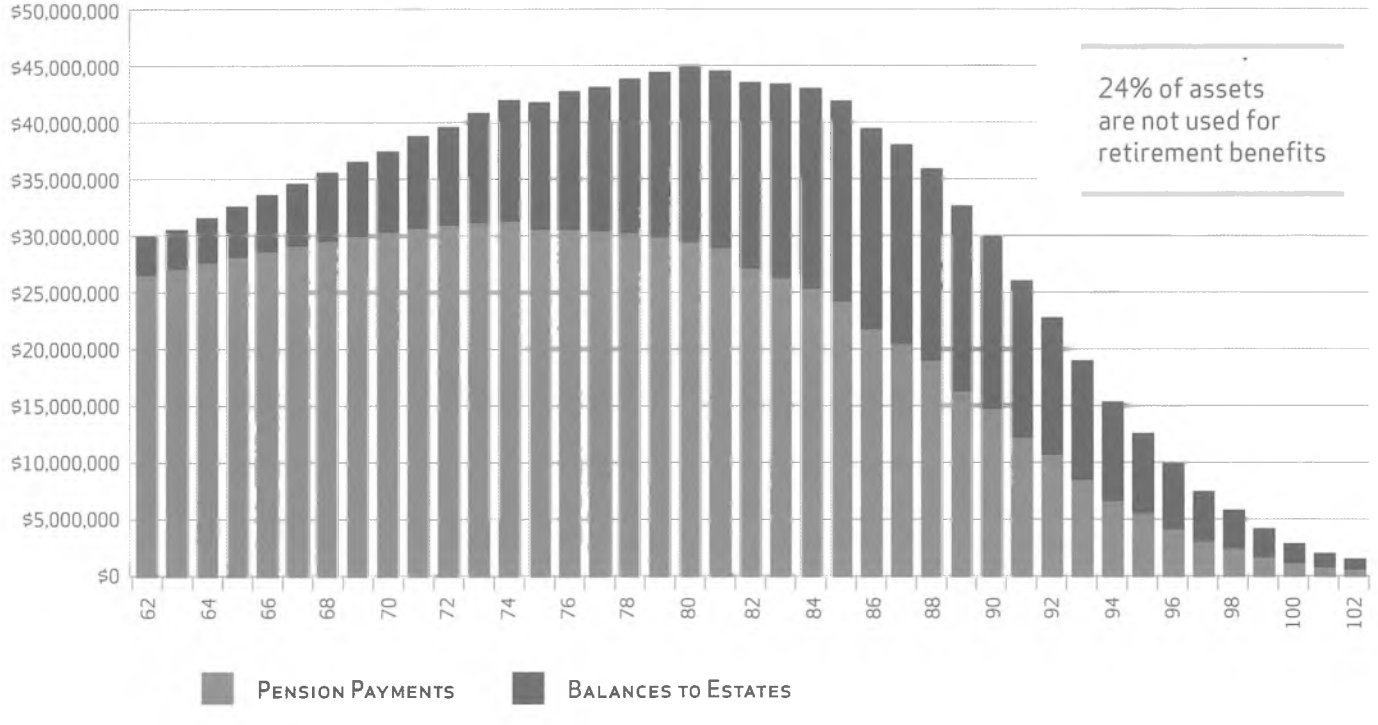


Figure 6: **Total Benefit + Estate Payments under the DC Plan**



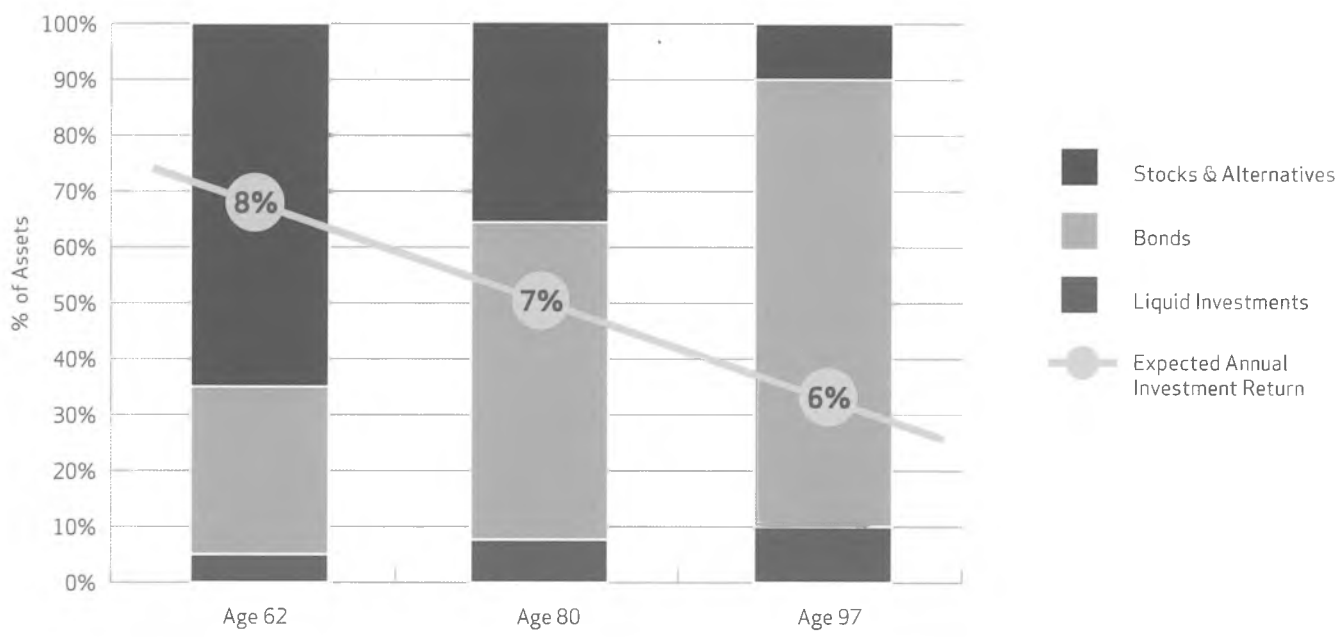
Maintenance of Portfolio Diversification

A retirement system that achieves higher investment returns can deliver a given level of benefit at a lower cost. All else equal, the greater the level of investment earnings, the lower contributions to the plan will need to be.[14] Prior research substantiates DB plans' significant advantage in investment returns, as compared with DC plans.

Part of the reason why DB plans tend to achieve higher investment returns as compared with DC plans is that they are long-lived. That is, unlike individuals, who have a finite career and a finite lifespan, a DB pension fund endures across generations; thus a DB plan, unlike the individuals in it, can maintain a well-diversified portfolio over time. In DC plans, individuals' sensitivity to the risk of financial market shocks increases as they age. The consequences of a sharp stock market downturn on retirement assets when one is in their 20s are minor, compared to when one is on the eve of retirement. For this reason, individuals are advised to gradually shift away from higher risk/higher return assets as they approach retirement. While this shift offers insurance against the downside risk of a bear market, it also sacrifices expected return since more money will be held in cash or similar assets that offer low rates of return in exchange for more security. A reduction in expected investment returns will require greater contributions to be made to the plan in order to achieve the same target benefit.

In our model, the well-diversified DB plan is expected to achieve investment returns of 8% per year, net of fees. In the DC plan, individuals gradually shift out of higher risk/higher return assets in favor of lower-risk/lower return assets. This results in a sacrifice of expected annual return of 2% by age 97, as shown in Figure 7.

Figure 7: **As Portfolio Allocation Shifts, Expected Return in DC Plan Falls**



We find that the shift in portfolio allocation has a modest, but nonetheless, significant effect on cost. Specifically, we find that the per-retiree amount that must be accumulated in the DC plan by retirement age now climbs to about $485,000. By comparison, the DB plan requires about $355,000. The contributions required to fund the target benefit level now climb to 17.0% of payroll (compared to 12.5% of payroll under the DB plan).

Another important reason why DB plans achieve higher investment returns than DC plans is that assets are pooled and professionally managed.

Superior Returns

Another important reason why DB plans achieve higher investment returns than DC plans is that assets are pooled and professionally managed. Expenses paid out of plan assets to cover the costs of administration and asset management reduce the amount of money available to provide benefits. As a result, a plan that can reduce these costs will require fewer contributions. By pooling assets, large DB plans are able to drive down asset management and other fees. For example, researchers at Boston College find that asset management fees average just 25 basis points for public sector DB plans.[15] By comparison, asset management fees for private sector 401(k) plans range from 60 to 170 basis points.[16] Thus, private DC plans suffer from a 35 to 145 basis point cost disadvantage, as compared with public DB plans.[17] On their face, these differentials may appear small, but over a long period of time, they compound to have a significant impact. To illustrate, over 40 years, a 100 basis point difference in fees compounds to a 24% reduction in the value of assets available to pay for retirement benefits.[18]

Administrative costs are largely driven by scale. Thus, a similarly-sized DB plan and DC plan can have opportunities to negotiate minimized administrative expenses. A DC plan involves costs that do not exist in a DB plan, such as the costs of individual recordkeeping, individual transactions, and investment education to help employees make good decisions. However, DB plans, unlike DC plans, bear the administrative costs of making regular monthly payments after retirement.

But fees are only part of the story – differences in the way retirement assets are managed in DB and DC plans play a substantial role. As previously discussed, investment decisions in DB plans are made by professional investment managers, whose activities are overseen by trustees and other fiduciaries. Research has found that DB plans have broadly diversified portfolios and managers who follow a long-term investment strategy.[19] We also know that individuals in DC plans, despite their best efforts, often fall short when it comes to making good investment decisions. Thus, it should not be surprising that researchers find a large and persistent gap when comparing investment returns in DB and DC plans. Munnell and Sunden put the difference in annual return at 80 basis points.[20] A 2007 report from the global benchmarking firm, CEM, Inc., concluded that between 1998 and 2005, DB plans showed annual returns 180 basis points higher than DC plans, largely due to differences in asset mix.[21] And Watson Wyatt found that, between 1995 and 2006, DB plans outperformed DC plans by 109 basis points, on average. Among large plans, the DB advantage was even greater – at 121 basis points. [22]

In our model, we use conservative estimates of the differences in DB and DC plan costs and expected returns. We model a 100 basis point (1%) net disadvantage for the DC plan annual investment returns as compared with DB plan returns. While this is slightly higher than the estimate of Munnell and Sunden,[23] it is lower than the more recent estimates of Flynn and Lum,[24] and Watson Wyatt.[25] This 100 basis point differential persists into the retirement years and magnifies the effects of the shift in asset allocation discussed previously. However, our model separates these effects to avoid double-counting. We do not isolate the impact of expenses and fees from the impact of superior investment management skill.

We find that a 1% per year disadvantage in DC plan investment returns compounds over time to create a significant cost disadvantage. In particular, we find that the amount which must be set aside for each individual at retirement age now climbs to about $550,000 (compared to the roughly $355,000 required in the DB plan). The level of contributions to the plan climbs again, this time to 22.9% of payroll (compared to 12.5% under the DB plan).

"BUT I THOUGHT DC PLANS WERE CHEAPER?" UNTANGLING BENEFIT GENEROSITY AND ECONOMIC EFFICIENCY

GM Will Freeze Salaried Pensions, Shift to 401(k)s
"...move will save the struggling automaker $420 million in 2007."
USA Today - April 10, 2007

IBM Adds Its Name to the List of Firms Freezing Pensions
"...cut worldwide retirement-related expenses by $450 million to $500 million this year."
The Washington Post - January 6, 2006

Verizon to Halt Pension Outlay for Managers
"...company hopes to save about $3 billion over the next decade".
The New York Times - December 6, 2005

Headlines like these have, understandably but unfortunately, led to a good deal of confusion about the relative costs and economic efficiencies of DB plans versus DC plans. While many employers have cited the financial burden of DB plans as their main reason for shifting from a DB to a DC plan, it is important to separate the question of benefit generosity from the question of the economic efficiency of a retirement plan.[26]

A review of the economic literature helps in this regard. Researchers have found that when employers move out of DB and into DC plans, they almost always cut the average employee benefit in the process. [27] Ghilarducci and Sun find, for instance, that between 1981 and 1998 the average employer pension contribution declined from $2,140 to $1,404 per employee, while the share of pension contributions attributed to DC plans increased from 23% to 68% in that time period.[28] Also, a UK study found that the average contribution per employee is 15-18% under a DB system, but only 9% under a DC system.[29] Thus, when employers simultaneously reduce their contributions along with the move from DB to DC, they will undoubtedly save money. Yet this does not mean that DC plans are inherently cheaper than DB plans; it simply means that employers are reducing employee benefits, while also changing the benefit design. Shifting costs from one party (the employer who reduces contributions) to another (employees who receive less in retirement) does not reduce costs overall. As the *The Economist* succinctly put it, "Whatever the arguments about the merits of the new wave of [DC] schemes, if you put less money in, you will get less money out."[30]

Whether an employer chooses a DB plan, a DC plan, or both, it has to decide how generous the benefits should be. But, as our analysis demonstrates, the economic efficiencies built into DB plans mean that such systems can provide the same benefit at a much lower cost, as compared with a DC plan.

SUMMARY OF RESULTS: DB PLANS REDUCE COSTS BY ALMOST HALF

Taken together, the economies that stem from investment pooling and longevity risk pooling can result in significant cost savings to employees and employers (or in the case of the public sector, taxpayers). In our model, required contributions are 46% lower in the DB plan as compared with the DC plan.

Our analysis clearly demonstrates that DB plans are far more cost-effective than DC plans. We find that to achieve roughly the same target retirement benefit that will replace 53% of final salary, the DB plan will require contributions equal to 12.5% of payroll, whereas the DC plan will require contributions to be almost twice as high – 22.9% of payroll.

We find that due to the effects of longevity risk pooling, maintenance of portfolio diversification, and greater investment returns over the lifecycle, a DB plan can provide the same level of retirement benefits at almost half the cost of a DC plan.

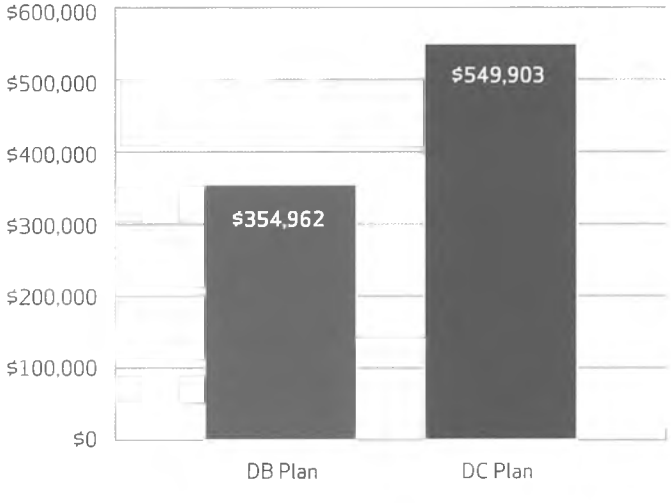
Figure 8: **Tallying DB Plan Cost Savings**

1. Longevity risk pooling saves	15%
2. Maintenance of portfolio diversification saves	5%
3. Superior investment returns save	26%
All-in costs savings in DB plan	**46%**

The longevity risk pooling that occurs in the DB plan accounts for 15% of the incremental cost savings. DB plans' ability to maintain a more diversified portfolio drives another 5% cost savings, and their superior investments returns across the lifecycle generate an additional 26% reduction cost.

Our results also indicate that DB plans can do more with less. That is, they can ensure that all individuals in the plan (even those with very long lives) are able to enjoy an adequate retirement benefit that lasts a lifetime, at the same time that they require less money to be contributed to a retirement plan and fewer assets to accumulate in the plan. We calculated the amount of money that would be required to be set aside for each retiree in each type of plan, to provide a modest retirement benefit of about $2,200 per month. As shown in Figure 9, at retirement age, the DB plan requires only about $355,000 to be set aside for each individual, whereas the DC plan requires almost $550,000. The difference – nearly $195,000 for each and every employee – illustrates that the efficiencies embedded in DB plans can yield large dollar savings for employers, employees and taxpayers.[31]

Figure 9:
Per Employee Amount Required at Age 62 DB Plan vs. DC Plan



CONCLUSION

Our findings indicate that DB plans provide a better bang for the buck when it comes to providing retirement income. We find that a DB plan can provide the same level of retirement income at almost half the cost of a DC plan. Hence, DB plans should remain a centerpiece of retirement income policy and practice, especially in light of current fiscal and economic constraints.

We find that the biggest drivers of the cost advantages in DB plans are longevity pooling and enhanced investment returns that derive from reduced expenses and professional management of assets. The sacrifice of investment returns that results from life-cycle driven shifts in portfolio allocation in DC plans had a smaller, but still significant, effect. The sources of cost savings in DB plans reflect, at a very basic level, the differences in how DB and DC plans operate. Group-based DB plans provide lifetime benefits and feature pooled, cost-efficient, professionally managed assets: these features drive significant cost savings that benefit employers, employees, and taxpayers.

When considering our results, it is important to keep in mind that in our effort to construct an "apples to apples" comparison, we made a number of simplifying assumptions that actually reflected more favorably on DC plans. For instance, we did not model any asset leakage from the DC plan before retirement, through loans or early withdrawals nor any terminations of employment under either plan. We also assumed that individuals followed a sensible "goldilocks-like" withdrawal pattern in retirement – not too fast, not too slow, but just right. We used conservative estimates of the difference in actual investment returns between DB and DC plans. And, we used a 90th percentile life expectancy to project required accumulations in the DC plan, rather than "full" life expectancies. Thus, if anything, our analysis likely underestimates the cost of providing benefits in a DC plan and thereby understates the cost advantages of DB plans.

Due to the built-in economic efficiencies of DB plans, employers and policy makers should continue to carefully evaluate claims that "DC plans will save money." As discussed, benefit generosity is a separate question from the economic efficiency of a retirement plan. While either type of plan can offer more or less generous benefits, DB plans have a clear cost advantage for any given level of retirement benefit. Considering the magnitude of the DB cost advantage, the consequences of a decision to switch to a DC plan could be dramatic for employees, employers, and taxpayers.

While either type of plan can offer more or less generous benefits, DB plans have a clear cost advantage for any given level of retirement benefit. Considering the magnitude of the DB cost advantage, the consequences of a decision to switch to a DC plan could be dramatic for employees, employers, and taxpayers.

Finally, policymakers should consider proposals that can strengthen existing DB plans and promote the adoption of new ones. When viewed against the backdrop of workers' increasing insecurities about their retirement prospects and the economic and fiscal challenges facing employers and taxpayers, now more than ever, policy makers ought to focus their attention and energy on this important goal. The very features that make DB plans attractive to employees drive cost savings for employers and taxpayers. In this way, DB plans represent a rare "win-win" approach to achieving economic security in retirement that should be recognized and replicated.

TECHNICAL APPENDIX: CALCULATING THE COST SAVINGS EMBEDDED IN DB PLANS

We calculate the cost, expressed as a level percent of payroll over a career, of achieving a target benefit in a typical DB plan and compare that with the cost of providing the same target benefit in a typical DC plan.

We begin by constructing a cohort of 1,000 newly-hired employees. For the purposes of simplicity, we give this cohort a common set of features. All newly hired employees are age 30 on the starting date of their employment and they are all female teachers. They work for three years and then take a two-year break from their careers to have and raise children. They return to work at age 35 and continue working until age 62. Thus, the length of the career is 30 years. By their final year of work, their salary has reached $50,000, having grown by 4.05% percent each year.

Modeling DB Plan Benefits and Costs

The DB plan provides a benefit in retirement equal to 1.85% of final average salary for each year worked. This represents the median benefit among DB plans covering public employees who are also covered by Social Security.[32] Final average salary is calculated on the basis of the final three years of one's career, which in this case is $48,079. Thus, the initial benefit in the DB plan is $26,684 per year or $2,224 per month.

The DB plan provides a cost of living adjustment that ensures the benefit maintains its purchasing power during retirement. Inflation is projected at 2.8% per year. Thus, each individual in our cohort will receive a benefit equal to 53% of her final year's salary that adjusts with inflation. This DB plan (in combination with Social Security) would allow an employee to meet generally accepted standards of retirement income adequacy, or roughly 83% of pre-retirement income.

DB plans typically offer married participants the ability to receive joint-and-survivor annuity benefits, whereby when the retiree dies, her spouse can continue to receive a monthly benefit that will last the spouse's lifetime. But the retiree pays the cost of this survivor's benefit. That is, the monthly benefit that would be payable on a single-life basis will be reduced by an actuarially determined factor to account for the fact that payments may continue if the retiree dies before her spouse. Therefore, for simplicity, we model all benefit payouts on a single-life basis (and do the same for the DC plan), using the RP-2000 Healthy Female Annuitants mortality table.

In order to model the contributions that are required to fund these benefits, we start by establishing expected investment returns. The DB plan is expected to achieve nominal investment returns of 8.01% per year, net of fees. We calculate a weighted average return, based on assumptions about asset allocation and returns for each asset class.

The DB plan follows a typical asset allocation of 2% in cash/liquid assets, 15% in treasuries/agency debt, 13% in corporate bonds, and 70% in equities and alternative assets. Our expected investment returns for each asset class are based on the projections prepared by the Office of the Actuary of the Social Security Administration to support analysis of the impact of private accounts by the President's Commission to Strengthen Social Security. The Commission's report described these assumptions as "conservative," noting that these assumptions are "much lower than that used in many academic and policy studies."[33] We expect cash/liquid investments to earn a nominal 2.8% per year, treasuries and agency debt to earn 5.8%, corporate bonds to earn 6.3%, and stocks and alternatives to earn 9.3%. Asset management fees of 0.25% are deducted from these returns, reflecting the average for DB plans in the public sector.[34]

Figure 10	% of Assets	Expected Annual Investment Return
Cash/Liquid Investments	2%	2.8%
Treasuries and Agency Debt	15%	5.8%
Corporate Bonds	13%	6.3%
Stocks and Alternatives	70%	9.3%
Less Asset Management Fees		-0.25%
Overall Portfolio		**8.0%**

On the basis of these inputs, we calculate the contribution that will be required to fund this benefit through the DB plan over the course of a career, and express this as a level percent of payroll. We find that the cost to fund the target retirement benefit, smoothed over a career, comes to 12.5% of payroll. Contributions could be made entirely by the employer, or, in the public sector, they may be split between the employer and employee.

Modeling DC Plan Benefits and Costs

Modeling the cost of the target retirement benefit in the DC plan requires some adjustments based on what we know about how DC plans differ from DB plans.

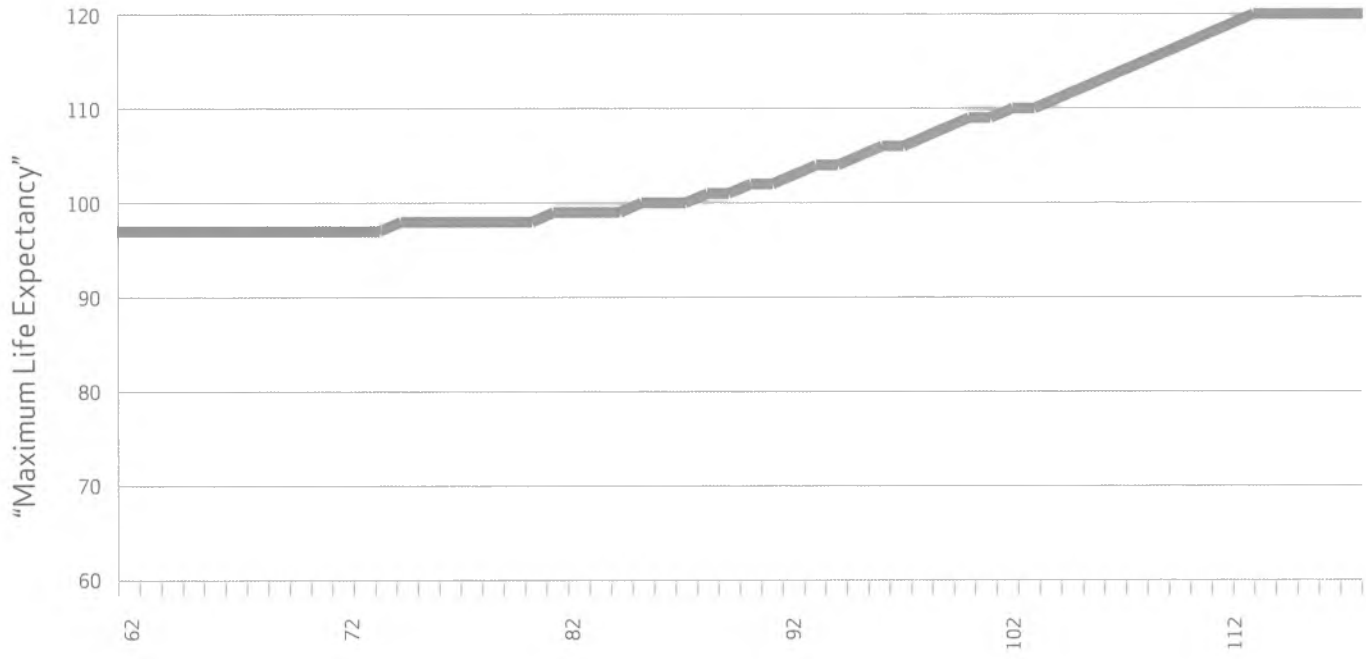
First, because employees are not provided with an annuity benefit at retirement under the DC plan, we determine the size of the lump sum amount that an individual would need to accumulate by their retirement date in order to fund a retirement benefit equivalent to that provided by the DB plan (including inflation adjustments) for a period of 35 years, or to age 97. This represents our estimate of the "maximum life expectancy." It corresponds to the age beyond which only 10% of individuals survive, and therefore is not a "true" measure of maximum life expectancy. In fact, our mortality table indicates that one individual out of 1,000 will survive to 110. This simplifying assumption is intended to be more realistic (that most individuals will be satisfied with a 90% chance of not outliving their money, rather than a 100% chance). Using a 90th percentile life expectancy of 97, rather than the true maximum life expectancy will reduce the cost of providing the target benefit under the DC plan, but will also mean that individuals with exceptionally long lives will experience a reduced standard of living, compared to what they would experience under a DB plan.

Of course, those 10% of individuals who do survive beyond age 97 would see their standard of living drop quite dramatically once their DC accounts were depleted. In reality, individuals would be likely to respond to a long life by gradually reducing their withdrawals from the plan to avoid the possibility of having their retirement income reduced to zero. For this reason, we assume that once an individual reaches age 90, she reduces annual withdrawals from the plan. We assume that the individual monitors her "maximum life expectancy" each year, and whenever it increases by a year, she adjusts her withdrawals accordingly. Figure 11 illustrates this process.

To model the impact of the shift to a more conservative portfolio allocation, starting at age 62, we have individuals begin to shift their portfolio allocation to gradually reduce the share held in equities and increase the holdings of cash and liquid investments, treasuries and agency debt, and corporate bonds. At age 62, the portfolio holds 65% of assets in equities; by age 72 it holds 49%; by age 82, it holds 33%; by age 92, it holds 16%; and so on. This drives the expected return on the baseline portfolio down from 8% per year to 6% per year in nominal terms.

The investment/withdrawal strategy we model is not the result of an optimization rule, rather it follows ad hoc rules. The investment strategy is modeled as a "glide path," along which the retiree gradually reduces her exposure to equities. Withdrawals are designed to mimic DB plan payouts, at least in the early years of retirement, declining in later years. Work by William Sharpe and colleagues suggests that an optimal approach would integrate investment and withdrawal

Figure 11: **"Maximum Life Expectancy" increases as one gets older**



strategies. Specifically, they find that a constant withdrawal rate must be paired with a riskless investment strategy in order to be optimal for an individual.[35] However, a post-retirement asset allocation entirely concentrated in risk-free assets would dramatically drive up the cost of the DC plan. Thus our model's ad hoc investment and withdrawal strategies would tend to understate the cost advantage of DB plans.

We use conservative estimates of the differences in DB and DC plan costs and expected returns. We assume that a large, sophisticated employer will seek to use whatever economies of scale are available to negotiate fees down on both types of plans. To capture the effect of lower DC plan returns over a lifetime, due to fee differentials and superior investment decisions, we model a 100 basis point disadvantage in net return as compared with DB plan returns. While this is slightly higher than the estimates of Munnell and Sunden,[36] it is lower than the more recent estimates of Flynn and Lum[37] and Watson Wyatt.[38] Thus, we assume individuals achieve a 7% nominal rate of return during their working years. This 100 basis point differential persists into the retirement years. So the return disadvantage compounds on top of the shift in portfolio allocation. (We calculate the impact of each effect separately to avoid double counting.) As a result, the expected return on the portfolio gradually declines from 7% per year to 5% in nominal terms.

On the basis of these inputs, we calculate the contribution that will be required to fund this benefit through the DC plan over the course of a career, and express this as a level percent of payroll. We find that the cost to fund the target retirement benefit, smoothed over a career, comes to 22.9% of payroll in the DC plan.

Future extensions of our model might incorporate additional differences between DB and DC plans. For example, one could analyze the impact of "leakage" of assets from DC plans through loans or early withdrawals, two features which are rare in DB plans. Pre-retirement death and disability benefits, which are a common feature of DB plans, but not DC plans, could be considered as well. Finally, the model could be extended to capture cyclical and idiosyncratic variances in investment returns. That is, one could analyze the effects of ups and downs in financial markets and the impact that these have on investment returns and costs in both DB and DC plans over a career. Also, the fact that in DC plans some individuals will have "better luck" with investing than others means that individuals' retirement prospects will exhibit a wider dispersion than what is predicted by our model.

ENDNOTES

1 The most common type of DC plan in the private sector is the 401(k) plan. Public sector employees often save for retirement in 403(b) plans or through 457 plans. These nomenclatures reflect the sections of the Federal tax code that spells out the rules governing these plans.

2 Both types of plans also share some common features. For instance, they both are employment-based plans that make preparing for retirement easier than if employees had to tackle the job completely on their own. Both DB and DC plans benefit from tax incentives designed to encourage retirement preparedness. And both types of plans are governed by laws designed to protect employees and their benefits.

3 The benefit factor could also be a function of a worker's earnings over their entire career (a so-called "career average plan.") Or, the factor could be a flat dollar amount: for example, the plan will pay a monthly benefit equal to $50 per year of service, so that a 30 year employee would have a benefit of $1,500 per month. "Flat dollar" plans are primarily seen among blue-collar workers in the private sector.

4 Benartzi, S. & R.H. Thaler. 2007. "Heuristics and Biases in Retirement Savings Behavior." *Journal of Economic Perspectives.* Vol. 21 No. 3. 81-104. Mitchell, O. and S. Utkus. 2004. *Pension Design and Structure: New Lessons from Behavioral Finance.* New York: Oxford University Press. Munnell, A. H. and A. Sunden. 2004. *Coming Up Short: The Challenge of 401(k) Plans.* Washington, DC: Brookings Institution Press.

5 Holden, S. and J. VanDerhei. 2001a. "401(k) Plan Asset Allocation, Account Balances, and Loan Activity in 2000." *EBRI Issue Brief* 239. Washington, DC: Employee Benefit Research Institute.

6 Copeland, C. 2007. "How Are New Retirees Doing Financially in Retirement?" *EBRI Issue Brief.* No. 302. Washington DC: Employee Benefit Research Institute. Love, D., P.A. Smith and L. McNair. 2007. "Do Households Have Enough Wealth for Retirement?" *Finance and Economics Discussion Series.* 2007-17. Federal Reserve Board, Washington DC.

7 Perun, P. 2007. "Putting Annuities Back into Savings Plans." In Ghilarducci and Weller, eds. *Employee Pensions: Policies, Problems, and Possibilities.* Champaign IL: Labor and Employment Relations Association.

8 Munnell, A. H., M. Soto, A. Webb, F. Golub-Sass, and D. Muldoon. 2008. "Health care costs drive up the National Retirement Risk Index." Center for Retirement Research Issue in Brief, No. 8-3. Boston College. Munnell, A.H., A. Webb and F. Golub-Sass. 2007 "Is there Really a Retirement Savings Crisis? An NRRI Analysis." Center for Retirement Research Issue in Brief, No. 7-11. Boston College. Love, D. et al., op. cit.

9 Ghilarducci, T., & W. Sun. 2006. How defined contribution plans and 401(k)s affect employer pension costs. *Journal of Pension Economics and Finance, 5(2),* 175-96. Blake, D. 2000. Does it matter what type of pension scheme you have? *The Economic Journal, 110(461), F46-F81.*

10 Fuerst, D. & A. Rappaport. 2004. "Defined Benefit Plans: Still a Good Idea?" *AARP Global Report on Aging.* Washington DC: AARP International. at http://www.aarpinternational.org/gra_sub/gra_sub_show.htm?doc_id=562911

11 Palmer, B., R. DeStefano, M. Schachet, J. Paciero, and C. Bone. 2008. *2008 Replacement Ratio Study.* Chicago, IL: Aon Consulting.

12 Hewitt Associates. 2008. *Total Retirement Income at Large Companies: The Real Deal.* Chicago, IL: Hewitt Associates.

13 Authors' calculations based on RP-2000 Healthy Female Annuitants mortality rates. Society of Actuaries. "Table 4-6: Female RP-2000 Rates." *RP-2000 Mortality Tables.* at http://www.soa.org/files/pdf/rp00_mortalitytables.pdf.

14 Another factor is particularly important in the discussion of investment – the degree to which contributions and investment earnings remain in the plan until retirement. This is generally not an issue in DB plans, but is a concern in most DC plans, where employees can borrow from their retirement account or take money out before retirement age (with the attendant tax penalties). This problem of "leakage" from DC plans has been well-documented and is receiving more attention by researchers and policy-makers. (See Weller, C., and J. Wenger. 2008. "Robbing Tomorrow to Pay for Today: Economically Squeezed Families are Turning to their 401(k)s to Make Ends Meet." CAP Economic Policy Report. Washington, DC: Center for American Progress.)

15 One basis point is equal to 0.01%. Thus 25 basis points is equal to one-quarter of one percent, or 0.25%.

16 Munnell, A.H. & M. Soto. 2007. "State and Local Pension Plans are Different from Private Plans." Center for Retirement Research State and Local Pensions, No. 1. Boston College.

17 This large fee gap may be attributable to several factors. One is plan size. Since most public pension plans tend to be very large compared to many private sector DC plans, their lower fees may be attributable to scale economies. Another factor may be differences in asset mix, which analysts find to be a key driver of asset management fees. However, here the direction of the effect is not entirely predictable. Although DB plans invest in less expensive index funds more often than DC plans, they also are

more likely to invest in assets that involve higher expenses (but also higher returns), such as real estate, private equity, or hedge funds. (Flynn, C. 2008. Author's correspondence.)

18 Weller, C., and S. Jenkins. 2007. "Building 401(k) Wealth One Percent at a Time: Fees Chip Away at People's Retirement Nest Eggs." CAP Economic Policy Report. Washington, DC: Center for American Progress.

19 Weller, C. and J. Wenger. 2008. "Prudent Investors: The Asset Allocation of Public Pension Plans." Unpublished manuscript. University of Massachusetts Boston.

20 Munnell, A.H. and A. Sunden, op. cit. 2007.

21 Flynn, C. & H. Lum. 2007. "DC Plans Underperformed DB Funds." Toronto, ON: CEM Benchmarking, Inc.

22 Watson Wyatt. 2008. "Defined benefit vs. 401(k) plans: Investment returns for 2003-2006." *Watson Wyatt Insider*, 18(5).

23 Munnell, A.H. and A. Sunden, op. cit. 2007.

24 Flynn, C. and H. Lum, op. cit.

25 Watson Wyatt, op. cit.

26 Clark, R.L., & A.A. McDermed. 1990. *The Choice of Pension Plans in a Changing Regulatory Environment.* Washington, DC: AEI Press. Kruse, D.L. 1995. "Pension substitution in the 1980s: Why the shift toward defined contribution pension plans?" *Industrial Relations, 34(2),* 218–41.

27 *The Economist*. 2008. Falling short: The trouble with pensions. *The Economist*, June 12, 2008.

28 Ghilarducci, T. and W. Sun, op. cit.

29 Blake, D. op. cit.

30 *The Economist*, op. cit.

31 There is an additional consideration for taxpayers we do not explore. Qualified retirement plans involve a significant amount of foregone revenue to federal and state treasuries, because taxes on contributions and investment earnings are deferred. To illustrate, the exclusion of DB and DC plan contributions and income from Federal tax involved a loss of $108.6 billion in revenue in 2007. By comparison, the mortgage interest tax deduction cost $73.7 billion. (See Joint Committee on Taxation. 2007. *Estimates of Federal Tax Expenditures for Fiscal Years 2007-2011*. Washington, DC: US GPO. September 24.) Since our analysis demonstrates that DC plans require more assets to be accumulated to deliver the same amount of retirement benefits, it is likely that the implicit tax subsidy to deliver $1 in retirement benefits through a DC plan exceeds that provided to deliver $1 in benefits through a DB plan. Valuing this impact is beyond the scope of this report, however, and analysis this issue must be left for future research.

32 Brainard, K. 2007. *Public Fund Survey Summary of Findings for FY 2006*. Georgetown, Texas: NASRA.

33 President's Commission to Strengthen Social Security. 2001. "Strengthening Social Security and Creating Personal Wealth for All Americans: Report of the President's Commission." Washington, DC.

34 Munnell A.H. and M. Soto, op. cit.

35 Sharpe, W.F., J.S. Scott, and J.G. Watson. 2007. "Efficient Retirement Financial Strategies." *Pension Research Council Working Paper PRC WP2007-19*. Philadelphia, PA: The Wharton School, University of Pennsylvania.

36 Munnell, A.H. and A. Sunden, op. cit.

37 Flynn, C. and H. Lum, op. cit.

38 Watson Wyatt, op. cit.

The **National Institute on Retirement Security** is a non-profit research institute established to contribute to informed policy making by fostering a deep understanding of the value of retirement security to employees, employers, and the economy as a whole. NIRS works to fulfill this mission through research, education, and outreach programs that are national in scope.

NATIONAL INSTITUTE ON
Retirement Security

Reliable Research. Sensible Solutions.

1730 RHODE ISLAND AVENUE, N.W. SUITE 207 • WASHINGTON, DC 20036
Tel: 202.457.8190 • Fax: 202.457.8191 • www.nirsonline.org

PTA PENSION TRUSTEE ADVISORS

Alaska Senate State Affairs Hearing on SB 121

William B. Fornia

September 15, 2011

William B. Fornia Credentials

- Highest Actuarial Credentials
  - Fellow of the Society of Actuaries (1986)
  - Enrolled Actuary under ERISA (1984)
  - Member of the American Academy of Actuaries (1983)
  - Active in national actuarial organizations
- Author and Frequent Speaker
  - "A Better Bang for the Buck" (with National Institute on Retirement Security), 2008
  - "New Developments in DB/DC Plans", National Council on Teacher Retirement, Anchorage, 2002
  - Frequent Testimony to Legislatures and City Councils
  - Regular Expert Witness

Sample Work History

- Corporate Actuary for Boeing 1980-1984
- Alaska related experience
  - ARMB first ongoing review actuary 2005-2006
  - Audited Alaska PERS/TRS actuarial valuations 2009
  - Former leader of Buck Consulting's Denver Retirement Practice
- Consulting services for 22 statewide retirement systems in Alaska, Colorado, Missouri, North Dakota, Oklahoma, Puerto Rico, Utah, Texas, Wyoming and others.
  - Served as system actuary for most of these (including CO, MO, ND, OK, PR, UT, WY, Houston)
- Expert Testimony and Consulting for Pension Systems, Governments, and Labor Groups
- Other clients have included the US Department of State, Cities of Baltimore, Oakland and Philadelphia, IBM, US WEST and Ford Motor Company

Agenda

- Advantages of Defined Benefit Plans
- Financial Analysis of Reversion to Defined Benefit Plan
- Considerations with SB 121 Fiscal Note
- Discussion

Findings

- SB 141 did not solve unfunded liability
- DB plans are more economical for Alaska
- DCR costs are comparable to latest tier DB costs
- Can structure reversion to DB at very little or no additional cost

Why are Defined Benefit Plans more Appropriate for Public Servants than Defined Contribution Plans?

- By their nature, Defined Benefit (DB) plans provide workers what they need for retirement
- DB plans deliver benefits more efficiently than Defined Contribution (DC) plans, thereby saving money
- Particularly necessary because vast majority of Alaska public servants not covered by Social Security

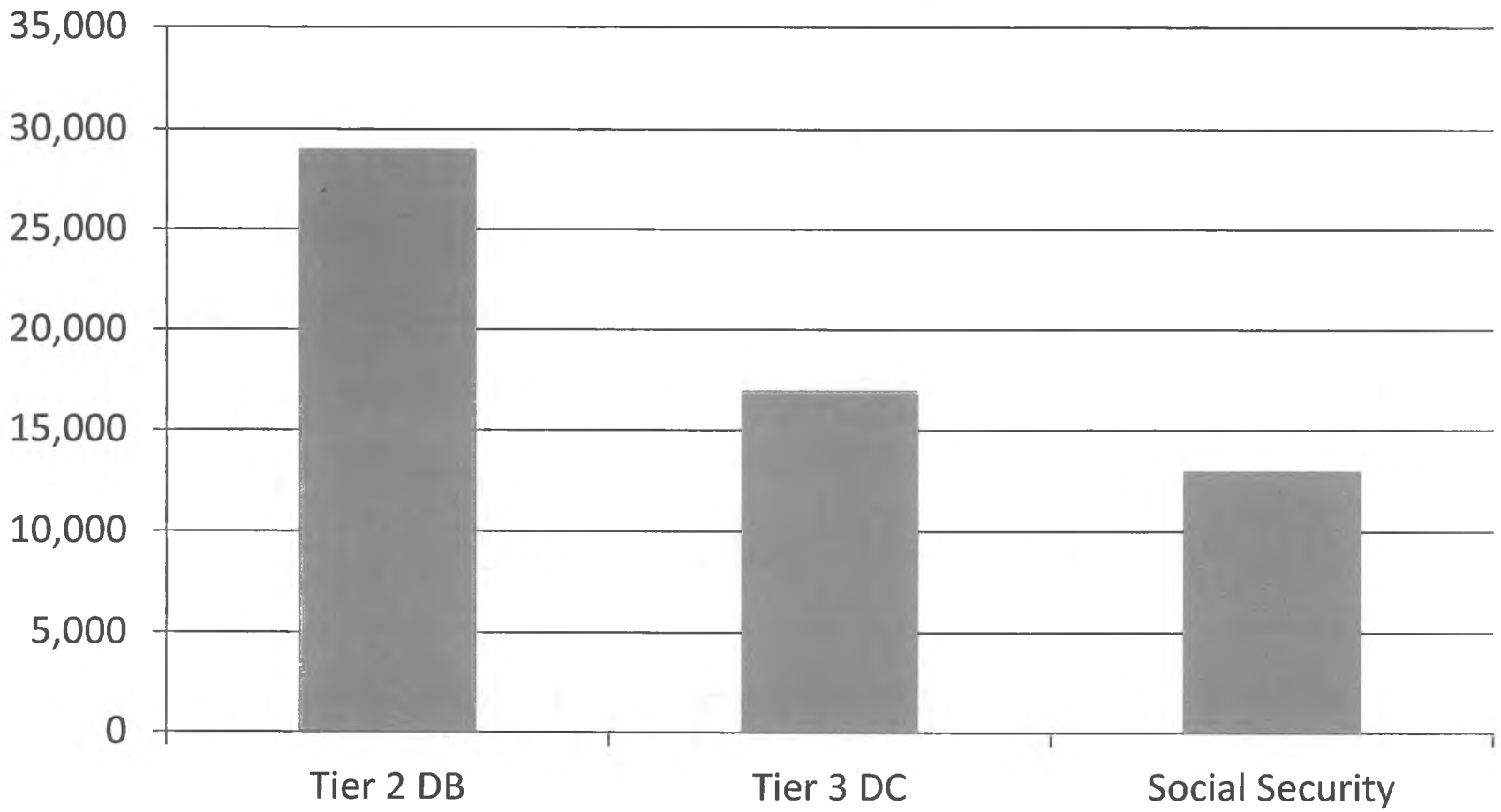
Why DB? – Secure Retirement Benefit

- Because DB plans "define" the "benefit" received by retirees, they can ensure appropriate benefit levels
- Individuals do not need to be concerned with investment volatility under DB plans
- Individuals do not need to be concerned with outliving their savings under DB plans
- A reduction in expected investment returns will require greater contributions to be made to the plan in order to achieve the same target benefit.

Benefits Available from DCR Program are Substantially Lower than from Latest DB Tier

	Teachers	Police & Fire	Other PERS
Hire Age	34	31	37
Retirement Age	59	56	60
Years of Service	25	25	23
DB Benefit as Percent of Final Average Compensation (defined under the terms of the plan)	58%	63%	55%
DCR Benefit as Percent of Final Average Compensation (calculated based on assumptions above)	34%	30%	30%
Reduction of Benefit % due to DCR program	24%	33%	25%

Illustration of Hypothetical Teacher Benefits - $50,000 Final Average Salary



PTA

Why DB? – Economic Impact

- Pensions account for more than $1 billion in Alaskan economy
- Retirement System provides health care benefits
- DB can provide inflation protection
- Provide benefits consistent with objective of worker retention and job stability
- State is "Payer of Last Resort" – DB Plan Eliminates this Risk

DB Plans Provide a "Better Bang for the Buck"

- The DB approach saves money compared to the DC approach. Three reasons …

1. DB pension plans pool "longevity risks"

2. DB pension plans can maintain a better diversified portfolio because, unlike individuals, they do not age

3. DB pension plans achieve better investment returns because of professional asset management and lower fees

Why DB? – More Economically Efficient

- ***Longevity Risk Pooling***
  - DB plans better manage longevity risk, or the chance of running out of money in retirement
  - DB plans avoid the "over-saving" dilemma and do more with less
- ***Maintenance of Portfolio Diversification***
  - DB plans are able to take advantage of the enhanced investment returns that come from a balanced portfolio throughout an individual's lifetime
- ***Superior Returns***
  - DB plans, which are professionally managed, achieve greater investment returns versus those of individual accounts

1st Strength of DB Plans
Longevity Risk Pooling

- Because they cover large numbers of retirees, DB plans can pay out over the *average* life expectancy, not *maximum* life expectancy

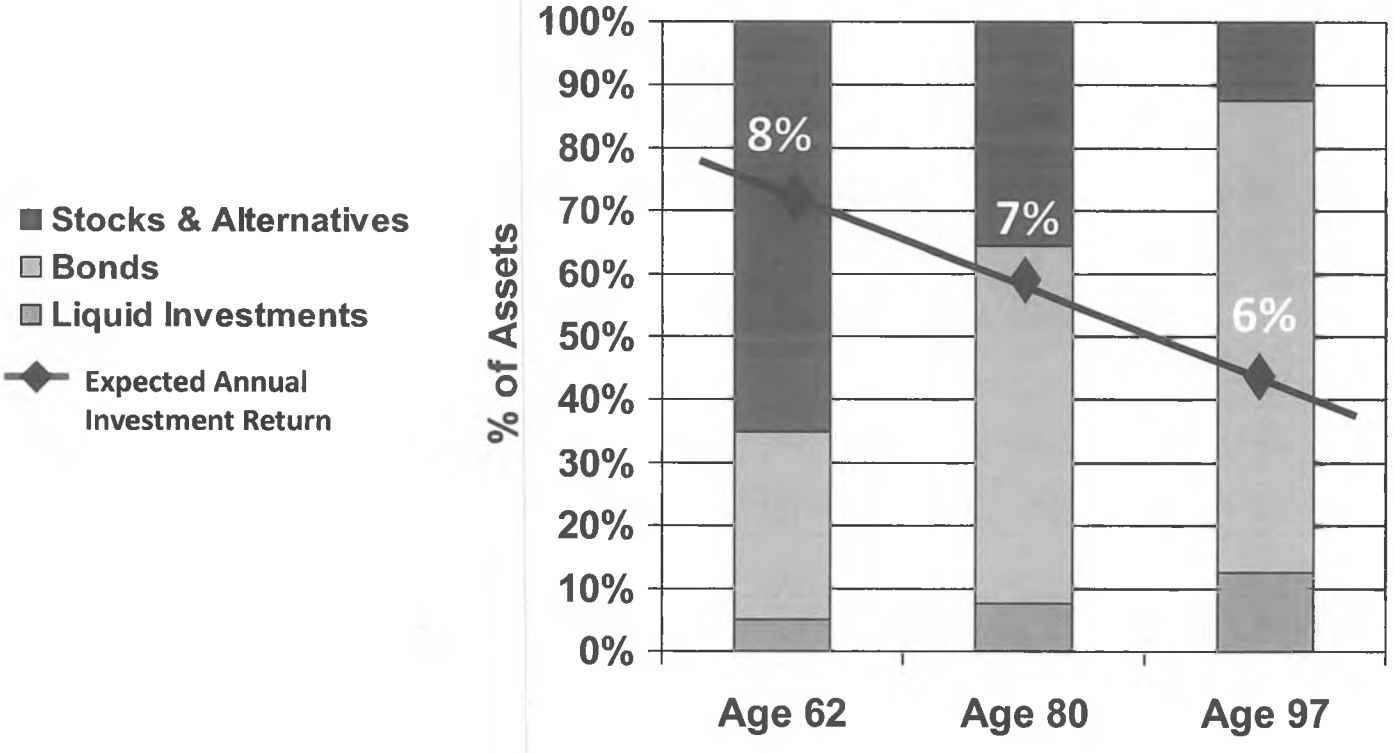
- An individual under a DC plan will want to avoid the risk of running out of money if they live a long life

- Because individuals must plan for a maximum life expectancy, much more money must be accumulated in a DC plan, compared to a DB plan

2nd Strength of DB Pension Plans
More Effective Portfolio Diversification

- DB plans can maintain a well diversified portfolio over time – unlike individuals, DB plans do not age
- To protect against market shocks, individuals in DC plans are advised to shift toward more conservative investments as they age, sacrificing some expected return
- Lower returns mean more money must be contributed to deliver the same level of benefits

As Individuals Shift DC Portfolio Allocation, Expected Return Reduced



3rd Strength of DB Pension Plans Pooled, Professionally-Managed Assets

- Assets in DB plans are professionally managed. Despite their best efforts, individuals tend to underperform when it comes to investing in DC plans
- Pooled investments in DB plans can lower expenses
  - Large group pricing negotiation
  - Avoid expenses of individual recordkeeping, investment education, investment transactions
- Studies generally have shown that DB plan returns outperform DC plans by at least 1% annually
  - Towers Watson 1995-2008 large plans 1.27% outperformance
  - CEM Benchmarking 1998-2005 found 1.80% difference
  - Recent Alaska experience shows even larger DC shortfall
  - Even a mere 1% differential generates tremendous efficiencies – more than 20%

What about Unfunded Liabilities?

- Unfunded Liability has grown by more than $5 billion since passage of SB 141
  - "Unfunded Liability" is attributable to prior benefits, not future benefits
  - SB 141 was not designed to solve Unfunded Liability
- Reversion to DB not anticipated to increase unfunded liabilities
  - To the extent that actuarial assumptions' conservatism is borne out, would actually decrease unfunded liabilities
- DB systems are advance funded, not left to future generations

Findings

- SB 141 did not solve unfunded liability
- DB plans are more economical for Alaska
- DCR costs are comparable to latest tier DB costs
- Can structure reversion to DB at very little or no additional cost

Challenge is to Design DB Plan at Costs Comparable to DC Plan

- The actuary for the Alaska Department of Administration Division of Retirement Benefits regularly reports on the financial condition of the Alaska Public Employees' Retirement System (PERS) and Alaska Teachers' Retirement System (TRS).
- These analyses are conducted primarily through an "actuarial valuation", which calculates the plans costs and liabilities.
- The actuary has calculated the Normal Cost under both the prior tier DB plans as well as under the DCR program.
  - "Normal Costs" are the cost of ongoing future benefits, not including cost to pay off "Unfunded Liability"
  - "Unfunded Liability" is attributable to prior benefits, not future benefits

Major implications of the proposal

- Pension benefits will revert to the prior defined benefit plan tiers
- Retiree health benefits will be stronger than those under DCR, but not as strong as those provided under the latest tier DB plans.

Contributions for Various Members

- Peace Officers and Firefighters in PERS would contribute 7.50% of pay
  - Same as PERS Tier 3
- Other PERS members would contribute 6.75%;
  - Same as PERS Tier 3
- TRS members would contribute 8.65%
  - Same as TRS Tier 2

Retiree Medical Coverage

- Those individuals would be eligible to receive retiree major medical coverage without having to pay premiums, under the following conditions:
  - For teachers, new retirees are eligible with 25 years of service or at the age of Medicare eligibility [65] with at least 8 years of service.
  - For peace officers and firefighters, new retirees are eligible with 25 years of service or at the age of Medicare eligibility [65] with at least 10 years of service.
  - For other PERS members, new retirees are eligible with 30 years of service or at the age of Medicare eligibility [65] with at least 10 years of service.

Cost Comparison Estimates - Teachers

Teachers Retirement System	DB Plan Tier 2	DCR Plan Tier 3	Proposed Tier 4
Total Retirement Normal Cost (including refunds)	11.39%	NA	11.39%
Member Contributions	(8.65%)	(8.00%)	(8.65%)
Net Employer Retirement Normal Cost	2.74%	NA	2.74%
DC Employer Contribution Rate	NA	7.00%	NA
Occupational Death and Disability Normal Cost Rate	NA	0.05%	NA
Medical Normal Cost Rate	5.33%	0.64%	4.52%
HRA Contribution Rate	NA	3.00%	NA
Total Employer Cost	8.07%	10.69%	7.26%
DCR Payroll during FY 2011	$59,750,000	$59,750,000	$59,750,000
Total Employer Cost on FY 2011 Basis	$4,800,000	$6,400,000	$4,300,000

Cost Comparisons – PERS Police Officers and Firefighters

Public Employees Retirement System – Peace Officers & Firefighters	DB Plan Tier 3	DCR Plan Tier 4	Proposed Tier 5
Total Retirement Normal Cost (including refunds)	12.30%	NA	12.30%
Member Contributions	(7.50%)	(8.00%)	(7.50%)
Net Employer Retirement Normal Cost	4.80%	NA	4.80%
DC Employer Contribution Rate	NA	5.00%	NA
Occupational Death and Disability Normal Cost Rate	NA	1.04%	NA
Medical Normal Cost Rate	5.90%	0.43%	5.35%
HRA Contribution Rate	NA	3.00%	NA
Total Employer Cost	10.70%	9.47%	10.15%
DCR Payroll during FY 2011	$21,192,000	$21,192,000	$21,192,000
Total Employer Cost on FY 2011 Basis	$2,300,000	$2,000,000	$2,200,000

Cost Comparisons – Other PERS Members

Other Public Employees Retirement System Members	DB Plan Tier 3	DCR Plan Tier 4	Proposed Tier 5
Total Retirement Normal Cost (including refunds)	9.58%	NA	9.58%
Member Contributions	(6.75%)	(8.00%)	(6.75%)
Net Employer Retirement Normal Cost	2.83%	NA	2.83%
DC Employer Contribution Rate	NA	5.00%	NA
Occupational Death and Disability Normal Cost Rate	NA	0.16%	NA
Medical Normal Cost Rate	7.00%	0.56%	3.60%
HRA Contribution Rate	NA	3.00%	NA
Total Employer Cost	9.83%	8.72%	6.43%
DCR Payroll during FY 2011	$200,739,000	$200,739,000	$200,739,000
Total Employer Cost on FY 2011 Basis	$19,700,000	$17,500,000	$12,900,000

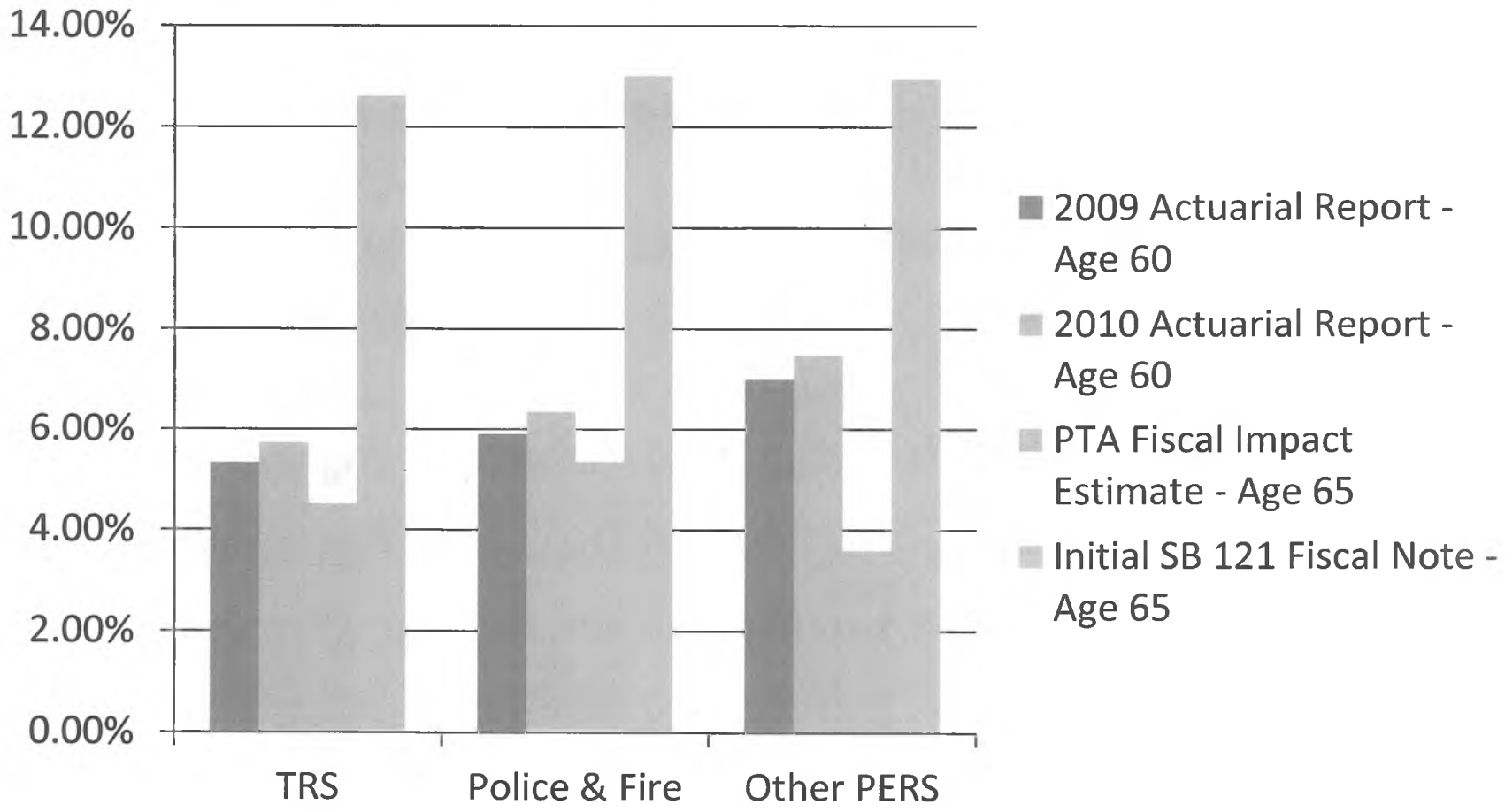
Results from Cost Comparison

- Stronger pension benefits through the return of the Defined Benefit plan for members hired since 2006.
- It would provide improved health care plan benefits, but no future HRA contributions.
- In total, employer costs would fall by about $6 to $9 million.

Initial Fiscal Note

- Fiscal Note Reported Sharply Higher Costs
- Costs Range From 5% to 8% of pay
- Fiscal Note Supporting Documents Indicated a Retiree Healthcare "Normal Cost Rate" of 12% to 15% of pay
  - Yet 2010 reported costs for higher benefits was less than 7.5%
  - We're asking for lower healthcare benefits (than prior DB), not higher healthcare benefits
- Fiscal Note was Withdrawn
- Expect Revised Fiscal Note to Report Much Less Cost

Comparison of Healthcare Normal Costs



Conclusions

- SB 141 did not solve unfunded liability
- DB plans are more economical for Alaska
- DCR costs are comparable to latest tier DB costs
- Can structure reversion to DB at very little or no additional cost

PTA PENSION TRUSTEE ADVISORS

Alaska Legislature Discussion of SB 121

William B. Fornia

February 29 - March 1, 2012

Update Since September, 2011

- I presented to Senate State Affairs September, 2011 on SB 121
- Bill has been modified since then to achieve cost neutrality
- This presentation is updated and made available for background information only
- For more brief summary of SB 121, please see next three pages
- For complete background, including September 2011 Senate State Affairs hearing materials as updated, review remaining pages

SB 121 – Background

- Two general types of retirement programs
  - Defined Benefit (DB): Annual pension or health care benefit are fixed in statute, contributions based on actuarial calculations
  - Defined Contribution (DC): Periodic contribution to account is statutory, benefits depend on what account accumulations will provide
- SB 141 closed defined benefit retirement and health benefits to those hired after July 1, 2006
  - Workers hired since then have DC accounts only
  - Did not solve unfunded liability problem

Key Features of SB 121

- Gives employees a choice between DC and DB
  - DC tends to be preferred by shorter service & younger workers
  - DB still very popular, particularly for full career workers
- SB 121 structures DB to be cost neutral
  - Costs will not be more than current tier DC program
  - Worker contributions same as current DC tier
  - SB 121 also shifts much of the risk from the employers to the workers
  - Healthcare benefit will be reduced if employer normal costs increase

Other motives for SB 121

- Current DC structure facilitates short service workers leaving Alaska public service for DB plan after a few years of service
- Alaska public servants not covered by Social Security
  - Alaska may be largest employer in America with workers not covered by any safety net DB plan
- Retirement in Alaska is good for the State economy

Update Since September, 2011

- Following pages are an update of full September 2011 Senate State Affairs hearing materials

William B. Fornia Credentials

- Highest Actuarial Credentials
  - Fellow of the Society of Actuaries (1986)
  - Enrolled Actuary under ERISA (1984)
  - Member of the American Academy of Actuaries (1983)
  - Active in national actuarial organizations
- Author and Frequent Speaker
  - "A Better Bang for the Buck" (with National Institute on Retirement Security), 2008
  - "New Developments in DB/DC Plans", National Council on Teacher Retirement, Anchorage, 2002
  - Frequent Testimony to Legislatures and City Councils
  - Regular Expert Witness

Sample Work History

- Corporate Actuary for Boeing 1980-1984
- Alaska related experience
  - ARMB first ongoing review actuary 2005-2006
  - Audited Alaska PERS/TRS actuarial valuations 2009
  - Former leader of Buck Consulting's Denver Retirement Practice
- Consulting services for 22 statewide retirement systems in Alaska, Colorado, Missouri, North Dakota, Oklahoma, Puerto Rico, Utah, Texas, Wyoming and others.
  - Served as system actuary for most of these (including CO, MO, ND, OK, PR, UT, WY, Houston)
- Expert Testimony and Consulting for Pension Systems, Governments, and Labor Groups
- Other clients have included the US Department of State, Cities of Baltimore, Oakland and Philadelphia, IBM, US WEST and Ford Motor Company

Agenda

- Advantages of Defined Benefit Plans
- Financial Analysis of Reversion to Defined Benefit Plan
- Considerations with SB 121 Fiscal Note
- Discussion

Findings

- SB 141 did not solve unfunded liability
- DB plans are more economical for Alaska
- DCR costs are comparable to latest tier DB costs
- Can structure reversion to DB at very little or no additional cost

Why are Defined Benefit Plans more Appropriate for Public Servants than Defined Contribution Plans?

- By their nature, Defined Benefit (DB) plans provide workers what they need for retirement
- DB plans deliver benefits more efficiently than Defined Contribution (DC) plans, thereby saving money
- Particularly necessary because vast majority of Alaska public servants not covered by Social Security

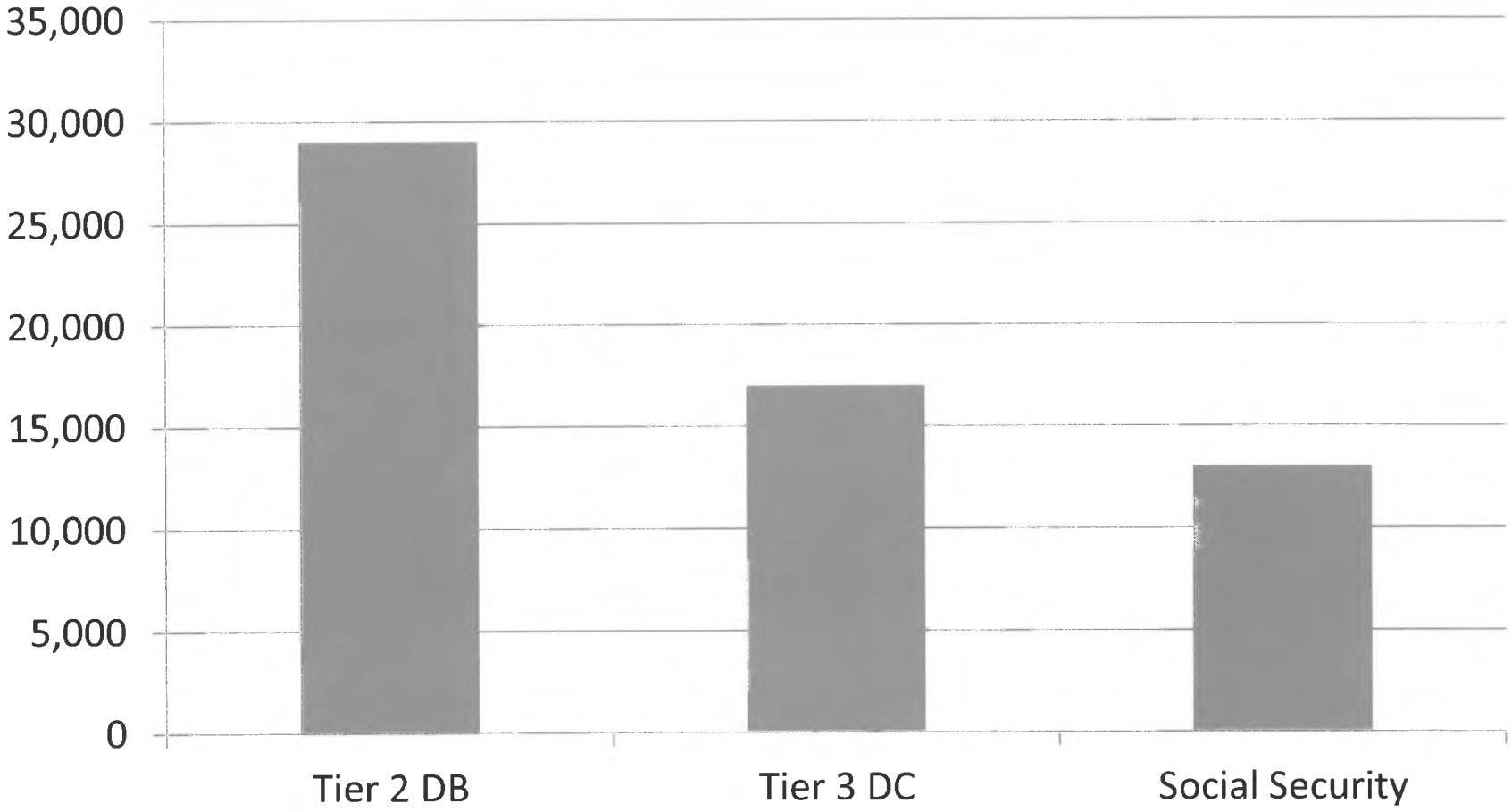
Why DB? – Secure Retirement Benefit

- Because DB plans "define" the "benefit" received by retirees, they can ensure appropriate benefit levels
- Individuals do not need to be concerned with investment volatility under DB plans
- Individuals do not need to be concerned with outliving their savings under DB plans
- A reduction in expected investment returns will require greater contributions to be made to the plan in order to achieve the same target benefit.

Benefits Available from DCR Program are Substantially Lower than from Latest DB Tier

	Teachers	Police & Fire	Other PERS
Hire Age	34	31	37
Retirement Age	59	56	60
Years of Service	25	25	23
DB Benefit as Percent of Final Average Compensation (defined under the terms of the plan)	58%	63%	55%
DCR Benefit as Percent of Final Average Compensation (calculated based on assumptions above)	34%	30%	30%
Reduction of Benefit % due to DCR program	24%	33%	25%

Illustration of Hypothetical Teacher Benefits - $50,000 Final Average Salary



Why DB? – Economic Impact

- Pensions account for more than $1 billion in Alaskan economy
- Retirement System provides health care benefits
- DB can provide inflation protection
- Provide benefits consistent with objective of worker retention and job stability
- State is "Payer of Last Resort" – DB Plan Eliminates this Risk

DB Plans Provide a "Better Bang for the Buck"

- The DB approach saves money compared to the DC approach. Three reasons …

1. DB pension plans pool "longevity risks"

2. DB pension plans can maintain a better diversified portfolio because, unlike individuals, they do not age

3. DB pension plans achieve better investment returns because of professional asset management and lower fees

Why DB? – More Economically Efficient

- ***Longevity Risk Pooling***
  - DB plans better manage longevity risk, or the chance of running out of money in retirement
  - DB plans avoid the "over-saving" dilemma and do more with less
- ***Maintenance of Portfolio Diversification***
  - DB plans are able to take advantage of the enhanced investment returns that come from a balanced portfolio throughout an individual's lifetime
- ***Superior Returns***
  - DB plans, which are professionally managed, achieve greater investment returns versus those of individual accounts

1st Strength of DB Plans
Longevity Risk Pooling

- Because they cover large numbers of retirees, DB plans can pay out over the *average* life expectancy, not *maximum* life expectancy

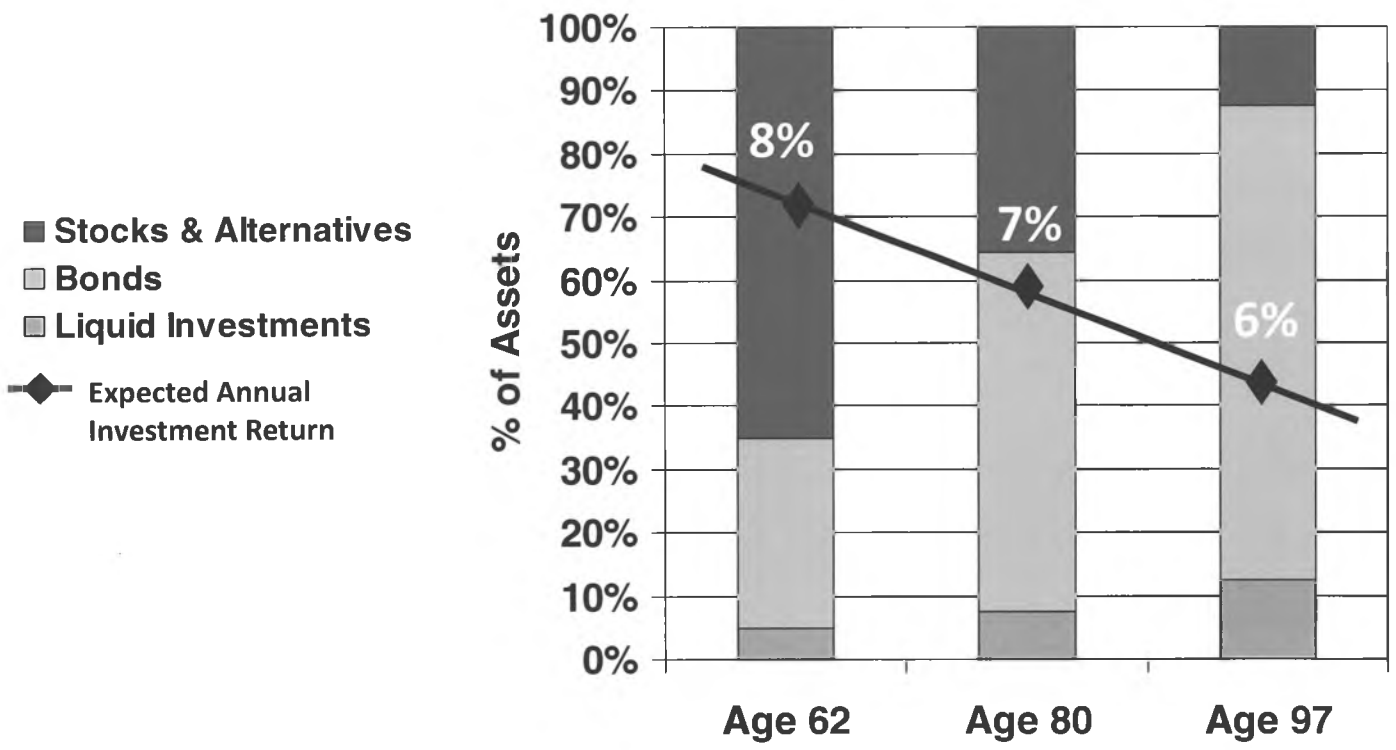
- An individual under a DC plan will want to avoid the risk of running out of money if they live a long life

- Because individuals must plan for a maximum life expectancy, much more money must be accumulated in a DC plan, compared to a DB plan

2nd Strength of DB Pension Plans
More Effective Portfolio Diversification

- DB plans can maintain a well diversified portfolio over time – unlike individuals, DB plans do not age
- To protect against market shocks, individuals in DC plans are advised to shift toward more conservative investments as they age, sacrificing some expected return
- Lower returns mean more money must be contributed to deliver the same level of benefits

As Individuals Shift DC Portfolio Allocation, Expected Return Reduced



3rd Strength of DB Pension Plans Pooled, Professionally-Managed Assets

- Assets in DB plans are professionally managed. Despite their best efforts, individuals tend to underperform when it comes to investing in DC plans
- Pooled investments in DB plans can lower expenses
  - Large group pricing negotiation
  - Avoid expenses of individual recordkeeping, investment education, investment transactions
- Studies generally have shown that DB plan returns outperform DC plans by at least 1% annually
  - Towers Watson 1995-2008 large plans 1.27% outperformance
  - CEM Benchmarking 1998-2005 found 1.80% difference
  - Recent Alaska experience shows even larger DC shortfall
  - Even a mere 1% differential generates tremendous efficiencies – more than 20%

What about Unfunded Liabilities?

- Unfunded Liability has grown by more than $5 billion since passage of SB 141
  - "Unfunded Liability" is attributable to prior benefits, not future benefits
  - SB 141 was not designed to solve Unfunded Liability
- Reversion to DB not anticipated to increase unfunded liabilities
  - To the extent that actuarial assumptions' conservatism is borne out, would actually decrease unfunded liabilities
- DB systems are advance funded, not left to future generations

Findings

- SB 141 did not solve unfunded liability
- DB plans are more economical for Alaska
- DCR costs are comparable to latest tier DB costs
- Can structure reversion to DB at very little or no additional cost

Challenge is to Design DB Plan at Costs Comparable to DC Plan

- The actuary for the Alaska Department of Administration Division of Retirement Benefits regularly reports on the financial condition of the Alaska Public Employees' Retirement System (PERS) and Alaska Teachers' Retirement System (TRS).
- These analyses are conducted primarily through an "actuarial valuation", which calculates the plans costs and liabilities.
- The actuary has calculated the Normal Cost under both the prior tier DB plans as well as under the DCR program.
  - "Normal Costs" are the cost of ongoing future benefits, not including cost to pay off "Unfunded Liability"
  - "Unfunded Liability" is attributable to prior benefits, not future benefits
- SB 121 has been modified to address some cost concerns

Major implications of the proposal

- Pension benefits will revert to the prior defined benefit plan tiers
- Retiree health benefits will be stronger than those under DCR, but not as strong as those provided under the latest tier DB plans.

Contributions for Various Members

- Peace Officers and Firefighters in PERS would contribute 8.00% of pay
  - Same as PERS Tier 4
  - PERS Tier 3 is 7.50%
- Other PERS members would also contribute 8.00%;
  - Same as PERS Tier 3
  - PERS Tier 3 is 6.75%
- TRS members would also contribute 8.00%
  - Same as TRS Tier 3
  - TRS Tier 2 is 8.65%

Retiree Medical Coverage

- Retirees eligible to receive retiree major medical coverage with subsidized premiums, under the following conditions:
  - Retired teachers are eligible with 25 years of service or at the age of Medicare eligibility [65] with at least 8 years of service.
  - Retired peace officers and firefighters are eligible with 25 years of service or at the age of Medicare eligibility [65] with at least 10 years of service.
  - Other PERS retirees are eligible with 30 years of service or at the age of Medicare eligibility [65] with at least 10 years of service.
- Retiree share of premiums range from 10% to 30% based on service at retirement
  - This range may increase or decrease in future based on experience

Cost Comparison Estimates - Teachers

Teachers Retirement System	DB Plan Tier 2	DCR Plan Tier 3	Proposed Tier 4
Total Retirement Normal Cost (including refunds)	11.39%	NA	10.84%
Member Contributions	(8.65%)	(8.00%)	(8.00%)
Net Employer Retirement Normal Cost	2.74%	NA	2.84%
DC Employer Contribution Rate	NA	7.00%	NA
Medical Normal Cost Rate	5.33%	0.49%*	6.39%
HRA Contribution Rate	NA	3.00%	NA
Total Employer Cost	8.07%	10.49%	9.23%
DCR Payroll during FY 2011	$59,750,000	$59,750,000	$59,750,000
Total Employer Cost on FY 2011 Basis	$4,800,000	$6,300,000	$5,500,000

* Includes DCR Occupational Death and Disability

Cost Comparisons – PERS Police Officers and Firefighters

Public Employees Retirement System – Peace Officers & Firefighters	DB Plan Tier 3	DCR Plan Tier 4	Proposed Tier 5
Total Retirement Normal Cost (including refunds)	12.30%	NA	12.08%
Member Contributions	(7.50%)	(8.00%)	(7.00%)
Net Employer Retirement Normal Cost	4.80%	NA	4.08%
DC Employer Contribution Rate	NA	5.22%*	NA
Medical Normal Cost Rate	5.90%	0.48%	6.00%
HRA Contribution Rate	NA	3.00%	NA
Total Employer Cost	10.70%	8.70%	10.08%
DCR Payroll during FY 2011	$21,192,000	$21,192,000	$21,192,000
Total Employer Cost on FY 2011 Basis	$2,300,000	$1,800,000	$2,100,000

* Includes DCR Occupational Death and Disability

Cost Comparisons – Other PERS Members

Other Public Employees Retirement System Members	DB Plan Tier 3	DCR Plan Tier 4	Proposed Tier 5
Total Retirement Normal Cost (including refunds)	9.58%	NA	9.45%
Member Contributions	(6.75%)	(8.00%)	(8.00%)
Net Employer Retirement Normal Cost	2.83%	NA	1.45%
DC Employer Contribution Rate	NA	5.22%*	NA
Medical Normal Cost Rate	7.00%	0.48%	5.06%
HRA Contribution Rate	NA	3.00%	NA
Total Employer Cost	9.83%	8.70%	6.51%
DCR Payroll during FY 2011	$200,739,000	$200,739,000	$200,739,000
Total Employer Cost on FY 2011 Basis	$19,700,000	$17,500,000	$13,100,000

* Includes DCR Occupational Death and Disability

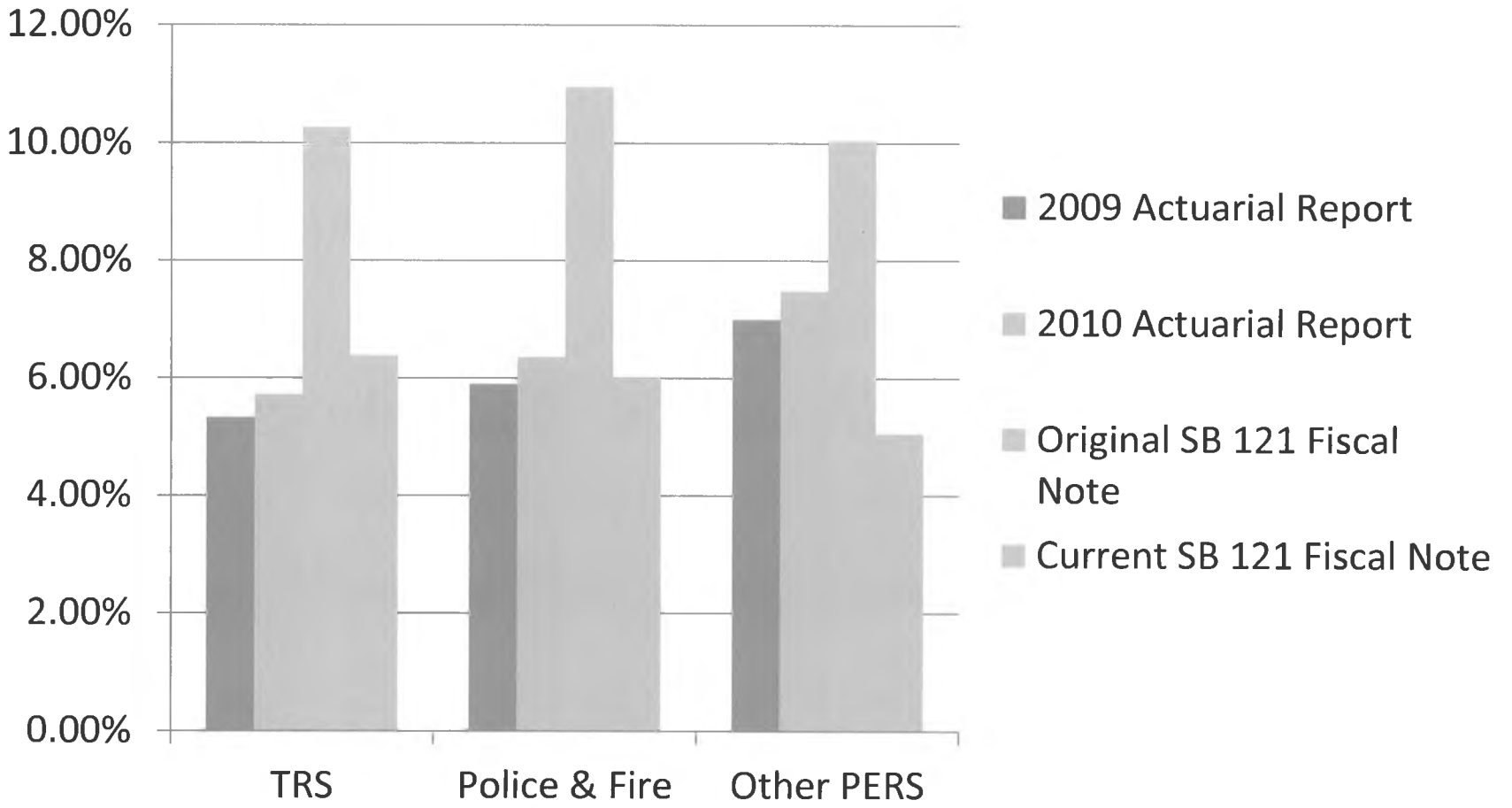
Results from Cost Comparison

- Stronger pension benefits through the return of the Defined Benefit plan for members hired since 2006.
- It would provide improved health care plan benefits, but no future HRA contributions.
- In total, employer costs would fall by about $5 million.

Summary of Revisions to SB121

- Initial SB 121 essentially was return to prior tier
  - But with choice
  - Members could use DCR accounts to get prior DB service
  - Pension costs were neutral
  - But health costs were not neutral due to anticipated increase in health care costs
- Revisions include
  - DB prior service can be purchased only, if DCR accounts not adequate, service limited
  - Reduced healthcare benefits
    - premium share rather than full premium paid
    - only for full career retirees or post-Medicare
    - if normal costs increase, sharing would be reduced

Comparison of Healthcare Normal Costs



Conclusions

- SB 141 did not solve unfunded liability
- DB plans are more economical for Alaska
- DCR costs are comparable to latest tier DB costs
- Can structure reversion to DB at very little or no additional cost

SB 129

<TARGET><BILL>SB 129</BILL><SUBJECT>SB 129</SUBJECT><COMM>SSTA27</COMM></TARGET>

Alaska State Legislature

Session:
State Capitol
Suite 125
Juneau, AK 99801
Phone: (907) 465-2995
Fax: (907) 465-6592

Interim:
716 W 4th Avenue, Suite 300
Anchorage, AK 99501-2133
Phone: (907) 269-0250
Fax: (907) 269-0249

Senator Lesil McGuire

MEMORANDUM

To: Senator Bill Wielechowski, Chairman
Senate State Affairs Committee

Cc: Michelle Sydeman, Aide
Senate State Affairs Committee

From: Senator Lesil McGuire

Date: February 1, 2012

Re: Hearing request for SB 129, "An Act relating to the approval and administration of child care services by the Department of Administration primarily for the benefit of state officers and employees; and providing for an effective date."

Please schedule Senate Bill 129, relating to child care services, at your earliest convenience.

Attached to this memo please find:

- SB 129, the original bill, Version A
- A sponsor statement

The contact for SB 129 is Genevieve Wojtusik, 465-3579

Thank you.

Alaska State Legislature

Session:
State Capitol
Suite 125
Juneau, AK 99801
Phone: (907) 465-2995
Fax: (907) 465-6592

Interim:
716 W 4th Avenue, Suite 300
Anchorage, AK 99501-2133
Phone: (907) 269-0250
Fax: (907) 269-0249

Senator Lesil McGuire

SB 129 "Child Care Centers in State Office Buildings"

Alaska is experiencing a severe lack of affordable child care. Our parents are unable to enter the workforce and our employers are unable to recruit and retain workers. Child care providers are overworked and underpaid, unable to lower their rates and continue providing service. Organizations across the state, from social service organizations to economic development organizations, are joining together to work on this very important issue. It is time we joined that effort. We must reaffirm our commitment to children and families.

Senate Bill 129 would allow child care centers to be located in office buildings owned or leased by the State of Alaska. Agencies interested in on-site child care facilities would work with the Department of Administration to determine need and feasibility. This bill provides important benefits to the State as an employer, employees and their children, and child care providers.

As an employer, the State will greatly benefit from the passage of this bill. Two decades of research shows that addressing the tension between work and life can improve recruitment and retention, reduce absenteeism and tardiness, and increase job satisfaction and loyalty. With recruitment and retention of employees being major concerns in today's economy, this bill will help to attract more prospective employees to the State. On-site child care will not only provide an important benefit to employees, resulting in fewer turnovers, it will also provide a higher quality of care for our children.

The time has come to provide the State, employees, and children with the resources necessary to succeed. I greatly appreciate your support of Senate Bill 129.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version **SB129**
Fiscal Note Number
() Publish Date

Identifier (file name) SB129-DOA-FAC-2-3-12
Title Child Care Ctrs: State Employees & Others
Sponsor Senator McGuire
Requester Senate State Affairs

Dept. Affected Administration
Appropriation General Services
Allocation Facilities
OMB Component Number 2429

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services	***	***	***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	***	***	***	***	***	***	***

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		***	***	***	***	***	***	***

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version

Prepared by Vern Jones
Division Division of General Services
Approved by John Cramer, Deputy Commissioner
Department of Administration

Phone 465-5684
Date/Time 2/3/12 4:00 PM
Date 2/3/2012

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** SB129
2012 LEGISLATIVE SESSION

Analysis

The Department of Administration, Division of General Services believes the fiscal impact of this legislation cannot be accurately determined at this time. Some projected cost estimates follow:

Cost for adding child care to a new building housing 250 employees:
250 people X 175sf = 43,750sf = min. building size requiring child care
250 people = approx. 25 children
25 children would require approx. 2,000sf (80sf for each child)
2,000 sf child care construction cost is approx. $410,000 ($205/sf)
43,750sf building would cost approx. $16,625,000
Additional day care costs = 2.5%

Costs for adding a day care to the three most recently acquired state office buildings:
Atwood
253,294sf/175sf = 1447 people = 145 children
145 X 80sf = 11,600sf
11,600sf X $205 = $2,378,000

Palmer SOB
64,630sf/175sf = 369 people = 37 children
37 X 80sf = 2,960sf
2,960 X $205 = $606,800

Court Plaza Building
26,737sf/175sf – 149 people* = 15 children
15 X 80sf = 1,200sf
1,200 X $205 = $246,000
*would not trigger a child care center per the bill

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SB129**
Fiscal Note Number:
() Publish Date:

Identifier (file name): SB129-DOA-RM-2-3-12
Title: Child Care Ctrs: State Employees & Others
Sponsor: Senator McGuire
Requester: Senate State Affairs

Dept. Affected: Administration
Appropriation: Risk Management
Allocation: Risk Management
OMB Component Number: 71

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version

Prepared by: Scott Jordan, Director — Phone: 465-5723
Division: Risk Management — Date/Time: 2/3/12 3:30 PM
Approved by: John Cramer, Deputy Commissioner — Date: 2/3/2012
Department of Administration

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB129

Analysis

Risk Management (RM) would not be financially impacted by this proposed legislation.

Under proposed Section 1, (2), it states Sec 39.90.240 Selection of Providers. The child care provider would be selected by the department using procedures in AS 36.30 (State Procurement Code). It is assumed that any contract provider will be required to provide adequate insurance for the risks associated with operating a child care facility.

thread connecting early care & education to alaska

February 6, 2012

Senator Lesil McGuire
State Capital Room 125
Juneau, AK 99801

Dear Senator McGuire,

On behalf of thread, Alaska's Child Care Resource and Referral Network, I am pleased to offer our support for Senate Bill 129, which relates to approval and administration of child care services for the benefit of state employees.

thread promotes accessible, affordable and quality child care and early learning for Alaska's children. For many Alaska families, child care services and early learning programs help them stay employed. Recent studies have shown the early childhood workforce, which numbers close to 7,300 employees, helps keep over 32,000 Alaska residents employed. The reality of Alaska's workforce today is that over 60 percent of households with children have all of the adults in their home working.

However, finding quality and affordable child care in Alaska is often challenging. By offering this legislation, which would ensure new state offices reserve space for child care services, the Alaska State Legislature is taking a significant step in providing increased access to child care for many working families.

Thank you for the opportunity to offer our support.

Best Regards,

Stephanie Berglund

Stephanie Berglund
thread CEO

thread in Southcentral Alaska
3350 Commercial Drive, Suite 203
Anchorage, AK 99501
907.265.3100 or
1.800.278.3723
info@threadalaska.org

thread in Southeast Alaska
AYEC – SEA at 3100 Channel Drive
Juneau, AK 99801
907.789.1235 or
1.888.785.1235
info@aeyc-sea.org

thread in Northern / Interior Alaska
Thrivalaska at 1908 Old Pioneer Way
Fairbanks, AK 99709
907.479.2204 or
1.866.878.2273
thread@thrivalaska.com

www.threadalaska.org

The Current Status of Child Care in Juneau

Working Paper February 3, 2009

JEDC Juneau Economic Development Council

JEDC research is supported by generous contributions from the following sponsors:

Tongass Partners

AEL&P
Alaska Electric Light and Power Company

akltho
PERFORMANCE PRINTING

Alaska Glacier Seafood Co.
"Alaska's Finest"

Northern Lights Partners

Inland Boatmen's Union
NOV 1918
Marine Division - ILWU

First National Bank
ALASKA
MEMBER FDIC

BBC Human Resource Development Corporation
"Putting Alaskans to work at the Kensington Mine"

WELLS FARGO

Elgee Rehfeld Mertz
Certified Public Accountants

Goldbelt

Central Council
Tlingit and Haida
Indian Tribes of Alaska

COEUR
ALASKA
KENSINGTON GOLD MINE

WOSTMANN & ASSOCIATES, INC.

Alaska Pacific Bank

McKinley Capital Management, LLC

Voyageur Asset Management Inc.

ACS
Alaska Communications Systems

Totem Partners

Coastal Helicopters • Hecla Greens Creek Mining Company • IBEW Local 1547

Table of Contents

INTRODUCTION 1

NEEDS ANALYSIS 2

CAPACITY 3

- Change in Capacity, 2002-2008 4
- Capacity Limits by Provider Type 7
- Non-Regulated Child Care Providers 8

COSTS 10

- The Cost of Child Care for Parents 10
- Early Education as Economic Investment 12
- The Cost of Child Care for Providers 12

JUNEAU CHILD CARE PROBLEM ANALYSIS 14

- Problem Statement 15
- Causes 15
- Consequences 18

APPENDIX I: PROVIDER COSTS 19

- Juneau Child Care Centers—Average Revenues and Expenses 19
- Group Home Child Care—Average Revenues and Expenses 20
- Juneau Family Child Care Homes -Average Revenue & Expense 21

Introduction

The Juneau Economic Development Council (JEDC) recognizes the importance of child care to our community, especially to Juneau's working families. The purpose of this document is to assess the need for child care in Juneau; inventory the assets available to meet local child care needs; compile additional statistics related to Juneau child care including costs; and develop a problem analysis. Because child care is such a large issue, the scope of this initial document is limited and does not include after-school care, summer care, or part-time preschool programs.

- There are currently 2,200 Juneau children of child care age (0-5), including 1,540 with either both parents in the workforce or—for children in one-parent households—with their only available parent in the workforce.
- Juneau currently has 42 licensed and approved child care facilities with the capacity to serve 498 Juneau children five and under.
- Capacity is most limited for Juneau's youngest children. Of the 498 total full time child care slots in Juneau, 104 slots serve Juneau's 600 toddlers, and 44 serve Juneau's 400 infants.
- The waiting lists for many of these programs—including Juneau's largest centers, Gold Creek Child Care and Montessori—are up to two years, and in some cases even longer.
- The parents of more than 1,000 Juneau children appear to have found alternatives to State regulated child care programs. While unlicensed providers caring for more than four unrelated children are operating illegally, there appears to be minimal enforcement, few incentives to become licensed, and many unlicensed child care facilities in Juneau. In addition to care by unlicensed providers, children are cared for by grandparents; brought to work with parents; or are cared for in homes with four or less children, which is legal.
- Juneau children under six, their parents, and their providers account for 13.5 percent of the Juneau population.
- The average annual cost of child care in Juneau is $8,748 per child, and can be as high as $11,600.[1]
- Based on an estimated 2007 median family income, average child care costs accounts for 13 percent of a Juneau family's adjusted gross income, per child.
- Juneau's unemployment rate is 4.4 percent - with some employers noting that the local child care shortage prevents hiring staff.

[1] Average annual child care costs based on mid-2008 AEYC numbers for 365 children.

Needs Analysis

According to the US Census, there were 2,265 children under the age of six in Juneau in 2000. Of those children, 1,577—or 70 percent—lived in a household in which their parents were in the workforce, and so were presumably in need of child care. The Juneau Economic Development Council estimates that in 2008, there were 1,540 Juneau children in need of child care.[2]

Juneau Children Under Six by Parent in the Labor Force Status, 2000

Juneau Household Type	Number of Children Under 6, 2000	2008 Estimates	% of Juneau Children Under 6
Juneau children under six likely needing child care, as parents work	**1,577**	**1,540**	**70%**
In two parent household, both parents in the workforce	1,031		46%
In single parent household, parent in the workforce	546		24%
Juneau children under six with parent/s not in workforce	**688**	**660**	**30%**
In two parent household, one parent in the workforce	557		25%
In two parent household, neither parent in the workforce	50		2%
In single parent household, parent not in workforce	81		4%
Total Juneau children under six	**2,265**	**2,200**	**100%**

Source: 2000 US Census. Note: Due to rounding, numbers may not add up to 100%.

A higher percentage of Juneau children under the age of six are in need of child care than in the wider Alaska or US geographies. In Alaska and nationally, approximately 60 percent of all children under 6 are in households where all available parents work, and are presumably in need of child care, compared to 70 percent in Juneau (see following table).

[2] Estimates are based on Alaska Department of Labor data.

Children Under Six With Available Parents in the Workforce
Juneau, Alaska, US, 2007

Area	Children Under 6 Likely Needing Child Care - All Parents Work	Children Likely in Need of Child Care as a % of All Children Under Six
Juneau	**1,540**	**70%**
Alaska	**36,000**	**61%**
US	**14.5 million**	**62%**

Source: U.S. Census Bureau, American Community Survey, 2007, Tables B01001 and B11003; and JEDC 2007 estimates based on 2000 U.S. Census Bureau; AEYC, 2008 figures; and 2007 ADOL data.

Impacted Juneau Population

Juneau child care matters directly impact 13.5 percent of the local population, or 4,100 residents. Impacted residents include individuals under the age of six, parents or guardians of a child under six, or individuals employed in a licensed or approved child care facility.

Juneau Residents Impacted by Child Care, 2008

Group	Population	Percent of Total Juneau Population
Juneau Children Under 6	**2,200**	**7.3%**
Juneau Parents (or Guardians) with Children Under 6	**1,800**[3]	**5.9%**
Juneau Child Care Workers[4]	**100**	**0.3%**
Total	**4,100**	**13.5%**

Source: JEDC 2007 estimates, based on 2000 U.S. Census Bureau; AEYC, 2008 figures; and ADOL data.

Capacity

As of December 2008, Juneau had 42 licensed or approved Juneau child care facilities with the capacity to serve 498 full time children, including 148 children under the age of 30 months[5]. Therefore, regulated (licensed or approved) Juneau child care services have the capacity to serve one in nine Juneau infants, one in six Juneau toddlers, and one in three Juneau preschoolers.

[3] Includes 1,490 parents and 310 non-parent guardians.
[4] Includes only workers at full-time child care facilities. Figure does not include Headstart childcare workers, public school preschool workers, or child care licensing workers.
[5] Part time slots were combined to equal full time equivalents.

Juneau Full Time Child Care Capacity by Age, 2008
Licensed or Approved

Age Group	Population in Age Group	Total Full Time Child Care Slots	Ratio of Capacity to Population
Infants (under 12 months)	400	44	1:9
Toddlers (12-29 months)	600	104	1:6
Preschoolers (2 1/2 to 5)	1,200	350	1:3
Total	**2,200**	**498**	**1:4**

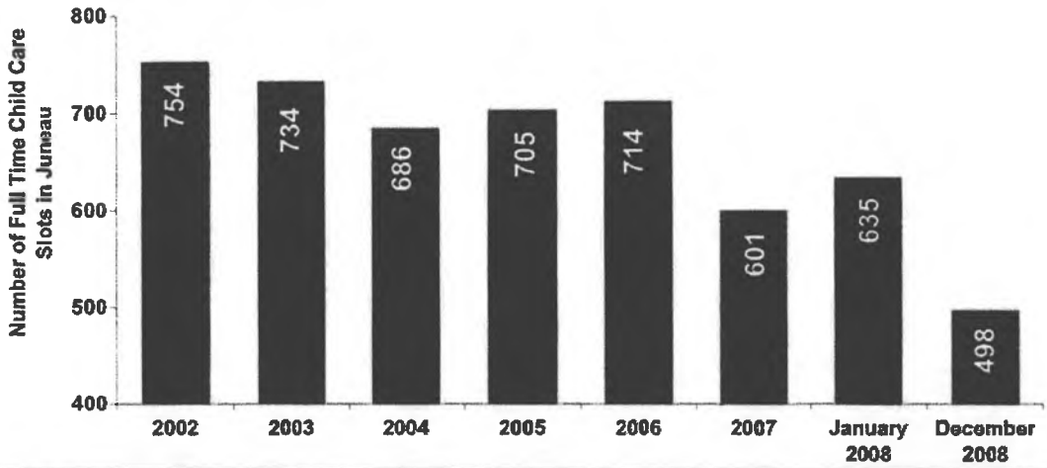
Source: Capacity Data: Association for the Education of Young Children – Southeast Alaska. Population Data: JEDC estimates based on Alaska Department of Labor population data.

Change in Capacity, 2002-2008

The current level of 498 child care spots (for children five and under) in Juneau represents a capacity decrease of 34 percent—or 256 slots—from 2002, and includes a 22 percent reduction in Juneau child care capacity during 2008 (see following table). Recent decreases in Juneau child care capacity follow state and regional trends. According to the Association for the Education of Young Children in Southeast Alaska (AEYC), statewide child care capacity has decreased in Alaska during 2008. Child Care Connection Program Manager, Stephanie Berglund cites several reasons for this trend. She says that the rising costs of commodities like fuel and food cause child care rates to increase beyond what parents can afford to pay. If one parent's income is equal to or less than the cost of child care, that parent will often choose to stay home, and providers cannot afford to operate at a loss.[6]

[6] Personal communication, Joy Lyon, AEYC.

Number of Full Time Child Care Slots in Juneau 2002 to 2008[7]



Year	Population of child care age Juneau children (0 to 5)*	Number of full time child care slots	Ratio of children to slots
2002	2,300	754	1:3.1
2003	2,360	734	1:3.2
2004	2,270	686	1:3.3
2005	2,280	705	1:3.2
2006	2,100	714	1:2.9
2007	2,200	601	1:3.7
2008	2,200	498	1:4.2

Source: Association for the Education of Young Children – Southeast Alaska. *JEDC estimates based on Alaska Department of Labor population data.

Plans for Increased Capacity

There are plans to increase the capacity of child care in Juneau:

- Two new small family child care operations are in the process of being approved (however two other small operations are also in the process of closing).
- A new child care center, recently approved by the legislature, is likely to open in October of 2009 with 9 slots reserved for legislators and their staffers, and 33 slots available to Juneau State and City workers. As of January 2009, all of the center's spots were reserved, and families are already on the waiting list for 2010 openings.
- Juneau Montessori is considering expanding its program to include 36 more students in the next year, pending funding.[8]

[7] Chart depicts licensed or approved child care slots only.
[8] Montessori has a five year plan to add 75 new child care slots in total if funding becomes available.

However, even with the possibility of 70 new child care slots opening, there will still be nearly 1,000 Juneau children in need of child care without access to licensed or approved child care facilities.

Comparing Capacity to Other Areas

Juneau's child care capacity is comparatively lower than child care capacity on the state or national scale. In Juneau, there is less than one child care spot for every four children under the age of six, compared to one to 3.5 in Alaska and one to 2.1 nation-wide (see table below).

Child Care in Juneau, Alaska, US, 2008

Area	Total Child Care Spaces	Total Children of Child Care Age	Ratio of Capacity to Population of Children Under 6
Juneau	**498**	**2,200**	**1:4.2**
Alaska	**17,189**	**60,400**	**1:3.5**
US	**10.8 million**	**22.8 million**	**1:2.1**

Source: Capacity Data: NACCRRA. Population Data: JEDC estimates based on Alaska Department of Labor population data.

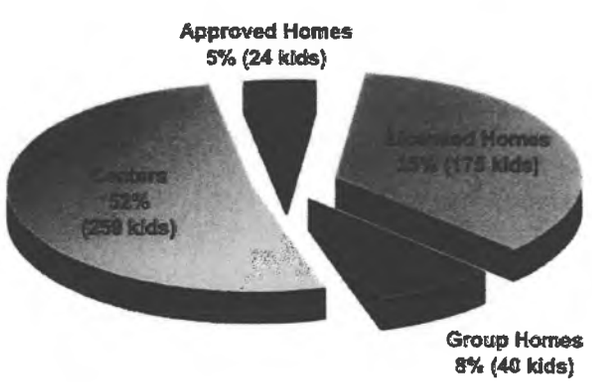
Juneau's reduced child care capacity rate is compounded by the fact that a higher percentage of Juneau children live in homes where available parents work (70 percent) than on the state or national levels (approximately 60 percent).[3] Considering the high need for child care in Juneau, along with the relatively low capacity rates of licensed and approved child care, non-regulated child care is likely playing a large role in Juneau.

Child Care Provider Types

Juneau currently has 42 approved or licensed providers with 498 child care spots.

Licensed Child Care Providers & Facilities—Licensed child care providers/facilities are those facilities that possess a current license, issued by the Department of Health & Social Services to operate a child care facility in the State of Alaska.

Total Regulated Juneau Child Care Spots by Type, December 2008



Source: AEYC. Note: Percentages are based on total child care slots. There are 498 total child care slots in Juneau.

[3] See previous table: Children Under Six With All Available Parents in the Workforce.

Juneau currently has the following:

- 25 Licensed Child Care Homes serving 175 children;
- 4 Licensed Child Care Group Homes serving 40 children, and
- 7 Licensed Child Care Centers, serving 259 children.

Approved Child Care Providers—Approved child care providers are those providers who are otherwise exempt from licensure and who are approved to provide child care services to children whose families receive child care assistance. Juneau has the following:

- 6 approved homes serving 24 children.[10]

Capacity Limits by Provider Type

The number of children who can be cared for by one adult is limited to 4 to 10 children, depending on the type of child facility, with the limits decreasing to 2 to 6 children for children under 30 months.

Capacity Limits by Provider Type

Age	Infants and Toddlers (Below 30 Months)	Total Infants, Toddlers and Preschoolers
Approved Home	**2**	**4 total – if all unrelated** **5 total – including own**
Licensed Family Home	**3 - if one is walking**	**8 total – including own**
Licensed Group Home	**5 – if two are walking**	**12 total – if 2 adults**
Licensed Center	**5 infants per adult** **6 toddlers per adult**	**Maximum depends on staffing** **(10 preschoolers per adult)**

Source: AEYC

The Under 30 Months Situation

The number of adults required to care for children under-30-months can be up to twice the number of adults required to care for preschoolers. Since most Juneau providers are one adult operations, the maximum number of under-30-month aged children is often quickly reached. So while a new Licensed Family Home might open with eight new child care spots, only two of these spots can go to non-ambulatory (non-walking) children. While these ratios are critical to insure the safety and quality care of young children, they also limit the ability for providers to significantly increase infant and toddler child care slots. One local provider shared her experience. "I was new to Juneau and everyone talked about the extreme shortage of childcare here. I was encouraged to open my own facility and I thought this would be a great way to stay home with my young son. I love toddlers and thought it would be the perfect fit. But the huge need is really for those in the under 30-month category. Since my son was not walking that meant I could only take one infant."

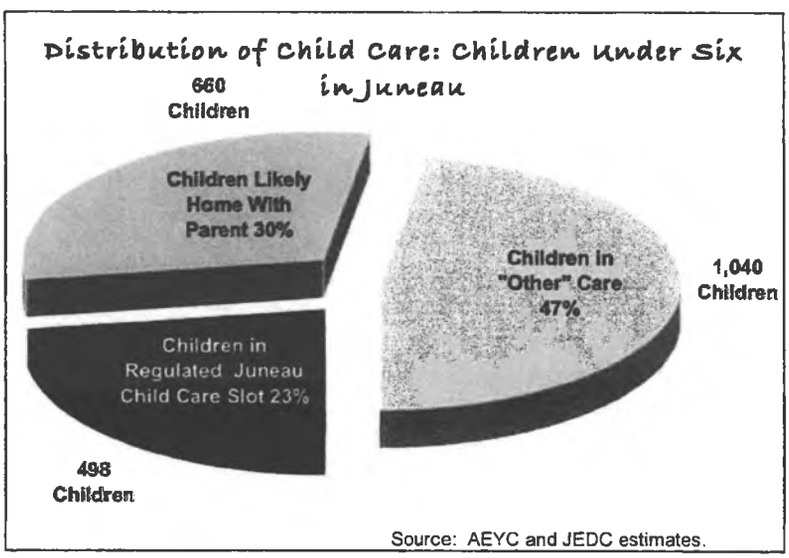
[10] http://hss.state.ak.us/dpa/programs/ccare/eligible-providers.htm

Non-Regulated Child Care Providers

According to the Alaska Department of Health & Social Services (H&SS), any provider in Juneau without a Child Care License from H&SS who is caring for more than four unrelated children is considered an illegally operating provider. The state instituted the child care licensing program in response to past cases of abuse, sexual abuse, and fire hazards in Alaska's child care facilities.[11]

Alternatives to regulated child care also include care by grandparents or other family; splitting work shifts between two employed parents; bringing a child to work; trading care time with friends; or relying on non-licensed, non-approved child care facilities in the community. There are no available statistics on unregulated care providers in Juneau.

There are approximately 2,200 children in Juneau under the age of six, and 498 total child care slots in approved or licensed child care facilities community-wide. Since 70 percent of Juneau children under the age of six live in households where all available parents work, the parents of approximately 1,040 children in Juneau have found a child care alternative to regulated care.



Some available statistics confirm the high usage of non-regulated child care in the Juneau area. Of the sixty-eight current business licenses issued for child care in the city of Juneau, only 24 of them are licensed homes or centers through H&SS. A Twin Lakes child care survey, conducted by AEYC in 2008, asked 200 employees in the Twin Lakes area what type of child care parents of young children were using. Just as many parents reported using non-licensed paid child care providers as reported using licensed or approved care. Joy Lyon, Executive Director of the Association for the Education Young Children in Juneau, expressed concern regarding these findings: "The indications are that a high number of children are in unregulated care with unknown health and safety conditions. Unregulated programs have no background checks of

[11] Case example: R.E. et al v. State of Alaska (7/29/94), 878 P 2d 1341.

adults in the home and may not have CPR, first aid, or child development training. There are no assurances that guns and poisons are locked and secure".[12]

Why Providers are Unlicensed

Many Juneau child care providers choose to remain unlicensed, or have even transitioned from licensed to unlicensed status. To gain more insight into why this is the case, we interviewed several providers, both licensed and unlicensed, about the topic.

Juneau's child care providers note excessive paperwork requirements, administrative time commitments, and a lack of consistency regarding the inspection requirements as licensing frustrations. Providers also point to the licensing agents themselves, who often have no background in early learning or child care, and say that in some cases they feel the agents are working against them rather than with them. One provider called the inspection process "extremely patronizing." Providers also complain that the state licensure system narrowly focuses on safety and does not recognize or reward early learning curriculum. Moreover, while operating a non-regulated child care with more than four children is illegal, there is little to no enforcement of this the law in this area.[13] Unlicensed providers told us that their licensed colleagues advised them not to undergo the process.

While licensed facilities do gain access to food reimbursements (up to $121 per child per month) and child care grants ($32.25 per child per month if the facility has children on State assistance) the rewards for complying are minimal. Additional interview notes follow:

- "Something designated as completely safe when one licensing agent visits is said to be a safety hazard by another."
- "I looked into licensing, but there was so much paperwork. It was so difficult to fill it out, and nobody would help me fill it out."
- According to one provider interviewed, she is thinking of dropping her license and three others she knows have already dropped their license to reduce the paperwork and compliance burden.
- Another provider reports she has been in business for twenty-one years and licensed only five of those years. She also is thinking of dropping her license.

[12] Personal communication, November 10, 2008.

[13] Health and Social Services officials will follow up on any reported cases of non-legal child care; however, they do not actively seek out non-compliant providers and are rarely informed of any. If a complaint was issued, non-compliant group or family home operators would be given 30 days to become approved or licensed without penalty. Non-legal centers, on the other hand, would be closed down immediately.

Costs

The Cost of Child Care for Parents

The average rate for childcare in Juneau in 2008 was $729 per child per month, although child care rate ranged from $400 to nearly $1,000 per child per month. Average monthly rates for toddlers were slightly higher ($809), and average rates for preschoolers were slightly lower ($691). Juneau family homes generally have rates at least $100 less per month than centers or group homes.

Average Juneau Child Care Rates by Category, 2008

Infants	Toddlers	Preschoolers	Overall Average
$756	$809	$691	$729

Source: Mid-2008 AEYC figures: Includes 40 infants, 97 toddlers, and 228 preschoolers.
Note: Infants are defined as those under 12 months. Toddlers are 12 to 30 months. Preschoolers are 2.5 to 5 or 6, depending on the age of kindergarten entry.

Range of Child Care Rates: Juneau, Southeast and Alaska, 2007

Area	Infants	Toddlers	Preschoolers
Juneau	$575-$967	$525-$967	$400-$908
Southeast (non-Juneau)	$575-$941	$415-$1,000	$495-$842
Statewide	$510-$1,188	$415-$1,000	$230-$1,100

Source: Alaska Department of Health and Social Services, Division of Public Assistance.

The Debate Regarding Child Care Market Rates

The last Juneau child care rate survey was conducted in July of 2007. The survey was conducted, in large part, to help determine the new reimbursable rate structure; however, some Juneau providers have stated that they are setting their rates artificially low by matching or remaining near the State reimbursable rates to allow lower income clients to continue to afford child care services. Providers say state reimbursable rates would more accurately reflect actual operating costs if the survey questions reflected how much businesses actually cost to run, instead of how much owners charge. The Alaska Department of Health and Social Services plans to conduct a second survey, with refined methods, early next year. New rates based on that survey would go into effect in mid-2009.

Juneau Household Costs

Child care is expensive and constitutes a significant percentage of low-income and middle-income family budgets in Juneau. In 2000, the median family income for Juneau families with children under the age of 18 was $64,084. While median incomes today are likely somewhat higher, even based on a $72,000 median family income, average child care costs for one child would account for 13 percent of a family's adjusted gross (post-tax) income.[14]

Median Juneau Family Income by Family Type, 2000

Family Type	Median Family Income
All Families with own children under age 18	**$64,084**
Married-couple families with own children under age 18	$77,664
Single-mother families with own children under age 18	$29,634
Single-father families with own children under age 18	$38,750

Source: Population Reference Bureau, analysis of data from U.S. Census Bureau, 2000 Census Summary File 3 (Tables P15, PCT39 & PCT40)

Median Juneau Family Income by Family Type, 2007

Family Type	Median Family Income
Estimated 2007 Median Juneau Family With Children Income	**$72,000**
Federal Taxes Based on Above*	**$4,370**
Adjusted Gross Income	**$67,630**

*Turbo Tax, 2007 tax year. Tax scenario includes child care tax credit.

Juneau Household Costs

Juneau Annual Household Costs	Annual Costs	Percent of Post Tax Income
Housing		
Average Annual Mortgage in Juneau*	$23,748	35%
Average Annual Rent in Juneau*	$14,400	21%
Average Child Care in Juneau (1 child)	**$8,748**	**13%**
Average Food Costs in Juneau (family of 4)**	**$6,500**	**10%**
Average Heating and Electricity Costs in Juneau*	**$4,560**	**7%**
Average Annual Contribution for Family Health Care Coverage$^{\Phi}$	**$3,500**	**5%**

*CBJ, 2006; **University of Alaska Fairbanks Cooperative Extension Service; $^{\Phi}$Kaiser Family Foundation, 2008. US average.

[14] In a household with two children in child care, child care costs would account for 26 percent of a family's adjusted gross income.

Early Education as Economic Investment

Return on Investment

There have been many economic studies regarding the potentially large returns to early childhood education for lower income children.[15] Decades of scientific research show that child care and preschool programs later result in lower drug use, lower crime, fewer families receiving welfare, and higher graduation rates.[16] Studies show conclusively that high quality early childhood education provides a significant return on investment for communities. Financial returns can be as much as $17 to every dollar spent on infant, toddler and preschool care.

The Impact of Working Mothers

Child care availability and affordability plays a key role in the economic development of communities. The increased availability of affordable, high quality, and reliable child care in Juneau would enhance the work readiness of the local population, particularly Juneau female potential workers, and as a result, enhance the city's economic growth.

Additional Resources

A 2006 report by the McDowell Group entitled, "The Economic Impact of Early Education and Child Care Services in Alaska," does not break out Juneau economic impacts specifically, yet provides excellent state-wide statistics and research on economic impact issue.

The Cost of Child Care for Providers

The Juneau Economic Development Council conducted executive interviews with 11 licensed Juneau child care facilities in December of 2008 to ask about the costs of providing child care in Juneau. Interviews were conducted with directors of three child care centers, three group homes, and five child care homes. The quality of care in the facilities varies greatly. Some are educational and take children on frequent outing such as weekly ice skating, while others focus on play and care at the facility. Expense per child among providers interviewed varies from $1,000 (excluding owners salary) to over $9,000 per child per year (for facilities that included salaries as part of expense). The results of that study are attached as an appendix to this report.

---

[15] A key difference in lower and higher income homes appears to be the number of hours an adult reads to a child. A typical child from a middle class family is read to over 600 hours by kindergarten age, while children from low income families receive an average of 25 hours per child.

[16] Alaska educators have called dropping out the result of an accumulative failure, which can start before kids even enter public school and some said they know which kids are not going to graduate high school on the first day of kindergarten. "Some children show up knowing how to read, while others come not even knowing what the colors are." ADN

Generally, child care providers in Juneau earn significantly less than those in other professions. According to the Alaska Department of Labor, child care workers in Southeast Alaska earn an average of $10.74 per hour, which translates into an annualized salary of $22,340, or 45 percent below Juneau's average annual salary of $40,380.[17] In many cases, child care workers are not required to have specific schooling or experience, while other child care workers are highly educated professionals in the field of early education. Child care earners on the higher of the wage scale (the 90th percentile level)[18] still only earn $13.72 per hour, or $28,500 annually.[19] Elementary school teachers in Southeast Alaska, by comparison, earn an average annual salary of $56,300.

[17] http://www.labor.state.ak.us/research/wage/matrixt.htm
[18] At the 90th percentile, 90 percent of all wage earners in that occupation make that wage or less, and conversely, 10 percent make more than that wage.
[19] http://www.labor.state.ak.us/research/wage/seoes.htm#39-9011

Juneau Child Care Problem Analysis

The "problem" with child-care in Juneau may seem fairly obvious at first glance. As we engage stakeholders involved in the world of child care (like with many other problems), it becomes apparent that the "problem" looks very different to different people. Recognizing that a common understanding or definition of the problem is critical to constructively addressing it, JEDC provides a problem analysis, using our own understanding of the relevant issues as well as receiving input from a diverse set of Juneau child care stakeholders.

With input from others, JEDC's analysis of the problem with child-care has produced a central problem statement that describes the core issue we need to address. We then proceeded to identify the various causes of this problem and were able to group these causes into different categories. When we consider causes, it is important to discern the relative importance of the causes, whether they are increasing/decreasing in intensity, and to what degree these causes can be effectively acted upon (and by whom). Finally, we looked at the consequences of the problem, similarly grouping them by themes. It is important to try to understand both the qualitative and quantitative nature of these effects, including who are the most affected and whether these effects tend to grow or diminish over time. Once we have conducted a problem analysis, we are better able to address causes and mitigate effects—and, hopefully, reduce or eliminate the problem.

As people in our community continue to address this important issue, we provide a basic problem analysis to assist in these discussions.

Problem Statement

Lack of legal[20] child care available to meet the needs of working parents in Juneau

Causes

Related to Human Resources

Cause A. Child care is an unattractive industry for providers and workers

No health or retirement benefits available

While there are always exceptions, child care work does not usually provide benefits. Providers may be covered by the health benefits of their spouses, but forgo building up a retirement investment in themselves.

Low child care salaries are not commensurate with the responsibilities and work involved

According to the Alaska Department of Labor, child care workers in Southeast Alaska earn an average of $10.74 per hour.[21] This translates into an annualized salary of $22,340—45 percent below Juneau's average annual salary of $40,380—meaning there are plenty of other more highly paid positions that child care workers could choose. Highly qualified child care workers have even more options. Elementary school teachers in Southeast Alaska, for example, earn an average annual salary of $56,300.[22]

Long hours required

Child care workers, especially owners of home child care businesses, typically work 50 hour weeks or more.

No breaks, sick leave, or vacation time

Child care providers working by themselves have no opportunity to take breaks during the day. Providers usually have no sick leave, and may feel pressured to come to work sick, rather than canceling child care on their clients. Child care workers also have limited opportunities to take vacations as parents pressure providers to provide as much coverage as possible.

Cause B. General lack of appreciation for child care workers by public, parents or government

Child care workers generally have a low status in society. Parents are often not well educated regarding the low pay and high work associated with child care, and can be demanding and lacking in appreciation. While K-12 education is well funded, early childhood education in Juneau has not attracted the support of government and government funding.

Cause C. Child care facilities find it difficult to attract and retain qualified staff

Child care facilities are unable to offer attractive compensation packages to workers, which makes attracting and retaining qualified staff difficult. Facilities that cannot adequately staff their facilities must reduce the number of child care slots available.

---

[20] "Legal" child care means that a child care facility is State licensed or approved or has no more than four children.
[21] http://www.labor.state.ak.us/research/wage/matrixcd.htm#21-1021
[22] http://www.labor.state.ak.us/research/wage/matrixt.htm

Related to Bureaucracy

Cause D: State Licensing requirements are burdensome.

Time/effort requirements

Child care licensing is critical to insure that children are being cared for in safe environments; however, some of the regulations surrounding child care licensing appear to be limiting the number of providers willing to take part in the state sanctioned child care system. Many providers feel that compliance with the regulations are needlessly time consuming and onerous, especially as licensing requirements come on top of already demanding time intensive child care jobs.

Oversight

Some providers note a perceived lack of support from child care licensing specialists themselves. Licensing specialists are not required to have home-visiting, customer service, or other special training to regulate early education facilities and sometimes lack sensitivity to the unique dilemmas providers face.[23]

Cause E: There are few incentives to become licensed

Lack of enforcement

According to state law, child care operations with more than four children (not related to the provider) must be licensed, or are providing illegal care. However, because these operations are rarely reported to the State, this law is rarely enforced. Aside from legal compliance there are few other incentives for a provider to become licensed.

Low state subsidy

State support for Alaska's early education and child care system is currently extremely limited. While licensed providers do have access to State child care reimbursement funds, currently only a small percentage of parents qualify for that limited assistance. Providers also may be eligible for a $32 per month per child grant; however, these paybacks are simply not enough incentive to become or remain licensed.

Cause F: CBJ Allowable Use Permit discourages group homes

In order to change status from a family home (up to 8 children) to a group home (9 to 12 children) providers must apply for an allowable use permit from CBJ. The current process governing this has been criticized as expensive and time consuming for providers, especially when coupled with State regulatory requirements. The CBJ also has a couple other minor fees it levies on child care providers in Juneau.

Related to the "Business" Aspects of Providing Child-Care

Cause G: Child care businesses have short life spans

Lack of sustainability surrounding child care operations exacerbates capacity shortages. Providers often enter into the child care service profession on a short term basis for two reasons:

[23] Health and Social Services staff note that applicants with early childhood education backgrounds are considered more desirable.

Mom providers age out of system

Providers are often mothers of young children themselves, begin child care operations when they have a child of toddler age, and end when their child begins kindergarten.

Child care businesses harder, less profitable to run than expected

Other providers enter into the child care industry, only to find that the overall efforts are larger than expected, the paybacks fewer, and close after a brief operational period (usually a year).

Cause H: Business expertise amongst many entrepreneurs in child-care care industry is inadequate.

Providers often lack business expertise resulting in child care businesses that are not successful financially, and are therefore not sustainable.

Cause I: Current enterprises engaged in child-care are operating typically with low or no profit.

Child care is not a highly profitable industry. Even providers with well organized enterprises are not likely to earn a salary commensurate with the time and energy invested in their child care businesses. Low profit potential makes it hard to attract and retain child care businesses in this community.

RELATED TO THE ECONOMY

Cause J: Juneau has a low rate of unemployment

The local unemployment rate (4.4% in 2007) is low, and many organizations (such as Juneau's box stores) are competing for the same entry level employees. Since child care is a low paying industry, the low unemployment rate makes it that much hard to attract qualified child care workers.

Cause K: Juneau has a high cost of living

Juneau is generally considered to have a high cost of living. According to the Alaska Department of Labor, the number of wage earners needed to buy an average house is 2.1 per house.

Higher participation in workforce of parents

The higher costs of living appear to have driven more parents of young children to participate in the workforce: 70% of Juneau's children under six have working parents (compared to 60% Alaska and nationally). Because of the greater participation in the workforce, the demand for child care is higher in Juneau.

Cost of running child care businesses high

Juneau's high costs translate into high operating costs of local child care facilities.

Parents cannot afford to pay more

Normally, high market demand and low supply of a commodity would lead to increased pricing. However, child care operations, while struggling financially themselves, have not priced their operations at a higher level because their customers include those least able to afford increased expenses. Currently the average cost of child care (for one child) in Juneau is 13 percent of the adjusted gross average income for a Juneau family with children. Providers don't feel they can charge enough to make operating a child care worthwhile.

Consequences (or Effects)

CONSEQUENCE A: JUNEAU IS A LESS ATTRACTIVE PLACE TO RAISE FAMILIES

Lack of child care makes Juneau an unattractive place for young families. The current child care situation is a source of tremendous stress for families with children of child care age, or those planning families. Wait lists of two years or longer mean child care availability drives workforce decisions for families rather than supporting workforce decisions. Families have left town over this issue, and other families have chosen not to move to Juneau after learning of the lack of child care.

CONSEQUENCE B: CHILDREN ARE POTENTIALLY IN UNSAFE OR SUB-STANDARD CARE

Unlicensed facilities in high demand

There is concern that so many children in care outside of the regulatory care framework provides an unacceptable risk that children are being cared for in either unsafe environments or by workers who are a hazard to the children. Child care is licensed in Alaska in part because past abuses of children made it necessary and because the state recognizes that those who care for children must meet minimum health and safety standards, have a basic understanding of child development, and have a commitment to professional development. Children in unlicensed care are outside the system and cannot be protected by the State.

Parents accept substandard care because they feel they have no alternatives

Parents are unlikely to report illegal child care operations because they may have no other care options.

CONSEQUENCE C: THERE IS LACK OF QUALITY CARE OPTIONS

Lack of Early Learning Programs

Early learning happens in all care environments whether they are at home, in family child care, or through a pre-school program. High quality child care offers children engaging opportunities to learn through play, establish positive social skills with peers and adults, become familiar with life outside of the home, and may include an academic curriculum. A lack of child care availability also means a lack of high quality programs. Parents in Juneau have minimal options to place their children in facilities that provide high quality engaging learning opportunities. Too few high quality early learning opportunities mean that some children are entering kindergarten at a disadvantage, and already behind.

Not catering to needs of child

Even within the regulated (state licensed or approved) child care system, care facilities may not serve the best interests of particular children very well, but parents do not have the flexibly of finding best placement scenarios for their children. There are also numerous cases of children shuttled around—up to three times per day every day—to attend different child care facilities due to availability.

CONSEQUENCE D: JUNEAU'S BUSINESS COMMUNITY FACES INCREASED OBSTACLES TO SUCCESS

Juneau's low unemployment rate means that employers are looking to hire from a small pool of available labor. Increased child care would increase the Juneau labor pool, and increased child care options—such as off hour child care options—would increase the ability of Juneau parents to better meet the labor needs of Juneau's business community. There are currently 1,800 parents of children under the age of six in Juneau. Less than a quarter of that group (24 percent) is currently served by licensed child care.

Appendix I: Provider Costs

Juneau Child Care Centers—Average Revenues and Expenses

Revenues	
Parent Paid Tuition	$231,200
Child Care Assistance Income	56,100
Child Care Food Program	6,800
Child Care Grant	12,900
Other Income	14,300
Total Revenues	**$321,300**
Expenses	
Wages and Benefits	$230,000
Rent or Mortgage	14,000
Utilities	7,000
Maintenance	400
Other Fixed Operating Expenses	40,000
Food and Consumables	24,000
Total Expenses	**$315,400**
Earnings	**$5,900**

Expenses per Child - $8,500
Size of facility – 2,900 square feet
Average # of children – 37
Average # of Staff - 8

Revenue per Child - $8,700
Daily Hours of Operation – 10.2
Hours per Child per Day - 9
Annual Days of Operation - 242

Child Care Centers are defined by the State as child care facilities for thirteen or more children. The business model of a for-profit is quite different than that of a non-profit, so averages only tell part of the story. These averages are based on three centers interviewed in Juneau, which ranged in attendance from 27 to 54 children. Tuition ranges from $645 per month to $967 per month.

Non-profit centers reported annual losses (despite best efforts to contain costs). One center pays reduced rent but has a high cost of employee benefits, including health insurance. The centers had a high amount of bad debt from parents who were not able to keep current with their child care expenses. To make ends meet, one center invests a significant amount of time in fund raising. Funding has not been available for needed renovations and improvements at the facility. A for-profit child care center interviewed is located in the owners' residence so a portion of household expenses can be written off for tax purposes. That business provides a profit to the owners (included in above earnings, but averaged with losses from non-profits).

Annual payroll costs vary from $15,167 to $31,412 per person. Employees include teachers with degrees and certificates who are paid much lower wages than they could earn at the school district. All centers report a difficultly finding quality staff. Centers have lost staff over the years to the school district since they can't afford competitive pay or benefits. Centers have staff costs as high as 87% of their budget and say that finding good quality and experienced staff is challenging. According to one director "The lion's share of our budget goes into staff and it is hard to get people as talented and devoted as we want to care for our children with what we can afford to pay them." Nikki Morris, referral counselor for AEYC, states "There has been a trend in child care centers to lower capacity since they are having a difficult time staffing." She learned recently that one center in Juneau dropped over forty spots for children due to their staffing shortage. Only one of the centers receives reimbursement from the food program but all receive the state Child Care Grant.

Group Home Child Care—Average Revenues and Expenses

Revenues	
Parent Paid Tuition	$53,400
Child Care Assistance Income	11,300
Child Care Food Program	4,700
Child Care Grant	2,300
Total Revenues	**$71,700**
Expenses	
Wages and Benefits	$10,300
Rent	7,200
Utilities	5,100
Other Fixed Operating Expense	9,400
Food and Consumables	10,400
Total Expenses	**$42,400**
Earnings (includes owners salary)	**$29,300**

Expenses per Child $4,400[24] | **Revenue per Child - $7,400**
Size of facility –1250 square feet | **Daily Hours of Operation – 9.8**
Average # of children – 9.7 | **Hours per Child per Day - 9.2**
Average # of Staff - .6 | **Annual Days of Operation - 247**

Group homes are usually in occupied residences and accommodate nine to twelve children and are usually operated by the business owner and one staff member. A group home can have up to ten children with only one adult if the adult has training and experience.

Owner's profits were between $23,000 and $38,000 per year, which for a 60 hour week equates to between $9.20 and $15.20 per hour given the number of days they are open. Their staff was paid approximately $7.50 per hour. One group home had no staff, one had part time staff and one had full time staff. A business owner noted, "This industry attracts young, single people who don't have any benefits. They also get sick a lot due to their contact with numbers of children."

One of the group homes paid rent for their facility, but the other two operated out of their homes and were able to deduct home expenses for tax purposes. All of the programs received the state Child Care Grant and reimbursement from the food program.

The amount spent on children's supplies for art and activities varied from $850 per year to $4,800 per year. Revenue per child varied from $5,500 to $9,000 per year. The provider with the highest rates was getting ready to raise her rates again and has a waiting list for her program. She also spends the most per child on supplies and activities.

According to Joy Lyon, Director of AEYC-SEA, the group home is an ideal situation. There is a good ratio of one adult per six children, the owner can write off a significant amount of their home expenses, they get the highest rate of reimbursement from Child Care Assistance, and it's still in a home setting, which can be more comfortable for young children. One down side is the challenge of getting a conditional use permit that is needed from the city to operate the group home.

[24] Owner's salary is EXCLUDED from this figure.

Juneau Family Child Care Homes -Average Revenue & Expense

Revenues	
Parent Paid Tuition	$33,200
Child Care Assistance Income	13,500
Child Care Food Program	2,700
Child Care Grant	900
Total Revenues	**$50,300**
Expenses	
Wages and Benefits	$0
Rent	7,000
Utilities	900
Other Fixed Operating Expense	5,600
Food and Consumables	8,400
Total Expenses	**$21,900**
Earnings (includes owners salary)	**$28,400**

Expenses per Child - $3,650[25]	**Revenue per Child - $8,400**
Size of facility –1160 square feet	**Daily Hours of Operation – 10**
Average # of children – 6	**Hours per Child per Day - 9**
Average # of Staff - 0	**Annual Days of Operation - 238**

Child care homes are defined as facilities, usually in occupied residences, for no more than eight children. The homes that were interviewed have between 3.5 full-time children and eight children and charge between $544 and $900 per month. Income for these single person operated homes ranges from $28,000 to $40,000 annually or $11.66 to $16.00 per hour. Owners keep their costs down by operating out of their homes and can take tax deductions for the home, but have long and often stressful days.

According to Nikki Morris at AEYC, mothers often start child care homes because they can't find care for their own children or they want to stay home with their young child while still adding to the family income. Of the 31 child care homes she does referrals for, she is aware of 16 of them who have young children of their own that they are also caring for.

Ms. Morris has found that the average rate of turnover among family child care homes is around 50% per year. She says it's because the new providers find out it's not what they thought it would be like; it doesn't fit in well with their family, it is long hours, low pay for the level of responsibility, parents don't always pay their provider in full, and it's hard for these providers to do collections.

Of the sixty-eight business licenses in Juneau for child day care, thirty-two were first issued in 2008. Ten of the businesses are at least five years old and only seven of those are ten years or older. What is not known is how many businesses are operating illegally, without either of the required licenses.

The recordkeeping of the child care homes seemed the least professional and current. Numerous providers were contacted before finding five who had the time and had enough information to provide for the interview. All providers complained about the burdensome paperwork required by licensing, questions were often repetitive, and that there was turn-over among licensing agents, causing delays and confusion.

From examining the data obtained, it appears that by raising prices and improving business skills, the lower paid business owners could increase their compensation. Business training could assist these child care providers in making the best financial choices for their child care home.

[25] Owner's salary is EXCLUDED from this figure.

This article looks at the determinants of job turnover among mothers of infants, using intentions to change jobs or exit the labor force assessed at 1 year postpartum among a sample of 246 employed mothers. Hypotheses were that exit intentions should be more influenced by household factors determining labor supply and other personal characteristics indicating job attachment. Additionally, whereas both types of turnover intentions should decrease as workplace supports for mothers increase, child care satisfaction should affect exit intentions more than intentions to change jobs. Results showed support for the notion that labor force exits are more strongly influenced by child care problems and measures of job attachment than are job changes, though models correcting for selectivity reveal that the child care problems are not directly influencing exit intentions. Supervisor and co-worker support impede intentions to both exit the labor force and change jobs. However, other dimensions of workplace support affected intentions to exit and intentions to change jobs differently.

Workplace Support, Child Care, and Turnover Intentions among Employed Mothers of Infants

JENNIFER L. GLASS
SARAH BETH ESTES
University of Iowa

Studies of women's job mobility and the gender gap in wages frequently allude to the importance of childbearing interruptions in explaining women's inferior position in the labor force. Labor force intermittency is thought to reduce women's wages by reducing their job experience, opportunities for training and placement within firm internal labor markets, and possibly depreciating their human capital. Although recent studies show a significant drop in the extent to which women leave the labor force to bear children (DeSai & Waite, 1991; Waite, Haggstrom, & Kanouse, 1985), child care responsibilities continue to exert a significant influence on women's labor force continuity. Investigations of women's job mobility frequently focus on the period immediately following birth; in contrast, the present study will focus on the future work intentions of

Authors' Note: *Support for this research was provided by a grant from the National Science Foundation (SES 90-23475). The authors thank Lisa Riley, Cynthia Sutton, and Tet Fujimoto for their help with data collection and analysis.*

JOURNAL OF FAMILY ISSUES, Vol. 17 No. 3, May 1996 317-335
© 1996 Sage Publications, Inc.

those women who maintained labor force participation during the 1st year postpartum. The reason for this shift in emphasis is twofold: (a) Most job quits by women of childbearing age do not occur in conjunction with a birth but do occur more often among women with young children (Felmlee, 1984; Glass, 1988), and (b) studies of child care and women's labor force participation show that child care problems and job-family conflicts often force women to leave employment for varying periods of time until scheduling or child care problems can be resolved (Love, Galinsky, & Hughes, 1987; Presser & Baldwin, 1980).

Earlier research using the data presented here analyzed the determinants of labor force withdrawals and job changes following childbirth (Glass & Riley, 1994) and found that over 80% of respondents returned to some form of employment during their 1st year postpartum. However, 11% of these workers reported that they were likely to quit the labor force in the coming year, whereas another 25% intended to change jobs in the near future. Clearly, these figures indicate that a substantial amount of job turnover and labor force intermittency may occur even for individuals who maintained labor force participation across a childbearing event. Therefore, this article will focus on the determinants of future work intentions among employed mothers of infants.

BACKGROUND

The most important demographic shift in the labor force over the past century has been the increasing labor force participation of mothers. In recent decades, the most dramatic shift has been the increasing labor force participation of mothers of young children, infants in particular (U.S. Bureau of the Census, 1992), and the failure of childbearing to begin a period of labor force withdrawal for the majority of employed women (DeSai & Waite, 1991; O'Connell, 1990). Yet this notable increase in women's labor force attachment masks the still considerable difficulties faced by employed mothers of young children in the management of job and family responsibilities (Hewlett, 1987; Hochschild, 1989) and the extent to which this increase in labor supply has been involuntary. For example, attitudinal surveys show that most American mothers prefer that their children be cared for by a parent rather than substitute provider (Mason & Kuhlthau, 1989) and that substantial numbers of mothers of infants are employed because they are single, divorced, or partnered to men whose earnings are low (O'Connell, 1990).

In the data used here, 28% of the sample of pregnant employees preferred to withdraw from the labor force postpartum but actually continued employment. Another 31% wanted to work only part-time, but planned full-time employment postpartum. Thus the general increase in mothers' labor force participation has been accompanied by increasing pressure on mothers to provide financially for their families despite their professed desires to also care for their own children. Coupled with shortages of high quality affordable child care (Hofferth & Phillips, 1987; Presser, 1989) and work environments that are not especially hospitable for mothers of infants (Glass & Camarigg, 1992), it should not be surprising that substantial numbers of employed mothers of very young children express intentions to change jobs or quit the labor force entirely if they can.

Theoretically, these facts lead to the conclusion that patterns of intermittency and job mobility in mothers' employment may not disappear as mothers' labor force attachment grows but may change dramatically in character. In previous decades, work interruptions were structured by normative constraints against the employment of mothers of infants (including employer discrimination) and the lack of child care services for very young children. This normative pattern was bolstered by relatively high wages for men, lower wages for women, and lower rates of divorce and out-of-wedlock childbearing. In contrast, mothers today may face greater financial constraints and marital instability, which would make labor force withdrawals contingent on the availability of unearned income or other family support. Thus withdrawals would be less predictable in their timing and duration and less likely to occur in conjunction with childbirth per se. Moreover, withdrawals of long duration should diminish significantly and job changes (perhaps with a period of brief unemployment in between) should increase. Both withdrawals and job changes should be increasingly structured by the absence of workplace supports and dissatisfaction with child care arrangements. Finally, job moves should be more dependent on mothers' wage rates and less dependent on family composition or partner's income (trends that have been demonstrated empirically in Mroz, 1987; Klerman & Leibowitz, 1994).

Similarly, the normative climate of support for full-time mothering in the early years of life has disintegrated into a number of competing maternal ideologies that each claim substantial numbers of adherents (Glass, 1992). Some women remain traditional in their desire to stay home full-time to devote themselves to child care, whereas others support shared parenting and full-time employment for mothers. Somewhere in the

middle lies a substantial portion of women torn between these two polarities, who prefer some type of employment but are suspicious of nonmaternal child care in the first few years of life (Greenstein, 1986).

In the present study, we will draw on the preceding analysis to focus specifically on workplace support and child care satisfaction as factors that should differentiate movers and stayers among employed mothers, controlling for family composition and partner's income. We separate intentions to quit the labor force from intentions to change jobs, hypothesizing that intentions to quit the labor force should be more closely related to family characteristics and income opportunities for the mother and father, as well as mothers' traditionalism and preference for homemaking. However, we believe that both intentions to change jobs and to leave the labor force should be affected by workplace policies and child care arrangements. Specifically, benefits or personnel policies that reduce job-family conflict should decrease quit intentions, as should social support from supervisors and co-workers. Satisfying, affordable child care arrangements should also decrease quit intentions, although we suspect these might have stronger effects on intentions to leave the labor force than intentions to change jobs. Because most child care arrangements are independent of any particular job, difficulties with child care may not be resolved by taking a different job (unless, of course, the work schedule of the current job is causing the child care difficulty). However, leaving the labor force is sure to eliminate problems with substitute care.

DATA AND METHODS

The data analyzed here come from a longitudinal sample of 324 women employed at least 20 hrs a week during the first trimester of pregnancy. Respondents were recruited from prenatal hospital records in northern Indiana in 1991 and 1992. Area hospitals served an approximate 60-mile radius, including southwest lower Michigan and north central Indiana, and provided an exhaustive sampling frame because they were the only sources of maternity care in the county and drew significant numbers of women from surrounding rural counties. Any bias in the sample is likely to stem from the disproportionate omission of poor, marginally employed, or transient respondents. The survey had an effective response rate of 70% of those in the initial sampling frame, 81% of those successfully contacted for an interview. At the time of the initial interview, respondents were either in their last trimester of pregnancy or, occasionally, their 1st month postpartum.

Descriptive statistics indicate that the mean age of the sample was 28, 51% were experiencing a first birth, 10% listed a non-White ethnicity, and 91% were married or living with their partner. Regular hours at work averaged 38.6 per week for the sample, and respondents reported mean annual earnings of $18,451. These statistics are quite close to national large sample estimates for women employed the year prior to the birth of a child (Garrett, Lubeck, & Wenk, 1991).

The prenatal interview contained extensive information on the respondent's primary job or last job held, the respondent's family situation, and demographic variables, as well as future work preferences and intentions. Respondents were then recontacted at 6 and 12 months postpartum to ascertain their current job status and child care arrangements. The 6- and 12-month follow-ups captured 94% and 93% of the original sample, respectively. Data on child care and working conditions for the job held at 12 months postpartum were used for this study. After deleting 11 cases with missing data, 246 cases of mothers employed at 12 months postpartum were available for analysis.

MEASUREMENT OF VARIABLES

Quit Intention

Future work intentions measured at 1 year postpartum were assessed by the following questions: How likely is it you will make a genuine effort to find a new job with another employer in the next year? and How likely is it that you will leave your present job to become a full-time homemaker in the next year? Response categories for both questions were 1 (*not at all likely*), 2 (*somewhat likely*) and 3 (*very likely*), but for purposes of analysis they were combined into 0 (*not likely*) and 1 (*somewhat or very likely*). The categories of 2 and 3 were combined for two reasons. The *n*s for the separate categories were too small to accommodate separate analyses (for exit intentions, the *n*s were 5 and 21, whereas for change intentions the *n*s were 35 and 33). Additionally, it makes more substantive sense to include the category of somewhat likely with those likely to quit than to group them with respondents indicating no intention of quitting their current job. Responses to both questions were then combined into one 3-category variable representing the respondent's future work intention—same job, new job, or homemaker. In six cases, respondents indicated that they were likely to both change jobs and quit the labor force entirely. These six cases were allocated according to their strongest preference; if both destination

statuses were equally likely, they were randomly assigned to one status or the other. The resulting distribution for the dependent variable given in Table 1 shows that there were 65 women indicating an intention to change jobs, 26 women indicating an intention to quit the labor force, and 155 women who intended to stay in the same job.

The independent variables represent the three key areas of (a) family status and personal background, (b) child care arrangements, and (c) workplace support, subdivided into macrolevel organizational characteristics and microlevel working conditions and interpersonal support.

Family Status and Personal Background Variables

Respondent's age, marital status (married or living with partner), partner's income, respondent's hourly wage, number of children, and presence of other preschool-aged children were all included as family or sociodemographic controls.[1] In addition, a measure of traditional family ideology (agreement that it is best for all concerned if the man earns the money and the wife stays home to care for the home and children) was included here as a way of tapping belief systems about the appropriateness of mothers' employment. Prenatal work preference (to be a homemaker or change jobs postpartum, as opposed to staying at one's current job) was also used here to augment the measurement of mother's job commitment. A years of education measure was added to control levels of individual human capital.

Child Care Variables

The three basic dimensions of child care that are thought to affect turnover are amount, cost, and quality. Although we asked respondents to provide the total number of hours their new child spent in nonfamilial care, that variable was highly correlated with mother's hours of employment, so it was dropped from the analysis. We did, however, test a dummy variable measuring whether their infant spent more than 40 hrs a week in nonmaternal care in several models. Cost was measured in dollars per week (for all children requiring care), and quality was ascertained by asking respondents to rank their satisfaction with their present child care arrangement on a scale from 1 to 4. Additionally, a variable measuring the number of different types of child care respondents utilized (father care, relative care in home or out, formal care in home or out, and other) was created, under the assumption that multiple forms of care are both more difficult to coordinate and more susceptible to breakdown. Finally,

TABLE 1
Means and Standard Deviations for Variables in the Analysis

	Mean	*Standard Deviation*
Age	28.96	4.49
Education	14.55	2.58
Married/living together	.92	.27
Child under 6 (1 = *present*)	.34	.47
Hourly wage	10.91	5.67
Partner's income (in thousands)	25.55	16.92
Gender traditionalism (1 = *low*, 4 = *high traditionalism*)	1.73	.81
Prefer change postpartum	.20	.40
Prefer home postpartum	.33	.47
Child care satisfaction (1 = *dissatisfied*, 4 = *very satisfied*)	3.56	.74
Child care cost (in dollars)	53.26	45.082
Father provides child care	.18	.38
Percentage of mothers in job category	20.44	26.51
Job flexibility (1 = *any form*)	.87	.34
Work at home possible	.24	.43
Social support (1 = *low*, 5 = *high support*)	2.89	.88
Sick leave available	.70	.46
Frequencies for the dependent variable and its components		
Intentions to change jobs		
1 = *very likely*	1 = 35	
2 = *somewhat likely*	2 = 33	
3 = *not at all likely*	3 = 176	
Intentions to leave labor force		
1 = *very likely*	1 = 5	
2 = *somewhat likely*	2 = 21	
3 = *not at all likely*	3 = 220	
Quit intentions		
0 = *stay in job*	0 = 155	
1 = *change jobs*	1 = 63	
2 = *exit labor force*	2 = 26	

NOTE: $N = 246$.

dummy variables representing each mother's primary form of child care were constructed (father care, relative care, formal care, and other).

Workplace Support Variables

These variables were subdivided into those organizational and occupational variables that might affect the extent to which workers' family needs would be supported by the employing organization and job level variables measuring on-site working conditions and social support from supervisors and coworkers. On the organizational side, measures of work-

place size (number of employees), unionization (whether respondents's job was represented by a labor union), percentage of females in the respondent's job category, and percentage of mothers in the respondent's job category were the four variables used to indicate whether employers had any motivation or capacity to attend to the job and family conflicts of employees. We also included occupational and industry categorical variables to test for any gross effects of occupational sector or industry location.

The most direct measures of workplace support came from questions about the respondent's specific job or work site. The following four working conditions were measured with single-item dichotomous questions to assess support for employed mothers: whether the respondent was able to work regular hours at home, whether the respondent could work part-time, whether she had ever received a promotion with her current employer, and whether a future promotion was likely. In addition, social support from supervisors and coworkers was measured with a scale (alpha reliability of .67) combining five items—three dealing with the extent to which supervisors were rated as supportive or mentioned as positive aspects of the respondent's job, and two dealing with the extent to which co-workers were rated as supportive or mentioned as positive aspects of the job. Additionally, unusual work scheduling was measured with a dummy variable indicating the presence of any of the following: an evening or night shift, a rotating shift, or mandatory overtime. A job flexibility variable registered positive responses to any one or more of the following items:

- I decide when I take breaks on my job.
- It would be very hard for me to change the days I wanted to work (reverse coded).
- It would be very hard for me to change the hours I wanted to work (reverse coded).
- It would be very hard for me to take time off during my work day to take care of personal or family matters (reverse coded).

Finally, we also created a summary child care assistance measure coded 1 if the respondent received any form of child care assistance from her employing organization (child care referral and information, child care vouchers or money, or on-site care—all measured as dichotomous variables). To augment that measure, we also included a variable indicating whether the respondent could use sick leave to care for sick family

members. Descriptive statistics for the variables ultimately used in the analyses are listed in Table 1.

Analysis of Data

Multinomial logistic regressions were run to simultaneously model the two important contrasts constituting the dependent variable of future work intention: (a) the log odds of intending to quit the labor force rather than stay with one's current employment and (b) the log odds of moving to a new job rather than staying with one's current employment. First, family status, personal background, and child care variables were entered into the equation as a block. Then, the sets of organizational characteristics and workplace support were added sequentially. Because of the limited sample size and the large number of potential independent variables, the models shown in each block uniformly include only those variables showing statistical significance in any model specification or necessary as sociodemographic controls. The final model for each contrast in column 4 was constructed by entering the variables within each block in stepwise fashion, keeping only those variables showing statistical significance at any point in the stepwise selection process. To check on the robustness of this cross-sectional analysis, the four models were reestimated using a correction for selectivity bias in the sample of employed mothers of infants.

RESULTS

Results for all models are presented in Table 2. Model 1 displays the coefficients for the family background and child care variables only. Model 2 adds the first block of organizational variables, and Model 3 adds the block of working conditions and interpersonal support. Model 4 is the composite model derived from the previous three steps.

Turning first to Model 1, results show that intentions to change jobs were negligibly affected by background and family status variables and were unaffected by child care cost and satisfaction. Age and marital status both served to significantly inhibit change intentions. Presumably, the propensity to change jobs declines as age increases. Thus it follows that change intentions would also decline. Having a partner may impede change intentions because the increased financial responsibility that at-

TABLE 2

Log Odds of Changing Jobs vs. Staying With Same Employer (Change) and of Quitting Labor Force vs. Staying With Same Employer (Exit)

	Model 1—Background Family Status and Child Care Variables		*Model 2—Occupational Characteristics Variables*		*Model 3—Working Conditions and Social Support Variables*		*Model 4—Final Model*	
b (SE)	*Change*	*Exit*	*Change*	*Exit*	*Change*	*Exit*	*Change*	*Exit*
Age	−.078† (.041)	−.041 (.058)	−.082* (.041)	−.035 (.060)	−.094* (.045)	−.047 (.066)	−.096* (.045)	−.046 (.067)
Education	.062 (.079)	.090 (.117)	.047† (.080)	.105 (.119)	.106 (.084)	.165 (.133)	.088 (.085)	.184 (.136)
Married/living together	−1.067† (.606)	9.799 (188.800)	−1.151† (.623)	9.784 (187.300)	−1.169† (.623)	9.590 (187.300)	−1.275* (.642)	9.635 (184.100)
Child under 5	−.315 (.386)	−.536 (.572)	−.132 (.399)	−.749 (.603)	−.387 (.405)	−1.053 (.654)	−.171 (.419)	−1.373† (.717)
Hourly wage	−.029 (.036)	−.055 (.053)	−.018 (.037)	−.070 (.055)	−.038 (.038)	−.061 (.058)	−.024 (.038)	−.073 (.060)
Partner's income (in thousands)	.011 (.012)	.042** (.016)	.012 (.012)	.043** (.016)	.015 (.013)	.047** (.018)	.016 (.013)	.048** (.018)
Gender traditionalism	−.082 (.221)	.794** (.283)	−.055 (.223)	.761** (.286)	.015 (.232)	.920** (.307)	.036 (.234)	.908** (.310)
Prefer change postpartum	1.115** (.414)	−.999 (.817)	1.045* (.418)	−1.067 (.830)	.985* (.429)	−1.179 (.831)	.915* (.433)	−1.289 (.849)
Prefer home postpartum	1.35 (.419)	−.733 (.580)	.192 (.423)	−.727 (.589)	−.003 (.435)	−.815 (630)	.053 (.442)	−.740 (.638)
Child care satisfaction	.036 (.235)	−.543† (.295)	.052 (.235)	−.562† (.301)	.128 (.247)	−.543† (.325)	.144 (.248)	−.550† (.330)
Child care cost	−.007 (.005)	−.011† (.007)	−.006 (.005)	−.012† (.007)	−.008 (.005)	−.011 (.008)	−.007 (.005)	−.012 (.008)
Father provides child care	−.945† (.528)	−.868 (.740)	−.834 (.535)	−.995 (.751)	−1.084* (.549)	−1.238 (.801)	−.992† (.561)	−1.273 (.796)
Percentage of mothers in job category			−.017* (.009)	.011 (.008)			−.020* (.009)	.011 (.009)
Job flexibility					.199 (.497)	1.085 (.874)	.299 (.501)	.855 (.888)
Work at home possible					−.767 (.474)	−1.399* (.696)	−.838† (.479)	−1.377* (.700)
Social support					−.386† (.209)	−.735* (.326)	−.366† (.212)	−.795* (.339)
Sick leave available					−.813* (.372)	−.742 (.549)	−.864* (.377)	−.771 (.558)
R	.15		.17		.20		.22	

NOTE: N = 246.
†p = < .08; *p = < .05; **p = < .01.

tends the birth of a child is better met with two incomes than with one. Because married women have their spouse's income to augment their own, they may have less of a financial impetus to pursue a new job than do unpartnered women.

Prenatal intentions to change jobs were also significantly associated with intentions to change jobs at 12 months postpartum. Perhaps some respondents felt constrained to stay in their prenatal job to obtain medical or leave benefits for childbearing, or perhaps a common response bias affects both prenatal and postpartum quit intentions. However, most of the women with prenatal quit intentions had already quit their prenatal job and were reporting on a new job at 12 months postpartum, indicating their personal propensity to change jobs frequently to search for more satisfactory employment. Finally, father care as the primary child care mode serves to impede job changing. Job changing in this context might disrupt a carefully orchestrated work schedule that makes father care possible.

In contrast, intentions to leave the labor force were associated with partner's income and gender traditionalism (both of which increased the odds of quitting) as well as child care satisfaction and child care cost (which decreased the odds of quitting). Although the inverse relationship between child care cost and odds of quitting the labor force may appear to be counterintuitive, a closer look suggests that individuals who pay more for child care are those in well-paying jobs exhibiting greater job attachment and thus are less likely to quit the labor force. All told, these results provide some support for our original hypothesis that intentions to leave the labor force should be more strongly affected by child care satisfaction, gender traditionalism, and respondent/partner wages than intentions to change jobs. However, respondent's wage did not predict the odds of leaving the labor force, all else equal, nor did the other measures of attachment (prenatal intention to leave the labor force).

Other model specifications that were explored included a dummy variable measuring child care equal to or in excess of 40 hrs a week, a count of the types of child care used, and a series of dummy variables representing father care, relative care, formal care, and other types of care. These variables were not only unrelated to change or quit intentions but their inclusion did not affect the other coefficients in Models 1-4. Thus they were dropped from the analysis. Father care was retained because of its substantive importance (see Maume & Mullin, 1993, for evidence that father care encourages mother's job quitting) and because preliminary analyses showed that its effects on intentions were most different from the other categories of care, although not reaching statistical significance.

Model 2 displays the results for the second specification adding organizational variables thought to increase workplace support. Unionization, firm size, occupation and industry sector, and percentage of females in the respondent's job showed no effects for either form of job leaving and were dropped from further consideration. However, percentage of mothers in the respondent's job category decreased job changing but not intentions to leave the labor force. Because percentage of females did not affect intentions to change jobs, we suspect that the percentage of mothers does not reflect the power of employees in the workplace to mold policy but instead serves as a proxy for social support at the workplace or for unmeasured variables that indicate the compatibility of that job with motherhood.

Turning to Model 3, results show that some, but not all, supportive working conditions negatively affected quit intentions. The measures of social support from supervisors and co-workers consistently decreased both intentions to change jobs and withdraw from the labor force. The other determinants of exit and change intentions diverged from here. The ability to work at home decreased exit intentions, and the availability of sick leave for family members decreased change intentions. None of the other workplace supports (child care assistance, ability to work part-time, likelihood of promotion, absence of unusual work hours) affected respondents' work intentions and all were eliminated from consideration. The inclusion of workplace support variables served also to eliminate the effect of child care cost on change intentions. This suggests that supportive working conditions are associated with higher expenditures on child care, again due to the generally positive association between wages and working conditions.

Finally, Model 4 includes all the variables showing effects in stages 1-3. This comprehensive model shows the robustness of most previously specified effects. In this model, the demographic factors of age and marital status, the child care variable of father care, the occupational characteristic variable of percentage of mothers in the job, and the support variables of workplace social support and sick leave for family illness all served to decrease change intentions, whereas prenatal change intentions increased the log odds of change intentions. The ability to work at home emerged as an inhibitor of change intentions in the full model, as well.

Robust effects were also demonstrated in the models of labor force exit intentions. The presence of additional young children, though not significant in Model 1, was significant in the final three models and exerted an inhibiting effect on intentions to exit the labor force. That women with

TABLE 3
Selection Model for Postpartum Labor Force Status

Variables Measured Prenatally	*b* (SE)
Constant	−.026 (.943)
Child under 6	−.435 (.410)
Married/living together	−.686 (.480)
Gender traditionalism	−.103 (.115)
Partner's income	−.011 (.008)
First birth	−.562 (.395)
Education	.101* (.050)
Hourly wage	.044† (.026)
Hours worked per week	.007 (.012)
Temporary job	−.335 (.365)
Employer tenure	−.013 (.031)
Job interest and challenge	.063 (.039)
Received promotion in past	.063 (.215)
Days off for maternity leave	.005 (.004)
Mandatory overtime	−.174 (.252)
Schedule flexibility	.174 (.268)
Sick leave for family members	−.110 (.221)
Social support	.001 (.108)

NOTE: $N = 294$; $R = .12$; chi-square/degrees of freedom = 31.46/17.

more young children were less likely to plan to leave the labor force is consistent with findings of recent research showing that increasing numbers of young children represent added financial responsibility for mothers (Rosenfeld & Spenner, 1992). Additionally, partner's income and gender traditionalism remained positively associated with exit intentions. Finally, child care satisfaction, ability to work at home, and workplace social support all served to decrease exit intentions in this final model.

Working conditions were hypothesized to have similar effects on change and quit intentions. To test the equivalence of these effects, we performed a *t*-test for the difference in coefficients across the change and quit coefficients for social support and the ability to work at home.[2] In line with our hypotheses, these tests revealed that the effects of social support and the ability to work at home on change and quit intentions do not differ in magnitude.

From this, we glean that our original hypotheses concerning the importance of child care for labor force exits, and social support variables for both exiting and changing jobs, are supported. Our expectation that respondents' wages would predict change/exit behavior remains unsubstantiated.

However, these results are biased in that the sample is restricted to women remaining in the labor force following childbirth. The data used here offer a correction to this selectivity bias from the subsample of women who did not return to the labor force following the birth of their child. Using Heckman's correction procedure, we created a lambda variable that measured the respondent's probability of being in the labor force at 12 months postparturm, based on prenatal job and family characteristics. The sample selection equation shows that women in better quality jobs with higher levels of human capital were more likely to continue employment following childbirth. Turnover intention models correcting for sample selection bias are thus adjusting the effects of job and family variables to reflect the behavior of women in lower quality jobs. These models controlling for postpartum labor force status reveal a slightly different story.

Results in Table 4 show that in the selection model for change intentions, the age, marital status, proportion of mothers in job, and available sick-leave effects remained the same, the relationship between prenatal change preferences and preferences at 1 year postpartum weakened, and the effect of workplace social support increased slightly. However, the negative effect of father care on intentions to change jobs disappeared in all but one of the models correcting for selectivity bias.

Turning to the labor force exit model, the selection correction brought forth one hypothesized relationship and obscured another. Workplace social support remained negatively associated with exit intentions. Partner's income also remained a significant positive influence. However, along the lines of our hypothesis, respondent's hourly wage did show a significant ($p = .057$) negative influence on exit intentions in the final model (column 4). Although the demographic factor of partner's income still played an important role in encouraging intentions to leave, mothers' wages emerged as an important factor in exit intentions once the bias toward high wage earners was corrected.[3] Finally, the insignificant result for child care satisfaction shown in Models 3 and 4 suggests that it may be endogenous with respect to workplace social support. Although the coefficient for child care satisfaction was significant in the first two models, with the addition of support variables in Model 3, the effect of child care satisfaction on labor force exit was attenuated to insignificance. It remained insignificant in the final model. Perhaps child care arrangements for these women are satisfactory in part because they could either alter work to avoid child care problems or could choose the child care they desired because supervisors and co-workers supported whatever schedule changes the mother needed to arrange that care. In this scenario, child care satisfaction remains an important factor with regard to turnover, but child

TABLE 4

Selection Model of Log Odds of Changing Jobs vs. Staying With Same Employer (Change) and of Quitting Labor Force vs. Staying With Same Employer (Exit)

	Model 1—Background Family Status and Child Care Variables		*Model 2—Occupational Characteristics Variables*		*Model 3—Working Conditions and Social Support Variables*		*Model 4—Final Model*	
b (SE)	*Change*	*Exit*	*Change*	*Exit*	*Change*	*Exit*	*Change*	*Exit*
Age	−.070† (.042)	−.043 (.059)	−.075† (.042)	−.366 (.060)	−.082† (.045)	−.032 (.067)	−.089* (.045)	−.028 (.068)
Education	.097 (.083)	.070 (.127)	.075 (.085)	.089 (.129)	.148 (.090)	.121 (.143)	.123 (.092)	.134 (.145)
Married/living together	−1.346* (.659)	9.888 (187.400)	−1.353* (.673)	9.863 (186.200)	−1.587* (.691)	10.006 (179.700)	−1.622* (.711)	10.112 (177.700)
Child under 5	−.358 (.390)	−.581 (.580)	−.188 (.403)	−.787 (.610)	−.313 (402)	−.635 (.610)	−.103 (.417)	−.835 (.646)
Hourly wage	−.018 (.039)	−.073 (.058)	−.014 (.039)	−.085 (.061)	−.025 (.041)	−.102 (.065)	−.017 (.041)	−.115† (.068)
Partner's income (in thousands)	.006 (.013)	.047* (.018)	.008 (.012)	.047* (.019)	.007 (.014)	.052* (.021)	.010 (.014)	.052* (.021)
Gender traditionalism	−.113 (.223)	.802** (.287)	−.082 (.225)	.765** (.289)	−.044 (.235)	.941** (.311)	−.007 (.238)	.898** (.312)
Prefer change postpartum	.962* (.431)	−.977 (.826)	.915* (.435)	−1.058 (.836)	.723 (.451)	−1.310 (.854)	.670 (.457)	−1.356 (.856)
Prefer home postpartum	.034 (.431)	−.679 (.589)	.101 (.435)	−.687 (.595)	−.163 (.449)	−.727 (.640)	−.103 (.457)	−.701 (.643)
Child care satisfaction	.059 (.236)	−.568† (.298)	.072 (.237)	−.579† (.304)	.200 (.249)	−.446 (.317)	.222 (.252)	−.448 (.321)
Child care cost	−.005 (.005)	−.010 (.007)	−.004 (.005)	−.011 (.007)	−.005 (.005)	−.011 (.008)	−.005 (.006)	−.011 (.008)
Father provides child care	−.867 (.532)	−.749 (.741)	−.755 (.537)	−.889 (.754)	−.950† (.549)	−1.117 (.789)	−.844 (.560)	−1.130 (.791)
Percentage of mothers in job category			−.017† (.009)	.011 (.008)			−.020* (.009)	.009 (.009)
Job flexibility					.328 (.517)	1.097 (.893)	.415 (.516)	.874 (.910)
Work at home possible					−.535 (.483)	−1.124† (.684)	−.632 (.489)	−1.108 (.688)
Social support					−.479* (.242)	−.722* (.340)	−.489* (.244)	−.708* (.345)
Sick leave available					−.827* (.388)	−.596 (.555)	−.856* (.389)	−.613 (.563)
Lambda	1.594 (1.332)	−.659 (2.002)	1.260 (1.342)	−.562 (2.076)	2.146 (1.425)	−.958 (1.438)	1.782 (1.438)	−.994 (2.354)
R	.15		.17		.21		.23	

NOTE: $N = 294$.

†$p = .10$; *$p = .05$; **$p = .01$.

care satisfaction itself, like turnover, is affected by workplace social support.

DISCUSSION

This analysis began with the goal of testing several hypotheses about the determinants of mothers' labor force plans at 1 year postpartum. First, we hypothesized that indicators of labor force attachment, such as family status (partner's income, mother's wage, and number and age[s] of children) and traditional gender ideology, should show a stronger relationship to intentions to exit the labor force than intentions to change jobs. Although marital status significantly decreased the odds of change intentions (but not exits), results showed that gender traditionalism, respondent's hourly wage and partner's income showed significant relationships to exit intentions but not job changes. Thus the hypothesis that household and family determinants of labor supply should affect intentions to exit the labor force more than intentions to change jobs is supported.

Our second hypothesis concerned our belief that workplace support should significantly decrease the odds of both types of job turnover, as substantial numbers of women report difficulties managing job and family responsibilities. Workplace support was operationalized at both the macro- and microlevels of operation; the former is indicated by organizational characteristics that raise the visibility of mothers' concerns and the latter by the presence of family responsive personnel policies and social support from supervisors and co-workers. Results here show that only one organizational variable consistently showed a relationship to turnover intentions—the percentage of mothers in the job category had a negative effect on job changing but no effect on labor force exits.

Our measures of family responsive policies and workplace social support fared somewhat better. Social support from supervisors and co-workers and the ability to work at home each decreased the odds of leaving the labor force, and workplace social support and sick leave for family members showed significant negative effects on job change intentions. Although workplace social support is an important determinant of both job change and exit intentions, we can only speculate as to why the other type of support that affected job change and exit intentions differed. If labor force exits are conceptualized as a pathway to meet a mother's desire to be at home, it follows that the ability to work at home might inhibit exit intentions. In this way, women who would like to be at home can accomplish this goal while working. Alternatively, the availability of

sick leave for family members' illness may not be enough home time for those women who may prefer to be at home but may be a valued benefit for those more attached to the labor force. The ability to be at home with sick family members meets a crucial need for mothers who have few options for caring for sick children other than doing it themselves.

It should also be noted here that a variety of job accommodations to family needs showed no effects on quit intentions, including the ability to work part-time and to avoid overtime or irregular work schedules. Variables measuring past promotions and the potential for future promotion at the current job also failed to affect quit intentions among this sample of mothers.

Finally, we hypothesized that child care cost and satisfaction should affect both types of quit intentions—but intentions to exit the labor force more strongly than intentions to change jobs. However, child care cost did not affect turnover intentions of either type, and child care satisfaction significantly decreased only intentions to exit the labor force and this only before controlling for selection bias in postpartum labor force status. The fact that cost did not influence quit intentions in this sample runs counter to prior research on mothers' actual labor force behavior (Maume, 1991) and may reflect the presence of child care satisfaction in this analysis but not earlier research. Child care satisfaction may incorporate satisfaction with the cost of care, as well. Finally, we suspect the attenuated effect of child care satisfaction in the selection models is, in part, a function of satisfaction's endogeneity with regard to working conditions and workplace social support. Though our hypothesis that child care satisfaction should be a stronger determinant of labor force exits than job changes appears to be only weakly supported once sample selection is controlled, viewing child care satisfaction as endogenous to workplace social support directs attention to the way in which job conditions influence mothers' ability to locate and maintain satisfactory child care arrangements.

Although this study showed that certain forms of workplace support did decrease quit intentions and thus increased job stability among employed mothers of infants, drawbacks in this design merit caution in generalizing these results to the population of mothers at large. The dependent variables measure only future work intentions, not actual labor force behavior. These self-reports are reasonably accurate predictors of future behavior based on evidence from our longitudinal records, but some slippage does occur. Nevertheless, these results bolster the contention that job mobility rates among mothers are more job or context dependent than previously suspected, although life cycle stage and family status effects still exist.

REFERENCES

DeSai, S., & Waite, L. (1991). Women's employment during pregnancy and after the first birth: Occupational characteristics and work commitment. *American Sociological Review, 56*, 551-566.

Felmlee, D. (1984). A dynamic analysis of women's employment exits. *Demography, 21*, 171-183.

Garrett, P., Lubeck, S., & Wenk, D. (1991). Childbirth and maternal employment: Data from a national longitudinal survey. In J. Hyde & M. Essex (Eds.), *Parental leave and child care*. Philadelphia: Temple University Press.

Glass, J. (1988). Job quits and job changes: The effects of young women's work conditions and family factors. *Gender and Society, 2*, 228-240.

Glass, J. (1992). Housewives and employed wives: Demographic and attitudinal change, 1972-1986. *Journal of Marriage and the Family, 54*, 559-569.

Glass, J., & Camarigg, V. (1992). Gender, parenthood and job-family compatibility. *American Journal of Sociology, 98*, 131-151.

Glass, J., & Riley, L. (1994, April). Family responsive policies and employee retention following childbirth. Presented at the 1995 meeting of the Population Association of America, San Francisco, CA.

Greenstein, T. N. (1986). Social psychological factors in perinatal labor force participation. *Journal of Marriage and the Family, 48*, 565-571.

Hewlett, S. (1987). *A lesser life: The myth of women's liberation in America*. New York: Warner Books.

Hochschild, A. (1989). *The second shift*. New York: Viking.

Hofferth, S., & Phillips, D. (1987). Child care in the United States, 1970 to 1995. *Journal of Marriage and the Family, 49*, 559-571.

Klerman, J., & Leibowitz, A. (1994). The work-employment distinction among new mothers. *Journal of Human Resources, 29*, 277-303.

Love, M., Galinsky, E., & Hughes, D. (1987). Work and family: Research findings and models for change. *Industrial and Labor Relations Report, 25*, 13-20.

Mason, K., & Kuhlthau, K. (1989). Determinants of child care ideals among mothers of preschool aged children. *Journal of Marriage and the Family, 51*, 593-603.

Maume, D. (1991). Child care expenditures and women's employment turnover. *Social Forces, 70*, 495-508.

Maume, D. J., & Mullin, K. R. (1993) Men's participation in child care and women's work attachment. *Social Problems, 40*, 533-546.

Mroz, T. (1987). The sensitivity of an empirical model of married women's hours of work to economic and statistical assumptions. *Econometrica, 55*, 765-800.

O'Connell, M. (1990). *Maternity leave arrangements: 1961-85* (U.S. Bureau of the Census Current Population Reports, Series p-23, No. 165, Work and Family Patterns of American Women, pp. 11-57). Washington, DC: U.S. Government Printing Office.

Presser, H. B. (1989). Can we make time for children? The economy, work schedules, and child care. *Demography, 26*, 523-543.

Presser, H. B., & Baldwin, W. (1980). Child care as a constraint on employment: Prevalence, correlates, and bearing on the work and fertility nexus. *American Journal of Sociology, 85*, 1202-1203.

Rosenfeld, R. A., & Spenner, K. I. (1992). Occupational sex segregation and women's early career job shifts. *Work and Occupations, 19*, 424-449.

U.S. Bureau of the Census. (1992). *Statistical abstract of the United States: 1992* (112th ed.). Washington, DC: Government Printing Office.

Waite, L., Haggstrom, G., & Kanouse, D. (1985). Employment activities of new parents. *American Sociological Review, 50*, 263-272.

NOTES

1. A measure of hours worked per week was included in early model specifications, but the pattern of effects did not change with hours worked per week held constant nor was the work hours variable itself significant. This variable was therefore excluded from further analysis.

2. This *t*-test uses the following formula:

$$t = \beta_1 - \beta_2 \sqrt{\sigma_1 + \sigma_2 - 2\sigma_{12}}$$

3. This makes good sense because labor force exits should be more sensitive to wages at the low end of the scale than at the high end. An alternative specification using logged wages was tried but did not produce different results in either the corrected or uncorrected turnover models.

PO Box 22870 · Juneau, AK 99802
907.789.1235 · www.akaeyc.org

To lead, facilitate, and support the efforts of those working in the Early Care and Education profession throughout Alaska.

February 6, 2012

Senator Lesil McGuire
State Capital Room 125
Juneau, AK 99801

Dear Senator McGuire,

On behalf of Alaska Association for the Education of Young Children, I am pleased to offer our support for Senate Bill 129. Passage of this bill would increase State of Alaska employee access to child care services, and positively impact the recruitment and retention of state employees.

Many other large employers have analyzed the return on investment realized by supporting on-site child care, including Providence Hospital, Credit Union One, and BP in Anchorage, SEARHC in Sitka, Peace Health Hospital in Ketchikan, and the General Services Administration in Juneau. Alaska Legislative Affairs currently oversees the contract for the state employer sponsored child care next to the Capitol, which has been successful in offering priority enrollment for Legislative staff and state employees.

The number of families with two working parents is at an all-time high, and according to an economic impact study of early care and learning by McDowell Group, one in ten Alaska workers depends on child care to maintain their employment. Access to high-quality, reliable child care near the workplace is an important benefit proven to enhance employees attendance and productivity. According to recent studies, 90 percent of parents using full-service child care centers say that access to a center close to their workplace improves their productivity at work.

This bill would also increase the capacity and quality of child care in Alaska for working families. Currently there are spaces in licensed programs for less than half of the young children with no stay-at-home parent. Alaska is rated in the bottom ten states for quality of child care by the National Association of Child Care Resource and Referral Agencies. Employer sponsored child care programs are able to achieve higher quality. High quality child care has a positive correlation with school readiness and reduced stress in families.

Thank you for your ongoing work to support school readiness, strong families, and a healthy economy in Alaska.

Joy Lyon
Executive Director
AEYC Southeast Alaska

SB 130

<TARGET><BILL>SB 130</BILL><SUBJECT>SB 130</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 4/15/11

FURTHER: (Finance)

Date of 5-Day Notice: 1/18/12
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2-2-12

State Affairs Committee considered SENATE BILL NO. 130

SB 130-ALASKA NATIVE LANGUAGE COUNCIL

"An Act establishing in the Office of the Governor an advisory council for the preservation, restoration, and revitalization of Alaska Native languages."

and recommends:

[✓] be **replaced** with **CS** SB 130 (STA) *[ ] Same Title [X] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____ Letter of Intent

[ ] further referral to _____ Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)

Dept.	Fiscal	Indet.	Zero	FN #
GOV	✓			1
Fiscal Info Forthcoming				

PREVIOUS FISCAL NOTE(S)

Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Olhut, Kookesh	Kookesh	X			
Joe Paskvan	PASKVAN	X			
K. Meyer	Meyer	X			
O. Giessel	Giessel	X			
CHAIR:	Wielechowski	X			

27-LS0779\X
Mischel
12/5/11

CS FOR SENATE BILL NO. 130( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR OLSON

A BILL

FOR AN ACT ENTITLED

"Bill Dunner Act"

"An Act establishing the Alaska Native Language Preservation and Advisory Council and relating to the preservation, restoration, and revitalization of Alaska Native languages."

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

*** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section to read:

LEGISLATIVE FINDINGS. The legislature finds that the preservation of Alaska Native languages is a critical component in the sustenance of cultural identity. The legislature further finds that Alaska Native languages are the foundation of cultures and are vital in maintaining traditional knowledge and understanding.

*** Sec. 2.** AS 44.33 is amended by adding a new section to read:

Article 7A. Alaska Native Language Preservation and Advisory Council.

Sec. 44.33.530. Alaska Native Language Preservation and Advisory Council. (a) The Alaska Native Language Preservation and Advisory Council is

New Text Underlined [DELETED TEXT BRACKETED]

established in the department for the purpose of recommending the establishment or reorganization of programs to support the preservation, restoration, and revitalization of Alaska Native languages.

(b) The council established under this section shall

(1) advise both the governor and legislature on programs, policies, and projects to provide for the cost-effective preservation, restoration, and revitalization of Alaska Native languages in the state;

(2) meet at least twice a year to carry out the purposes of the council; members may participate in meetings telephonically; and

(3) prepare reports of its findings and recommendations for the governor's and the legislature's consideration on or before January 1 of each even-numbered year.

(c) The governor shall appoint to the council established in this section five voting members who are professional language experts and who represent diverse regions of the state. In addition, one member of the senate appointed by the president of the senate and one member of the house of representatives appointed by the speaker of the house of representatives shall serve on the council as nonvoting members. In appointing the nonvoting members of the council, the president of the senate and the speaker of the house of representatives shall appoint a member of the bush caucus, if a bush caucus exists. In this subsection, "bush caucus" means a group of legislators that represents rural areas of the state.

(d) The members appointed by the governor shall serve at the pleasure of the governor.

(e) Members of the council shall serve without compensation but are entitled to per diem and travel expenses as provided under AS 39.20.180.

* **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to read:

REPORT; APPOINTMENTS. (a) Notwithstanding AS 44.33.530(b)(3), the first report under AS 44.33.530(b)(3), added by sec. 2 of this Act, is due on or before July 1, 2014.

(b) The governor shall make the appointments required by AS 44.33.530(c), added by sec. 2 of this Act, on or before December 1, 2012.

ALASKA STATE LEGISLATURE

SENATOR DONALD C. OLSON

ALASKA
STATE CAPITOL
ROOM 508
JUNEAU, ALASKA 99801-1182

(907) 465-3707
FAX (907) 465-4821

Changes in CS (version X) to SB 130

- Section 1.
  - Added "are the foundation of cultures" to the legislative finding.
- Section 2.
  - Changed the name of the proposed council to Alaska Native Language Preservation and Advisory Council.
  - Establishment of the council in the DCCED instead of the Governor's Office.
  - The Council advises the Governor and the Legislature.
  - Council meets at least twice a year and prepares a report to the legislature by January 1 of each even numbered year.
  - The two non-voting legislative members of the council will come from the Bush Caucus.
- Section 3.
  - Governor must appoint by December 1, 2012
  - First report is due by July 1, 2014.

27-LS0779\B
Mischel
4/6/11

SENATE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY SENATOR OLSON

Introduced:
Referred:

A BILL

FOR AN ACT ENTITLED

"An Act establishing in the Office of the Governor an advisory council for the preservation, restoration, and revitalization of Alaska Native languages."

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

* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section to read:

LEGISLATIVE FINDINGS. The legislature finds that the preservation of Alaska Native languages is a critical component in the sustenance of cultural identity. The legislature further finds that Alaska Native languages are vital in maintaining traditional knowledge and understanding.

* **Sec. 2.** AS 44.19 is amended by adding new sections to read:

Article 6. Alaska Native Language Preservation Council.

Sec. 44.19.860. Alaska Native Language Preservation Council. The Alaska Native Language Preservation Council is established in the Office of the Governor for the purpose of recommending the establishment or reorganization of programs to

support the preservation, restoration, and revitalization of Alaska Native languages. The council shall advise the governor on programs, policies, and projects to provide for the cost-effective preservation, restoration, and revitalization of Alaska Native languages in the state. The council shall meet as often as is necessary to carry out the purposes of the council and shall prepare periodic advisory reports for the governor and make recommendations for the governor's and the legislature's consideration.

Sec. 44.19.865. Membership; terms. (a) The governor shall appoint to the council established in AS 44.19.860 five voting members who have expertise in Alaska Native languages and who represent diverse areas of the state. In addition, one member of the senate appointed by the president of the senate and one member of the house of representatives appointed by the speaker of the house of representatives shall serve on the council as nonvoting members.

(b) The members appointed by the governor shall serve at the pleasure of the governor for three-year terms. The governor may reappoint a member for not more than three consecutive terms.

(c) Members of the council shall serve without compensation but are entitled to per diem and travel expenses as provided under AS 39.20.180.

ALASKA STATE LEGISLATURE

SENATOR DONALD C. OLSON

Session
Alaska State Capitol, Rm. 508
Juneau, AK 99801
(907) 465-3707
Fax: (907) 465-4821

Interim
716 W. 4th Ave. Ste 530
Anchorage, AK 99501
(907) 269-0254
Fax:(907)269-2031

Senator_Donny_Olson@legis.state.ak.us

Chair
Community & Regional Affairs
Member
Senate Finance Committee
Ethics Committee
Legislative Council
Northern Waters Task Force
Education Funding District Cost Factor
Health Care Commission
Finance Subcommittee Chair
Fish & Game
Health & Social Services
Public Safety
Finance Subcommittee Member
Environmental Conservation

Sponsor Statement: Senate Bill 130
Alaska Native Language & Advisory Council

"An Act establishing in the Alaska Native Language Preservation and Advisory Council and relating to the preservation, restoration, and revitalization of Alaska Native languages."

Alaska Native Languages (ANL's) are threatened by extinction. The intent of SB 130 is to preserve and maintain ANL's. Indigenous languages are the most critical components in terms of preservation of cultural ideas and traditions and serve as the backbone of all cultural elements.

SB 130 will establish the Alaska Native Language and Advisory Council to assess the state of ANL's and re-evaluate the programs within the state and make recommendation to the Governor and Legislature to establish new programs or re-organize the current programs.

According to the Alaska Native Language Center's *Population and Speaker Statistics* published in 2007, only 22 percent Alaska Natives statewide can speak their native language. More specifically, only 29 percent of the Eskimo Aleut population, less than 2 percent of the Tsimshian and Haida, and less than 5 percent of the Athabascan and Tlingit communities combined are fluent speakers. The Eyak language recently lost its last native fluent speaker.

It is vital that the State of Alaska creates this needed establishment and I urge your support in the passage of this bill.

FISCAL NOTE

STATE OF ALASKA cost ≠ codes
2012 LEGISLATIVE SESSION

Bill Version **SB130**
Fiscal Note Number
Publish Date

Identifier (file name) SB130-OOG-CNL-1-21-12
Title "An Act establishing an advisory council for the preservation, restoration...of Alaska Native Languages"
Sponsor Senator Olson
Requester (S) STA

Dept. Affected Office of the Governor
Appropriation Commissions and Special Offices
Allocation Council for Native Languages
OMB Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services	168.7		173.6	178.8	183.7	189.0	192.2
Travel	27.6		27.6	27.6	27.6	27.6	27.6
Services	143.9		143.9	143.9	143.9	143.9	143.9
Commodities	7.0		7.0	7.0	7.0	7.0	7.0
Capital Outlay	40.7						
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**387.9**	**0.0**	**352.1**	**357.3**	**362.2**	**367.5**	**370.7**

FUND SOURCE				(Thousands of Dollars)				
1002	Federal Receipts	240		216				
1003	GF Match							
1004	GF	387.9		352.1	357.3	362.2	367.5	370.7
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
Other	(please identify)							
TOTAL		**387.9**	**0.0**	**352.1**	**357.3**	**362.2**	**367.5**	**370.7**

POSITIONS							
Full-time	**2.0**		2	2	2	2	2
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial Version.

Prepared by Sunny Haight, Deputy Director — Phone 465-6468
Division Division of Administrative Services — Date/Time 1/21/12 10:00 AM
Approved by Guy Bell, Administrative Director — Date 1/21/2012
Division of Administrative Services

(Revised 8/17/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB130

Analysis

Fiscal Note assumes:

2 Full time staff:
Research Analyst Rg. 18
Admin. Assist. Rg. 15

7 council members with geographic representation: 2 Anchorage, 1 Juneau, 1 Fairbanks, 1 Bethel, 1 Kotzebue, 1 Barrow

4 face-to-face meetings annually. Additional meetings as necessary via teleconference.

1 Anchorage meeting (Fall)
Transportation: $3347
Lodging: $600
M&IE: $560

1 Juneau meeting (Winter, during session)
Tranportation: $5812
Lodging: $1320
M&IE: $1028

1 Fairbanks meeting (Spring)
Transportation: $4804
Lodging: $960
M&IE: $764

1 Bethel meeting (Summer)
Transportation: $6110
Lodging: $1400
M&IE: $852

All meetings assume full council and both staff members in attendance.

Contractual includes core services charges, communications, advertising, printing, office space lease, and postage.

Initial equipment costs reflect set-up of office work stations, computers, phones, fax, copier, etc.

NORTHWEST ARCTIC BOROUGH
P.O. Box 1110
Kotzebue, Alaska 99752
(907) 442.2500 or (800) 478.1110
Fax: (907) 442.3740 or 2930

December 30, 2011

Senator Donald Olson
Alaska State Capitol Room 508
Juneau, Alaska 99801

Dear Senator Olson:

Quyanaq for introducing SB 130 to establish an Alaska Native Language and Advisory Council within the State of Alaska. The Northwest Arctic Borough supports this bill and encourages the legislature to work together to pass the bill as way to begin preserving and advancing our proud cultural heritage as Alaskans.

As background, all Alaska Native languages are considered endangered or severely endangered by linguists, and the tragic loss of Eyak in 2008 underscores the universal vulnerability of Alaska Native languages. The continued erosion or disappearance of Alaskan cultural identities has social implications for our state's civil society – including depression, self-destructive behaviors and community shame.

Within the Borough/NANA Region, the Iñupiaq language has been in serious decline. In 2005 the Aqqaluk Trust with the Native Village of Kotzebue designed and administered a regional language survey of 4,112 households throughout the Northwest Arctic region's 11 communities. This survey was the most comprehensive survey of Iñupiatun speaking and understanding ability in the Northwest Arctic. Data from the 2005 regional survey were prepared by the McDowell Group, and according to the data:

- Only 18% (739) indicated understanding the Iñupiaq language well, while just 3% (113) indicated understanding the language well but hardly speaking.
- Just over 14% can speak the Iñupiaq language fluently.

Our Borough Comprehensive Plan (1993) recognizes the issues that maintaining traditional values and activities are important to the social, cultural and economic well-being of residents and whole communities. The plan recommends supporting these values including Iñupiaq language activities through education programs, land management and other Borough programs.

The Borough assembly through resolution 10-61 (see attached) recognized that our Alaska Native languages are inherently valuable and constitute vital sources of identity for all Alaskans, and reinforces positive cultural, geographic, and humanistic ties

NORTHWEST ARCTIC BOROUGH
P.O. Box 1110
Kotzebue, Alaska 99752
(907) 442.2500 or (800) 478.1110
Fax: (907) 442.3740 or 2930

that make us globally unique. The valuable importance of our Iñupiaq language can increase cultural heritage, support sustainable communities, and encourage collaboration among generations (Elders to youth) in various projects and programs throughout the region and state.

The Borough supports SB 130 as a method to build statewide advocacy, research and corpus on behalf of Alaska Native language revitalization efforts, and support greater cooperation between stakeholders that is urgently needed to initiate or maintain language revitalization initiatives in all Alaskan communities.

If you have any questions, please contact myself or Ukallaysaaq Tom Okleasik, Planning Director / Northwest Arctic Borough / PO Box 1110 / Kotzebue, AK 99752 / Phone 907-442-2500 / Fax 907-442-2930.

Sincerely,

Siikauraq Whiting, Borough Mayor

Cc: Ukallaysaaq Tom Okleasik, Planning Director
Puya Bob Schaeffer, Public Services Director
Linc Saito, Economic Development Director

Chugachmiut

January 18, 2012

Senator Donald Olson
Alaska State Capitol Room 508
Juneau, Alaska 99801

Dear Senator Olson:

Chugachmiut appreciates your introduction of SB 130 for the purpose of establishing an Alaska Native Language and Advisory Council within the State of Alaska. We fully support the bill and encourage the legislature to adopt it this year.

As I reflect on the Suqpiaq language spoken in our area, and how close it came to extinction, I am comforted that federal language grants have given us an opportunity to preserve it and teach a new generation of speakers. Yet we are losing our teachers at a very rapid rate. One of our few Elder speakers passed away recently and we feel the loss deeply. We relied extensively on him to help guide our language restoration efforts.

Our tribes are clear and focused on preservation of Suqpiaq and teaching our youth. Nanwalek has struggled for years to support an immersion school. We are now finding some acceptance for language instruction in our public schools. Chugachmiut has collaborated with the 2 school districts with schools in our villages over the past 2 years and we hope to see more in the future.

An Alaska Native Language and Advisory Council as proposed in your bill would be extremely beneficial to our language preservation effort. Please let us know what we can do to support it.

Respectfully,

Patrick M. Anderson
Executive Director

1840 Bragaw Street, Suite 110 / Anchorage, AK 99508-3463 / (907) 562-4155 / Fax (907) 563-2891
A Tribal Organization Serving the Chugach Native Peoples of Alaska

TAMAMTA PIGPET
"All of Ours"

NORTHWEST ARCTIC BOROUGH
RESOLUTION 10-61

A RESOLUTION OF THE NORTHWEST ARCTIC BOROUGH ASSEMBLY IN SUPPORT OF ESTABLISHMENT OF AN ALASKA NATIVE LANGUAGES COMMISSION

Whereas, Alaska Native languages are inherently valuable and constitute vital sources of identity for Alaska Native peoples, reinforcing the cultural, geographic, and ethnic ties that make us unique; and

Whereas, Maintaining and nurturing our cultural identities in meaningful ways is paramount to the future survival of Alaska Native peoples as distinct societies within Alaska and the United States; and

Whereas, All Alaska Native languages are endangered or severely endangered and the tragic loss of Eyak in 2008 underscores the vulnerability of Alaska Native languages; and

Whereas, The continued erosion or disappearance of cultural identities has social implications for Alaska Native peoples; and

Whereas, Language revitalization is a social justice issue involving processes of psychological and spiritual healing, as well as processes of language re-acquisition, reclamation, and transmission; and

Whereas, Sustained statewide advocacy, research and corpus on behalf of Alaska Native language revitalization efforts, financial resources, and greater cooperation between Alaska Native language stakeholders is urgently needed to initiate or maintain language revitalization initiatives in Alaskan communities.

NOW THEREFORE BE IT RESOLVED; that the Northwest Arctic Borough Assembly supports the State of Alaska to work with the Alaska Federation of Natives (AFN) to establish an Alaska Native Languages Commission in order to: advocate on behalf of Alaska Native languages, facilitate and promote greater cooperation between Alaska Native language stakeholders, conduct and share research and corpus concerning Alaska Native and other indigenous languages, and to research the availability of and potentially provide financial resources for Alaska Native language revitalization efforts.

BE IT FURTHER RESOLVED; the Northwest Arctic Borough Assembly supports the State of Alaska to fund the Alaska Native Languages Commission with authority to make grants to tribal, charter and public schools to support Indigenous language education with an initial appropriation of $5 million over 2 years, and annually fund the program with a combined revenue from a 0.5 percent increase in

tobacco sales taxes, 0.025 percent increase in the fish taxes, 0.15 percent increase in the mining tax, and 0.010 increase in the oil tax.

PASSED AND ADOPTED THIS 23rd DAY OF NOVEMBER , 2010.

Walter G. Sampson, Assembly President

PASSED AND APPROVED THIS 23rd DAY OF NOVEMBER, 2010.

Siikauraq Martha Whiting, Mayor

SIGNED AND ATTESTED THIS 23rd DAY OF NOVEMBER, 2010.

Helena Hildreth, Borough Clerk

ATTEST:

LEGISLATIVE RESEARCH REPORT

MARCH 24, 2011

REPORT NUMBER 11.219

ALASKA LEGISLATION REGARDING THE PRESERVATION OF ALASKA NATIVE LANGUAGES

PREPARED FOR SENATOR DONALD OLSON

BY TIM SPENGLER, LEGISLATIVE ANALYST

You asked if legislation has been introduced in Alaska seeking to establish a board or advisory council to oversee programs designed to preserve Alaska Native languages. Briefly, we were unable to identify any such current or past legislative efforts in Alaska.[1] We did find, however, two examples of related legislation that may interest you, which we discuss below.

In 1972 the Alaska Legislature enacted CH 175 SLA 1972, which established the Alaska Native Language Center (ANLC) based at the University of Alaska Fairbanks (UAF).[2] The mission of the ANLC is to serve as a center for research and documentation of the Native languages of Alaska. The Center publishes its research in story collections, dictionaries, and research papers. It also houses a large archival collection of items written in or about Alaska Native languages. Staff members provide materials for bilingual teachers and others who work with Native languages and provide consulting and training to teachers, school districts, and state agencies.

Professor Lawrence Kaplan, director of the ANLC, was unaware of any legislative attempts to form a board or council to oversee programs designed to preserve Alaska Native languages.[3] He also polled his co-workers at the Center who were also unaware of such efforts. Additionally, we spoke with the founder and first director of the ANLC, Professor Michael Krauss.[4] Professor Krauss, a Harvard-trained linguist who taught at UAF from 1960-2000, informs us that no such legislative efforts have been put forward to his

---

[1] In an attempt to identify proposed legislation we reviewed the Bill Action Status and Inquiry Systems (for legislative activity from 1993 to the present), the Alaska Final Status of Bills and Resolutions books (for information from 1977-1992), and the Legislative Reporting Service reports (for information from 1960-1976). Additionally, we completed a Newsbank search and spoke to Alaska Native language experts. Despite our efforts, it is possible that relevant proposals of legislation have eluded us.

[2] More information on the Alaska Native Language Center is available at *http://www.uaf.edu/anlc*.

[3] Professor Kaplan can be reached at (907) 474-6582.

[4] Professor Krauss can be reached at (907) 479-6340.

knowledge.[5] He asserted that if such measures had been considered, he would almost certainly have been aware of them.

Additionally, Senate Bill 103, which addressed Native languages in schools, was passed into law in 2000 (CH 29 SLA 2000, codified as AS 14.30.420).[6] This measure mandates that school districts in which a majority of students are Alaska Natives shall establish a local Native language curriculum advisory board. If an advisory board recommends the establishment of a Native language curriculum, the school board in that district may initiate and conduct such a curriculum.

We hope you find this information to be useful. Please let us know if you have questions or need additional information.

[5] The idea of a board or advisory council to oversee programs to preserve Alaska Native languages intrigued the professor. He related that he would be very happy to consult with anyone considering such a measure.

[6] The version of Senate Bill 103 that passed the legislature was House CS for Senate Bill 103 (HES).

MEAD TREADWELL
LIEUTENANT GOVERNOR
www.ltgov.state.ak.us

550 West Seventh Avenue, Suite 1700
Anchorage, Alaska 99501
907.269.7460
907.269.0263 Fax
lt.governor@alaska.gov

STATE OF ALASKA
OFFICE OF THE LIEUTENANT GOVERNOR
ANCHORAGE

MEMORANDUM

TO: Lieutenant Governor Mead Treadwell

FROM: **Esther Woo**

Cc:

DATE: August 15, 2011

RE: **Cursory Survey of Language Preservation and Revitalization Efforts in Alaska**

At your request, and as a background for the State Committee on Research, the Alaska Historical Commission, and the U.S. Arctic Research Commission, this memo is a report on our office's efforts to identify examples of language revitalization and preservation activities taking place in Alaska.

Executive Summary

Half of the world's languages are not being taught to children, meaning that 3,500 of the 7,000 languages are set to disappear within a generation. Specifically in the United States, only 201 of the 400 indigenous languages were being spoken in the year 2006; it is predicted that only 20 will be spoken in year 2050. In the state of Alaska, where there are 20 indigenous languages, one is already extinct, meaning there are no remaining native speakers. The remaining 19 are considered endangered.

In this light, this memo will provide a cursory view on why this issue deserves attention as well as action as well as examples of different efforts targeting education and documentation. It will also provide an overview of government related efforts assisting these activities. Finally, there will be several recommendations regarding actions the commissions may take to further support existing efforts.

The Importance of Preservation

Losing a language not only deprives the world of the language itself, but also the richness of culture, history, and knowledge carried within the language. As Wade Davis1 says, "Language is a flash of the human spirit. It's a vehicle through which the soul of each particular culture comes into a material world. Every language is an old-grown forest of the mind, a watershed of thoughts, an ecosystem of possibilities."

Language loss is an indicator of cultural loss because according to Linda Belarde,2 Curriculum Specialist in the Sealaska Heritage Institute, "Language carries a people's way of looking at the world." For example, the terms for "nephew" and "niece" in Tlingit are "kaalk'w," her brother's child, and "keik," his sister's child. This means that his sister's child is in the same clan while her brother's child is in the opposite moiety, indicating that it is the clan of the kin, and not his or her gender (as it is in English), that is taken in account. These Tlingit kinship terms thus serve to reflect the matriarchal structure of Tlingit society.

Native languages also carry scientific knowledge. For instance, some native terms complement knowledge on walrus anatomy and snowflakes. Furthermore, the extinction of a language will also bury history and cultural tradition, because many of these indigenous languages have been passed down orally for centuries. Despite existing writing systems for all Alaskan indigenous languages today, significant loss of such knowledge would be inevitable in the face of language loss. Thus, in the words of Davis, "We're living through a time when half of humanity's intellectual, social, and spiritual legacy is being lost."

Revitalization through Education

It is thus clear that subsequent generations will to some degree face irreparable gaps in culture and knowledge. However, there have been efforts across the state of Alaska, with the support of government related agencies as well as state and federal legislation, to reverse the trend of such loss. At the heart of these efforts is the education of the young, a vital approach in passing down language to the next generation.

One successful model of language education is the Ayaprun Elitnaurvik Yup'ik Immersion School in the Lower Kuskokwim School District. The immersion school is a K-6 charter school located in Bethel, with around 175 students each year. Efforts to implement an immersion program began in the 1980s when concerned parents petitioned for a stronger and more extensive Yup'ik program. Today, the school's mission statement is to provide a high quality education to meet the state standards and strengthen Yup'ik language and culture, while promoting an

---

1 Wade Davis is an anthropologist, ethnobotanist, author, and photographer who has been researching and exploring worldwide indigenous cultures. Davis is an advocate for the protection of the "ethnosphere," a term he coined that describes the sphere of all of humanity's cultures and beliefs. His books *Light at the Edge of the World: A Journey Through the Realm of Vanishing Cultures* (2001) and *The Wayfinders: Why Ancient Wisdom Matters in the Modern World* (2009) focus on such issues. Davis is an Explore-in-Residence at the National Geographic Society.

2Linda Belarde, Curriculum Specialist at the Sealaska Heritage Center: (907)586-9187

The Alaska Native Language Program offers major and minor degrees in Central Yup'ik and Inupiaq Eskimo. The classes are taught by members of the Alaska Native Language Center staff, who are working to further develop the bachelor's degree program by implementing more Yup'ik literature. The UAF also runs a teacher training program as a partnership with the Kuskokwim campus of UAF in Bethel. In 2010, the program graduated its first cohort of Alaska native teachers with a specialization in second language acquisition and teacher education: there were 15 graduates with master's degrees and 3 graduates with doctorate's degrees. This teacher training program is closely linked to the UAF's partnerships with school districts; according to Patrick Marlow,6 Associate Professor at the University, most of the training programs' graduates are now working as teachers or administrators in districts such as the Lower Kuskokwim school district, where teachers continue to go through training to learn good teaching methods as well as language learning instructional methods. Furthermore, several teachers in Bethel are partnering with the university to develop curriculum. The UAF is thus a vital source of human resources for language education programs.

Another challenge to revitalization is the loss of a natural language environment caused by rapidly decreasing speaker populations. The Sealaska Heritage Institute, which was founded for the Tlingit, Haida, and Tsimshian people of Southeast Alaska and in 1997 adopted language preservation as its foremost priority, strives to create language environments to support effective learning by designing units for language curriculum, providing educational tools, and hosting workshops for teachers. One example of the institute's educational resources is the recently introduced set of flash cards and audio CDs to complement Tlingit alphabet learning. Public school teachers throughout the region as well as community programs such as afterschool or summer school programs make use of the resources provided by the institute. The Sealaksa Heritage Institute also has partnerships with the Juneau School District and the Hoonah School District.

The Sealaska Heritage Institute's biennial Celebration further encourages this language environment, as all of the songs in the Celebration dances are in native languages. Depending on the year, the Celebration includes lectures and lessons in the language. In conjunction with providing these resources and opportunity for educators and the community, the institute has programs such as the Latseen Hoops Camps, an annual summer camp with an all-Tlingit coaching staff that exposes Tlingit to students by integrating native language instruction with basketball.7

The Goldbelt Heritage Foundation, formed in 2007, is also dedicated to offering tools and materials for people wishing to learn the language. For example, Fred White, Tlingit Language Sepcialist and also the youngest fluent speaker of Tlingit, has made audio recordings for teachers throughout the region. In addition, the foundation is developing a Tlingit verb database that

---

6 Patrick Marlow, Associate Professor at UAF: (907)474-7446

7 For more information on SHI efforts contact Linda Belarde mentioned in footnote two.

includes conjugations, a project originally started by Richard and Nora Marks Dauenhauer in the 1990s and now headed by Keri Edwards.8

Furthermore, the Bilingual Multicultural Education Equity Conference (BMEEC) is an annual conference supported by the Alaska Department of Education and the Alaska Association for Bilingual Education. Agendas for the conference include workshops and discussions on the topic of multicultural education. The keynote speakers in 2011 (Misty Adoniou and Mary Macken-Horarik) presented foundations for an approach to teaching literacy.

Preservation through Documentation

Besides efforts centered on education, there are numerous groups across the state working to document native languages. Three examples of such efforts are from the Alaska Native Language Center of UAF, Sealaska Heritage Institute, and the Alutiiq Museum.

The archive in the University is the largest repository of Native American languages and related languages in the world: it houses more than 10,000 items of written documents that include copies or originals of all material in or about all of Alaska's native languages, which in many cases are held nowhere else. In addition to these collections, there are collections of related languages such as the Eskimo languages of Russia and the Athabascan languages of Canada. The archive also houses a recording collection of about 7,000 recordings, although Gary Holton,9 Professor of Linguistics at the University, calls this "the tip of the iceburg." To extend this audio collection, the language center has formed partnerships with regional organizations, such as the Alutiiq Museum and the Ahtna Heritage Foundation. The foundation does the outreach in the community to locate tapes to preserve and digitize, while the language center archive provides infrastructure backup. In addition to the archive, the language center staff document native languages and provide resources. For instance, Lawrence Kaplan, Professor of Linguistics at the University and Director of the Alaska Native Language Center, is working on dictionaries of the Inupiaq language as well as texts and grammatical explanations for the language. Holton has led a project developing a new edition of the Indigenous Peoples and Languages of Alaska Map originally produced by Michael Krauss in 1974.

The Sealaska Heritage Institute has also published books and videos relating to cultures, languages, and history, including language dictionaries, phrase books, and Tlingit narratives. The institute also strives to document the history, culture, heritage, art, and language of the Tlingit, Haida, and Tsimshian people of the Northwest Coast by housing a collection of books, historical photographs, audiovisual recordings, manuscript materials, and ethnographic objects.

The Alutiiq Museum has the Qik'rtarmiut Alutiit (Alutiiq People of the Island) language program that focuses on documenting and revitalizing the Alutiiq Language of the Kodiak Archipelago. The Alutiiq Living Words Project, funded by the National Science Foundation's Documenting Endangered Languages Program, involves semi-fluent speakers and elders who worked together

---

8 For more information on the Goldbelt Heritage Foundation contact Fred White or Keri Edwards: (907)790-1424

9 Gary Holton, Professor of Linguists at UAF: (907)474-6585

to document Alutiiq speech, vocabulary, and cultural traditions in audio and video form, which were indexed and archived. Selected recordings are made available online through the Alutiiq Language Web Portal. The project also involves the New Words Council, which consists of elders and semi-fluent associate members who develop native words for contemporary terms such as "computer," "elevator," and "linguist." Besides these documentation efforts, the Alutiiq Museum's Alutiiq Word of the Week program, now in its fourteenth year, produces weekly cultural lessons for weekly broadcast on the radio, the Kodiak Daily Mirror, and email broadcast. The Alutiiq Museum hosts the Alutiiq Language Club, which meets weekly to talk in the language or have elders tell stories in the language.10

Supporting Organizations

In addition to language education programs, efforts to provide human resources and education resources, and documentation works, there are also supporting organizations which are not necessarily directly involved in language revitalization and preservation, but are vital to the state-wide effort as a whole. Such supporting groups include the Alaska Native Heritage Center and the Alaska Humanities Forum.

The Alaska Native Heritage Center, which focuses on expanding the public's knowledge of Alaska Native cultures, has been directly and indirectly involved in Dena'ina language preservation and revitalization. The ANHC is currently closing out a National Science Foundation grant for a project involving a partnership with a tribe to research rites of passage through studying and transcribing traditional stories. Though the ANHC currently does not offer language classes as it did in the past, the heritage center provides language lesson podcasts for online use as well as internship programs and afterschool programs designed to expose students to language environments through native dance and song. Annette Evans Smith,11 Interim President and CEO of the Alaska Native Heritage Center, envisions partnering with some of the regions that have immersion programs to create a language nest, such as a camp for young children that would fuse childcare and language immersion: "Immersion is the best way to learn a language," says Evans Smith.

The Alaska Humanities Forum acts as a convener and supporter of other groups, mainly through awarding grants as part of the National Endowment for the Humanities. Recipients of these grants include the Alaska Native Knowledge Network, which is working to preserve and promote native language and philosophy, as well as a program for preserving Eyak. A native language preservation program that has worked with representatives from villages in the Kotzebue area and been headed by Tom Okleasik also received funding. The AHF has supported the Rosetta Stone Endangered Language Program, which in partnership with the NANA Regional Corportaion designed two Inupiaq language CDs. has designed a program for learning Inupiaq. Greg Kimura,12 CEO and President of the Alaska Humanities Forum, commented that there are

---

10 For more information on the language program in the Alutiiq Museum contact April Counceller, Language Manager at the Alutiiq Museum and Archaeological Repository: (907)486-7004

11 Annette Evans Smith, Interim CEO and President of the Alaska Native Heritage Center: (907)330-8059.

12 Greg Kimura, CEO and President of the Alaska Humanities Forum: (907)272-5308.

not enough resources to cover the needs of various groups. However, he expressed that the Forum "wants to be around to be supportive and helpful of the different groups around the state who are part of preservation and revitalization efforts."

Government-related Support

Assisting these many layers of efforts are federal agencies; the National Science Foundation, the Administration for Native Americans,13 the U.S. Department of Education, and the National Endowment for the Humanities have provided funding for many of these efforts. The U.S. Department of Education in particular, in the words of Patrick Marlow, "has been absolutely fantastic in terms of its commitment to teacher training." The U.S. Department of Education's Office of English Language Acquisition provides funding for professional development for K-12 teachers, and the Office of Alaska Native Education provides grants for Alaskan efforts that focus on developing strong language programs for K-12. According to Marlow, both of these offices have been vital to establishing and maintaining teacher education programs in the University. Despite this, April Counceller of the Alutiiq Museum and Marlow both expressed concern for the growing difficulty in not only receiving grants but also maintaining funding for established programs.

In addition, both the federal and state governments have introduced legislations that may assist revitalization efforts. The Esther Martinez Native American Languages Preservation Act of 2006 was passed by Congress and signed by President Bush as an amendment to the Native American Programs Act of 1974. The amendment strengthened the act by providing for the revitalization of Native American languages through immersion programs. In Alaska, Senator Donald Olson has introduced Senate Bill 130, which recognizes native language preservation as "vital in maintaining traditional knowledge and understanding" and calls for the establishment of the Alaska Native Language Preservation Council in the Office of the Governor "for the purpose of recommending the establishment or reorganization of programs to support the preservation, restoration, and revitalization of Alaska Native languages."14

Furthermore, an Executive Order on Native American Language Preservation15 was drafted in 2010 between senior White House Staff and representatives from Native American communities across the United States. If approved by the President of the United States, this Executive Order would strengthen the Native American Languages Act of 1974 and the Esther Martinez Native American Languages Preservation Act of 2006 mentioned above by creating an Interagency Working Group on Native American Language Revitalization, mobilizing the coordination of federal resources for language revitalization, and appointing a Presidential Board of Advisers on Native American Languages. According to Gary Holton, "It would be recognition that this is something we believe in, that we make a commitment… If you go back to people who have had

---

13 Federal agency established through the Native American Programs Act of 1974.

14 Link to text of Senate Bill No. 130: http://www.scribd.com/doc/53125928/SB-130-SB0130A-The-Alaska-State-Legislature-via-MyGov365-com.

15 Link to Executive Order on Native American Language Preservation: http://www.lsadc.org/info/documents/2011/resolutions/executive-order-draft.pdf.

decades of language suppression, that means something." As of July 2011, the National Congress of the American Indian as well as other language rights and American Indian rights groups are pressuring President Obama to sign this order.

Recommendations for the Commissions

There are several ways in which the commissions you participate in as Lt. Governor may assist the statewide revitalization and preservation effort. First, the Alaska State Historical commission can support efforts to officially recognize the natives by establishing native place names. In Hawaii for example, Hawaiian can be seen in signs in the airports and on the streets. According to Holton, this has the effect of increasing appreciation for native languages among both natives and non-natives. Representatives from the Alaska State Historical Commission attending the Council of Geographic Names Authority in October should identify other ways to establish more Alaska Native place names.

Second, there is a lack of coordination of all revitalization and preservation efforts on a state level. Although the Alaska Native Language Center advises new groups starting revitalization projects and provides information about existing efforts, there may be a need for a higher level of coordination. One problem with the lack of such coordination is that it is difficult to get a broad picture of efforts across the state, which causes another problem: according to Holton, "What we see across the state are grass root projects that are reinventing the wheel," which results in wasted time, resources, and effort. In addition, a higher level of coordination may allow native language revitalization efforts a higher level of recognition. The Alaska State Historical Commission may consider either asking Governor Parnell to establish a state-level coordination of language revitalization and preservation efforts, or offer to take on that responsibility under existing mandates of the Commission.

Third, students attending immersion or bilingual schools may need alternative testing to required standardized tests in English. In cases where students are in academic settings involving two languages, this requirement may drive parents, afraid that their children will perform badly on the test, to pull back on the language programs in place. School districts such as the Lower Kuskokwim district has requested a waiver and offered alternative tests in Yup'ik, but the state, in turn, has not requested such a waiver although it has the option to do so.16 According to Marlow, research has indicated that these students may at first lag behind in terms of academic achievement, but later tend to catch up to, if not surpass, monolingual students. Therefore it is recommended that the Alaska State Historical Commission work with the Department of Education to assist efforts to provide alternative assessments within immersion or bilingual programs in order for such programs to maintain and strengthen support of multicultural education among parents and community members.

Fourth, as emphasized by Linda Belarde of the Sealaska Institute, in many regions there is no natural language learning environment, rendering language learners to become dependent on structured classroom settings, which according to Belarde, "makes it very different from learning

---

16 For more information on the waiver contact Patrick Marlow mentioned above in footnote six

our languages naturally as our first languages." Furthermore, it is important to for native languages to appeal to young people: as Kaplan comments, "One of the worst things that could happen is for people to see these as languages of old people." To prevent this, Kaplan is working on a grant proposal for a project that would document and encourage text messaging in native languages. Thus, it is recommended that in order to assist efforts in creating a more effective language environment such as those of the Sealaska Heritage Institute and the Alutiiq Museum, the commission support efforts to increase native language use through the media, such as in music, television shows, movies, and radio.

Lastly, the commission should work with the State Committee on Research and the U.S. Arctic Research Commission to support further research on successful language revitalization models and current needs in language education, as educating the next generations may be the most effective way to ensure the survival of Alaska's indigenous languages. There have been successful language revitalization efforts in New Zealand and Hawaii that may be referred to as models for future efforts in Alaska. In New Zealand, where in the 1980s fewer than 20% of the Maori were considered native speakers, the Kohanga reo movement was founded in 1982. Primary schools and secondary schools were established, where students were primarily taught in the Maori language. Furthermore, Hawaii adopted this model through the Punana Leo (translated as "language nest"), which are essentially Hawaiian immersion. Later, K-12 Hawaiian immersion programs as well as higher level education programs were developed. These models have already inspired Alaskans, such as trustees of the Sealaksa Heritage Institute, who after visiting Hawaii and learning about its language restoration programs, decided to adopt language revitalization as the foremost priority of the institute.

In this light, one possible area of research may be regarding human resource deficiencies, an issue that the Alaska Native Language Center has been addressing. A possible way to support such efforts may be to strengthen cooperation between Greenland and Alaska through native language teacher exchanges: some natives in Greenland and some natives in Alaska share common languages such as Inupiaq with differences in dialect. Because the problem in many villages is that native speakers are too elderly to teach younger children, an exchange where teachers from Greenland could work in villages and language programs would not only bolster current language education efforts, but also establish a connection between the Greenlandic and Alaskan language revitalization efforts.17

Success through Community Involvement

Ultimately, it is most important to emphasize that the primary efforts must come from the community: "We're the support staff; they call us up and we do our best to help by producing materials and documenting the languages, but as far as the real spark to get people learning and revitalizing the language, I'd say that has to come from within the community. You can't make somebody do that," says Kaplan. Greg Kimura likewise stressed, "One thing is absolutely clear: that we are not going to be able to accomplish the preservation, let alone the propagation of some

17 The idea of the Greenland-Alaska teacher exchange idea was communicated between the office of Lt. Governor Treadwell and between Lt. Governor Treadwell and

of these threatened languages unless that whole effort is led by the communities; they're the ones who have to be the primary morale force for this, and also the voice for language preservation."

register | log in | e-mail news

ALASKA'S NEWSPAPER

Anchorage Daily News
adn.com

adn.com Web Search powered by YAHOO! SEARCH find »

1/19 | Updated: 2:48 PM

News Sports Outdoors Features Money Entertainment Opinion Blogs Photos Classifieds dealsaver

Home | Alaska Newsreader | Obituaries | Archives TV Listings | Movies | Music | Restaurants | Submit Event

Legals Jobs Homefinder Cars Rentals

Sell it today ▸ Place an ad | Find an ad

Last native Eyak speaker dead at 89

By DEBRA McKINNEY
dmckinney@adn.com
Published: January 22nd, 2008 02:51 PM
Last Modified: January 22nd, 2008 12:47 PM

Chief Marie Smith Jones, 89, the last full-blooded Eyak and last native speaker of the Eyak language, died of natural causes on Monday at her home in Anchorage, according to her family.

Services will begin at 1 p.m. Friday at St. Innocent Russian Orthodox Cathedral, 401 Turpin St. Viewing will begin at 11 a.m.

Story tools
0 Comments
E-mail a friend
Print
Share on Facebook
Digg this
Seed Newsvine
Send link via AIM
Tweet this
MY YAHOO!

Font size : A | A | A

enlarge
Marc Lester / Anchorage Daily News / Anchorage Daily News
In 2001 Eyak elder Marie Smith Jones was honored at the Chickaloon powwow.

Related Links

Video: Chief Marie Smith Jones delivers a prayer in Eyak in 1994.

Rural Alaska features

RURAL BLOG
The Village

Blogging about life and politics in rural Alaska.

Photos: Life in the Bush

READER-SUBMITTED PHOTOS
Life in Rural Alaska (PT 2)

Post your photos from the Bush and check out what others are sending in.

Post a photo from Rural Alaska
Reader photos: Life in Rural Alaska (PT 1)

More Rural Alaska stories »

Bethel schools reopen after pipe problems fixed

Sealaska gets papers, field work on Haida

Most of the gas, about half the fuel oil pumped to Nome

Sealaska gets papers, fieldwork on Haida culture

Game Board delays decision on expansion of bear snaring

findnsave Get the Deal!
Local Deals

The Alaska Walking Store
$20 off purchase over $100

Kansha Restaurant
$5 off order of $20 or more

BioTech Research / EdenPURE
EdenPURE personal heater
$197

Find more great deals!
findnsave.adn.com

Top Jobs all 116 top jobs

alaskacareerbuilder
find
Place an ad | Advanced search

Hotel/Motel
Food and Beverage Operations Manager
Alyeska Resort

Health Care Services
Patient Advocate
KANA and SEARHC - Anchorage

Aviation
Mechanic II
Lynden Air Cargo, LLC

Health Care Services
Environmental Services Manager
Central Peninsula Hospital - Soldotna

Engineering/Technical
Geologists I and II
Shannon & Wilson, Inc

Top Homes by RE/MAX more

Beautiful end unit townhouse $315,000
Turnkey condition, upgraded kitchen, baths. Soapstone woodstove. Bamboo flooring. Tons of storage.

◀ 4 of 16 ▶

HomeFinder.com

Comments

NEW STORY COMMENTS: Learn about our upgrade | Create an avatar in the new system »
By submitting your comment, you are agreeing to adn.com's user agreement.

— Hide comments Like

Add New Comment Login

Type your comment here.

Real-time updating is **enabled**. (Pause)

Educators work to preserve endangered Alaska languages

By MIKE DUNHAM
mdunham@adn.com

(07/11/11 10:00:21)

If Alaska's Native languages vanish in the next generation, it won't be because people didn't try hard to keep them alive, says Gary Holton.

"There are significant efforts with Yup'ik immersion schools and teacher training programs," said Holton, associate professor of linguistics in the Alaska Native Language Center and director of the Alaska Native Languages Archive at the University of Alaska Fairbanks. He pointed to an ongoing documentation effort, dictionaries and teaching of the endangered Deg Xinag and Han Athabascan dialects. Even Eyak, technically extinct, is benefiting from a language revival program that recently held workshops in Anchorage and Cordova, he said.

But he admits that the situation is critical for many of the state's indigenous languages.

The last person who called Eyak her first language, Marie Smith, died in 2008. Maybe one or two speakers of Holikachuk are still alive around Grayling, Holton said. A few more speak Deg Xinag, the neighboring Athabascan dialect. The number of Han speakers in Eagle is "perhaps less than 10; the situation on the Canadian side of the border is even worse. Maybe two speakers."

Holton played a key role in crafting the latest edition of the Alaska Languages Map. The map, which shows the historic distribution of 20 different Native Alaska languages, was first produced in 1974 by the director of the language center, Michael Krauss. It has been updated since then.

This most recent edition, available online at www.uaf.edu/anla/map, features several changes, Holton said. The names of some languages have been changed, either to reflect advances in linguistics or to rectify old names that may have been in some way offensive: Tanaina has become Dena'ina; Aleut is now Unangax; Ingalik is now Deg Xinag.

"Another big change is the inclusion of Native names for villages and geographic features given along with the English names," he said. Barrow is also Utqiagvik, and Kodiak Island is Qikertaq.

The map name for Juneau, Dzanti K'ihe-eni, may be a "bit contrived," Holton said, "since Juneau was not a traditional village." The same might be said for Anchorage, given as Dgheyaytnu.

Yup'ik scholar Cecilia Martz of Bethel noted another change. In previous editions, the percentage of young people speaking the language was indicated by different color dots. In 1974, the Central Yup'ik area was covered in black circles, indicating most children spoke Yup'ik, or circles divided half-and-half black and white, which meant that Yup'ik and English speakers were roughly even.

Referring to her hometown of Chevak, Martz said, "If they did it today, they'd have to make it all white. None of the kids speak the language. It's the same way with all that villages that were all dark; they should be all white or half white now."

Holton said that change in the map was "a deliberate choice based on feedback from community groups. There are less than half a dozen villages on the lower Kuskokwim with child speakers, so the map would have been almost entirely open circles -- not very informative or encouraging."

In "Vanishing Languages of the Pacific Rim" (Oxford Press, 2007), Krauss suggests the erosion of Native languages could be due to television, which is mostly English and ubiquitous in villages nowadays, and "the likely lethal effect of the 'No Child Left Behind' (federal school mandate), requiring proof of proficiency in English but not Native language."

But he also says that Yup'ik and Inupiaq are being retained at rates much higher than the Aleut and Indian languages. Yup'ik is particularly strong, he writes, accounting for "fully 93 percent of those who speak an Alaskan Native language."

The map has always followed traditional tribal boundaries, Holton said. So Eyak remains an enclave, though there are no speakers.

"If we were mapping languages as spoken today, he'd have to put a huge number of Yup'ik speakers in Anchorage," which is in traditional Dena'ina territory.

Some scholars believe that Yup'ik is the Native American language with the best chance of surviving the 21st century. It is commonly heard in Bethel. Martz cited radio news and call-in programs in the language, the presence of interpreters at the hospital, and education.

"There are two efforts that have had really good results," she said. "The school immersion program for kindergarten through sixth grade and the Yup'ik degree program at the college (UAF's Kuskokwim campus)."

When she speaks Yup'ik to children who have been through the immersion program, they respond to her in Yup'ik, she said. "But most of the time, they speak English. And with each other, they speak English."

In addition to education and documentation, many of Alaska's Native languages have benefited from being part of a widely distributed linguistic group. Maps in "Vanishing Languages" show dozens of distinct languages dotting America's west coast from Puget Sound to San Diego, each with one or no speakers remaining.

In contrast, the "Eskimoan" group reaches from Asia to the Atlantic Ocean, with tens of thousands of speakers in Alaska, Canada and Greenland. Athabascan groups stretch as far south as Mexico. It reminds Holton of the continuum of Romance languages, which spans southern Europe from Romania to Portugal.

Nonetheless, "Simply based on the number of speakers and their ages," Holton said, it may be impossible for the most endangered Alaskan languages to keep from "going the way of Eyak."

"Nowhere can I say things look great," he said. "It's a sad scenario but there are glimmers of hope. I choose to focus on the positive."

Alaska Native Language Center

Alaska Native Languages

Population and Speaker Statistics

The following table gives estimates of the population of speakers of Alaska Native languages in reference to the relevant community population. Numbers such as these should be interpreted with caution. As Krauss notes:

> Arriving at statistics of number of speakers of indigenous languages out of total relevant population is complicated by two types of major factors. The first type is of course in the determination of who is a speaker, and the second is in counting who is a member of the indigenous community. (2007:409)

More relevant to those wishing to understand the status of Alaska Native languages are the current and recent efforts at language documentation and revitalization.

Language Family	Language Name	Population	Speakers
Eskimo-Aleut	Aleut	2,300	150
	(*Russia)	200	5
	Sugpiaq (Alutiiq)	3,500	200
	Central Yup'ik	25,000	10,400
	Siberian Yupik	1,400	1,000
	(*Russia)	900	300
	Inupiaq (Inuit)	15,700	2,144
	(*Canada)	30,500	24,500
	(Greenland)	47,000	47,000
Tsimshianic	Coast Tsimshian	1,400	30
	(Canada)	3,200	<400
	Nisga-Gitksan	<100	0?
	(Canada)	5,400	<1,000
Haida	Northern Haida	650	10

	(Canada)	1,100	30
Athabascan-Eyak-Tlingit	Tlingit	10,000	300
	(Canada)	1,000	75
	Eyak		0
	Ahtna	650	25
	Dena'ina	1,000	50
	Deg Xinag	250	14
	Holikachuk	180	5
	Koyukon	2,300	150
	Upper Kuskokwim	100	25
	(Lower) Tanana	400	25
	Tanacross	200	50
	Upper Tanana	300	55
	Han	60	12
	(Canada)	250	7
	Gwich'in	1,000	150
	(Canada)	1,900	400

Source: Krauss, Michael E. 2007. Native languages of Alaska. In: *The Vanishing Voices of the Pacific Rim*, ed. by Osahito Miyaoko, Osamu Sakiyama, and Michael E. Krauss. Oxford: Oxford University Press. (Table 21.1, page 408)

*The non-Alaskan numbers in the table come from the earlier work of **Krauss 1997**.

The **University of Alaska Fairbanks** is an affirmative action/equal opportunity employer and educational institution and is a part of the **University of Alaska** system.
tel. (907) 474-7874
For questions or comments regarding this website, contact **fyanlp@uaf.edu**

ALASKA FEDERATION
OF NATIVES

January 23, 2012

The Honorable Don Olson
Alaska State Capitol, Room 508
Alaska State Senate
Juneau, Alaska 99801

Dear Senator Olson:

As you know, the Alaska Federation of Natives (AFN) is the largest statewide Native organization in Alaska representing more than 125,000 Alaska Natives residing in Alaska, and more than 120,000 Alaska Natives scattered throughout the other 49 states. AFN was organized in 1966 to facilitate bringing the various regional and village associations together in order to advocate with one voice for a fair settlement of our aboriginal land claims, which became the Alaska Native Claims Settlement Act of 1971 (ANCSA).

Today, AFN is governed by a 37-member board of directors representing villages (both federally recognized tribes and ANCSA village corporations), 11 regional tribal consortiums, and the 13 regional ANCSA corporations. AFN's annual convention is the largest annual gathering of Native people within the United States. AFN's mission is, in part, to enhance and promote the cultural, economic and political voice of the Alaska Native community.

AFN supports the enactment of Senate Bill 130, entitled "An Act establishing in the Office of the Governor an advisory council for the preservation, restoration, and revitalization of Alaska Native languages" and we join you in urging support for passage of this bill.

This bill establishes, in the Office of the Governor, an Alaska Native Language Preservation Council (Council) tasked with evaluating Alaska Native Language programs and making recommendations to establish new programs or reorganize current programs. We agree that indigenous languages are the most critical components in preservation of Alaska Native Cultures as they are the foundation of all cultural groups, including the Alaska Natives. Their preservations will preserve cultural ideas and traditions and serve as the backbone of all cultural elements. We also recognize the urgency of establishing such a Council as many Alaska Native Languages are threatened by extinction.

Attached is AFN Resolution 12-01, "Support of a State of Alaska Act To Establish The Alaska Native Language Preservation Council And Relating To The Preservation, Restoration and Revitalization of Alaska Native Languages." This resolution urges support of Senate Bill 130 and requests immediate action begin, by way of demonstration projects, to restore Alaska Native Languages. We believe inclusion of five language restoration demonstration projects will

strengthen the bill as it moves the issue beyond analysis and to a point where positive progress can be made.

I am also attaching a copy of a document entitled "Sealaska Heritage Institute Alaska Native Language Programs January 2012." The first sentence of this document states: "Alaska Natives are comprised of seven linguistic groups including the Inupiat, Yup'ik, Aleut, Athabascan, Tlingit, Haida and Tsimshian. Each has or had its own indigenous language." This document describes the efforts of the Alaska Native Community from Barrow to Metlakatla on preserving the indigenous languages that exist in these regions. Their efforts will lead to the preservation of the foundations of the cultures that exist across the State of Alaska.

On behalf of the Alaska Federation of Natives, we urge passage of Senate Bill 130 with additional language adding five language restoration demonstration projects for the Inupiat, Yup'ik, Aleut, Athabascan and Tlingit language groups.

Thank you for your continued preservation of the Alaska Native cultures during your times as a member of the Alaska State Senate.

Thank you for your consideration. If you have questions regarding this letter, please call me at AFN at 907-274-3611.

Sincerely,

Julie E. Kitka

Julie Kitka
President

Attachment: AFN Resolution 12-01, "Support of a State of Alaska Act To Establish The Alaska Native Language Preservation Council And Relating To The Preservation, Restoration and Revitalization of Alaska Native Languages"
Sealaska Heritage Institute: Alaska Native Language Programs, January 2012

Cc: The Honorable Lyman Hoffman
The Honorable Bob Herron
The Honorable Neal Foster
The Honorable Sean Parnell

ALASKA FEDERATION OF NATIVES

AFN LEGISLATIVE/LITIGATION COMMITTEE

2012 RESOLUTION

RESOLUTION 12-01

TITLE: SUPPORT OF A STATE OF ALASKA ACT TO ESTABLISH THE ALASKA NATIVE LANGUAGE PRESERVATION AND ADVISORY COUNCIL AND RELATING TO THE PRESERVATION, RESTORATION AND REVITALIZATION OF ALASKA NATIVE LANGUAGES

WHEREAS: Alaska Native Languages have been spoken for thousands of years; and

WHEREAS: Alaska Native Languages represent a significant resource of the State of Alaska and have contributed to its vitality and diversity; and

WHEREAS: Alaska Native Languages are threatened by extinction; and

WHEREAS: the foundation of Alaska Native cultures and ancient traditional knowledge are embedded in Alaska Native languages; and

WHEREAS: knowledge of Alaska Natives languages promotes positive self-identity of Alaska Natives; and

WHEREAS: studies have demonstrated that the academic performance of Alaska Native students improve when Alaska Native students are taught their Native language and culture; and

WHEREAS: Alaska Native corporations, organizations, and tribes and educational entities throughout the State of Alaska are attempting to restore and teach Alaska Native Languages; and

WHEREAS: the Legislature of the State of Alaska is proposing through the proposed Senate Bill 130 to establish an Alaska Native Language Preservation and Advisory Council and relating to the preservation, restoration, and revitalization of Alaska Native languages.

NOW THEREFORE BE IT RESOLVED the Alaska Federation of Natives conveys its support of Senate Bill No. 130 and urges the Alaska State Legislature and the Governor of Alaska to enact and sign into law the referenced Act.

1577 C STREET, SUITE 300 • ANCHORAGE, ALASKA 99501 • TEL 907.274.3611 • FAX 907.276.7989 • WWW.NATIVEFEDERATION.ORG

BE IT FURTHER RESOLVED that Alaska Native Federal of Natives further urges the Alaska State Legislature and Governor of Alaska to support the allocation of funds to support Alaska Native Language restoration programs and appropriate funds for five demonstration language restoration projects for the Inupiat, Yup'ik, Aleut, Athasbascan and Tlingit language groups.

PASSED THIS 23RD DAY

OF JANUARY 23, 2012

Julie E. Kitka

Julie E. Kitka
President

23 January 2012

Honorable Donny Olson, Senator
Alaska State Legislature
Alaska State Capitol, Rm. 508
Juneau, Alaska 99801

Dear Senator Olson:

It brings me gratification to see the introduction of Senate Bill 130 - Alaska Native Language & Advisory Council, "An Act establishing the Alaska Native Language Preservation and Advisory Council and relating to the preservation, restoration and revitalization of Alaska Native Languages."

I have been working in the field of language preservation and perpetuation for nearly 40 years and have seen first hand the extreme decline of the Iñupiaq language. A handful of our people have devoted their lives to teaching it in the hopes of reversing this loss. Much remains to be done.

I write in support of the bill and urge passage. Having an Advisory Council whose responsibility would be to advocate for Native languages across the state will go a long ways towards creating an atmosphere where we can realize a shift in language priorities in Alaska. It is high time the state recognize the importance of perpetuating the languages of its indigenous peoples.

Quyanaq.

Respectfully yours,

Jana Harcharek, Director
Iñupiaq Education

ALASKA
NATIVE
HERITAGE
CENTER

January 20, 2012

Senate State Affairs Committee
Alaska State Legislature
State Capital
Juneau, Alaska 99801

Honorable Alaska State Legislators:

On behalf of the Alaska Native Heritage Center, and the many cultural and language bearers we serve and represent, I ardently express my support for Senate Bill 130 and House Bill 254 in the second session of the Twenty-Seventh Legislature, both entitled "An Act establishing the Alaska Native Language Preservation and Advisory Council and relating to the preservation, restoration, and revitalization of Alaska Native languages."

The Alaska Native Heritage Center (ANHC) is a 501(c) 3, non-profit organization whose mission is to serve as a gathering place for sharing, perpetuating and preserving Alaska's unique indigenous cultures, languages, traditions and values through celebration and education. Our 15-member Board of Directors is currently governed by members of the 13 Alaska Native Claims Settlement Act (ANSCA) Regions including Cook Inlet Region Inc., Chugach Alaska Corporation, Bristol Bay Native Corporation, NANA Regional Corporation, Arctic Slope Regional Corporation, Bering Straits Native Corporation, Koniag, Inc., Sealaska Corporation, and Ahtna, Inc.

As Alaska Native people, our indigenous languages fulfill a vital role in perpetuating cultural traditions and values. It is our sincere belief that it is critical to take proactive measures now to strengthen our languages while language speakers in each of the Alaska Native culture groups still exist, and the interest and aspiration to revitalize our languages for future generations is strong. At our core, we recognize that indigenous language learning promotes increased self-esteem and confidence for Alaska Natives, particularly youth, and a strong cultural identity and knowledge of self translates into a stronger person overall. In a recent early childhood development study (McIvor 2005), University of Victoria, B.C. researchers and speech pathologists working with Canadian First Nations have documented strong linkages between indigenous children who have a strong traditional cultural and linguistic background and academic and overall well-being.

Our vision is to promote intergenerational learning from within the indigenous Alaskan community. ANHC has sought to advocate for active language learning by hosting learning sessions for several Alaska Native languages, including Unangax (Aleut), Sugstun (Alutiiq), Iñupiaq, Tlingit, and Yup'ik, while the most thorough instructional efforts have been for Dena'ina Athabascan. Further efforts are underway as ANHC seeks Administration for Native

8800 HERITAGE CENTER DRIVE ANCHORAGE, ALASKA 99504-6100 • PHONE 907 330-8000 • FAX 907 330-8030

ALASKA
NATIVE
HERITAGE
CENTER

Americans (ANA) grant funds, through the United States Department of Health and Social Services. The project will assess and identify local and statewide resources and partnerships that could be made available to Alaska Natives living in Anchorage, for teaching languages within the Eskimo-Aleut speaking, Athabascan speaking, and Tlingit/Haida/Tsimshian/Eyak speaking nations.

Progressively, ANHC is working to develop programs on site at the Center to provide indigenous language learning opportunities in a full immersion environment. Such opportunities are urgently needed at a time when all 19 indigenous languages still spoken in Alaska are endangered or critically endangered. The passing in 2008 of Chief Marie Smith Jones, the last fluent speaker of Eyak, underscores the vulnerability of Alaska Native languages.

SB 130 / HB 254 will help provide the much-needed political infrastructure, as well as resources both human and financial, to build and follow policies within and outside the state government, to promote sustainable Alaska Native language efforts. Meaningful investment by the State of Alaska in the cultural strengthening of Alaska Native languages will not only contribute to a stronger Alaska Native society, but a stronger Alaska as a whole, and therefore warrants the highest legislative priority.

I am available to discuss this matter, and provide verbal or written testimony to further provide evidence for these facts, in my vehement support for SB 130 / HB 254.

Sincerely,

Annette Evans Smith, President & CEO
Alaska Native Heritage Center

8800 HERITAGE CENTER DRIVE ANCHORAGE, ALASKA 99504-6100 • PHONE 907 330-8000 • FAX 907 330-8030

A NATIVE CORPORATION
SEALASKA

January 20, 2012

Senator Donald Olson
State Capitol Building
Room 508
Juneau, AK 99801

RE: Support of SB 130, Alaska Native Language Preservation and Advisory Council

Dear Senator Olson:

In the majestic forests of Southeast Alaska, along the coastlines of *Haa Aani* (Our Land), our people have gathered in the clan houses and told our stories for thousands of years, passing down the wisdom of Elders and the richness of our culture for generations. This oral history stood unbroken for centuries, but now the languages of the Alaska Native people face extinction. It is imperative that these languages be preserved and with them, the foundation of Alaska Native cultures and ancient traditional knowledge.

Sealaska Corporation offers its overwhelming support of SB 130, An Act establishing the Alaska Native Language Preservation and Advisory Council and relating to the preservation, restoration, and revitalization of Alaska Native languages. Sealaska urges the Alaska State Legislature and Governor of Alaska to also champion an allocation of funds to programs that restore Alaska Native Languages.

We can all be part of a solution to address the many challenges facing Alaska Natives. Native youth have been shown to improve academic performance when taught in their Native tongue; healthy self-esteem has been linked to a strong sense of identity; and thriving communities are built on the foundation of strong family relationships and lines of communication.

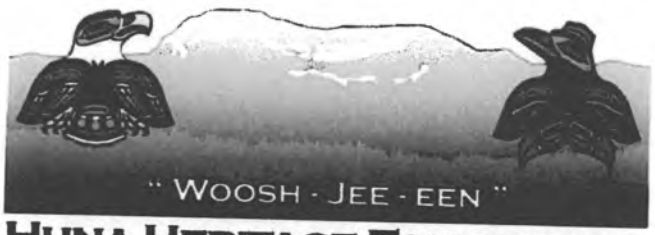
Please share this letter of support to any extent that it might encourage others to vote for the passage of SB 130, and secure funding for programs to restore the words of our ancestors.

Sincerely,

Albert M. Kookesh

Albert Kookesh, Board Chair
SEALASKA CORPORATION

One Sealaska Plaza, Suite 400 • Juneau, AK 99801-1276 • Phone (907) 586-1512 • Fax (907) 586-2304



HUNA HERITAGE FOUNDATION

9301 GLACIER HIGHWAY #210 • JUNEAU, ALASKA 99801
(907) 523-3682 • (907) 789-1895 (FAX)
HERITAGE@HUNATOTEM.COM • HUNAHERITAGE.ORG

January 23, 2012

Senator Donald C. Olson
Alaska State Capitol Rm 508
Alaska State Legislature
Juneau, AK 99801

The Huna Heritage Foundation wholeheartedly supports Senate Bill 130 which would establish the Alaska Native Language and Advisory Council to assess the State of Alaska Native Languages and re-evaluate the programs within the state and make recommendations to the Governor and Legislature to establish new programs or reorganize the current programs.

SB 130 would help to preserve and maintain Alaska Native Languages which are critical to the preservation and cultural ideas and traditions of all Alaska Natives.

We believe that SB130 would support indigenous languages and help stem the tide of language extinction within the great state of Alaska.

Sincerely,

Marlene Johnson

Marlene Johnson
Board President
Huna Heritage Foundation

The Eyak Corporation
360 West Benson Blvd., Suite 210
Anchorage, AK 99503
Email: nbarnes@eyakcorp.com
Phone: (907) 334-6971
Fax: (907) 334-6973

January 23, 2012

Senator Donald Olson
State Capitol Building
Room 508
Juneau, AK 99801

Re: Support of SB 130, Alaska Native Language Preservation and Advisory Council

Dear Senator Olson:

The Eyak Corporation greatly appreciates your introduction of SB 130 to establish an Alaska Native Language Preservation and Advisory Council. We strongly support the bill and encourage the Alaska State Legislature to adopt it this year.

In January 2008, after the passing of the last fluent speaker in the Eyak language, Chief Marie Smith Jones, the language was thought to be extinct. However, a number of shareholders of The Eyak Corporation, including descendants of Ms. Smith Jones, are of Eyak descent and have begun learning the language of their ancestors. In 2011, immersion clinics were held to teach the Eyak language in Cordova and Anchorage. Those clinics proved, beyond the slightest doubt, that Eyaks are fighting valiantly to keep their language alive.

Please let us know how we can support your efforts in furtherance of SB 130. We look forward to our Eyak shareholders and descendants expressing their appreciation to you, in Eyak.

Sincerely,

The Eyak Corporation

Nancy C. Barnes
President

Anchorage Office • 3900 C Street, Suite 801 • Anchorage, Alaska 99503-5963 • 907.339.6000 • FAX 907.339.6028 • 1.800.770.2772

arctic slope regional corporation

Tara Sweeney
Senior Vice President of External Affairs
Arctic Slope Regional Corporation
3900 C Street, Suite 801
Anchorage, AK 99503

January 27, 2012

Senator Donald C. Olson
State Capitol, Room 508
Juneau, AK 99801

Dear Senator Olson,

I congratulate you on your continued effort to preserve and restore the many indigenous languages in our great state, and stand behind your push to create the Alaska Native Language and Advisory Council.

As an Iñupiat Eskimo who grew up in Barrow, and later spent time in Noorvik, Unalakleet and Bethel, I've seen first-hand how Alaska Native languages can link a community to its culture and traditions, as well as help to bridge the gap between generations. The passage of Senate Bill 130 would help to ensure that these languages in Alaska would not only thrive, but also serve as a guide for future Alaskans.

I look forward to the passage of this important piece of legislation, and will monitor its progress throughout this legislative session.

Sincerely,
ARCTIC SLOPE REGIONAL CORPORATION

Tara Sweeney

cc: Jana Harcharek, North Slope Borough School District

Corporate Headquarters • PO Box 129 • Barrow, Alaska 99723-0129 • 907.852.8533 or 907.852.8633 • FAX 907.852.5733

Alaska Native Education Association
c/o B. Y. Alvanna-Stimpfle
P.O. Box 729
Nome, Alaska 99762
http://aneaonline.org/

ANEA BOARD MEMBERS, BY REGION

AT-LARGE
BERNADETTE YAAYUK ALVANNA-STIMPFLE
CO-CHAIR, Interim

INTERIOR
MARY WALKER
CO-CHAIR, Interim

KODIAK ISLANDS
TERI SCHNEIDER
VICE PRESIDENT, Interim

SOUTHWEST
NITA REARDON
TREASURER, Interim

NORTHERN ARCTIC
MARTHA STACKHOUSE
SECRETARY, Interim

SOUTHCENTRAL
SHIRLEY TUZROYLUKE

ALEUTIAN ISLANDS
MOSES DIRKS

BRISTOL BAY
ESTER ILUTSIK

SOUTHEAST
FLORENCE SHEAKLEY

***The mission** of ANEA is to enhance, promote, and advocate for all Alaska Native cultures, values, languages, and traditions in the educational entities throughout Alaska.*

January 25, 2012

Senator Donny Olson
State Capitol Bldg. Rm. 508
Juneau, AK. 99801

Dear Senator Olson,

The Alaska Native Educators Association (ANEA) Board is in favor of the SB 130. The ANEA Board was formed to provide a means to discuss issues facing Alaska Native students and is comprised of lifelong educators, representing most regions in Alaska. At the present time the Aleutian and Southeast region board seats are open and will be filled at our annual conference. Having no funding as an organization, we have had to piggyback with other conferences, specifically the Bilingual Multicultural Education Equity Conference (BMEEC). It is without a doubt that the longest standing issue in Alaska Native education is our Alaska Native languages.

Although the ANEA Board is a volunteer board, we are very active and dedicated to our youth as well as perpetuating our Alaska Native languages. Most of us have dedicated our lives to revitalizing our Alaska Native languages, doing what is needed to uphold our language and culture. As past and present certified teachers, we have taught Alaska Native language and culture, fitting it into mainstream classes within the educational system where ever we could. Some of us have created curricula in each of our perspective regions, which includes the Alaska Native culture and language. In the 1990's some of the ANEA Board members worked with Dr. Ray Barnhardt in developing the Alaska Native Cultural Standards with the Alaska Rural Systemic Initiative (AKRSI) grant, until the grant lapsed. Most currently, we have worked with Phyllis Carlson, Director of Alaska Rural Education, on the development of a rubric, based on the Alaska Native Cultural Standards. The rubric measures how well classroom teachers are integrating the Cultural Standards into their classrooms. In spite of not having her own state budget for her department, Phyllis has managed to obtain funding from SERRC for us to work together several times throughout 2011, starting from December of 2010. The rubric is near completion but we feel we still need to meet face to face once more to finalize it and to work on a survey that will go with it on a statewide basis. We have partnered with the Future Educators of Alaska (FEA) and often hold a workshop in their conferences or they sponsor us in a workshop for the youth section during BMEEC. Another organization we have partnered with is the Alaska Native Teacher Preparation Program (ANTPP), a grant that was obtained by UAF. Lastly but not least, several ANEA Board members have participated in the Quality Teachers meetings headed by DEED.

ANEA firmly believes that it is vital to retain and develop Alaska Native languages. Current research supports the premise that personal persistence and identity which includes Alaska Native language development reduces suicide, as it is a concrete contribution to self-continuity. Studies show that whenever there are students taking Alaska Native language immersion classes, they thrive in all areas of study. We have seen it in our students, some of which are being chosen to participate in the state science fairs or math competitions; taking student leadership roles as high school students; and to becoming leaders in our communities.

ANEA Board supports Senate Bill 130.

Quyanaqpak, quyaana, kunish 'gish, anabase' for taking our written testimony.
Bernadette Alvanna-Stimpfle, ANEA Co-chair
Mary White, ANEA Co-chair

Cc: ANEA Board members: Teresa Schneider, Nita Rearden, Martha Stackhouse, Esther Ilutsik, Shirley Tuzroyluke

23 January 2012

Honorable Donny Olson, Senator
Alaska State Legislature
Alaska State Capitol, Rm. 508
Juneau, Alaska 99801

Dear Senator Olson:

It brings me gratification to see the introduction of Senate Bill 130 - Alaska Native Language & Advisory Council, "An Act establishing the Alaska Native Language Preservation and Advisory Council and relating to the preservation, restoration and revitalization of Alaska Native Languages."

I have been working in the field of language preservation and perpetuation for nearly 40 years and have seen first hand the extreme decline of the Iñupiaq language. A handful of our people have devoted their lives to teaching it in the hopes of reversing this loss. Much remains to be done.

I write in support of the bill and urge passage. Having an Advisory Council whose responsibility would be to advocate for Native languages across the state will go a long ways towards creating an atmosphere where we can realize a shift in language priorities in Alaska. It is high time the state recognize the importance of perpetuating the languages of its indigenous peoples.

Quyanaq.

Respectfully yours,

Jana Harcharek, Director
Iñupiaq Education

North Slope Borough

OFFICE OF THE MAYOR

P.O. Box 69
Barrow, Alaska 99723
Phone: 907 852-2611 or 0200
Fax: 907 852-0337 or 2595
email: charlotte.brower@north-slope.org

Charlotte E. Brower, Mayor

January 25, 2012

Honorable Senator Donald C. Olson
Alaska State Legislature
Alaska State Capitol, Rm. 508
Juneau, AK 99801

Subj: Senate Bill 130 – Alaska Native Language & Advisory Council

Honorable Senator Olson,

It is with pleasure and hope that I write this letter of support for Senate Bill 130 Alaska Native Language & Advisory Council: "*An Act establishing in the Office of the Governor an advisory council for the preservation, restoration, and revitalization of Alaska Native Languages.*"

The issue of preserving, restoring, and revitalizing Alaska Native Languages (ANLs) is of significant importance to my administration and to the people of the North Slope. This was true when the North Slope Borough (NSB) was incorporated in 1972 and has an even greater urgency today since we know far too few of our population is able to speak our language.

Senate Bill 130 seeks to establish a state-level task force within the Office of the Governor to assess our ANLs and to make recommendations to the Governor and Legislature. At the regional level, over 30 years ago, the NSB established through ordinance the Inupiat Heritage, Language and Culture (IHLC) Commission. Within our local government, this group is tasked with duties similar to those of this proposed commission as it relates to our Inupiaq language. Most recently this local commission focused on the issue of language preservation through the active participation in the development, creation, and now distribution of the North Slope Inupiaq version of Rosetta Stone language software. The Rosetta Stone project is an example of just one of many efforts of the NSB and IHLC Commission to preserve, restore and revitalize our Inupiaq language. While we are certain it is an important step in the right direction, we know there is much work ahead in the future for the North Slope and the state.

It is because of this that we give our highest possible recommendation of support of this Bill and urge the State Legislature to do the same. If we expect to succeed in the significant and challenging cause for our Alaska Native languages we must have a strong and unified effort at every level, local to state. Thank you for your consideration of our comments and recommendation of support.

Sincerely,

Charlotte E. Brower
NSB Mayor

CITY OF BARROW

"Farthest North Incorporated City"

RESOLUTION 04 - 2012

A RESOLUTION OF THE BARROW CITY COUNCIL ENCOURAGING THE ALASKA STATE LEGISLATURE TO EXPEDIENTLY PASS SENATE BILL 130 – AN ACT ESTABLISHING AN ALASKA NATIVE LANGUAGE & ADVISORY COUNCIL

WHEREAS, Senator Donald C. Olson has introduced Senate Bill 130 in the State of Alaska Senate, an act establishing the Alaska Native Language Preservation Council and relating to the preservation, restoration and revitalization of all Alaska Native languages; and

WHEREAS, the varied Alaska Native Languages and the rich culture and traditions associated with them established the foundation on which the State of Alaska was built; and

WHEREAS, all Alaska Native Languages are threatened by extinction, including our own Inupiaq language; and

WHEREAS, for the past thirty years, the City of Barrow Mayor, Bob Harcharek, has been actively involved in researching and documenting trends and patterns of migration, the economies, language developments and educational opportunities of the residents of the North Slope Borough; and

WHEREAS, the *North Slope Borough 2011 Economic Profile and Census Report* documents the serious decline in Inupiaq competency among North Slope Borough residents; and

WHEREAS, the City of Barrow is committed to assisting any and all entities whose focus is the preservation and revitalization of the Alaska Native languages and cultures; and

WHEREAS, working and interacting with researchers and colleagues throughout the State, such as UAA Professor Emeritus Carl E. Shepro, the critical status of Alaska's Native languages has become an imperative which needs to be addressed as expediently and comprehensively as possible; and

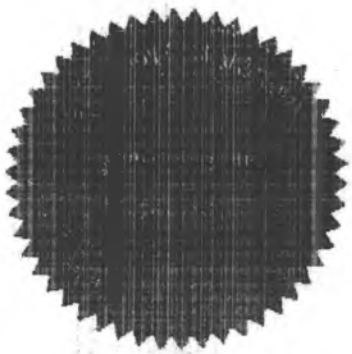
WHEREAS, the indigenous languages of our state are critical and priceless components of the heritage of our State of Alaska, which need to be nurtured to insure their preservation; and

WHEREAS, the intent of Senate Bill 130 is to preserve and maintain our Alaska Native languages which are the most critical components of cultural preservation, continuity and revitalization; and

NOW THEREFORE BE IT RESOLVED, that Barrow City Council formally endorses and encourages the Alaska State Legislature to expediently pass Senate Bill 130 into law.

PASSED AND APPROVED BY THE BARROW CITY COUNCIL ON THIS 26th DAY OF JANUARY 2012 UNANIMOUSLY.

ATTEST:



Bob Harcharek, Mayor

Tracy Benson, City Clerk

Chairman Wielechowski. Honorable Senators Paskvan, Kookesh, Meyer, Giessel. Good morning. I am here today because of the hard work of my students, who collectively represent the rising movement to revitalize Alaska Native languages. They are the reason I continue to feel inspired to work for my people, my ancestors, my neighbors, and my descendants.

We have an epidemic on our hands. I am sure that many a bill that has passed before you has been touted as the most important of all time, so I will not attempt to label this one as such. But I will tell you this, and say it without doubt: as our languages die, our Alaska Native people will continue down a tragic path of cultural annihilation and self-destruction that is a direct result of absolute loss.

Indeed, Alaska Native people have the highest rates of suicide, especially among our youth. Alaska Natives are the most likely among us all to be victims of violent and sexual crimes. We are walking farther and farther into the darkness, and the path laid out before us is one constructed in times of cultural and ethnic genocide.

The policies and philosophies of the United States Federal Government and that of the State and Territory of Alaska sought to kill off Alaska Native languages. We are seeing that success now. But we do not have to accept it.

The actions every one us takes—as citizens of this state and nation—will determine what happens with our languages. Every Alaska Native language is endangered. The largest percentage of its speakers are elderly and Alaska Natives have the lowest life expectancy of any ethnic group in the state. We are living on borrowed time. We cannot afford to waste another moment.

I hope that you support this bill. More so, I hope that your support does not stop there. We need more analysis, but more than that we need our languages to be a proud part of the cultural landscape that is Alaska. We must do away with the savagery that thought it part of some sort of progress to destroy languages and culture. We must move decidedly in the opposite direction of that, knowing full well the social and psychological consequences of our shared history of oppression and loss.

We will look at each other fifty years from now when our languages have defied all odds and predictions and have recovered. Our children need to speak and be heard. They need our ancestors, now more than ever, but cannot talk to them in this foreign language of English. Cannot hear them without the help and decisions of us all.

I have a Bachelor's and Master's Degree in English, and know it well enough to understand the destructive nature of linguistic and cultural genocide. We were taught to hate ourselves, to feel ashamed of ourselves, in the language that replaced our own. It is time to move with great urgency and do all we can to keep these ancient, wonderful, complex, and ingenious languages alive and well.

Gunalchéesh áwé yee tuli.aaní kát. Haa dachx̱ánx̱'i yan yís áwé haa yei jinéiyi. Kux̱dé woogút, haa yoo x̱'atángi. Yak'éi áyá yá k̲usti. Yak'éi áyá yá yaagyee.

UAS UNIVERSITY OF ALASKA SOUTHEAST
learn · engage · change

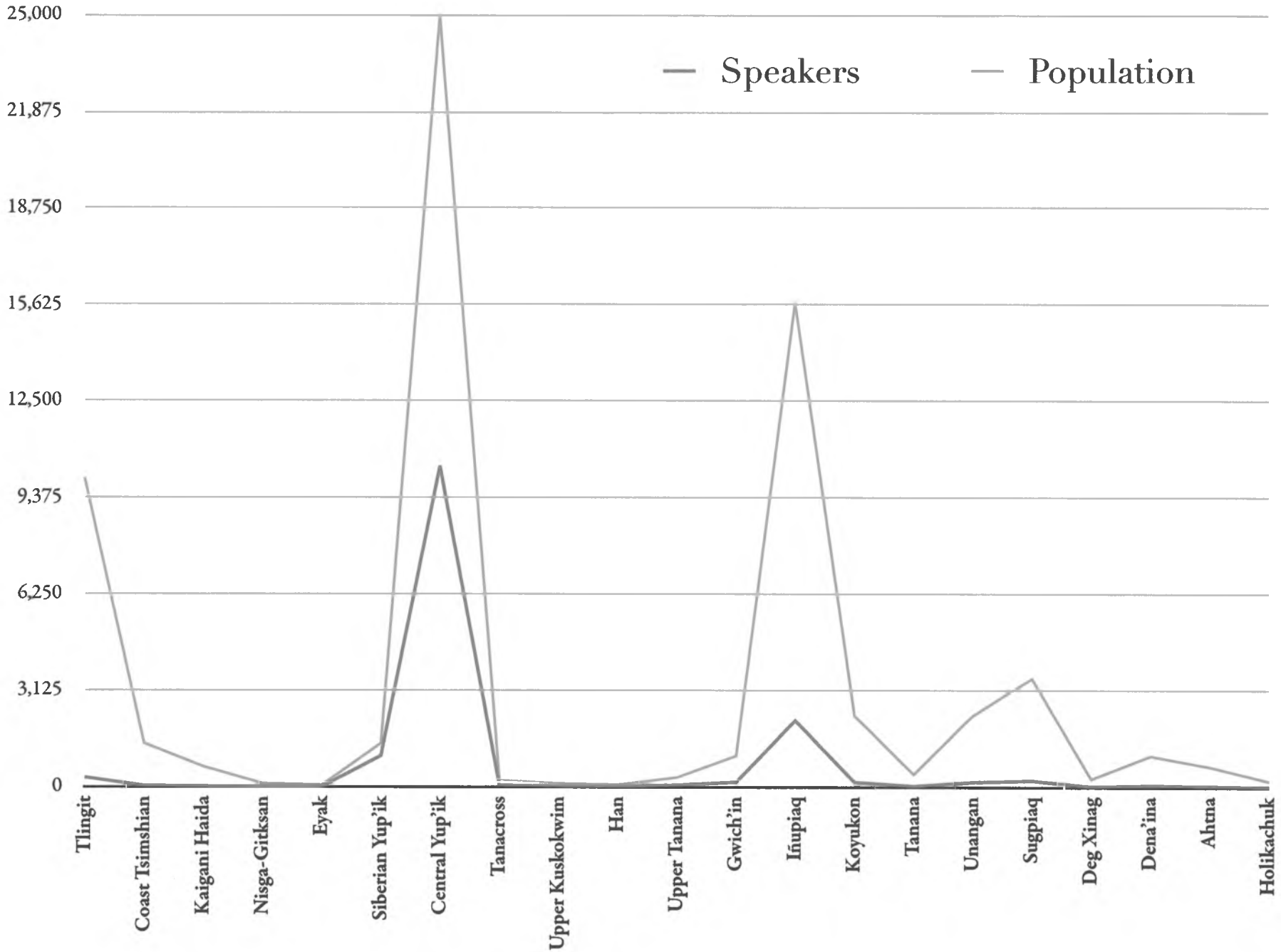
Language Decline in Alaska

	Population	Speakers	%
Tlingit	10,000	300	3.00%
Coast Tsimshian	1,400	30	2.14%
Kaigani Haida	650	8	1.23%
Nisga-Gitksan	100	0	0.00%
Eyak	50	0	0.00%
Siberian Yup'ik	1,400	1,000	71.43%
Central Yup'ik	25,000	10,400	41.60%
Tanacross	200	50	25.00%
Upper Kuskokwim	100	25	25.00%
Han	60	12	20.00%
Upper Tanana	300	55	18.33%

	Population	Speakers	%
Gwich'in	1,000	150	15.00%
Iñupiaq	15,700	2,144	13.66%
Koyukon	2,300	150	6.52%
Tanana	400	25	6.25%
Unangan	2,300	150	6.52%
Sugpiaq	3,500	200	5.71%
Deg Xinag	250	14	5.60%
Dena'ina	1,000	50	5.00%
Ahtna	650	25	3.85%
Holikachuk	180	5	2.78%

Krauss, Michael E., Osahito Miyaoko, and Osamu Sakiyama 2007. *Native languages of Alaska. In: The Vanishing Voices of the Pacific Rim.* Oxford: Oxford University Press. (Table 21.1, page 408)

Michael E. Krauss (1997). *The indigenous languages of the north: A report on their present state.* Northern Minority Languages: Problems of Survival, ed. by Hiroshi Shoji & Juha Janhunen, 1-34. (Senri Ethological Studies 44.) Osaka, Japan: National Museum of Ethnology.


25,000
21,875
18,750
15,625
12,500
9,375
6,250
3,125
0
Speakers
Population
Tlingit
Coast Tsimshian
Kaigani Haida
Nisga-Gitksan
Eyak
Siberian Yup'ik
Central Yup'ik
Tanacross
Upper Kuskokwim
Han
Upper Tanana
Gwich'in
Iñupiaq
Koyukon
Tanana
Unangan
Sugpiaq
Deg Xinag
Dena'ina
Ahtna
Holikachuk

The Eyak Corporation
360 West Benson Blvd., Suite 210
Anchorage, AK 99503
Email: nbarnes@eyakcorp.com
Phone: (907) 334-6971
Fax: (907) 334-6973

January 23, 2012

Senator Donald Olson
State Capitol Building
Room 508
Juneau, AK 99801

Re: Support of SB 130, Alaska Native Language Preservation and Advisory Council

Dear Senator Olson:

The Eyak Corporation greatly appreciates your introduction of SB 130 to establish an Alaska Native Language Preservation and Advisory Council. We strongly support the bill and encourage the Alaska State Legislature to adopt it this year.

In January 2008, after the passing of the last fluent speaker in the Eyak language, Chief Marie Smith Jones, the language was thought to be extinct. However, a number of shareholders of The Eyak Corporation, including descendants of Ms. Smith Jones, are of Eyak descent and have begun learning the language of their ancestors. In 2011, immersion clinics were held to teach the Eyak language in Cordova and Anchorage. Those clinics proved, beyond the slightest doubt, that Eyaks are fighting valiantly to keep their language alive.

Please let us know how we can support your efforts in furtherance of SB 130. We look forward to our Eyak shareholders and descendants expressing their appreciation to you, in Eyak.

Sincerely,

The Eyak Corporation

Nancy C. Barnes
President

Loren Peterson

From: Koeneman, Crystal A (CED) <crystal.koeneman@alaska.gov>
Sent: Monday, January 30, 2012 10:55 AM
To: Loren Peterson
Subject: RE: SB 130 Hearing Tomorrow

We will have our Director of Community and Regional Affairs – Scott Ruby, available for questions that may arise with the adoption of the CS. He will be calling in.

Crystal Koeneman, Special Assistant
Commerce, Community & Economic Development
9th Floor | State Office Building, Juneau, AK 99811
☎: 907.465.2503(w)/907.321.8517(c) | 🖷: 907.465.5442
✉: crystal.koeneman@alaska.gov

From: Loren Peterson [mailto:Loren_Peterson@legis.state.ak.us]
Sent: Monday, January 30, 2012 10:48 AM
Subject: SB 130 Hearing Tomorrow

Tomorrow morning:
SB 130 is being heard on Tuesday, January 31st in State Affairs at 9am in the Butrovich Room . We anticipate the bill will come up around ***9:45am***. Our office has been allotted ***only 20 minutes*** and **we do have is a complete list of testifiers.** However, we encourage you to attend in person, or call in to listen to show support. Hopefully it will move out to the last committee of referral—Finance. If you have any questions, call me in Senator Donny Olson's Office. If you would like to send a letter of support on the bill, send to Loren_Peterson@legis.state.ak.us .

Sponsor Statement: Senate Bill 130
Alaska Native Language & Advisory Council

"An Act establishing in the Alaska Native Language Preservation and Advisory Council and relating to the preservation, restoration, and revitalization of Alaska Native languages."

Alaska Native Languages (ANL's) are threatened by extinction. The intent of SB 130 is to preserve and maintain ANL's. Indigenous languages are the most critical components in terms of preservation of cultural ideas and traditions and serve as the backbone of all cultural elements.

SB 130 will establish the Alaska Native Language and Advisory Council to assess the state of ANL's and re-evaluate the programs within the state and make recommendation to the Governor and Legislature to establish new programs or re-organize the current programs.

According to the Alaska Native Language Center's *Population and Speaker Statistics* published in 2007, only 22 percent Alaska Natives statewide can speak their native language. More specifically, only 29 percent of the Eskimo Aleut

Whanga Qaakaghlleq, Kingiikaankuk Aghhayankuk panigat, Sivungaghmi, Qiwaaghmi.

My name is Vera K. Metcalf, daughter of Theodore and May Kingeekuk from Savoonga, from the Qiwaaghmii clan. I am the Director of the Eskimo Walrus Commission (EWC) at Kawerak in Nome, an organization of 19 indigenous walrus-hunting communities in Alaska, and a former Commission member on the US Arctic Research Commission (USARC) representing the indigenous residents of the Arctic.

Alaska Native culture is a significant, crucial aspect of what makes Alaska vibrant and unique. It mustn't be taken for granted by us (whether we are a proud Alaska Native or a proud Alaskan, or both) without doing what we can to ensure that the health of what is the core of a culture, its language, is taken care of.

While a USARC Commissioner, we included Indigenous Languages, Cultures, and Identities as a major research recommendation in our 2009-2010 Goals and Objective Report. It explains, "Language helps us define the cultural diversity of our planet and serves as the strongest pillar to our diverse cultural heritage. Language is a fundamental indication of who we are, that is, of our identity. Although critical, language is one of the most vulnerable elements of our cultural being." Consequently, the Commission recommended that federal agencies continue to develop and fund a research plan to help prevent extinction of the diverse languages spoken by Arctic peoples. It specifically cited important entities to be: National Science Foundation, National Endowment for the Humanities (NEH), Smithsonian Institution, BIA, Department of Health and Human Services (HHS), Department of Education (ED), USDA, the **State of Alaska**, and Alaska Native organizations.

During my work as a bilingual teacher aide, my work in repatriation, and now my work in natural, cultural resource management with EWC, I have learned that these three features (language, culture, and identity) of Arctic indigenous life are inseparable: To preserve an indigenous language, its cultural basis must be cherished and maintained, and for a community's cultural life to survive, its spiritual beliefs must reinforce the traditional way of life. It must be valued and used most naturally as the language of weather and environment, traditional and customary hunting practices, food preservation and preparation, clothing, boat building, storytelling, singing/dancing/drumming, or wherever a community's traditional knowledge is valued and shared.

"Community" is where language, culture, and identity are maintained and kept vital. Of course there are multiple layers of community; clan, village, common language, Inuit

Circumpolar Council, marine mammal organizations like AEWC, tribal organizations, Alaska Federation of Natives (AFN), WEIO, wherever indigenous knowledge and values are promoted and passed on to the next generation. Identities are supported through multiple relationships and group associations.

The question we need to continue asking is what are we doing that nurtures the health of a community's language; what policies, regulations, and decisions do we make that allows an Alaska Native language to prosper. The alternative is realizing and discovering what we're doing to undermine its long-term health. This is why we need the Alaska Native Language Preservation and Advisory Council.

Alaska Native Language Revitalization

Prepared for the

Alaska State Legislature

SB 130 Alaska Native Language and Advisory Council

By

Rosita Kaahaní Worl, Ph.D.

Sealaska Heritage Institute

Juneau, Alaska 99801

January 31, 2012

In honor of my ancestors and in respect to this committee, I am privileged to tell you who I am:

Lingít x'eináx Yéideiklats'ok ka Kaahaní ax saayí.

Shangukeidí ka Cháak' naa xat sitee.

Kawdliyaayi Hit áyá xát.

Lukaax.adi yádi áyá xát.

My Tlingit names are Yéideilats'ok and Kaahaní

I am of the Thunderbird Clan and the Eagle Moiety.

I am from the House Lowered from the Sun of Klukwan.

I am a Child of the Sockeye Clan.

My Tlingit names embody my social identity and cultural values. They establish a bond between me and my ancestors, and they create a responsibility to our future generations. My social identity reflects our world view and our relationship to our land and environment.

My English name is Rosita Worl, and I serve as President of the Sealaska Heritage Institute (SHI), whose mission is to perpetuate and enhance the cultures of the Tlingit, Haida, and Tsimshians. SHI has been engaged in language restoration efforts for the last twelve years.

I am here today to testify in support of Senate Bill 130, "An Act establishing the Alaska Native Language Preservation and Advisory Council and relating to the

Preservation, Restoration, and Revitalization of Alaska Native languages." I would also like to commend you in this noble effort to support the rich linguistic and cultural diversity of this State.

I will not dwell on the historical reasons and circumstances as to why Native languages are on the verge of extinction. Rather, I will focus on the positive results that the adoption of this bill and language revitalization can bring to Alaska Natives and to the State of Alaska.

First, it is important to briefly outline the status of Alaska Native languages today. Unless remedial action is initiated, most all of Alaska Native languages will join their already extinct linguistic relative, the Eyak, within a few short decades. According to a UNESCO report on endangered languages, Inupiaq in the North Slope and Kotzebue and the Gwich'in Athabaskan languages are "severely endangered," meaning that the languages are spoken by grandparents and older generations. While the parent generations may understand Inupiaq and Gwich'in Athabaskan, they do not generally speak these languages to children or among themselves. Aleut and the Southeast Alaska Native languages are "critically endangered" meaning that the youngest speakers are grandparents and older, and they speak the language partially and infrequently. Yup'ik, which is the healthiest indigenous language in Alaska, is classified as "vulnerable." This means that most children speak the

language; but it may be restricted to certain domains such as in the home. I note with deep regret that Eyak is extinct.

In the 1990s, Alaska Natives began to advocate in earnest for the revitalization of indigenous languages. Sealaska was successful in advancing an amendment to the Native American Languages Esther Martinez Act of 1992 that provided for language revitalization programs in Alaska based on the status of our language restoration efforts at that time. I am enclosing a report prepared by the Sealaska Heritage Institute that provides an overview of the language programs administered by Alaska Native organizations today. We apologize that it may be an incomplete record, but it should provide for you the range and the limitations of the programs that are operating in the state. To my knowledge, state funding is not available for language restoration programs. The unfortunate reality is that the federal funding level has been woefully inadequate with something like $4 million in competitive grants available annually for all tribes throughout the United States. The gains we made in federal funding through aggressive advocacy on our part have been offset by the shrinking federal appropriations in the last few years, and we are yet struggling to ensure that funding for the Alaska Native Education Equity Act continues. Thus, the state's effort to support the preservation, restoration, and revitalization of Alaska Native languages becomes even more critically imperative.

It is also important to briefly review the work of the Alaska Native Language Center in the event it might be suggested that the Council might duplicate its work. The ANLC was established by state legislation in 1972, and it has focused on the documentation of Alaska Native languages. While the study of Native languages is important, documentation, which has been the primary focus on the ANLC, does not by itself, lead to restoration of a language. Documentation does not include the development of curriculum or the training of teachers to provide instruction on Native languages. Native language curricula and Native language teachers are critical in language revitalization. Rather than documentation, the heart of the Council's work will be to "advise the governor and the legislature on programs, policies, and projects for cost effective preservation, restoration, and revitalization of Alaska Native languages in the state." This work together with the necessary funding can ensure that one of our most significant resources in the state survives.

Native organizations have the capacity to implement language revitalization programs as reflected by the report I am submitting to you. Native Peoples have been staunch advocates of language revitalization efforts, and I would stress that it is essential that Native organizations be eligible recipients of state funds. Michael Krauss, the foremost linguist in the state, recognized the importance of Native American organizations and tribes as applicants for funding in his testimony supporting the Native American Languages Act of

1992. He stated "you cannot from outside inculcate into people the will to revive or maintain their languages" (Hinton 2001).

I would further recommend that the legislature and administration adopt interim measures to immediately support revitalization language projects for the most critically endangered languages. However, I also want to assure you that I am of the firm opinion that the legislation to establish the Alaska Native Language Preservation and Advisory Council must be adopted if we are to ensure the survival of Native languages. The Council must formulate policies that support the revitalization of Native languages and identify barriers that threaten the survival of Native language.

Significantly, one of the most immediate effects of the legislation is that it would serve to reverse the perception that the State of Alaska is adverse to linguistic diversity. It would further send a powerful message that Alaska sees indigenous languages as a part of its heritage to be protected. Unfortunately, the adoption of the English-Only legislation in 1998[1] was interpreted by many, and certainly by the Alaska Native population, as an effort to suppress Native languages. Although this may not have been the intent, I would hope that one

[1] The legislation restricted the state from conducting business in any language other than English with limited exceptions. In 2002, a superior court ruled that the law violates free speech rights, striking the law down. In 2007, the state Supreme Court issued a 4-1 split decision, ruling that the first section of the law (requiring English to be the only language used for government functions) is unconstitutional, and the second part (requiring English for all government documents and records) is constitutional as long as duplicates can be made in other languages.

of the first recommendations that the Council advances is a proposal to the legislature and the governor that Alaska join Hawaii in declaring that the state is officially multi-lingual.

The adoption of this legislation could also send a powerful message that indigenous languages are not evil or inferior to English. Children growing up with the perception that their language and culture are inferior more often develop low self-esteem, and studies have revealed that low self-esteem is a major factor in failure at school.

Conversely, a positive self-identity is a prerequisite to academic achievement. However, the emotional benefit of a positive self-identity must be accompanied by real changes in the classroom that provide for the teaching of Native language and culture. This will require considerable work and funding.

Sealaska Heritage Institute has consistently conducted evaluations of our programs in which Native language and culture are taught in schools. The curricula we have developed and the professional development workshops we have offered to teachers are oriented towards the instruction of Native language and culture. Equally important, our objectives have been to improve the academic status of our students by advancing critical thinking, knowledge and science. Our evaluations reveal that students do better academically when they are taught Native language and culture. We are preparing a longitudinal

study of students who have participated in the demonstration project we initiated in the Juneau schools, and we will be pleased to share the report with the committee when it is complete. We are confident that the study will demonstrate the academic achievement which results from the incorporation of Native language and cultural studies into the classroom. However, we have grave concerns that the school district will not be able to sustain their minimal efforts they have provided in teaching Native languages.

I believe that the legislature understands the social and economic costs to a society and to the state when a significant percent of the population has a poor education. It is my hope that our society will come to accept and understand that the incorporation of Native language and culture into our schools leads to improved academic success that ultimately benefits the individual students as well as our state and society.

Native languages contain intellectual wealth accumulated through thousands upon thousands of years. They have conveyed how Native people see and use the land. The difference in world views among different Alaska Native cultural groups was readily apparent to me when I was conducting field work in the North Slope studying whale hunting. I absolutely could not see the grey patches on the horizon that my companion hunters saw that signified open water. Neither did I know the over eighty terms they had in their language to distinguish the different types of ice (Nelson 1969). Knowledge of ice is critical

to the survival of the hunters who harvest whale, marine mammals and fowl on the sea ice. The 3,300 Tlingit place names that Sealaska Heritage will be publishing in a cultural geographic atlas provide knowledge about our environment and land in Southeast Alaska. Interestingly, these names may also provide information about climate change through thousands of years. Language is a uniquely a human gift central to our experience of being human and Alaska Natives. This knowledge and the differing world views are worthy of protection and transmittal to future generations. Linguistic and cultural diversity is a benefit to society.

Unfortunately Native languages are on the road to extinction unless we initiate immediate efforts to rectify this trend. I urge that the legislature act immediately to adopt SB 130, "An Act establishing the Alaska Native Language Preservation and Advisory Council and relating to the Preservation, Restoration, and Revitalization of Alaska Native languages."

I would like to dedicate my testimony to the late Dr. Bill Demmert of Klawock, who served as a Professor of Education at the University of Alaska Southeast. He was the first and only Native to serve as Commissioner of the State of Alaska Department of Education. He was an educator with national prominence and was instrumental in the passage of the Indian Education Act. He was also a staunch advocate of Native language restoration and studied how Native language contributes to academic success. We were fortunate to

have him serve on the Board of Trustees of the Sealaska Heritage Institute. I would also like to respectfully recommend that the state legislature consider incorporating his name into the title of SB 130 "The Bill Demmert Act establishing the Alaska Native Language Preservation and Advisory Council." It would be a tribute to all who have worked tireless to revitalize Alaska Native languages.

Gunulchéesh

References

Hinton, Leanne.
2001. "Federal Language Policy and Indigenous Languages in the United States." In Hinton, L. and Ken Hale. 2001. The Green Book of Language Revitalization in Practice. Academic Press. San Diego. pp. 39-48.

Nelson, Richard.
1969. Hunters of the Northern Ice. Chicago: University of Chicago Press.

Sealaska Heritage Institute

Alaska Native Language Programs

January 2012

Alaska Natives are comprised of seven linguistic groups including the Inupiat, Yup'ik, Aleut, Athabascan, Tlingit, Haida and Tsimshian. Each has or had its own indigenous language. But today, no group is producing new speakers with Native as their first language. Many have language revitalization efforts in which students learn many nouns, some verbs, some greetings and introductions. None are producing fluent or even proficient speakers. Most programs are for beginners and a few are for intermediate learners. Very few programs are for advanced learners. Many communities have singing and dancing groups where individuals learn songs in their Native language and may or may not know the meaning of the words they are singing. At this time, many young Native individuals have expressed great interest in learning their language. Native language acquisition formerly occurred in the homes. Because of many factors, parents today do not know their Native language and are unable to teach the language to their children. The challenge of teaching Native languages has largely been left to schools and community organizations. This paper provides a brief summary of programs offered around the state. Not all regions responded to the request from Sealaska Heritage Institute (SHI) for information about their language programs. We received responses from seven regions. The Arctic Slope and Aleutian Pribiloff provided SHI the most detailed information. Other language revitalization programs may exist in Alaska of which we are not aware.

From Barrow to Metlakatla, community organizations and school districts are offering language programs. In the Arctic Slope, the schools teach the four dialects of Iñupiaq throughout the 12 schools in the district. The Iñupiaq Education program has created VIVA (Visual Iñupiaq Vocabulary Acquisition) online language units. Each unit contains its own assessment and scoring—students' keep track of their own progress. Once a unit is completed, the students practice their verbal pronunciation with a fluent speaker—the district employs fourteen fluent Iñupiaq speakers. This program is noteworthy for several reasons: sequential units based on the Greymorning method, scoring contained within each unit; emphasis on hearing the language tied with images rather than words and pronunciation work with fluent speakers. Classes are held 3-5 times per week in the elementary school and are available as electives

in the middle and high schools. Production of the VIVA units requires a full-time curriculum developer. The units are recorded in four Iñupiaq dialects. The North Slope Borough School District (NSBSD) is also working with cultural units and developing a math program based on the traditional Iñupiaq number system.

Nome is adapting its language program based on the NSBSD materials. They are receiving training from the curriculum developer on how to create their own programs using 'flash'. This region has a web-based vocabulary development game. They are recording fluent speakers of the different Iñupiaq dialects. Their record demonstrates the benefits of sharing resources, materials and staff knowledge to maximize the language revitalization efforts in our state.

In the northwest Arctic, 14% of residents are fluent in Iñupiaq. Of these speakers, 92% are over the age of 65.[2] Despite the disheartening statistics, communities are taking action to ensure the language survives. NANA Regional Corporation entered into a unique partnership with Rosetta Stone to produce an interactive computer learning program as part of the Rosetta Stone Endangered Language Program. Software for the two predominant dialects in the region was made available to the head of household for each family of shareholders and is available for sale. An additional effort to perpetuate the language in the region is the immersion school in Kotzebue, Nikaitchuat Ilisagviat. For 13 years, approximately 20 students age 3 through first grade have been learning all subjects solely in Iñupiatun. The Nikaitchuat staff hope to someday offer more grades at the school. The University of Alaska Fairbanks Chukchi Campus based in Kotzebue, offers an Iñupiaq A.A.S. degree and certificate program. Classes are available online so students in the villages are able to participate. Finally, the Aqqaluk Trust is a non-profit organization with the mission: "Empowering the Iñupiat people through language, culture and education." The Aqqaluk Trust coordinates the regional Iñupiaq Language Commission and conducts Camp Sivunniigvik each summer, at which children from across the region spend one week sessions on the banks of the Kobuk River enveloped in Iñupiaq traditions, values and the Iñupiaq language.

Bethel has operated an immersion school for more than 17 years. They have produced many materials including Big Books in their Yup'ik language.

Other regions are also making use of technology. The Kodiak area has produced an online audio dictionary and electronic Aluutiq flashcards. They

---

[2] Survey of Residents of the Northwest Arctic Borough conducted by the Aqqaluk Trust and the Native Village of Kotzebue in 2005.

also have a Stories and Lost Words project and are in a consortium with Port Lions and the Aluuttiq Museum. Today there are only 45 fluent speakers of the Alutiiq language, the traditional language of the Native people of the Kodiak Archipelago, only 11 of which can speak the Northern Dialect, the traditional language of the *Ag'uanermiut* (people of Afognak). All the speakers are Elders. Alutiiq, like so many Alaska Native languages, struggles for survival. Afognak Native Corporation has funded a language program operated by the Native Village ofAfognak and Native Village of Port Lions to create innovative language learning tools. See Alutiiq Language Website: http://www.ktuu.com/features/assignmentak/learning-alutiiqonline-20120112,0,5807593.story and Alutiiq iPhone Application: http://www.ktuu.com/videobeta/80965544-341f-44e4-8e14-5210bac33c9b/News/Afognak-Alutiiq-Connect-iPhone-app-intro. Through the joint efforts of the Alaska Native Corporations and Tribes in the Kodiak Archipelago and the Alutiiq Museum, language restoration efforts are underway.

The Chugach Region has produced many posters, videos and books. They also teach Aluutiq at Spirit Camp each summer.

The Aleutian Pribilof Islands region is the only one of the seven regions who reported that Native language still spoken in the home although we suspect this is also the case in Yup'ik villages. The village of Atka reports that Unangam Tunuu (Aleut) is still spoken in one-fourth of the homes. They report that there are 124 fluent speakers still living representing 3.5% of the enrolled tribal members. Two of the 12 schools in the region offer language and culture classes in the curriculum. Ten schools offer limited exposure to language and culture. In Atka, where ¼ of the homes still speak Unangam Tunuu (Aleut), a fluent speaker teaches language classes one hour/day. In St. Paul, a certified teacher is also a fluent Unangam Tunuu speaker. She teaches one language class, five days per week. There is an active singing and drumming group. Youth and elders collaborate to write lyrics for new songs. At community gatherings elders speak Unangam Tunuu. Three culture camps are held during the summer months. The region is seeking $1,000,000 to create a Rosetta Stone product for Unangam Tunuu. The corporation board of directors has committed themselves to one hour of language lessons during each of the three annual meetings.

Southeast Alaska has many and varied programs. Throughout the region, "language learners," who are teachers and who are yet learning their Native

language, teach with few exceptions all language classes in some cases in collaboration with fluent speakers. Yakutat has federal funding to write children's stories in Tlingit and develop learning materials for the stories. Local students and artists illustrate the stories. The core language staff work with fluent speakers on a weekly basis. Classes are taught outside the school system. Klukwan classes are taught in the school while in Haines, language classes are taught in the local museum. In Juneau, the Goldbelt Heritage Foundation is developing curriculum and working with teachers and fluent speakers to develop lessons using the Tlingit Verb Index. The region-wide entity, Sealaska Heritage Institute, produces curriculum and provides teacher training on a region-wide basis. SHI is concentrating on the Developmental Language Process (DLP) and has produced curriculum materials for academic content areas (math, science, social studies and literature), as well as Tlingit, Haida, and Tsimshian DLP units. SHI has also published Tlingit, Haida and Tsimshian dictionaries and has highly popular interactive language programs on its website. SHI sponsors summer basketball camps in which Native language instruction is integrated into basketball training. Both Goldbelt Heritage and SHI sponsor summer camps for youth. The camps feature language classes but are not conducted in the language. Other communities in Southeast have Tlingit language classes in the schools (Hoonah, Sitka and Kake). Wrangell and Ketchikan have programs after school.

In addition to offering classes, Ketchikan Indian Community has devoted time and grant money to improve advanced learner skills. One Haida, Tsimshian and Tlingit advanced learner is teamed with fluent speakers. They spend a significant amount of their week with the fluent speakers. The goal is to increase the learners' skills to proficiency. This is the only program in the state with that stated goal although others may be doing the same work.

University of Alaska Southeast has offered Tlingit classes at beginners and intermediate levels, as well as studies of oral literature and narratives. UAS also offers mentor-apprentice classes. The University of Alaska Anchorage and Fairbanks also offer Native language classes.

In summary, a significant effort is being expended in the state to revitalize Native languages. The programs focus on using technology to teach vocabulary. Most regions are recording fluent speakers. Some regions are sharing resources and adapting materials for their own dialects. None of the regions reported stability in their Native language. Fluent speakers are passing on with no new speakers replacing them. Hundreds of learners of all ages are

learning nouns, verbs, greetings and introductions. Few progress to proficiency.

The major expressed needs are:

- Programs to support teacher language learners to work with fluent speakers to increase their own language proficiency. Mentor apprentice programs appear to be very effective.
- Programs to recruit more language learners into the teaching of the language.
- Stable funding for these programs so that teacher/learners know they can count on their program continuing.
- Curriculum development at all levels and ongoing, teacher training workshops.

SB 131

<TARGET><BILL>SB 131</BILL><SUBJECT>SB 131</SUBJECT><COMM>SSTA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

SB-131: Iran Divestment

Fact Sheet

- Iran has been listed as a "State Sponsor of Terrorism" by the U.S. State Department since 1984 and is currently under international sanctions for the regime's continued human rights abuses, sponsorship of terrorism, and pursuit of nuclear weapons. Iran has been linked with "directly supporting" Iraqi insurgents that have actively gone after U.S. soldiers and according to a recent IAEA report, the Iranian regime is carrying out activities, "relevant to the development of a nuclear explosion device."

- SB 131 would direct the Commissioner of Revenue to compile or acquire a list of companies that have invested an aggregate of $20 million or more in Iran's oil and gas development. Companies on that scrutinized list would be subject to divestment if the company cannot cure or explain the investments within 90 days. After that period, the State's fund managers would be required to liquidate the assets they hold for those companies within another 90 days.

- This legislation would be repealed if Iran is no longer considered a "State Sponsor of Terrorism," or if the United States determines that Iranian divestment policies interfere with our foreign policy.

- According to Legislative Research, no companies that currently do business on the North Slope would likely be subject to divestment. The same report identifies $79 million, or a tenth of one percent, of state funds may be subject to divestment.

- This bill would keep Alaska's investments from supporting our nation's enemies.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version **SB 131**
Fiscal Note Number
() Publish Date

Identifier (file name) SB131-REV-APFCCMF-01-27-12
Title DIVEST INVESTMENTS IN IRAN
Sponsor Senate State Affairs Committee
Requester Senate State Affairs Committee

Dept. Affected Revenue
Appropriation APFC Custody and Management Fees
Allocation APFC Custody and Management Fees
OMB Component Number 2310

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services	200.0						
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**200.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1105	PF Gross (Other)	200.0						
TOTAL		**200.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial version

Prepared by Laura Achee
Division Alaska Permanent Fund Corporation
Approved by Michael J. Burns
CEO, Alaska Permanent Fund Corportation

Phone 796-1522
Date/Time 1/27/12 12:00 AM
Date 1/27/2012

(Revised 11/18/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB 131

Analysis

This bill would require that APFC divest any securities of publicly traded companies that are held in actively managed separate (non-commingled) funds. This bill would also require that APFC send letters to managers of actively traded commingled funds requesting that they consider divesting the listed securities. Based on consultations with external managers and other public funds, APFC has projected the transactional costs stated above for the divestment process. This estimate does not include any projected investment losses that may occur from selling the more illiquid stocks.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version **SB131**
Fiscal Note Number
() Publish Date

Identifier (file name) SB131-DOR-TRS-1-27-12
Title Divest Investments in Iran
Sponsor Senate State Affairs
Requester Senate State Affairs

Dept. Affected Revenue
Appropriation Treasury
Allocation ARMB/ARMB Custody
OMB Component Number 2812

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	***	***	***	***	***	***	***

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		***	***	***	***	***	***	***

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial Fiscal Note

Prepared by Scott Jones, Assistant Comptroller
Division Treasury
Approved by Alicia Egan, Oil & Gas Legislative Liaison
Department of Revenue

Phone 465-2300
Date/Time 1/27/12 1:00 PM
Date 1/28/2012

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** SB131
2012 LEGISLATIVE SESSION

Analysis

The costs to implement this bill are indeterminate.

This bill requires the fiduciaries of the state's retirement systems, the Supplemental Annuity Plan and the deferred compensation plan to divest certain investments in publicly traded companies that conduct business operations or have direct investments in business operations in Iran. While Treasury believes that active and passive separate account managers will not charge additionally for divestment, Treasury will incur some costs in developing a list of companies that conduct or have direct investments in business operations in Iran. Other costs to be considered would include development of letters to fund managers of commingled investments, the opportunity cost of staff time to implement new policies and processes to implement this bill. The effect this bill will have on investment performance is unknown.

Lines of Questioning for the Permanent Fund

- First, can you explain the process that the Permanent Fund went through to give us both a zero and a $200,000 fiscal note?
    - So the $200,000 price tag came from fund managers. How many fund managers came back saying there would be a cost?
    - So only one fund manager came back with a cost. So you are saying that one fund manager would charge $200,000 to sell stocks in a handful of companies?
    - And how many other fund managers came back and said that there would be no additional cost?
    - Why is it that this particular fund manager would charge so much more than every other fund manager?
    - And why does this particular fund manager not fall under the exemptions on page 2, lines 5 through 11?

- The Governor made a surprise announcement this week that he is asking the Permanent Fund Corporation to divest their holdings from companies that do business in Iran. What is the Permanent Fund Corporation going to do in response to this letter?
    - Does the Permanent Fund Corporation have the legal authority to divest from Iran at the Governor's request?
    - Where would the Permanent Fund Corporation get the money to divest if they chose to honor the Governor's request?
    - If so, could a sitting Governor unilaterally decide to reverse this policy in the future?
- The new fiscal note seems a little high. I would like to note for the record that you and the Permanent Fund Corporation have been very responsive and helpful to me and my staff this past week. In fact, my staff has obtained the contract the Permanent Fund Corporation has with this specific fund manager. You have cautioned that some

of the information should remain confidential, so let me know if my questions cross a line.

- Are you allowed to name the fund manager that says it would cost them $200,000 to sell a handful of stocks?
- Did they give this quote for all of their funds and indexes, or just one?
- Is the $200,000 the cost it would be for them to divest from the $1 billion fund only, not the other two holdings that are excluded from this legislation?
- And what exactly does it mean for that $1 billion fund to be an "International Large-Cap Core Equity Investment?"
- Are there other fund managers that the Permanent Fund could go to that would be able to invest in a similar market?
- How much is the Permanent Fund Corporation paying this company annually for this quasi-passive

management? (it should be around $1.375 million annually)

- So you are saying that they would get a huge increase in their annual management fees for selling a handful of stocks? Going from under $350,000 in a quarter to $550,000 seems outrageous.
- Would there be any additional cost to leave this fund manager for another? Would we have to pay them more for terminating the agreement?
- Is there a section in the contract that allows for the Permanent Fund and the manager to come to an agreement as to how much should be charged in the agreement in the event unforeseen circumstances arise?
- Wouldn't the Permanent Fund have a good negotiating position, having a number of other fund manager options, to negotiate this cost down?

STATE CAPITOL
PO Box 110001
Juneau, Alaska 99811-0001
907-465-3500
fax: 907-465-3532

550 West 7th Avenue #1700
Anchorage, Alaska 99501
907-269-7450
fax 907-269-7463
www.Gov.Alaska.Gov
Governor@Alaska.Gov

Governor Sean Parnell
STATE OF ALASKA

January 31, 2012

Mr. Michael Burns
Executive Director
Permanent Fund Corporation
801 West Tenth Street, Suite 302
Juneau, AK 99801

Dear Mr. Burns,

This will follow up on our meeting of November 21, 2011, regarding the divestiture of Permanent Fund investments from Iran. The International Atomic Energy Agency (IAEA) recently placed Iran under heavy scrutiny for "serious concerns regarding possible military dimensions to Iran's nuclear program." And, the IAEA believes Iran has "carried out activities relevant to the development of a nuclear explosive device." Additionally, Iran's ruling government has made it clear that it does not believe that citizens of Israel should be allowed to live or peaceably pursue their own interests.

I understand some believe free markets, rather than government policy, should drive our investment choices, but this very real threat requires action. No free market exists when one nation builds a nuclear arsenal while it continually and steadfastly advocates for the eradication of another entire nation, with our own not so far behind.

In my view, our State's policy should now be to divest ourselves of investments with companies doing business in Iran. This sanction comes as a last resort – an option our State has historically refused when presented. However, the time to stand on the principles of life and liberty is at hand, and we must step up along with our country and other states. For these reasons, I am asking that to the extent permitted by law, you pursue a policy of divestiture of State resources from companies that do business in Iran or with the current ruling government of Iran.

Sincerely,

Sean Parnell
Governor

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 January 26, 2012

SUBJECT: Sectional summary of SB 131 (Work Order No. 27-LS0785\M)

TO: Senator Bill Wielechowski
Attn: Samuel Gottstein

FROM: Dan Wayne
Legislative Counsel

You have requested a sectional summary of SB 131, a bill relating to divestment in certain companies doing business with Iran. Please note that a sectional summary of a bill is not an authoritative interpretation of a bill. The bill itself is the best statement of its contents.

Section 1 of the bill enacts a new section, AS 37.10.072. It states that the commissioner of revenue or a fiduciary of a fund listed in AS 37 may not invest in and shall cause the fund to divest in publicly traded securities of a company that the commissioner places on a list of scrutinized companies that conduct or have direct investments in business operations in Iran and must divest, if needed, within 90 days after the company is placed on the list. The commissioner is required to make reasonable efforts to investigate all publicly traded companies to determine whether the company is a scrutinized company that should be placed on the list. The commissioner must make certain reports based on the investigations into companies that may or may not be on the list.

Section 2 of the bill requires the Alaska Retirement Management Board to comply with the provisions of AS 37.10.072.

Section 3 of the bill requires the board of trustees of the Alaska Permanent Fund Corporation to comply with the provisions of AS 37.10.072.

Section 4 of the bill provides that the statutes enacted in the bill are repealed the day after Iran is removed from the United States Department of State's list of countries that have been determined to repeatedly provide for acts of international terrorism or, the United States Congress or the President of the United States, through legislation or executive order, declares that the Iran divestment authorized in the Act interferes with the conduct of United States foreign policy.

Section 5 of the bill requires the commissioner of revenue to diligently work on compiling the list of scrutinized countries within 90 days after the effective date of the Act.

Section 6 of the bill directs the Department of Law to submit written notice to the Attorney General of the United States describing this Act no more than 30 days after the effective date of the Act.

Section 7 of the bill provides for an immediate effective date.

DCW:plm
12-053.plm

LEGISLATIVE RESEARCH SERVICES

Alaska State Legislature
Division of Legal and Research Services
State Capitol, Juneau, AK 99801

(907) 465-3991 phone
(907) 465-3908 fax
research@legis.state.ak.us

Memorandum

TO: Senator Bill Wielechowski
FROM: Susan Haymes, Legislative Analyst
DATE: October 24, 2011
RE: Iran Divestment and State of Alaska Investments
LRS Report 12.070

You asked about economic sanctions against the government of Iran by means of the divestment of public assets in certain companies. Specifically, you asked about the potential effects of a "targeted divestment" law on the State of Alaska with respect to the Alaska Permanent Fund and other Alaska state funds.

Economic sanctions have been a major feature of U.S. Iran policy since the U.S. Embassy hostage crisis in 1979. In 1995, President Clinton issued executive orders prohibiting U.S. companies from investing in Iranian oil and gas and from trading with Iran. Also in 1995, Congress passed the Iran Sanctions Act (ISA), which required the U.S. government to impose sanctions on foreign firms investing more than $20 million a year in Iran's energy sector.[1] On July 1, 2010, President Obama signed the Comprehensive Iran Sanctions, Accountability and Divestment Act (CISADA, P.L. 111-95), which significantly expanded the authority of the ISA by imposing sanctions on sales to Iran of gasoline and related equipment and services. Among other things, the CISADA also authorizes state and local governments to divest shares of companies that are involved in trade with Iran that could be subject to sanctions under CISADA.[2]

Divestment of Alaska State Funds

In April 2011 (27th Legislature), Alaska lawmakers introduced SB 131, which would require the state to divest ownership in any publicly traded securities from scrutinized companies that conduct or have direct investments in business operations in Iran.[3] Under the proposed legislation, the commissioner of the Department of Revenue shall compile a list of scrutinized companies. The commissioner is required to provide written notice and an opportunity to comment in writing before the company is identified as a scrutinized company. The divestment process described in SB 131 is similar to the process used in other states that have passed legislation or are considering legislation requiring divestment from Iran.

In assembling a list of scrutinized companies, we note that many states appear to be sharing information concerning companies with business activities in Iran. Some states, such as California and Florida, use research performed by Institutional Shareholder Services/RiskMetrics Group and others to evaluate companies with possible links to Iran. Nevertheless, lists may vary somewhat.[4] For purposes of this report we use a list of 36 scrutinized companies compiled by Institutional Shareholder Services/RiskMetrics Group for the Minnesota legislature in January 2011.

[1] Originally called the Iran and Libya Sanctions Act (P.L. 104-172), Libya was removed from the law in 2004. Congress enacted sanctions in an effort to deny Iran the resources to further its nuclear program and its support of terrorist organizations such as Hizbollah, Hamas, and Palestine Islamic Jihad.

[2] Kenneth Katzman, "Iran Sanctions," Congressional Research Service, February 3, 2011.

[3] Under the legislation, business operations mean power production activities, mineral extraction activities, oil or gas-related activities, or the production of military equipment. Representatives Carl Gatto and Bob Lynn introduced a companion bill in the House, HB 2.

[4] We note that each state is required to review and update the list of scrutinized companies on a regular basis. The Florida State Board of Examination maintains a list of scrutinized companies as well as companies that are under continued examination and may be added later. RiskMetrics Group provides risk management and financial services.

The state of Alaska maintains invested assets totaling about $78 billion.[5] Of these investments, nearly $79 million–or about 0.1 percent– would be subject to divestment under SB 131 as proposed. We calculate that as of September 30, 2011, almost $71 million in Permanent Fund investments would require divestment and almost $8 million in other state assets would be targeted for divestment.

The following table shows the list of companies and the market value of the investments held by the Alaska Permanent Fund and other state funds that would be subject to divestment.

Permanent Fund and Other State Stock Holdings Potentially Subject to Iranian Divestment

Permanent Fund		
Company	**Market Value**	**Country**
Air Liquide L'	$8,312,454	France
China Petroleum and Chemical	$21,441,552	China
CNOOC Ltd	$1,890,363	China/Hong Kong
Daelim Industrial Company	$90,106	South Korea
Gazprom OAO	$8,674,991	Russia
GS Engineering and Construction	$116,464	South Korea
KunLun Energy Company Limited	$198,460	Hong Kong
MISC Berhard	$115,469	Malaysia
Oil and Natural Gas Corporation	$241,590	India
OMG AG	$3,771,598	Austria
PetroChina Company	$1,512,966	China
Petrofac Limited	$1,656,908	United Kingdom
Petronas Dagangan Bhd	$149,977	Malaysia
Petronas Gas Berhad	$325,262	Malaysia
PTT Exploration and Production	$344,206	Thailand
Sasol Limited	$11,935,379	South Africa
SGS SA	$2,098,084	Switzerland
Technip SA	$8,004,444	France
Total for Permanent Fund	$70,880,273	
Other State Funds Managed by the Division of Treasury		
Air Liquide L'	$2,916,692	France
Costain Group	$2,050	United Kingdom
Gazprom OAO	$4,543,890	Russia
OMV AG	$155,137	Austria
SGS SA	$289,862	Switzerland
Total for Other State Funds	$7,907,631	
GRAND TOTAL	$78,787,904	

Notes: The market value of the Permanent Fund holdings is the value as of September 30, 2011.
Sources: Permanent Fund holdings and market value can be accessed at *http://www.apfc.org/home/Media/investments/09302011WebHoldings.pdf*. Pam Leary, state comptroller, Department of Revenue, provided the information on other state holdings. Ms. Leary can be reached at 907.465.3751.

[5] As of September 30, 2011, the state's investments included $21.3 billion under the fiduciary responsibility of the Commissioner of Revenue, $18.4 billion under the fiduciary responsibility of the Alaska Retirement Management Board, and $38.2 billion in the Alaska Permanent Fund, *http://www.revenue.state.ak.us/treasury/*.

The Alaska Permanent Fund and the Alaska Retirement Management Board have in the past expressed reservations about the wisdom of divestment, citing increased administrative costs and possible declines in fund performance.[6] While, given the nature of the global investment marketplace, it is unlikely that the divestment of Alaska public funds from targeted companies would have a direct, negative impact on those companies, proponents of divestment point to the recent decisions by a number of major multinational companies to withdraw from Iran. For example, Royal Dutch Shell, France's Total SA, Italy's Eni Spa, Norway's Statoil ASA, all have agreed to end investments in Iran. At least 22 states and the District of Columbia have likewise enacted laws or adopted policies to divest public funds from companies active in Iran. We note that under the proposed legislation, the Act would be repealed when the U.S Department of State removes Iran from its list of terrorist countries, or the United States Congress or the President determines that Iran divestment interferes with the conduct of U.S. foreign policy.

We hope this is helpful. If you have questions or need additional information, please let us know.

[6] Daniel Lesh, "Divestment of Qualifying Companies Operating in Sudan from Alaska Public Funds," Legislative Research Report 09.118, January 27, 2009.

The Risk Management Attributes and Broader Policy Implications of SB 131, entitled "Divest Investments in Iran"

Written Testimony before the Senate State Affairs Committee
of the Alaska State Legislature

Andrew K. Davenport
January 31, 2012

Mr. Chairman and Members of the Committee, thank you for the privilege of submitting this written testimony for consideration by the State Affairs Committee, as it, in turn, considers SB 131, a bill that calls on the Alaska Permanent Fund to divest of certain companies with ties to Iran. My familiarity with this issue area is extensive. I co-founded Conflict Securities Advisory Group (CSAG) and served as Vice President of that firm from 2001 to 2009. CSAG was the first independent research provider to identify and profile all corporate involvement in Iran – as well as other security-sensitive countries – to meet the risk management and compliance needs of the investment community, including for divestment purposes. I presently serve as Chief Operating Officer of RWR Advisory Group, a Washington, DC-based advisory firm that specializes, among other areas, in the risk to share value and corporate reputation related to corporate activity in these same countries. In addition to presiding over the research involved in profiling this activity, I have advised multinational corporations, institutional investors, asset managers and government agencies worldwide on the management of this risk category more broadly. Based on this background, I am pleased to offer my perspective on the merits of SB 131.

It is my view that the measures mandated for the Alaska Permanent Fund by SB 131 encourage a minimum level of prudent risk management with respect to those companies that continue to conduct business in Iran's energy sector that is in technical violation of U.S. sanctions law during a period when the temperature of Tehran's nuclear stand-off with the international community is at a historic peak. It is well known today that corporate activity in Iran, including activity that is legal under the jurisdictions that many foreign companies operate under, carries significant reputational and economic/financial risk. There are numerous examples of corporate ties to Iran harming a company's brand through negative press and shareholder and non-governmental organization (NGO) activism as well as encountering other downside risks, such as class-action lawsuits, the unexpected diversion of equipment and technology to internal security applications, rapidly expanding sanctions policies and unwitting partnerships with increasingly prevalent military front companies.(e.g., those linked to the Islamic Revolutionary Guard Corps). Moreover, these risks are asymmetric in the impact they can have on corporations, meaning that business activity involving financial sums that are typically insignificant relative to a company's overall bottom line or global revenues are material to the average investor on account of the disproportionate impact such business can have on share value and corporate reputation.

The Securities and Exchange Commission (SEC) has supported this view since May 2001, when the materiality of corporate activity in U.S.-sanctioned states was first publicly asserted in a letter to Congress from then-Chairman Laura Unger. Subsequently, in 2004, the SEC opened an Office of Global Security Risk that is charged with enforcing strengthened disclosure requirements on this topic by U.S.-listed companies – primarily foreign companies – that have business ties to Iran, but are not sufficiently describing the nature of that business to investors or are omitting the information entirely. For the same reason that some companies exiting Iran today reference shareholder concerns as a factor in their decision-making, institutional investors that have divested these companies in the past have often done so to protect the value of their investments. I have participated in the "back testing" of investment portfolios that have removed certain companies with ties to Iran and, although every investment situation is different, I have witnessed results that show a "de minimis" impact on returns with lower volatility. The "investor protection" basis for action has also made this a bipartisan issue with past vocal leaders on this topic ranging from former Missouri Treasurer Sarah Steelman (R) to former New York City Comptroller Bill Thompson (D). Both Sen. McCain and then-candidate Obama touted the divestment of Iran-linked companies from their personal portfolios in the 2008 presidential race.

Despite the potential materiality of a wide range of corporate activity in Iran, SB 131 focuses only on those companies with ties to Iran that violate the central provision of the Congressional "Iran Sanctions Act of 1996," as amended by subsequent legislation. This bill set a threshold of activity in Iran of $20 million or more in the development of the country's petroleum resources (the industry through which Iran raises the majority of its foreign currency and total government revenues). Any foreign company that violates this threshold is subject to special sanctions, enforceable at the discretion of the President. Accordingly, SB 131 draws what we consider to be a highly conservative line in the sand targeting a tier of corporate activity in Iran that has been internationally understood for many years to be the most risky.

Indeed, especially with today's backdrop on Iran, technical violations of this provision are so risky that few publicly-traded companies have the appetite to carry out such activity and those that do are often less sensitive to reputational risk and less protective of their share value. Many are partially or majority state-owned enterprises. In fact, the reality that the list of such companies is relatively small and the threshold for inclusion on the "scrutinized company" list is so high is a major factor in many public pension systems across the country dropping their opposition to the bill and, in some cases, agreeing to implement this targeted divestment model even in the absence of binding legislation. The proliferation of this model even led to the inclusion of language in the "Comprehensive Iran Sanctions, Accountability and Divestment Act" (CISADA) – enacted by the Congress in July 2010 – that gives Congressional endorsement of the divestment model embodied in SB 131 and seeks to shield those involved from certain legal liabilities that have been referenced by the investment community.

Over the years – and increasingly of late – the targeted divestment model has even been questioned on the basis that its "target" was, and remains, too narrow, too cautious and too conservative. The decision to peg this model to provisions in the "Iran Sanctions Act" as it stood some 6 to 7 years ago, when the targeted divestment initiative first emerged, has not been

revisited during the intervening period. The monetary level at which energy sector business with Iran can be called significant, however, has clearly diminished. Moreover, the objectives of the Congress differ from those of shareholders. The U.S. government is seeking to identify projects that have national security significance and shareholders (i.e., in this case, the beneficiaries of the Alaska Permanent Fund) are seeking to mitigate downward pressures on their investments. As demonstrated on numerous occasions, companies can experience negative press, controversy and even sanctions-related difficulties over transactions valued at far less than $20 million. Per the SEC conclusions referenced above, it would be defensible for the Alaska State Legislature to seek divestment from the Permanent Fund with regard to companies with ties to Iran that are significant, but below the very conservative threshold for risk management set forth in SB 131.

Indeed, even if there is a prerequisite for divestment that it address only companies that are targets of federal sanctions policy, as is the case with the current targeted model, advocates might focus on the fact that the past two years have seen a significant increase in the breadth of business activity in Iran that violates sanctions over and above the legacy provisions of the "Iran Sanctions Act." For example, an Executive Order issued by President Obama on November 21, 2011 lowered the threshold at which investments in Iran's petroleum resource industry is subject to sanctions from $20 million in a year to $5 million. It also targeted companies supporting Iran's petrochemical industry. CISADA expanded sanctions to include suppliers of refined petroleum product as well as support for Iran's efforts to produce such product domestically. Financial institutions are also more vulnerable to U.S. penalties stemming, in part, from Iran's new, official designation as a "primary money laundering concern" and new requirements issued by the Treasury Department that all banks meet their obligations to investigate and mitigate the risks associated with having correspondent banking accounts with banks that, in turn, have correspondent banking accounts with Iran (to minimize the chance of Iran seeking to access the U.S. financial system through a "bank shot," so to speak).

Since the targeted divestment model first started gaining traction in various states, these federal sanctions enhancements have become official policy and law, altering the landscape for risk management and potentially offering more, updated guidance to the investment community with regard to what type of business activity is viewed today as "beyond the pale" from a U.S. security perspective. Indeed, just as foreign companies modified their behavior in response to the "Iran Sanctions Act" (despite the scarcity of any actual enforcement of this law by multiple presidents), they have likewise been withdrawing from their refined petroleum partnerships, smaller-scale oil and gas projects and financial arrangements in response to new U.S. policies. Divestment efforts, however, have not kept pace. This reality reinforces our conclusion that companies in violation of the $20 million petroleum resource threshold laid out in SB 131 can, even more so today than several years ago, be viewed as comprising an especially elite category of worst offenders whose Iran-related activities make them suitable for divestment on risk management grounds.

Andrew Davenport is Chief Operating Officer of RWR Advisory Group. The views expressed herein are his own and do not necessarily reflect the views of RWR Advisory Group.

The Washington Post

Back to previous page

Senate unanimously approves tough sanctions on Iran Central Bank

By Associated Press, Published: December 1

WASHINGTON — The Senate unanimously approved tough new sanctions on Iran's Central Bank amid fears of Tehran developing a nuclear weapon.

The 100-0 vote Thursday was for an amendment to the defense bill. Lawmakers had argued that concerns about a nuclear-armed Iran outweighed reservations about driving up oil prices and hurting Americans at the gas pump.

Sens. Bob Menendez of New Jersey and Mark Kirk of Illinois offered the amendment that would target foreign financial institutions that do business with the Central Bank of Iran, barring them from opening or maintaining correspondent operations in the United States. It would apply to foreign central banks only for transactions that involve the sale or purchase of petroleum or petroleum products.

Administration officials cautioned that driving up oil prices could mean more money for Iran.

Copyright 2011 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

© The Washington Post Company

EU Iran Oil Embargo Sanctions 'Unprecedented'

DON MELVIN 01/23/12 02:40 PM ET Associated Press

BRUSSELS — The European Union and Iran raised the stakes Monday in their test of wills over the Islamic republic's nuclear program, with the bloc banning the purchase of Iranian oil and Iran threatening to retaliate by closing the Strait of Hormuz, through which a fifth of the world's crude is transported.

The escalating confrontation is fraught with risks – of rising energy prices, global financial instability, and potential military activity to keep the strait open.

The EU's 27 foreign ministers, meeting Monday in Brussels, imposed an oil embargo against Iran and froze the assets of its central bank, ramping up sanctions designed to pressure Iranian officials into resuming talks on the country's nuclear program.

EU officials say the tighter sanctions are part of a carrot-and-stick approach, an effort to increase pressure while at the same time emphasizing their willingness to talk.

In Washington, Department of State Secretary Hillary Rodham Clinton and Department of the Treasury Secretary Timothy Geithner welcomed the EU decision, calling it "another strong step in the international effort to dramatically increase the pressure on Iran." In their joint statement, they said the EU sanctions, combined with earlier ones imposed by the U.S. and the international community, `will sharpen the choice for Iran's leaders and increase their cost of defiance of basic international obligations."

But the initial response out of Tehran, the Iranian capital, was harsh.

Ramin Mehmanparast, a spokesman for Iran's Foreign Ministry, called the economic sanctions "illogical and unfair" saying: "It is only understandable in the framework of propaganda and psychological war."

Mehmanparast was quoted by website of state broadcasting company as saying, "Pressure and sanctions against a nation that has a strong logic and reason for its policy is a failed method."

He said due to the world's long-term need for energy, "It is not possible to impose sanctions on Iran," which has huge resources of oil and gas.

And two Iranian lawmakers threatened that their country would close the strait in retaliation for the EU embargo.

Lawmaker Mohammad Ismail Kowsari, deputy head of Iran's influential committee on national security, said Monday the strait "would definitely be closed if the sale of Iranian oil is violated in any way."

The strait – just 34 miles (54 kilometers) wide at its narrowest point – runs alongside Iran and is the only way to get from the Persian Gulf to the open sea. Tensions over the potential impact its closure would have on global oil supplies and the price of crude have weighed heavily on consumers and traders. The U.S. and Britain both have warned Iran not to disrupt the world's oil supply.

After news of the EU move, benchmark crude for March delivery rose 90 cents on the day to $99.23 a barrel in early morning European time in electronic trading on the New York Mercantile Exchange. Brent crude was down 35 cents at $109.51 a barrel on the ICE futures exchange in London.

Many analysts doubt that Iran would maintain a blockade for long, but any supply shortages would cause world oil supplies to tighten temporarily. But Kowsari said that, in case of the strait's closure, the U.S. and its allies would not be able to reopen the route, and warned America not to attempt any "military adventurism."

An American aircraft carrier, the USS Abraham Lincoln entered the Gulf on Sunday without incident to conduct scheduled maritime security operations, and U.S. warships frequently operate in the Gulf. But when the carrier USS John Stennis departed the Gulf in late December, Iranian officials warned the U.S. not to return. The British Ministry of Defense said British and French warships joined the U.S. carrier group transiting through the Strait of Hormuz "to underline the unwavering international commitment to maintaining rights of passage under international law."

Russia's Foreign Ministry said the sanctions are a severe mistake likely to worsen tensions. "It's apparent that in this case there is open pressure and diktat, aimed at 'punishing' Iran for uncooperative behavior. This is a deeply mistaken policy, as we have told our European partners more than once," the ministry said in a statement. "Under pressure of this sort, Iran will not make any concessions or any corrections to its policies," it said.

The EU sanctions include an include an immediate embargo on new contracts for crude oil and petroleum products. Existing contracts with Iran will be allowed to run until July.

Last month, the U.S. enacted new sanctions targeting Iran's central bank and its ability to sell petroleum abroad, but it has delayed implementing the sanctions for at least six months, worried about sending the price of oil higher at a time when the global economy is struggling.

Other countries are steering clear of such measures altogether. China also does not support an embargo, and Japan's finance minister, Jun Azumi, has expressed concern about the effectiveness of U.S. sanctions on Iran – not to mention their potential impact on Japanese banks.

Some 80 percent of Iran's foreign revenue comes from oil exports and any sanctions that affect its ability to export oil would hit its economy hard. With about 4 million barrels per day, Iran is the second largest producer in OPEC.

"It means that we will paralyze, bit by bit, Iran's economic activity and keep the country from using a major part of its resources," said French Foreign Minister Alain Juppe. "You can be skeptical, but it is better than making war."

At the heart of the dispute is international unease about Iran's nuclear program. Iran says its nuclear program is peaceful, but the United States and other nations suspect it is trying to build nuclear weapons. Iran is now under several rounds of U.N. sanctions for not being more forthcoming about its nuclear program.

Late Monday, British Prime Minister David Cameron, German Chancellor Angela Merkel and French President Nicolas Sarkozy issued a joint statement urging Iran to suspend its sensitive nuclear activities.

"Our message is clear," the statement said. "We have no quarrel with the Iranian people. But the Iranian leadership has failed to restore international confidence in the exclusively peaceful nature of its nuclear program. We will not accept Iran acquiring a nuclear weapon."

Iran's denials of military intent have utterly failed to convince EU officials.

"The recent start of operations of enrichment of uranium to a level of up to 20 percent in the deeply buried underground facility in Fordo near Qom further aggravates concerns about the possible military dimensions to Iran's nuclear program," the foreign ministers said in a statement Monday.

That accelerated enrichment is in violation of six U.N. Security Council resolutions and 11 resolutions by the board of the International Atomic Energy Agency, "and contributes to rising tensions in the region," the statement said.

British Foreign Secretary William Hague called the embargo part of "an unprecedented set of sanctions."

"I think this shows the resolve of the European Union on this issue," Hague said.

The EU also decided to freeze the assets of the Iranian central bank. Together, the two measures are intended not only to pressure Iran to agree to talks but also to choke off funding for its nuclear activities.

Before Monday's decision, negotiators worked hard to try to ensure that the embargo would punish only Iran – and not EU member Greece, which is in dire financial trouble and relies heavily on low-priced Iranian oil.

The foreign ministers agreed to a review of the effects of the sanctions, to be completed by May 1. And they agreed in principle to make up the costs Greece incurs as a result of the embargo.

Raf Casert in Brussels, Nasser Karimi in Tehran, Matthew Pennington in Washington, and Gregory Katz in London contributed to this report.

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

December 1, 2011

The Honorable Carl Levin
Chairman
Committee on Armed Services
Unites States Senate
Washington, D.C. 20510

Dear Chairman Levin:

I am writing to address amendment 1414 to S. 1867, the National Defense Authorization Act for Fiscal Year 2012, regarding the imposition of sanctions on foreign financial institutions that conduct business with the Central Bank of Iran (CBI).

The Obama Administration's determination to prevent Iran from acquiring nuclear weapons is unwavering. We are resolved to build and sustain as much pressure as necessary to bring Iran to meet its international obligations and address the international community's grave concerns with its nuclear program. I know that you and your colleagues in the Senate share this commitment.

We understand that this amendment was offered in this spirit. However, I am writing to express the Administration's strong opposition to this amendment because, in its current form, it threatens to undermine the effective, carefully phased, and sustainable approach we have undertaken to build strong international pressure against Iran. In addition, the amendment would potentially yield a net economic benefit to the Iranian regime.

We have steadily increased the pressure on Iran by tightening sanctions, closing loopholes, and encouraging other countries to do the same. Congress has been absolutely critical in providing some of the tools that we have used to accomplish that goal, and we are seeing genuine results. The collaborative approach the U.S. has taken with our international partners has led many to impose sanctions on Iran that were not even contemplated three years ago, including on Iran's energy sector.

Iran's greatest economic resource is its oil exports. Sales of crude oil line the regime's pockets, sustain its human rights abuses, and feed its nuclear ambitions like no other sector of the Iranian economy. We are committed to doing as much as possible to reduce Iran's oil revenue while concurrently working to stabilize global oil markets. Today, the United States does not permit the import of Iranian crude. Other countries have already begun to reduce their consumption of Iranian crude and the Administration is working hard to discourage anyone from taking advantage of the responsible policies of these countries. Our closest allies are seriously considering curtailing their own crude purchases altogether in the near future and we are doing everything possible to encourage them to make the right decision.

However, as currently conceived, this amendment threatens severe sanctions against any commercial bank or central bank if they engage in certain transactions with the CBI. This could negatively affect many of our closest allies and largest trading partners. Rather than motivating these countries to join us in increasing pressure on Iran, they are more likely to resent our actions and resist following our lead – a consequence that would serve the Iranians more than it harms them. Further, there is a substantial likelihood that this amendment, particularly if passed into law at this time and in its current form, could have the opposite effect from what is intended and increase the Iranian regime's revenue, literally fueling their suspect nuclear ambitions. The Administration is prepared at your convenience to share the details of our analysis on this point, in a classified briefing.

The Obama Administration strongly supports increasing the pressure on Iran significantly, including through properly designed and well-targeted sanctions against the CBI. The Administration has several legislative proposals to both enhance and expand the Comprehensive Iran Sanctions, Accountability, and Divestment Act (CISADA) and to strike at the CBI that we would like to discuss with you and your colleagues. We intend to work with our partners to achieve the objectives of this amendment, but in a fashion that we believe will have a greater and more sustainable impact on Iran. We ask that you continue to work with us on ways to improve this amendment and to consider other, more immediate and more effective steps that we can take to accomplish our shared goals while we work with our partners to bring about the effects this amendment is intended to achieve.

Sincerely,

Timothy F. Geithner

Wall Street Journal-

Missouri Treasurer's Demand: 'Terror-Free' Pension Funds

BY CRAIG KARMIN
June 14, 2007; Page C1

Sarah Steelman, the Missouri state treasurer, is emerging as a thorn in the side of a set of powerful global investors.

As pension funds face pressure from politicians to divest themselves from Iran and other countries deemed terrorism sponsors, she has staked out a zero-tolerance approach to investments like these. That's given the 49-year-old Republican a prominent voice in the wave of new legislation -- from Ohio to California -- targeting the $1 trillion pension fund industry.

Ms. Steelman's own state legislature has declined to go along with her campaign. But a dozen other states -- including Florida, California and Texas -- have passed laws that could compel pension funds to divest themselves of holdings in companies that do business in countries like these. While U.S. companies are banned from doing business in those countries, many foreign companies are active there.

Sarah Steelman, Missouri treasurer, contacted all 49 other state treasurers about terror free divestment laws.

The list of companies potentially affected is extensive. Ms. Steelman says that nearly 500 big foreign companies and multinationals do at least some business in what the U.S. government considers terror-sponsoring nations.

Proposals in other states are considerably less far-reaching than what Ms. Steelman would like to see. For instance, some states focus on prohibiting investments in just a couple dozen companies in Iran's energy sector.

Last summer, Ms. Steelman unveiled what she calls a "terror free" fund -- a small fund, intended as a model, designed to avoid investments in nations considered terror sponsors. In its first eight months of existence, her fund has returned 27%, she says. "People said fund performance was going to suffer. We've shown that's just not true."

Many pension funds dismiss those returns, pointing out that the period is too short to be meaningful.

The dispute raises questions about what role taxpayer supported pension funds should play in world affairs. Funds argue that while legislative efforts like these may be well-meaning, they conflict with a fund's fiduciary duty to get the best returns for beneficiaries. Complying with the anti-terror push, they say, could crimp returns.

Some fund managers also argue that the approach is misguided: Funds would have more influence over the offending companies by bringing pressure on them as shareholders.

"When you divest, you lose your place at the table," says Clark McKinley, spokesman for the California Public Employees' Retirement System. The $244 billion pension fund opposes pending legislation that could require Calpers to sell billions of dollars of investments in companies with Iran links.

The Center for Security Policy, a conservative Washington, D.C., think tank, says that it has identified 100 public pension funds in the U.S. that have about $188 billion invested in companies doing business in nations branded terror sponsors by the U.S. government.

"There is not a public pension fund out there that is not seriously looking at this issue," says Mark Tulay, a director at Institutional Shareholder Services, a consulting firm.

Ms. Steelman and other divestment proponents often cite the situation in South Africa two decades ago, when government sanctions and pension fund divestment were widely credited with helping end the apartheid regime.

Ms. Steelman embraced the antiterrorism issue early on in her term, which began in January 2005. She started by examining the backgrounds of the broker-dealers employed by the Missouri state treasury. She says she fired two European banks after learning of their business ties to Iran. She hired a money manager to screen for links to Iran and other blacklisted states for her new terror-free fund. That small $7 million fund invests Missouri money set aside for cultural activities. Ms. Steelman spent much of 2006 reaching out to state lawmakers and contacting all 49 of the other state treasurers about passing terror-free divestment laws. She has also offered guidance to officials in other states on how to respond to pension-fund objections.

"As soon as we introduced the legislation, we scrambled to find experts on the topic," says Joel Anderson, the California assemblyman who sponsored his state's bill calling for divestment from companies doing business in Iran. Ms. Steelman has "been very helpful with the hurdles we had to overcome." The bill passed unopposed in the Assembly earlier this month and now heads to the California Senate.

Ms. Steelman has had less luck winning over the pension funds — in her state or elsewhere. The antiterrorism bills vary from state to state: Some call for rapid divestment in more than 100 companies, while others are limited to about 20 and call for sales only after the funds talk to the companies.

Missouri's biggest public pension fund says it is waiting for clarification from Washington. "I'm looking for the federal government to give guidance on which companies to divest from, not the opinion of third-party organizations," says Steve Yoakum, executive director for the $32 billion Public School Retirement System of Missouri.

In general, pension-fund managers say complying with the new laws will cost money and hurt returns. Calpers, for instance, estimates that if the current bill becomes law, the fund would have to sell about $2 billion in investments at a cost of as much as $25 million. Calpers estimates that had a version of the California bill been in place in the past five years, it would have reduced the value of the fund's holdings by $725 million.

California State Teachers' System, a $171 billion pension fund, hasn't estimated the cost of compliance with the bill. But Calstrs Chief Executive Officer Jack Ehnes says he think a more effective strategy would be to make the case to these companies as major shareholders. "The first step is active engagement with the companies," he says.

Write to Craig Karmin at craig.karmin@wsj.com[1]

National Post

Sanctions against Iran may destabilize, topple regime by 'ratcheting up hassle factor': expert

Peter Goodspeed Jan 28, 2012 – 5:29 PM ET

AFP/Getty Images

A handout picture obtained from the Iranian president's office shows Iranian President Mahmoud Ahmadinejad delivering a speech during a visit to the city of Kerman, 1,000km southeast of Tehran, on January 26, 2012.

The 9/11 terrorist attacks drove Mark Dubowitz, a young business whiz who worked as a Bay Street lawyer and high-tech venture capitalist in Toronto, to change careers.

He moved to Washington and became executive director of the Foundation for the Defense of Democracies (FDD), an aggressive new neo-conservative think-tank that helps shape U.S. thinking on war, terrorism and the Middle East.

Now, he is a recognized international expert on developing sanctions that might cripple Iran's oil industry.

Yuri Gripas

Mark Dubowitz is at his office in Washington on januray 26, 2012.

Many of the ideas generated over the past five years by the FDD and Mr. Dubowitz have made their way into the international sanctions package now being applied to Iran — restrictions on gasoline sales, curbed investments in natural gas development, embargoed oil exports, targeted sanctions aimed at its Revolutionary Guards Corps and bans on business dealings with its Central Bank.

"Oil is the lifeblood of the regime," Mr. Dubowitz said. "Iran is essentially a one-crop country: They sell oil. It also has the second-largest natural gas resources in the world, but it can't get it out of the ground because of investment restrictions. It can't distribute it. It is actually a net importer of gas. At the end of the day, the Iranians sell oil."

That's the main source of Iran's strength and its Achilles' heel.

"I think that it is probably very unlikely that economic pressure is going to change [Iran's Supreme Leader Ali] Khamenei's commitment to building a [nuclear] bomb," Mr. Dubowitz said.

"Men who talk about crushing the 'enemies of God' won't give up their enriched uranium because transaction costs have increased. The acquisition of the bomb is now probably inseparable from the ruling elite's religious identity."

But sanctions that cripple Iran's oil industry and rapidly deprive its government of crucial revenue could destabilize the country to a point where the regime might be in danger of falling.

"Designing sanctions to make Khamenei relent is a delusion," Mr. Dubowitz wrote recently. "Sanctions that could contribute to popular unrest and political tumult are not. The Great Arab Revolt and its forerunner, the Iranian summer of 2009, were propelled by profound frustration as well as indignation at tyranny. A democratic revolution might be reborn."

In the past five years, sanctions are estimated to have cost the government in Tehran dearly. It has lost more than US$60-billion in energy investment and US$14-billion in oil sales; gasoline exports to Iran have been cut by 90%, while an estimated US$4.4-trillion of Iranian natural gas has been prevented from reaching markets.

More recent sanctions imposed by Washington on companies doing business with Iran's Central Bank have made it enormously complicated for Iran to receive payment for its oil, particularly from China, India and South Korea.

But Mr. Dubowitz is still looking for ways to increase the pressure.

"My whole theory is that the goal of sanctions is not to impose a complete embargo on Iranian oil or to cut Iran off completely from international global markets, but to significantly ratchet up the hassle factor in doing business with Iran and to persuade 'white-hatted companies' from doing business with Iran, leaving the 'black-hatted companies' who would never comply with sanctions to negotiate significant concessions from the Iranians in the form of discounts on the price of oil or premiums on the supply of gasoline," he said.

"That's what the Chinese are doing now. They have literally and figuratively got the Iranians over a barrel so they are driving for discounts and better prices for oil. On the other side of it, the Chinese are selling the Iranians gasoline and charging them 25% to 30% premiums."

Similarly, there are banks around the world that are willing to do business with Iranian banks controlled by the Revolutionary Guard Corps and the Central Bank of Iran, but they are being forced to pay significantly for the increased risks.

"The ultimate goal is to see sanctions that aren't airtight, because they can never be airtight, but to see sanctions designed in a way that significantly drains the Iranian treasury of its hard earnings," he said.

"Sanctions should never be thought of as a 'silver bullet.' But they can be thought of as 'silver shrapnel' — part of a comprehensive strategy. I think they can significantly wound the regime."

Mr. Dubowitz, who was born in South Africa and raised in Toronto, studied at the University of Western Ontario and McGill University, before taking a law degree and a master's of business administration at the University of Toronto. After he moved to Washington, he picked up a master's in international public policy from John Hopkins University's School of Advanced International Studies.

He spent eight years working as a lawyer and venture capitalist in Toronto, focusing on fundraising for early-stage technology companies. He was also director of international business development for Doubleclick, a global Internet advertising company that was ultimately purchased by Google, and director of corporate development and manager of European and Asian operations for FloNetwork, an email messaging marketing company later bought by Doubleclick.

In his work at the FDD, Mr. Dubowitz said he found "the intersection of foreign policy, law and business."

"I had experience in all three," he said. "I wasn't some PhD who spoke Farsi and understood the inner workings of the theocratic regime. I wasn't an award-winning economist or an international trade lawyer. I didn't have particular depth in any one issue or area, but I had a pretty good experience in all three and an ability to integrate them."

Using that experience, he has produced eight reports that provide research and analysis in support of strong, broad-based energy sanctions on Iran.

Six of those reports are documents that have been shared only with the Obama administration and selected congressional offices.

"There are a lot of people who deserve credit for what has already happened," Mr. Dubowitz said.

"There are members of Congress and their particular, hard-working staff and people within the administration and internationally. It's one of those rare issues where there is broad and deep bipartisan support, which is rare in Washington, and there is a really impressive international coalition."

But time may be running out for sanctions to work and convince Iran to abandon its quest for nuclear weapons.

"I think sanctions have to impose severe economic pressure on this regime over the next 12 months or even sooner. If we are in June or July this year and these oil market sanctions, for whatever reason, are not leading to a significant drop in Iranian oil revenues, then we are in a situation where the range of peaceful alternatives is almost exhausted."

STATE OF NEW YORK

8668--A

2011-2012 Regular Sessions

IN ASSEMBLY

October 27, 2011

Introduced by M. of A. SILVER, FARRELL, CANESTRARI, LAVINE, WEINSTEIN, ENGLEBRIGHT, GLICK, MORELLE, P. RIVERA, CAHILL -- Multi-Sponsored by -- M. of A. ABINANTI, BENEDETTO, BRAUNSTEIN, BRINDISI, COLTON, COOK, CRESPO, CYMBROWITZ, DINOWITZ, ESPINAL, GABRYSZAK, GOLDFEDER, GOTTFRIED, HOOPER, JACOBS, JAFFEE, LANCMAN, LATIMER, LIFTON, LINARES, LUPARDO, MAGEE, MAISEL, MARKEY, McENENY, NOLAN, ORTIZ, PAULIN, PEOPLES-STOKES, REILLY, ROBERTS, RYAN, SCARBOROUGH, SCHIMEL, SIMANOWITZ, SIMOTAS, SPANO, SWEENEY, THIELE, TITONE, WEISENBERG, ZEBROWSKI -- read once and referred to the Committee on Governmental Operations -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the state finance law and the general municipal law, in relation to enacting the Iran divestment act of 2012

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. This act shall be known and may be cited as the "Iran Divestment Act of 2012".

S 2. The legislature hereby finds and declares all of the following:

(a) Congress and the President have determined that the illicit nuclear activities of the Government of Iran, combined with its development of unconventional weapons and ballistic missiles, and its support of international terrorism, represent a serious threat to the security of the United States, Israel, and other United States allies in Europe, the Middle East, and around the world.

(b) The International Atomic Energy Agency has repeatedly called attention to Iran's unlawful nuclear activities, and, as a result, the United Nations Security Council has adopted a range of sanctions designed to encourage the government of Iran to cease those activities and comply with its obligations under the Treaty on the Non-Proliferation of Nuclear Weapons (commonly known as the "Nuclear Non-Proliferation Treaty").

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

LBD13338-12-1

(c) On July 1, 2010, President Barack Obama signed into law H.R. 2194, the "Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010" (Public Law 111-195), which expressly authorizes states and local governments to prevent investment in, including prohibiting entry into or renewing contracts with, companies operating in Iran's energy sector with investments that have the result of directly or indirectly supporting the efforts of the government of Iran to achieve nuclear weapons capability.

(d) The serious and urgent nature of the threat from Iran demands that states, local governments, and private institutions work together with the federal government and American allies to do everything possible diplomatically, politically, and economically to prevent Iran from

acquiring a nuclear weapons capability.

(e) Respect for human rights in Iran has steadily deteriorated as demonstrated by transparently fraudulent elections and the brutal repression and murder, arbitrary arrests, and show trials of peaceful dissidents.

(f) The concerns of the state of New York regarding Iran are strictly the result of the actions of the government of Iran and should not be construed as enmity towards the Iranian people.

(g) In order to effectively address the need for the governments of this state to respond to the policies of Iran in a uniform fashion, prohibiting contracts with persons engaged in investment activities in the energy sector of Iran must be accomplished on a statewide basis.

(h) It is the intent of the legislature to fully implement the authority granted under Section 202 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111-195).

S 3. The state finance law is amended by adding a new section 165-a to read as follows:

S 165-A. IRAN DIVESTMENT. 1. AS USED IN THIS SECTION, THE FOLLOWING DEFINITIONS SHALL APPLY:

(A) "ENERGY SECTOR" OF IRAN MEANS ACTIVITIES TO DEVELOP PETROLEUM OR NATURAL GAS RESOURCES OR NUCLEAR POWER IN IRAN.

(B) "FINANCIAL INSTITUTION" MEANS THE TERM AS USED IN SECTION 14 OF THE IRAN SANCTIONS ACT OF 1996 (PUBLIC LAW 104-172; 50 U.S.C. 1701 NOTE).

(C) "INVESTMENT" MEANS A COMMITMENT OR CONTRIBUTION OF FUNDS OR PROPERTY, A LOAN OR OTHER EXTENSION OF CREDIT; AND THE ENTRY INTO OR RENEWAL OF A CONTRACT FOR GOODS OR SERVICES.

(D) "IRAN" INCLUDES THE GOVERNMENT OF IRAN AND ANY AGENCY OR INSTRUMENTALITY OF IRAN.

(E) "PERSON" MEANS ANY OF THE FOLLOWING:

(1) A NATURAL PERSON, CORPORATION, COMPANY, LIMITED LIABILITY COMPANY, BUSINESS ASSOCIATION, PARTNERSHIP, SOCIETY, TRUST, OR ANY OTHER NONGOVERNMENTAL ENTITY, ORGANIZATION, OR GROUP.

(2) ANY GOVERNMENTAL ENTITY OR INSTRUMENTALITY OF A GOVERNMENT, INCLUDING A MULTILATERAL DEVELOPMENT INSTITUTION, AS DEFINED IN SECTION 1701(C)(3) OF THE INTERNATIONAL FINANCIAL INSTITUTIONS ACT (22 U.S.C. 262R(C)(3)).

(3) ANY SUCCESSOR, SUBUNIT, PARENT ENTITY, OR SUBSIDIARY OF, OR ANY ENTITY UNDER COMMON OWNERSHIP OR CONTROL WITH, ANY ENTITY DESCRIBED IN SUBPARAGRAPH ONE OR TWO OF THIS PARAGRAPH.

2. FOR PURPOSES OF THIS SECTION, A PERSON ENGAGES IN INVESTMENT ACTIVITIES IN IRAN IF:

(A) THE PERSON PROVIDES GOODS OR SERVICES OF TWENTY MILLION DOLLARS OR MORE IN THE ENERGY SECTOR OF IRAN, INCLUDING A PERSON THAT PROVIDES OIL

OR LIQUEFIED NATURAL GAS TANKERS, OR PRODUCTS USED TO CONSTRUCT OR MAINTAIN PIPELINES USED TO TRANSPORT OIL OR LIQUEFIED NATURAL GAS, FOR THE ENERGY SECTOR OF IRAN; OR

(B) THE PERSON IS A FINANCIAL INSTITUTION THAT EXTENDS TWENTY MILLION DOLLARS OR MORE IN CREDIT TO ANOTHER PERSON, FOR FORTY-FIVE DAYS OR MORE, IF THAT PERSON WILL USE THE CREDIT TO PROVIDE GOODS OR SERVICES IN THE ENERGY SECTOR IN IRAN AND IS IDENTIFIED ON A LIST CREATED PURSUANT TO PARAGRAPH (B) OF SUBDIVISION THREE OF THIS SECTION AS A PERSON ENGAGING IN INVESTMENT ACTIVITIES IN IRAN AS DESCRIBED IN PARAGRAPH (A) OF THIS SUBDIVISION.

3. (A) A PERSON THAT IS IDENTIFIED ON A LIST CREATED PURSUANT TO PARAGRAPH (B) OF THIS SUBDIVISION AS A PERSON ENGAGING IN INVESTMENT ACTIVITIES IN IRAN AS DESCRIBED IN SUBDIVISION TWO OF THIS SECTION, SHALL NOT BE DEEMED A RESPONSIVE BIDDER OR OFFERER PURSUANT TO SECTION ONE HUNDRED SIXTY-THREE OF THIS ARTICLE.

(B) (1) NOT LATER THAN ONE HUNDRED TWENTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION, THE COMMISSIONER SHALL DEVELOP OR CONTRACT TO DEVELOP, USING CREDIBLE INFORMATION AVAILABLE TO THE PUBLIC, A LIST OF PERSONS IT DETERMINES ENGAGE IN INVESTMENT ACTIVITIES IN IRAN AS DESCRIBED IN SUBDIVISION TWO OF THIS SECTION. IF THE COMMISSIONER HAS

CONTRACTED TO DEVELOP THE LIST, THE LIST SHALL BE FINALLY DEVELOPED NOT LATER THAN ONE HUNDRED TWENTY DAYS AFTER THIS SECTION SHALL TAKE EFFECT. SUCH LIST, WHEN COMPLETED, SHALL BE POSTED ON THE WEBSITE OF THE OFFICE OF GENERAL SERVICES.

(2) THE COMMISSIONER SHALL UPDATE THE LIST EVERY ONE HUNDRED EIGHTY DAYS.

(3) BEFORE FINALIZING AN INITIAL LIST PURSUANT TO SUBPARAGRAPH ONE OF THIS PARAGRAPH OR AN UPDATED LIST PURSUANT TO SUBPARAGRAPH TWO OF THIS PARAGRAPH, THE COMMISSIONER SHALL DO ALL OF THE FOLLOWING BEFORE A PERSON IS INCLUDED ON THE LIST:

(A) PROVIDE NINETY DAYS' WRITTEN NOTICE OF THE COMMISSIONER'S INTENT TO INCLUDE THE PERSON ON THE LIST. THE NOTICE SHALL INFORM THE PERSON THAT INCLUSION ON THE LIST WOULD MAKE THE PERSON A NON-RESPONSIVE BIDDER OR OFFERER. THE NOTICE SHALL SPECIFY THAT THE PERSON, IF IT CEASES ITS ENGAGEMENT IN INVESTMENT ACTIVITIES IN IRAN AS DESCRIBED IN SUBDIVISION TWO OF THIS SECTION, MAY BE REMOVED FROM THE LIST.

(B) THE COMMISSIONER SHALL PROVIDE A PERSON WITH AN OPPORTUNITY TO COMMENT IN WRITING THAT IT IS NOT ENGAGED IN INVESTMENT ACTIVITIES IN IRAN. IF THE PERSON DEMONSTRATES TO THE COMMISSIONER THAT THE PERSON IS NOT ENGAGED IN INVESTMENT ACTIVITIES IN IRAN AS DESCRIBED IN SUBDIVISION TWO OF THIS SECTION, THE PERSON SHALL NOT BE INCLUDED ON THE LIST.

(4) THE COMMISSIONER SHALL MAKE EVERY EFFORT TO AVOID ERRONEOUSLY INCLUDING A PERSON ON THE LIST.

(5) A PERSON THAT HAS A CONTRACT WITH THE NEW YORK STATE COMMON RETIREMENT FUND, THE NEW YORK STATE AND LOCAL EMPLOYEES' RETIREMENT SYSTEM, THE NEW YORK STATE AND LOCAL POLICE AND FIRE RETIREMENT SYSTEM, OR THE NEW YORK STATE TEACHERS' RETIREMENT SYSTEM, SHALL NOT BE DEEMED A PERSON THAT ENGAGES IN INVESTMENT ACTIVITIES IN IRAN AS DESCRIBED IN SUBDIVISION TWO OF THIS SECTION ON THE BASIS OF THOSE CONTRACTS OR INVESTMENTS WITH SUCH RETIREMENT SYSTEMS, PROVIDED HOWEVER, THAT NOTHING IN THIS SUBPARAGRAPH SHALL PREVENT THE NEW YORK STATE COMMON RETIREMENT FUND, THE NEW YORK STATE AND LOCAL EMPLOYEES' RETIREMENT SYSTEM, NEW YORK STATE AND LOCAL POLICE AND FIRE RETIREMENT SYSTEM OR THE NEW YORK STATE TEACHERS' RETIREMENT SYSTEM FROM PURSUING A POLICY OF DIVESTMENT IN THE IRANIAN ECONOMY.

(C) NOTWITHSTANDING PARAGRAPH (A) OF THIS SUBDIVISION, A STATE AGENCY MAY PERMIT A PERSON ENGAGED IN INVESTMENT ACTIVITIES IN IRAN AS DESCRIBED BY SUBDIVISION TWO OF THIS SECTION TO BE DEEMED A RESPONSIVE BIDDER OR OFFERER, ON A CASE-BY-CASE BASIS WITH A STATE AGENCY IF:

(1) THE INVESTMENT ACTIVITIES IN IRAN WERE MADE BEFORE THE EFFECTIVE DATE OF THIS SECTION, THE INVESTMENT ACTIVITIES IN IRAN HAVE NOT BEEN EXPANDED OR RENEWED AFTER THE EFFECTIVE DATE OF THIS SECTION, AND THE PERSON HAS ADOPTED, PUBLICIZED, AND IS IMPLEMENTING A FORMAL PLAN TO CEASE THE INVESTMENT ACTIVITIES IN IRAN AND TO REFRAIN FROM ENGAGING IN ANY NEW INVESTMENTS IN IRAN; OR

(2) THE STATE AGENCY MAKES A DETERMINATION THAT THE COMMODITIES OR SERVICES ARE NECESSARY FOR THE STATE AGENCY TO PERFORM ITS FUNCTIONS AND THAT, ABSENT SUCH AN EXEMPTION, THE STATE AGENCY WOULD BE UNABLE TO OBTAIN THE COMMODITIES OR SERVICES FOR WHICH THE CONTRACT IS OFFERED. SUCH DETERMINATION SHALL BE ENTERED INTO THE PROCUREMENT RECORD.

4. (A) A STATE AGENCY SHALL REQUIRE A PERSON THAT SUBMITS A BID OR OFFER IN RESPONSE TO A NOTICE OF PROCUREMENT, OR THAT PROPOSES TO RENEW AN EXISTING PROCUREMENT CONTRACT WITH A STATE AGENCY OR PROPOSES TO ASSUME THE RESPONSIBILITY OF A CONTRACTOR PURSUANT TO A PROCUREMENT CONTRACT WITH A STATE AGENCY OR OTHERWISE PROPOSES TO ENTER INTO A CONTRACT WITH A STATE AGENCY WITH RESPECT TO A CONTRACT FOR COMMODITIES, SERVICES, CONSTRUCTION, OR CONTRACTS ENTERED PURSUANT TO SECTIONS SIX AND SEVEN OF THE NEW YORK STATE PRINTING AND PUBLIC DOCUMENTS LAW, SECTION EIGHT OF THE PUBLIC BUILDINGS LAW, OR SECTION THIRTY-EIGHT OF THE HIGHWAY LAW, TO CERTIFY, AT THE TIME THE BID IS SUBMITTED OR THE CONTRACT IS RENEWED OR ASSIGNED, THAT THE PERSON OR THE ASSIGNEE IS NOT IDENTIFIED ON A LIST CREATED PURSUANT TO PARAGRAPH (B) OF SUBDIVISION THREE OF THIS SECTION. A STATE AGENCY SHALL INCLUDE CERTIFICATION INFORMATION IN THE PROCUREMENT RECORD.

(B) A PERSON THAT SUBMITS A BID OR OFFER IN RESPONSE TO A NOTICE OF PROCUREMENT OR THAT PROPOSES TO RENEW AN EXISTING PROCUREMENT CONTRACT WITH A STATE AGENCY OR PROPOSES TO ASSUME THE RESPONSIBILITY OF A CONTRACTOR PURSUANT TO A PROCUREMENT CONTRACT WITH A STATE AGENCY, OR OTHERWISE PROPOSES TO ENTER INTO A CONTRACT WITH A STATE AGENCY WITH RESPECT TO A CONTRACT FOR COMMODITIES, SERVICES, CONSTRUCTION, OR CONTRACTS ENTERED PURSUANT TO SECTIONS SIX AND SEVEN OF THE NEW YORK STATE PRINTING AND PUBLIC DOCUMENTS LAW, SECTION EIGHT OF THE PUBLIC BUILDINGS LAW, OR SECTION THIRTY-EIGHT OF THE HIGHWAY LAW SHALL NOT UTILIZE, ON THE CONTRACT WITH THE STATE AGENCY, ANY SUBCONTRACTOR THAT IS IDENTIFIED ON A LIST CREATED PURSUANT TO PARAGRAPH (B) OF SUBDIVISION THREE OF THIS SECTION.

5. UPON RECEIVING INFORMATION THAT A PERSON WHO HAS MADE THE CERTIFICATION REQUIRED BY SUBDIVISION FOUR OF THIS SECTION IS IN VIOLATION THEREOF, THE STATE AGENCY SHALL REVIEW SUCH INFORMATION AND OFFER THE PERSON AN OPPORTUNITY TO RESPOND. IF THE PERSON FAILS TO DEMONSTRATE THAT IS HAS CEASED ITS ENGAGEMENT IN THE INVESTMENT WHICH IS IN VIOLATION OF THIS ACT WITHIN NINETY DAYS AFTER THE DETERMINATION OF SUCH VIOLATION, THEN THE STATE AGENCY SHALL TAKE SUCH ACTION AS MAY BE APPROPRIATE AND PROVIDED FOR BY LAW, RULE OR CONTRACT, INCLUDING, BUT NOT LIMITED TO, IMPOSING SANCTIONS, SEEKING COMPLIANCE, RECOVERING DAMAGES OR DECLARING THE CONTRACTOR IN DEFAULT.

6. THE COMMISSIONER SHALL REPORT TO THE GOVERNOR AND THE LEGISLATURE ANNUALLY ON OR BEFORE OCTOBER FIRST, ON THE STATUS OF THE FEDERAL "COMPREHENSIVE IRAN SANCTIONS, ACCOUNTABILITY, AND DIVESTMENT ACT OF 2010" (PUBLIC LAW 111-195), "THE IRAN DIVESTMENT ACT OF 2012", AND ANY RULES OR REGULATIONS ADOPTED THEREUNDER.

S 4. The general municipal law is amended by adding a new section 103-g to read as follows:

S 103-G. IRANIAN ENERGY SECTOR DIVESTMENT. 1. AS USED IN THIS SECTION:

A. "ENERGY SECTOR" SHALL HAVE THE SAME MEANING AS DEFINED IN PARAGRAPH (A) OF SUBDIVISION ONE OF SECTION ONE HUNDRED SIXTY-FIVE-A OF THE STATE FINANCE LAW.

B. "FINANCIAL INSTITUTION" SHALL HAVE THE SAME MEANING AS DEFINED IN PARAGRAPH (B) OF SUBDIVISION ONE OF SECTION ONE HUNDRED SIXTY-FIVE-A OF THE STATE FINANCE LAW.

C. "INVESTMENT" SHALL HAVE THE SAME MEANING AS DEFINED IN PARAGRAPH (C) OF SUBDIVISION ONE OF SECTION ONE HUNDRED SIXTY-FIVE-A OF THE STATE FINANCE LAW.

D. "IRAN" SHALL HAVE THE SAME MEANING AS DEFINED IN PARAGRAPH (D) OF SUBDIVISION ONE OF SECTION ONE HUNDRED SIXTY-FIVE-A OF THE STATE FINANCE LAW.

E. "PERSON" SHALL HAVE THE SAME MEANING AS DEFINED IN PARAGRAPH (E) OF SUBDIVISION ONE OF SECTION ONE HUNDRED SIXTY-FIVE-A OF THE STATE FINANCE LAW.

2. FOR PURPOSES OF THIS SECTION, A PERSON ENGAGES IN INVESTMENT ACTIVITIES IN IRAN IF:

A. THE PERSON PROVIDES GOODS OR SERVICES OF TWENTY MILLION DOLLARS OR MORE IN THE ENERGY SECTOR OF IRAN, INCLUDING A PERSON THAT PROVIDES OIL OR LIQUEFIED NATURAL GAS TANKERS, OR PRODUCTS USED TO CONSTRUCT OR MAINTAIN PIPELINES USED TO TRANSPORT OIL OR LIQUEFIED NATURAL GAS, FOR THE ENERGY SECTOR OF IRAN; OR

B. THE PERSON IS A FINANCIAL INSTITUTION THAT EXTENDS TWENTY MILLION DOLLARS OR MORE IN CREDIT TO ANOTHER PERSON, FOR FORTY-FIVE DAYS OR MORE, IF THAT PERSON WILL USE THE CREDIT TO PROVIDE GOODS OR SERVICES IN THE ENERGY SECTOR IN IRAN.

3. A PERSON THAT IS IDENTIFIED ON A LIST CREATED PURSUANT TO PARAGRAPH (B) OF SUBDIVISION THREE OF SECTION ONE HUNDRED SIXTY-FIVE-A OF THE STATE FINANCE LAW AS A PERSON ENGAGING IN INVESTMENT ACTIVITIES IN IRAN AS DESCRIBED IN SUBDIVISION TWO OF THIS SECTION, SHALL NOT BE DEEMED A RESPONSIBLE BIDDER OR OFFERER PURSUANT TO SECTION ONE HUNDRED THREE OF THIS ARTICLE.

4. EVERY BID OR PROPOSAL HEREAFTER MADE TO A POLITICAL SUBDIVISION OF

THE STATE OR ANY PUBLIC DEPARTMENT, AGENCY OR OFFICIAL THEREOF WHERE COMPETITIVE BIDDING IS REQUIRED BY STATUTE, RULE, REGULATION OR LOCAL LAW, FOR WORK OR SERVICES PERFORMED OR TO BE PERFORMED OR GOODS SOLD OR TO BE SOLD, SHALL CONTAIN THE FOLLOWING STATEMENT SUBSCRIBED BY THE BIDDER AND AFFIRMED BY SUCH BIDDER AS TRUE UNDER THE PENALTIES OF PERJURY:

A. "BY SUBMISSION OF THIS BID, EACH BIDDER AND EACH PERSON SIGNING ON BEHALF OF ANY BIDDER CERTIFIES, AND IN THE CASE OF A JOINT BID EACH PARTY THERETO CERTIFIES AS TO ITS OWN ORGANIZATION, UNDER PENALTY OF PERJURY, THAT TO THE BEST OF ITS KNOWLEDGE AND BELIEF THAT EACH BIDDER IS NOT ON THE LIST CREATED PURSUANT TO PARAGRAPH (B) OF SUBDIVISION 3 OF SECTION 165-A OF THE STATE FINANCE LAW."

B. NOTWITHSTANDING PARAGRAPH A OF THIS SUBDIVISION, THE STATEMENT OF NON-INVESTMENT IN THE IRANIAN ENERGY SECTOR MAY BE SUBMITTED ELECTRONICALLY IN ACCORDANCE WITH THE PROVISIONS OF SUBDIVISION ONE OF SECTION ONE HUNDRED THREE OF THIS ARTICLE.

C. A BID SHALL NOT BE CONSIDERED FOR AWARD NOR SHALL ANY AWARD BE MADE WHERE THE CONDITION SET FORTH IN PARAGRAPH A OF THIS SUBDIVISION HAS NOT BEEN COMPLIED WITH; PROVIDED, HOWEVER, THAT IF IN ANY CASE THE BIDDER

CANNOT MAKE THE FOREGOING CERTIFICATION, THE BIDDER SHALL SO STATE AND SHALL FURNISH WITH THE BID A SIGNED STATEMENT WHICH SETS FORTH IN DETAIL THE REASONS THEREFOR. A POLITICAL SUBDIVISION MAY AWARD A BID TO A BIDDER WHO CANNOT MAKE THE CERTIFICATION PURSUANT TO PARAGRAPH A OF THIS SUBDIVISION ON A CASE-BY-CASE BASIS IF:

(1) THE INVESTMENT ACTIVITIES IN IRAN WERE MADE BEFORE THE EFFECTIVE DATE OF THIS SECTION, THE INVESTMENT ACTIVITIES IN IRAN HAVE NOT BEEN EXPANDED OR RENEWED AFTER THE EFFECTIVE DATE OF THIS SECTION, AND THE PERSON HAS ADOPTED, PUBLICIZED, AND IS IMPLEMENTING A FORMAL PLAN TO CEASE THE INVESTMENT ACTIVITIES IN IRAN AND TO REFRAIN FROM ENGAGING IN ANY NEW INVESTMENTS IN IRAN; OR

(2) THE POLITICAL SUBDIVISION MAKES A DETERMINATION THAT THE GOODS OR SERVICES ARE NECESSARY FOR THE POLITICAL SUBDIVISION TO PERFORM ITS FUNCTIONS AND THAT, ABSENT SUCH AN EXEMPTION, THE POLITICAL SUBDIVISION WOULD BE UNABLE TO OBTAIN THE GOODS OR SERVICES FOR WHICH THE CONTRACT IS OFFERED. SUCH DETERMINATION SHALL BE MADE IN WRITING AND SHALL BE A PUBLIC DOCUMENT.

S 5. The secretary of state shall submit to the attorney general of the United States a written notice describing this act within 30 days after the effective date of this act.

S 6. Severability. If any clause, sentence, paragraph, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid and after exhaustion of all further judicial review, the judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part of this act directly involved in the controversy in which the judgment shall have been rendered.

S 7. This act shall take effect on the ninetieth day after it shall have become a law; provided, however, that effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized and directed to be made and completed on or before such effective date.

This document is made available electronically by the Minnesota Legislative Reference Library as part of an ongoing digital archiving project. http://www.leg.state.mn.us/lrl/lrl.asp

MINNESOTA STATE BOARD OF INVESTMENT

Board Members:

Governor
Mark Dayton

State Auditor
Rebecca Otto

Secretary of State
Mark Ritchie

Attorney General
Lori Swanson

Executive Director:

Howard J. Bicker

60 Empire Drive
Suite 355
St. Paul, MN 55103
(651) 296-3328
FAX (651) 296-9572
E-mail:
minn.sbi@state.mn.us
www.sbi.state.mn.us

An Equal Opportunity Employer

DATE: January 18, 2011

TO: Senator Mike Parry, Chair, Senate Committee on State Government Innovation and Veterans
Senator Charles W. Wiger, Senate Committee on State Government Innovation and Veterans

Senator Claire Robling
Chair, Senate Committee on Finance

Representative Joyce Peppin, Chair, House Committee on Government Operations and Elections
Representative Michael V. Nelson, House Committee on Government Operations and Elections

Representative Mary Liz Holberg, Chair, House Committee on Ways and Means
Representative Lyndon Carlson, Sr., House Committee on Way and Means

Representative Morrie Lanning, Chair, House Committee on State Government Finance
Representative Phyllis Kahn, House Committee on State Government Finance

FROM: Howard Bicker, Executive Director

SUBJECT: Report on Iran Required by Laws of Minnesota 2009, Chapter 90

Laws of Minnesota 2009, Chapter 90, codified as *Minnesota Statutes*, section 11A.244, requires the State Board of Investment (SBI) to submit a report to the chairs of the legislative committees and divisions with jurisdiction over the SBI concerning the SBI's identification of, communication with and discontinuance of investment in certain companies with operations in Iran.

Chapter 90, section 1, subdivision 9 specifies that the SBI include in the report:

1. A list of scrutinized companies
2. Summary of correspondence with companies
3. A list of investments divested
4. A list of prohibited investments
5. A description of any progress in having investment management firms create investment funds that exclude Iran companies

As provided for in Section 1, subdivision 2 of Chapter 90, the SBI purchased Iran research services from RiskMetrics Group, now ISS, regarding companies with business operations in Iran.

Attachment 1 is the list of scrutinized companies.

Attachment 2 displays copies of letters received in 2010 from companies to which the SBI sent correspondence. The SBI sent a letter to a single company December 10, 2010 to which it has not received a reply.

Chapter 90 calls for divestment of securities of companies which do not publicly announce substantial action specific to Iran within 90 days of the SBI correspondence. The SBI divested approximately 5.2 million shares of stock of five companies currently on the list of Iran Companies Requiring Divestment. Two other companies are on the list, but no divestment is required until the end of January 2011.

Attachment 3 is the list of restricted companies sent to SBI equity and bond managers. The managers are explicitly instructed to refrain from purchasing securities of companies on this list.

SBI recognizes the impact on the entire portfolio of the Iran investment restrictions and is discussing with its consultant and Investment Advisory Council the feasibility of creating a non-Iran portfolio.

ATTACHMENT 1

RESTRICTED IRAN COMPANIES
SECURITIES OF COMPANIES MAY NOT BE PURCHASED FOR PORTFOLIO

ISSUER_NAME	COUNTRY
China Petroleum & Chemical Corporation	China
CNOOC Ltd	Hong Kong
Costain Group PLC	UK
Daelim Industrial Company Limited	South Korea
Edison SpA	Italy
Energetiki i Elektrifikatsii OAO AKA Mosenergo	Russia
Gazprom OAO	Russia
Gazprom NeftOAO	Russia
GS Engineering & Construction Corporation	South Korea
INA-Industrija nafte d.d	Croatia
Indian Oil Corporation Ltd.	India
KunLun Energy Company Limited	Hong Kong
L'Air Liquide SA	France
Lanka IOC PLC	Sri Lanka
Liquefied Natural Gas Ltd	Australia
Malaysia International Shipping Company AKA MISC Berhad	Malaysia
Malaysia Marine and Heavy Engineering Holdings Bhd	Malaysia
Mangalore Refinery and Petrochemicals Ltd	India
Oil and Natural Gas Corporation Limited	India
OMV Aktiengesellschaft	Austria
OMV Petrom S.A.	Romania
PetroChina Company Limited	China
Petrofac Limited	UK
Petronas Dagangan Bhd	Malaysia
Petronas Gas Berhad	Malaysia
PetroVietnam Consultancy and Engineering Corp	Vietnam
PetroVietnam Fertilizer and Chemicals Corp	Vietnam
PetroVietNam Southern Gas Joint Stock Co	Vietnam
Petrovietnam Transportation Corporation	Vietnam
PTT Exploration and Production Public Company Limited	Thailand
Sasol Limited	South Africa
SGS SA	Switzerland
Sinopec Kantons Holdings Ltd.	Hong Kong
Sinopec Shanghai Petrochemical Company Limited	China
Sinopec Yizheng Chemical Fibre Company Limited	China
Technip	France

Effective Date: January 10, 2011

Attachment 2

Correspondence with Companies

Technip

November 30, 2010

Minnesota State Board of Investment
60 Empire Drive
Suite 355
St Paul MN 55103
USA
Attn: Mrs Teresa J. Richardson

Dear Mrs Richardson,

Thank you for your letter inquiring about Technip's activities in Iran.

We believe that this is an important issue. Technip's activities in Iran have decreased significantly since 2004. Over the last five years, its activity there has been essentially limited to the completion of older projects. Technip's remaining activities in Iran consist principally of project management services. Technip pays no corporate income tax in Iran. The completion of projects in Iran generated less than 0.04% of Technip's revenues in 2009.

Additionally, in January 2007 Technip sold its 20% interest in Nargan, an Iranian engineering company.

Technip has no humanitarian involvement in Iran. Moreover, as per its corporate policy, Technip has no political involvement in this country.

If the EU or France were to increase sanctions against Iran, Technip would take any steps necessary to be in line with legal requirements as soon as practically possible in order to comply with such changes. In any case, as one of Technip's priorities is strict adherence to the law, our company will respect any deadlines that may be imposed.

Technip has various procedures in place to address risks in countries considered to be politically unstable. Technip may also decide to reduce its exposure to a specific region or country by deciding not to perform new projects there. Furthermore, Technip is in contact with export credit agencies and insurance companies to obtain insurance coverage against political risk, where required. In all cases, Technip is strictly in line with applicable legislation.

Technip devotes important resources to its employees' security. The Group has an in-house risk classification procedure for countries where Technip operates. Countries are classified into risk levels. This internal procedure is constantly updated and has a direct impact on travel by Technip employees: travel to high-risk countries is strictly prohibited.
A Security Committee makes decision with regards to travel limitations for classified countries, emergency response planning and other security issues.

Sincerely,
Kimberly Stewart

Head of Investor Relations
Tel: + 33 1 47 78 66 74 / Fax: + 33 1 47 78 67 58
Mb: +33 6 37 01 42 68
kstewart@technip.com

Euronext ISIN: FR0000131708
ADR ISIN: US8785462099
A Component of the Dow Jones Sustainability World Index

INPEX

October 15, 2010

Mr. Howard Bicker
Executive Director
Minnesota State Board of Investment
60 Empire Drive Suite 355
St. Paul, MN 55103
United States

Dear Mr. Bicker:

Withdrawal from the Azadegan development project, Islamic Republic of Iran

Regarding our business activities in the Islamic Republic of Iran, we would like to inform you of the withdrawal of Azadegan Petroleum Development, Ltd. (APD) from the Azadegan development project in the Islamic Republic of Iran, where APD, INPEX CORPORATION's wholly owned subsidiary, had a 10% participating interest. This withdrawal has been approved by the National Iranian Oil Company.

Accordingly we believe that INPEX should not be identified as the company for the divestment.

If you have any further questions, please contact Hiroshi Ikeda, Manager Corporate Strategy & Planning Group (Phone: +81-3-5572-0230 / E-mail: hiroshi.ikeda@inpex.co.jp) or Munehiro Hosono, Manager IR Group (Phone: +81-3-5572-0234/ E-mail: munehiro.hosono@inpex.co.jp).

For your reference, please find attached the press release relating to this matter, which we announced today.

Sincerely yours,

Toshiaki Kitamura
President
INPEX CORPORATION

[Attachment]

INPEX CORPORATION
Public Relations Group, Corporate Communications Unit
Akasaka Biz Tower, 5-3-1 Akasaka, Minato-ku, Tokyo 107-6332 JAPAN

15 October 2010

Withdrawal from the Azadegan development project, Islamic Republic of Iran

INPEX CORPORATION announced today that its affiliate, Azadegan Petroleum Development Ltd. (APD) reached an agreement with the National Iranian Oil Company regarding the withdrawal from the Azadegan development project in the Islamic Republic of Iran where APD had a 10% participating interest.

Media Contact: INPEX Tokyo Office, Public Relations Group, Tel) +81-3-5572-0233

The Future of Energy, Resources and Materials
JX Holdings, Inc.
6-3, Otemachi 2-chome, Chiyoda-ku
Tokyo 100-8161 JAPAN
www.hd.jx-group.co.jp

October 29, 2010

Mr. Howard Bicker
Executive Director
Minnesota State Board Of Investment

Dear Mr. Howard Bicker:

In my capacity as President of JX Holdings, Inc., I am taking the liberty of replying on behalf of the Company to your letter to Chairman Shinji Nishio, dated June 14th.

We have been purchasing Sudanese crude oil on an as-needed basis. These purchases account for less than 5% of our total crude oil purchases in unit terms. We purchase Sudanese crude oil from international trading companies. We have not contracted directly with the Sudanese government or The Sudan National Petroleum Corporation (Sudapet), nor do we have any intention of doing so. All of aforementioned transactions have been spot procurement, not purchases pursuant to long-term contracts.

We do not have any offices, exploration or production interests or facilities, or any other revenue-generating assets or interests in Sudan, nor do we have any intention of having any. Furthermore, we have never provided goods or services directly to the Sudanese government, nor do we have any intention of doing so.

Sudanese crude oil has very low sulfur content, making it one of the more environmentally friendly grades of crude oil. In Japan, it is one of the few grades of crude oil that meets users' quality specifications as a fuel for thermal power plants. It is difficult to secure substitute supplies of equivalent-quality crude oil sufficient to completely eliminate our purchases of Sudanese crude oil, but in fiscal 2009 we reduced our Sudanese crude oil purchases by some 50% in unit terms relative to fiscal 2008. We will continue to diligently endeavor to secure substitute crude oil supplies while also placing priority on Japan's energy security and environmental considerations. We request your understanding in this regard.

The Future of Energy, Resources and Materials
JX Holdings, Inc.
6-3, Otemachi 2-chome, Chiyoda-ku
Tokyo 100-8161 JAPAN
www.hd.jx-group.co.jp

If there are any other points that you wish us to clarify, please do not hesitate to contact the staff person below.

Mr. Hirokazu Chiyo
Investor Relations Group
Finance& Investor Relations Department
JX Holdings, Inc.
Email : hirokazu.chiyo@hd.jx-group.co.jp

Sincerely,

M. Takahagi

Mitsunori Takahagi
Representative Director, President
JX Holdings, Inc.

GREENE ESPEL
ATTORNEYS & COUNSELORS

MARK L. JOHNSON
DIRECT DIAL NO. (612) 373-8377
MJOHNSON@GREENEESPEL.COM

June 28, 2010

VIA U.S. MAIL AND FACSIMILE **BUSINESS CONFIDENTIAL**

Ms. Teresa J. Richardson
Assistant Executive Director
Minnesota State Board of Investment
60 Empire Drive, Suite 355
St. Paul, MN 55103
Fax: (651)296-9572

RE: Kanematsu Corporation

Dear Ms. Richardson:

Kanematsu Corporation asked my firm to look into the matter raised by your letter to Mr. Masaharu Hamakawa dated April 30, 2010.

In conducting our research regarding this matter, I contacted Jim Heidelberg of your office. Mr. Heidelberg advised me a consultant, RiskMetrics Group, had erroneously identified Kanematsu Corporation as a company with scrutinized business operations in Iran. He indicated that this was an error and that Kanematsu Corporation had been removed from that list. (See Attachment A.)

Kanematsu Corporation appreciates Mr. Heidelberg's confirmation that the Minnesota State Board of Investment ("MSBI") has removed Kanematsu Corporation from the MSBI's list of monitored companies. We thank you and your colleagues for correcting this matter quickly and in such a collegial manner.

Kanematsu Corporation is very concerned that it not be erroneously linked to scrutinized business activities in Iran. As such, we especially appreciated Mr. Heidelberg's confirmation that Kanematsu Corporation will not be publicly identified in connection with the MSBI's mission. We assume that if anyone should ever inquire about Kanematsu Corporation's initial inclusion on MSBI's list of scrutinized companies, MSBI staff will make clear that the proposed listing was erroneous, so as to ensure that no inference could be drawn that Kanematsu Corporation was at any time considered a company with scrutinized business operations in Iran. We also assume from Mr. Heidelberg's assurances that neither your April 30, 2009 letter nor this response will be included in your publicly-available reports to the Minnesota legislature.

As a final note, we are concerned that RiskMetrics Group has repeated its error regarding Kanematsu Corporation in communications to other clients. We would very much appreciate anything that MSBI can do to encourage RiskMetrics Group to correct its records and cease falsely suggesting that Kanematsu Corporation has conducted scrutinized business operations in Iran.

On behalf of Kanematsu, I thank you again for your office's responsiveness in correcting the record in connection with this matter.

Very truly yours,

Mark L. Johnson

MLJ/jk
Enclosure

cc: Masaharu Hamakawa

Attachment A - BUSINESS CONFIDENTIAL

From: Jim Heidelberg [mailto:Jim.Heidelberg@state.mn.us]
Sent: Monday, June 14, 2010 9:07 AM
To: Mark L. Johnson
Subject: RE: Kanematsu Corporation

Mr. Johnson,

I confirm that the facts of this issue are correct as you state. Kanematsu Corporation has been removed from the list of Iran companies that the Minnesota State Board of Investment monitors.

James E. Heidelberg
Manager, Public Programs
Minnesota State Board of Investment
651-296-3328

From: Mark L. Johnson [mailto:MJohnson@greeneespel.com]
Sent: Friday, June 11, 2010 4:19 PM
To: Jim.Heidelberg@state.mn.us
Subject: Kanematsu Corporation
Importance: High

Dear Mr. Heidelberg,

Thank you for taking my calls this afternoon. To confirm, I represent Kanematsu Corporation. Your office sent a letter to my client on or about April 30, 2010, stating that Kanematsu had engaged in scrutinized business operations in Iran that are subject to sanctions under U.S. law and to investment restrictions or divestment by the State of Minnesota, pursuant to Minnesota Statute 11A.244.

As you and I just discussed, Kanematsu was erroneously identified as having engaged in scrutinized business operations in Iran. You explained that MSBI's outside consultant sent MSBI an email on May 7, 2010 stating that Kanematsu had been included in error. MSBI does not contend that Kanematsu has engaged in scrutinized business operations in Iran, and Kanematsu does not need to respond to MSBI's letter of April 30, 2010.

Please confirm that all of this is correct. Please also confirm that Kanematsu's name will not be publicly disclosed in connection with this matter.

We appreciate MSBI's willingness to promptly correct the record. Thank you very much.

Sincerely,

Mark L. Johnson
Attorney
612-373-8377
mjohnson@GreeneEspel.com

Greene Espel P.L.L.P.
200 South Sixth Street, Suite 1200
Minneapolis, MN 55402-1415
612-373-0830 TEL
612-373-0929 FAX
www.greeneespel.com

30 July, 2010

Minnesota State Board of Investment
60 Empire Drive
Suite 355
St. Paul, MN 55103
Attn: Teresa J. Richardson, Assistant Executive Director

Dear Ms. Richardson:

This letter is in response to your April 30, 2010 letter to Davide Trevisani, the CEO of Trevi Finanziaria Industriale S.p.A. ("Trevi"). With respect to your inquiry concerning Trevi's business activities in Iran, please note that one of Trevi's affiliates had been awarded a construction project to complete special foundation work for new quays at the commercial port of Bandar-Abbas in Iran. That project was substantially completed in September 2009, and neither Trevi's affiliate nor any other Trevi entity has any equipment or employees in Iran. Trevi is not engaged in any activities in Iran other than the collection of retention money due for work already completed. As such, we believe that Trevi does not have any so-called "scrutinized business operations" in Iran and should therefore be removed from the list of companies subject to divestment under *Minnesota Statutes*, Section 11A.244. If you require any further information or clarification, please do not hesitate to contact me.

Also, please share this information with the RiskMetrics Group if you are able to do so.

Sincerely,

Stefano Trevisani
Managing Director

Cap. Sociale Euro 32.000.000,00 interamente versato R.E.A. C.C.I.A.A. Forlì-Cesena n° 201271 Iscrizione Registro delle Imprese di Forlì-Cesena Codice Fiscale Partita IVA n° 01547370401Iscrizione Ufficio Italiano Cambi N. 6081

Jim Heidelberg

From: Carol Nelson [Minn.Sbi@state.mn.us]
Sent: Tuesday, June 08, 2010 8:06 AM
To: James Heidelberg
Subject: FW: Answer for your inquiry (from JGC)

-----Original Message-----
From: ir@jgc.co.jp [mailto:ir@jgc.co.jp]
Sent: Tuesday, June 08, 2010 12:34 AM
To: Minn.Sbi@state.mn.us
Subject: Answer for your inquiry (from JGC)

June 8, 2010

Ms. Teresa J. Richardson
Assistant Executive Director
MINNESOTA STATE BOARD OF INVESTMENT

Dear Ms. Richardson:

A copy of your letter of April 30, 2010 to our Mr. Keisuke Takeuchi has been transferred to me for the attention of the Public Relations & Investor Relations Department. Thank you for this opportunity to respond on our business activities in Iran, and we are pleased to provide the following information.

JGC CORPORATION ("JGC") is not participating in any project in Iran, neither as engineer/constructor nor as investor. Moreover, JGC has no revenue, outstanding contracts and assets in Iran, nor conducts any activities in the mineral-extracting, nuclear, defense or other sectors in that country.

For any additional information required, please contact JGC's PR/IR Department by e-mail at ir@jgc.co.jp.

Sincerely,

Public Relations & Investor Relations Department
JGC CORPORATION
ir@jgc.co.jp

*** INTERNET E-MAIL CONFIDENTIALITY ***

This message and any attachment hereto may contain information that is privileged, confidential or otherwise protected from disclosure. If you are not the intended recipient, please notify the sender by return e-mail and destroy this message, along with any attachment. You are hereby formally advised that any unauthorized disclosure, copying or distribution of this material, or the taking of any action in relation to the contents is strictly prohibited. Thank you for your cooperation.

Jim Heidelberg

om: Carol Nelson [Minn.Sbi@state.mn.us]
Sent: Monday, July 19, 2010 8:00 AM
To: James Heidelberg
Subject: FW: Clarification on operations in Iran

From: PTTEP Investor Relations [mailto:IR@pttep.com]
Sent: Sunday, July 18, 2010 8:55 PM
To: Minn.Sbi@state.mn.us
Subject: Clarification on operations in Iran

Dear Teresa J. Richardson,

Reference is made to your letter dated April 30, 2010, concerning PTT Exploration and Production Plc.'s operations in Iran. We would like to clarify our activities in Iran as follows:

PTTEP Iran Company Limited, a subsidiary of PTTEP, holds 100% share in an Iranian exploration field called Saveh Block since 2005. The exploration activities include geological and geophysical studies as well as 2D seismic surveys, which were carried out during the first two years. The drilling of the first exploration well commenced in 2008, which was prolonged until end of 2009 due to technical challenges.

Over the five years of our exploration program, PTTEP's investment was mainly for the aforementioned exploration well. Due to technical justifications and safety concerns, the well was written off in 2009. In 2010, the company has conducted a feasibility study and post-well evaluation, whereby further investments will hinge upon the evaluation result.

Please refer to http://www.pttep.com/en/aboutPttep.aspx for more information concerning PTTEP's policy on worldwide operations.

Should you have any additional queries, please do not hesitate to contact us.

Yours sincerely,

PTTEP Investor Relations

WELSPUN
Corp Ltd

Date: 11th June, 2010

Ms. Teresa J. Richardson
Assistant Executive Director
Minnesota State Board of Investment
60 Empire Drive
Suite 355
St. Paul, Minnesota 55103
UNITED STATES OF AMERICA

Re: Minnesota State Board of Investment Iran Inquiry

Dear Ms. Richardson:

I am responding to your letter of April 30 addressed to Mr. B.K. Goenka, Chairman of Welspun Corp Limited, previously known as Welspun Gujarat Stahl Rohren Ltd. ("Welspun").

Under the applicable Minnesota's statute, section 11A.244, the Minnesota State Board of Investment reviews "scrutinized companies," which are defined as companies engaging in "scrutinized business activities." Scrutinized business activities are those activities subject to sanctions under the Iran Sanctions Act of 1996 (Public Law 104-172), as amended. The Iran Sanctions Act provides for the imposition of sanctions against entities that have made an investment of $20 million or more that has contributed to the enhancement of Iran's ability to develop its petroleum resources.

Welspun has not made any investment in the Iranian petroleum or energy sector. In fact, Welspun does not have any investments in Iran. Therefore, Welspun does not engage in any "scrutinized business operations" in Iran that would subject it to divestment or investment restrictions by the Minnesota State Board of Investment. As such, we respectfully request that Welspun be removed from the Minnesota State Board of Investment's list of scrutinized companies.

Please advise if you have any further questions regarding this matter.

Very truly yours,

For Welspun Corp Ltd
(Formerly known as Welspun Gujarat Stahl Rohren Ltd)

BR Jajoo
(CFO & Director)

Corporate Office
Welspun House, 5th floor
Kamala City,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai - 400013

Tel: +91 2266136100
Fax: +91 2224908020
www.welspuncorp.com

ATTACHMENT 3

RESTRICTED IRAN COMPANIES
SECURITIES OF COMPANIES MAY NOT BE PURCHASED FOR PORTFOLIO

ISSUER_NAME	COUNTRY
China Petroleum & Chemical Corporation	China
CNOOC Ltd	Hong Kong
Costain Group PLC	UK
Daelim Industrial Company Limited	South Korea
Edison SpA	Italy
Energetiki i Elektrifikatsii OAO AKA Mosenergo	Russia
Gazprom OAO	Russia
Gazprom NeftOAO	Russia
GS Engineering & Construction Corporation	South Korea
INA-Industrija nafte d.d	Croatia
Indian Oil Corporation Ltd.	India
KunLun Energy Company Limited	Hong Kong
L'Air Liquide SA	France
Lanka IOC PLC	Sri Lanka
Liquefied Natural Gas Ltd	Australia
Malaysia International Shipping Company AKA MISC Berhad	Malaysia
Malaysia Marine and Heavy Engineering Holdings Bhd	Malaysia
Mangalore Refinery and Petrochemicals Ltd	India
Oil and Natural Gas Corporation Limited	India
OMV Aktiengesellschaft	Austria
OMV Petrom S.A.	Romania
PetroChina Company Limited	China
Petrofac Limited	UK
Petronas Dagangan Bhd	Malaysia
Petronas Gas Berhad	Malaysia
PetroVietnam Consultancy and Engineering Corp	Vietnam
PetroVietnam Fertilizer and Chemicals Corp	Vietnam
PetroVietNam Southern Gas Joint Stock Co	Vietnam
Petrovietnam Transportation Corporation	Vietnam
PTT Exploration and Production Public Company Limited	Thailand
Sasol Limited	South Africa
SGS SA	Switzerland
Sinopec Kantons Holdings Ltd.	Hong Kong
Sinopec Shanghai Petrochemical Company Limited	China
Sinopec Yizheng Chemical Fibre Company Limited	China
Technip	France

Effective Date: January 10, 2011

STATE CAPITOL
PO Box 110001
Juneau, Alaska 99811-0001
907-465-3500
fax: 907-465-3532

Governor Sean Parnell
STATE OF ALASKA

550 West 7th Avenue #1700
Anchorage, Alaska 99501
907-269-7450
fax 907-269-7463
www.Gov.Alaska.Gov
Governor@Alaska.Gov

January 31, 2012

Mr. Michael Burns
Executive Director
Permanent Fund Corporation
801 West Tenth Street, Suite 302
Juneau, AK 99801

Dear Mr. Burns,

This will follow up on our meeting of November 21, 2011, regarding the divestiture of Permanent Fund investments from Iran. The International Atomic Energy Agency (IAEA) recently placed Iran under heavy scrutiny for "serious concerns regarding possible military dimensions to Iran's nuclear program." And, the IAEA believes Iran has "carried out activities relevant to the development of a nuclear explosive device." Additionally, Iran's ruling government has made it clear that it does not believe that citizens of Israel should be allowed to live or peaceably pursue their own interests.

I understand some believe free markets, rather than government policy, should drive our investment choices, but this very real threat requires action. No free market exists when one nation builds a nuclear arsenal while it continually and steadfastly advocates for the eradication of another entire nation, with our own not so far behind.

In my view, our State's policy should now be to divest ourselves of investments with companies doing business in Iran. This sanction comes as a last resort – an option our State has historically refused when presented. However, the time to stand on the principles of life and liberty is at hand, and we must step up along with our country and other states. For these reasons, I am asking that to the extent permitted by law, you pursue a policy of divestiture of State resources from companies that do business in Iran or with the current ruling government of Iran.

Sincerely,

Sean Parnell
Governor

- Forward Association
  - Association Home Page
  - Events
  - Donate
- About
  - Masthead
  - History
  - In the News
- Contact
  - Advertising
  - Subscriptions
  - Editorial

Free Newsletter: enter your email [GO]

Forward.com

Panetta: Iran Could Produce Bomb Next Year

U.S. Determined To Take Steps Necessary To Stop Iran

By Haaretz

Published January 30, 2012.

U.S. Defense Secretary Leon Panetta said on Sunday that Iran is only one year away from producing a nuclear weapon.

In an interview on the CBS show "60 Minutes," Panetta said that "the consensus is that, if they decided to do it, it would probably take them about a year to be able to produce a bomb and then possibly another one to two years in order to put it on a deliverable vehicle of some sort in order to deliver that weapon."

During the interview, Panetta reiterated Obama's opposition to Iran's nuclear program, and said that the U.S. shares common goals with Israel in its opposition to the program.

"The United States, and the president's made this clear, does not want Iran to develop a nuclear weapon. That's a red line for us. And it's a red line obviously for the Israelis so we share a common goal here," he told CBS.

"If they proceed and we get intelligence that they're proceeding with developing a nuclear weapon then we will take whatever steps are necessary to stop it," he added.

For more, go to haaretz.com

Top Stories

SB 132

<TARGET><BILL>SB 132</BILL><SUBJECT>SB 132</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 4/16/11

FURTHER: Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 3-27-12

State Affairs Committee considered SENATE BILL NO. 132

SB 132-PROVISIONAL DRIVER'S LICENSE STICKER

"An Act relating to requirements for persons holding provisional drivers' licenses; and providing for an effective date."

and recommends:

[ ] be **replaced** with **CS** SB 132 (STA) [X] *Same Title* [ ] *New Title*

[ ] adopt **previous CS** _____ (_____) [ ] *Same Title* [ ] *New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
ADM			✓	

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Albert Kookan	Kookan		✓		
Joe Parker	Parkin			X	
	Wielechowski			X	
K. Meyer	Meyer	X			
Gliessel	Giessel	X			
CHAIR:					

ALASKA STATE LEGISLATURE

Interim:
716 West 4th Avenue
Anchorage, Alaska 99501-2133
Phone: (907) 269-0199
Fax (907) 269-0197
Senator_Kevin_Meyer@legis.state.ak.us

Session:
Alaska State Capitol
Juneau, Alaska 99801-1182
Phone: (907) 465-4945
Fax: (907) 465-3476
Toll Free: (866) 465-4945

SENATOR KEVIN MEYER
MAJORITY LEADER

TO: Senator Bill Wielechowski, Chair
Senate State Affairs Committee

FROM: Senator Kevin Meyer

DATE: March 15, 2012

RE: Request for Hearing on SB 132, "Provisional Driver's License Sticker"

I respectfully request the Senate State Affairs Committee to schedule hearing SB 132, "An Act relating to requirements for persons holding provisional drivers' licenses; and providing for an effective date."

The following documents are attached and will be sent electronically:

- SB 132 – 27-LS0799|B
- Sponsor Statement
- Fiscal Note
- A list of people to testify on SB 132 will provided when scheduled

SB 132 would add a new subsection to AS 28.15.055 (Alaska's Provisional License Law) establishing a provisional license sticker and the responsibility of the driver to display it in the car they are operating.

Please contact Bob Pawlowski in my office if you have any questions regarding this legislation.

ALASKA STATE LEGISLATURE

Interim:
716 West 4th Avenue
Anchorage, Alaska 99501-2133
Phone: (907) 269-0199
Fax (907) 269-0197
Senator_Kevin_Meyer@legis.state.ak.us

Session:
Alaska State Capitol
Juneau, Alaska 99801-1182
Phone: (907) 465-4945
Fax: (907) 465-3476
Toll Free: (866) 465-4945

SENATOR KEVIN MEYER
MAJORITY LEADER

SPONSOR STATEMENT FOR SB 132

"An Act relating to requirements for persons holding provisional drivers' licenses; and providing for an effective date."

SB 132 provides for a *"provisional driver's license sticker"* for those drivers between 16 and 18 years of age who are driving under the Alaska Graduated License Program. This bill will identify those young drivers who have completed their initial *"instruction permit"* and have obtained a *"provisional driver's license"*. Upon obtaining their provisional license, they would obtain a sticker that shows that the vehicle is being driven by a driver with a new license.

If enacted, SB 132 would add a new subsection to AS 28.15.055 (Alaska's Provisional License Law) establishing a provisional license sticker and the responsibility of the driver to display it in the car they are operating. SB 132 would continue the responsibilities of the driver and the other responsible parties established in the 2005 Provisional Driver's License Law.

Alaska has very challenging driving conditions. This includes winter cold weather and darkness, extended daylight hours with crowded summer roads and numerous distractions in driving. Every year, teen drivers account for about 20 percent of the fatalities and major injuries that occur on Alaska's roads. Experience is important in keeping people safe on Alaska's roads year round and was a reason behind the Alaska Graduated License Program. By adding a *"provisional sticker"* to the car, other drivers can respect the level of experience the new driver has and drive appropriately.

Finally the bill provides guidance to the Department of Motor Vehicles and Department of Public Safety on issuing and enforcing the *"provisional driver's sticker"*.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SB132**
Fiscal Note Number:
() Publish Date:

Identifier (file name): SB132-DOA-DMV-3-16-12
Title: Provisional Driver License Stickers
Sponsor: Senator Meyer by Request
Requester: Senate State Affairs

Dept. Affected: Administration
Appropriation: Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable; initial version

Prepared by: Whitney Brewster, Division Director — Phone: 907-269-5559
Division: Motor Vehicles — Date/Time: 3/16/12 2:00 PM
Approved by: John Cramer, Deputy Commissioner — Date: 3/16/2012
Department of Administration

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB132

Analysis

The effective date of this bill is January 1, 2013.

This bill would require provisional drivers to adhere a sticker to the vehicle that they are operating that designates them as a provisional driver license holder. It would also make it an infraction with a fine of not more than $300 for failure to display the sticker.

This bill will have a minor fiscal impact on the Division of Motor Vehicles (DMV). DMV will absorb the costs in its operating budget.

27-LS0799\I
Luckhaupt
3/26/12

CS FOR SENATE BILL NO. 132( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR MEYER BY REQUEST

A BILL

FOR AN ACT ENTITLED

"An Act relating to requirements for persons holding provisional drivers' licenses; and providing for an effective date."

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

*** Section 1.** AS 28.15.055 is amended by adding a new subsection to read:

(b) A person holding a provisional driver's license shall display in the rear window of each vehicle operated by the person a moveable sticker issued by the department that identifies that the vehicle is operated by a provisional licensee. The department may charge a fee for the issuance of a sticker. Failure to display a sticker as required by this subsection is an infraction and may be punished by a fine of not more than $200. However, a person charged with violating this section may not be convicted if the person

(1) has not previously been arrested, charged, or cited for a violation of this section; and

(2) produces in court proof that the person has obtained and displayed

the sticker required by this subsection.

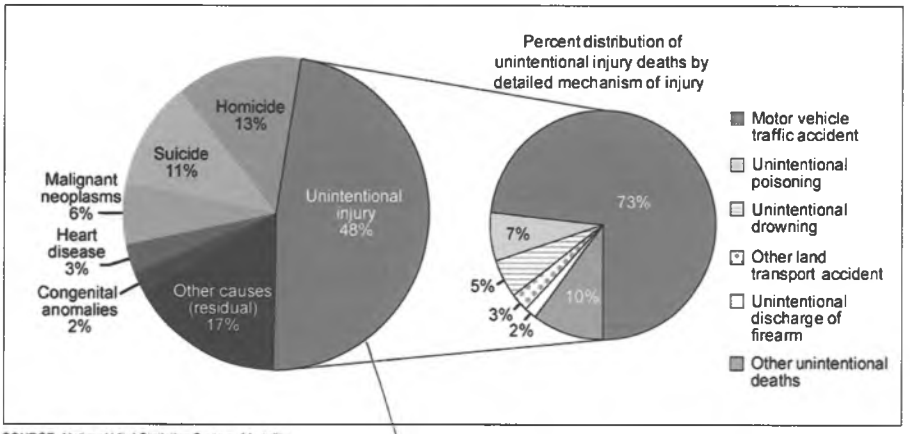
* **Sec. 2.** This Act takes effect January 1, 2013.

Novice Driver Safety

Safer Alaskan Roads for Alaskan Drivers

Cause of death among teenagers between 1999-2006

Figure 2. Percent distribution of all deaths to teenagers 12–19 years, by cause of death: United States, 1999–2006



SOURCE: National Vital Statistics System, Mortality.

73% from traffic accidents

Alaska Statistics for Drivers 14-16 2004-2008

Motor Vehicle Traffic Crashes Involving Drivers age 14-16, 2004-2008

	2004	2005	2006	2007	2008
Crashes	692	592	477	441	437
Property Damage Only	428	377	307	270	288
Minor Injury Crashes	222	191	146	137	127
Major Injury Crashes	37	22	19	28	15
Fatal Crashes	5	2	5	6	7
Non-Fatal Injuries	398	321	256	264	223
Minor Injuries	348	296	228	230	201
Major Injuries	50	25	28	34	22
Fatal Injuries	5	2	5	7	8
Occupants Not Injured	1830	1361	1195	987	1070

Source: State of Alaska, Department of Transportation and Public Facilities, Highway Analysis System (HAS)

Alaska Statistics for drivers ages 16-17 between 2002-2011

The Total Drivers in Fatal Crashes by Age, Alaska 2002-2011

- Fourteen 16 year olds were involved in fatal crashes in Alaska between 2002-2011
- This is 1.3% of the total amount of drivers in fatal crashes
- Eighteen 17 year olds were involved in fatal crashes in Alaska between 2002-2011
- This is 1.7% of the total amount of drivers in fatal crashes

The total Drivers License in Alaska by Age between 2002-2011

- 61,254 sixteen year olds were licensed, this is 1.2% of the total
- 74,882 seventeen year olds were licensed, this is 1.5% of the total

Provisional Licensed Drivers

- Provisional Licensed Drivers are hazardous due to:
- Apprehension
- Lack of experience
- Weather conditions
- No drivers education requirement
- Alaska's diversity from other states

Solution

- A person holding a provisional driver's license shall display in the rear window of each vehicle operated by the person a sticker issued by the department that identifies that the vehicle is operated by a provisional licensee..

N

L

L
EBY 776J

Why This Solution?

- This is a simple solution to benefit Alaskan drivers.
- It will impress other driver's to be more cautious driving around the novice teen driver
- It will provide other drivers the information necessary to understand the Provisional Licensee's position
- This will assist law enforcement officers in implementing the law

Enforcement

- Failure to display a sticker as required by this subsection is an infraction and may be punished by a fine of not more than $300.

Procedures

- The state of Alaska will supply the Department of Motor Vehicles with stickers to distribute to those persons acquiring a Provisional License
- Those acquiring a Provisional License will pay for the sticker as part of the permitting process.
- Sticker will be placed on the rear window of the operating vehicle

Summary

- Teen drivers with Provisional License are statistically more hazardous to themselves and other Alaskans
- Require Provisional drivers to identify their status
- Reduce the number of accidents and infractions in Alaska, and help save Alaskan lives

SB 136

<TARGET><BILL>SB 136</BILL><SUBJECT>SB 136</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/17/12

FURTHER: Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 1-31-12

State Affairs Committee considered SENATE BILL NO. 136

SB 136-INCOME TAX CREDIT FOR EMPLOYING A VETERAN

"An Act providing a tax credit for employing an Alaska veteran that may be taken against a liability for the tax on corporation income; and providing for an effective date."

and recommends:

[ ] be **replaced** with **CS** SB 136 (STA) [ ] *Same Title* [X] *New Title*

[ ] adopt **previous CS** _____ (_____) [ ] *Same Title* [ ] *New Title*

[ ] attached amendment(s)

[ ] adopt _____ Letter of Intent

[ ] further referral to _____ Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
REV		X		

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Allen Kookesh	Kookesh	X			
Joe Paskvan	PASKVAN	X			
K. Meyer	Meyer	X			
C. Giessel	Giessel	X			
CHAIR:	Wielechowski	✓			

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

Senate Bill 136: Income Tax Credit for Employing a Veteran
Sponsor Statement

Our veterans are some of the most highly trained, highly educated, and highly skilled workers that we have. When businesses hire veterans, they are getting proven leaders with solid work ethics who can solve problems efficiently while staying focused and contributing to an improved bottom line.

Despite many employers acknowledging the advantages of hiring someone who has served in the Armed Forces, veterans continue to see higher than average unemployment rates nationwide. In June 2011, according to the U.S. Bureau of Labor Statistics, one million U.S. veterans were unemployed and the jobless rate for post-9/11 veterans was 13.3%. The picture was even worse for young, male veterans between the ages of 18 and 24, who saw an unemployment rate of 21.9%.

Senate Bill 136 will assist Alaska's veterans get civilian jobs when they leave the service and provide direct benefits to Alaska businesses. The legislation provides a $2,000 credit for each veteran hired who works at least 1,560 hours within a 12-month period, or approximately 30 hours a week. The tax credit can be applied in the first year after 12-months of employment and any credits not used could be used in a later tax year.

This is a win-win situation. Struggling Alaskan businesses can get the tax help they need, while Alaska's veterans have an increased chance of finding employment.

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 January 17, 2012

SUBJECT: Sectional Summary for SB 136 (Work Order No. 27-LS0983\I)

TO: Senator Bill Wielechowski
Attn: Kendra Kloster

FROM: Donald M. Bullock Jr.
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Amends AS 43.20 by adding a new section, AS 43.20.047, to provide a tax credit against the corporation income tax for employing an Alaska veteran; states the requirements for the credit and the amount of credit available for each Alaska veteran that is hired; and requires recordkeeping to support eligibility for the credit.

Section 2. Makes the Act take effect July 1, 2012.

DMB:ljw
12-020.ljw

FISCAL NOTE

STATE OF ALASKA cost ≠ codes
2012 LEGISLATIVE SESSION

Bill Version **SB 136**
Fiscal Note Number
Publish Date

Identifier (file name) SB136-DOR-TAX-01-13-12
Title Income Tax Credit for Employing a Veteran
Sponsor Sen. Wielechowski
Requester Senate State Affairs

Dept. Affected Revenue
Appropriation Taxation & Treasury
Allocation Tax Division
OMB Component Number 2476

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES	***	***	***	***	***	***	***

Estimated SUPPLEMENTAL (FY12) operating costs 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial fiscal note.

Prepared by Robynn J. Wilson, Audit Supervr II/Johanna Bales, Deputy Director
Phone 269-6634
Division Tax
Date/Time 1/13/12 1:00 PM
Approved by Bryan D. Butcher, Commissioner
Department of Revenue
Date 1/13/2012

(Revised 8/17/2011 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** SB 136
2012 LEGISLATIVE SESSION

Analysis

Bill Language:
The bill provides an income tax credit of $2,000 for each veteran who is hired and who works 1,560 hours or more, during the 12 consecutive months immediately following the date the Alaska veteran is first employed. Any unused credit may be carried forward. The credit is not refundable, nor transferrable.

Revenues:
It is difficult to know how many Alaska veterans will be hired as a result of this legislation and, therefore, difficult to determine its affect on revenues. However, for each Alaska veteran hired in the state that meets the requirements of this bill, corporate income tax revenues will decrease $2,000 in one year.

Expenditures:
Department of Revenue can administer the provisions of this bill utilizing existing resources.

Hiring Military Veterans is Good Business

Unemployment rates high for these individuals

BY BILL WHITMORE

If your company's diversity recruiting strategy fails to include military veterans, you are missing out on working with some of our country's most outstanding men and women. Organizations that fail to recognize the extraordinary leadership qualities veterans bring to the workplace pass up the opportunity to work with results-oriented employees who have a strong sense of accountability and responsibility. It is time for our country's corporate leaders to awaken to the reality that combat leadership and military discipline translate into dynamic employees who can enhance an organization's productivity.

While the national unemployment rate hovers around 9.7 percent for civilians, the unemployment rate for young male veterans, including those returning from Afghanistan and Iraq, is more than double the national average at 21.6 percent, according to the Bureau of Labor Statistics. Isn't it time to shine the employment spotlight on the brave men and women who serve our country?

What essential set of life skills do military veterans bring to corporate America that makes them an indispensable pairing? The military trains our men and women to lead by example, as well as understand the nuances of delegation and motivation. As General Douglas McArthur once said: "A true leader has the confidence to stand alone, the courage to make tough decisions, and the compassion to listen to the needs of others." Military veterans understand the value of teamwork, which they can apply in our country's offices and board rooms. Veterans understand their role within an organizational framework and serve as exemplary role models to subordinates while demonstrating accountability and leadership to supervisors.

Bill Whitmore

Veterans generally enter the work force with identifiable skills that can be transferred to the business world, and are often skilled in technical trends pertinent to business and industry. And what they don't know, they are eager to learn – making them receptive and ready hires in work environments valuing ongoing learning and training. Veterans represent diversity and collaborative teamwork in action having served with people from diverse economic, ethnic and geographic background – as well as race, religion and gender. Even under dire stress, veterans complete tasks and assignments in a timely manner as they have labored under restrictive schedules and resources on the battlefields and military installations they've served.

Employers can find qualified veterans from a variety of sources including the Employer Partnership of the Armed Forces, Employer Support of the Guard and Reserve, Military.com, HireVeterans.com and the Wounded Warriors Project. Employers can become true partners with selected veterans' organizations and work with them proactively to ensure they are maximizing their ability to recruit from this extremely qualified talent pool.

Lest we forget, the men and women who have chosen to serve our country are patriots who have made enormous sacrifices to ensure our safety and freedom. By employing military veterans, we are saying, "thank you for your service" and for protecting us from terrorism and other threats. ❑

About the Author

Bill Whitmore is chairman, president & CEO of AlliedBarton Security Services, www.alliedbarton.com, the industry's premier provider of highly trained security personnel to many industries including commercial real estate, higher education, health care, residential communities, chemical/ petrochemical, government, manufacturing and distribution, financial institutions and shopping centers.

LEGISLATIVE RESEARCH REPORT

DECEMBER 28, 2011

REPORT NUMBER 12.119

STATE AND FEDERAL TAX CREDITS FOR BUSINESSES THAT HIRE VETERANS

PREPARED FOR SENATOR BILL WIELECHOWSKI

BY TIM SPENGLER, LEGISLATIVE ANALYST

You wished to know whether any states provide tax credits for employers who hire veterans or for veterans who are starting a business. Additionally, you wanted to know if federal tax benefits exist for businesses hiring veterans.

Briefly, Vermont offers both benefits when veterans have recent military history, while a few other states provide benefits for businesses hiring veterans under limited circumstances.[1] Federal tax benefits are available to employers who hire veterans through the *Returning Heroes* and *Wounded Warrior* tax credit programs.

Alaska

As you may know, Alaska does not provide tax credits to employers for hiring veterans or for veterans starting their own businesses. The state does provide, however, a five percent bid preference (that may not exceed $5,000) if a bidder for a state contract is an Alaska veteran and is a "qualifying entity." According to AS 36.30.175—Alaska Veterans' Preference—a qualifying entity means the following:

1. Sole proprietorship owned by an Alaska veteran;
2. Partnership under AS 32.06 or AS 32.11 if a majority of the partners are Alaska veterans;
3. Limited liability company organized under AS 10.50 if a majority of the members are Alaska veterans; or
4. Corporation that is wholly owned by individuals and a majority of the individuals are Alaska veterans.[2]

[1] None of the states with credits were able to provide us with data regarding the effectiveness of the benefit.

[2] For more information on how Alaska's veterans' preference is applied please contact Vern Jones, chief procurement officer, Department of Administration, (907) 465-5684.

Other States

Vermont

On May 25th, 2011, House Bill 275 was signed into law in Vermont and codified at 32 V.S.A. 5930nn. The legislation, entitled the Veterans' Tax Credit Act, provides employers with a $2,000 tax incentive for hiring veterans who have returned from deployment in Afghanistan or Iraq within the last two years. In order to qualify for the tax credit, businesses must employ veterans before the end of 2011. The act also provides veterans who start new companies with a $2,000 benefit. To qualify for this credit, the veteran must hold at least 50 percent ownership in the company.

Specifically, to be eligible for the tax credits a Vermont veteran must meet the following prerequisites:

- have left federal, active duty within the past 24 months;
- have been a resident of Vermont at the time of entry into military service or served in a guard or reserve unit located in Vermont; and
- be eligible to receive unemployment from the Vermont Department of Labor, or would be eligible except unemployment has been exhausted.

Clayton Clark, director of Vermont's Office of Veterans Affairs notes that earlier this year he queried fellow state directors asking if their states offered similar veteran tax benefits and none did. This corresponds to what we found in our review.[3]

We include, as Attachment A, various documents pertaining to the tax credit in Vermont including the state statute, a question and answer document on the credit, and the application Vermont veterans use to certify their eligibility for the tax credit.

California

The Enterprise Zone Program (EZP) in California entitles employers that hire and employ qualified applicants—including certain veterans—to tax credits. The California EZP was established in 1984 to stimulate business investment in depressed areas of the state and to create job opportunities. If a company is located in one of California's 43 EZPs, the company may be eligible for up to $31,000 in California tax credits (over five years) if the veteran hired meets any one of the following three tests:

- left military service within the last 48 months;
- is a service-related disabled veteran; or
- is a Vietnam era veteran.[4]

[3] Clayton Clark can be reached at (802) 828-3379. For this report, we contacted numerous state veteran's offices both telephonically and by email, searched many state and national veteran websites, and conducted a West Law search.

[4] More information on California's Enterprise Zone Program can be accessed at www.caez.org/.

Illinois

Illinois employers can earn an income tax credit for hiring veterans of Operation Desert Storm, Operation Enduring Freedom, or Operation Iraqi Freedom. The credit is five percent of the total wages paid to every qualified veteran hired after January 1, 2008. The credit may not exceed $1,200 annually. Veterans must work at least 185 days during the tax year for the employer to qualify for the credit.[5]

West Virginia

Entities hiring economically disadvantaged Vietnam or Korean era veterans, unemployed West Virginia National Guard members, or *any* disabled veteran, are entitled to a state tax credit. The credit available to the employer is 25-30 percent of the first $5,000 in wages or compensation paid to the veteran.[6]

Federal Tax Benefits

On November 21, 2011, President Obama signed legislation that provides tax credits to employers who hire military veterans. The *VOW to Hire Heroes Act* contains two components—the *Returning Heroes Tax Credit* and the *Wounded Warriors Tax Credit*—that provide credits to businesses that hire veterans. The Act passed both bodies of Congress unanimously and, while the legislation is not expected to lead to the creation a significant number of new jobs, it is hoped that it will help many veterans secure employment.

The **Returning Heroes Tax Credit** is intended to provide an incentive for businesses to hire unemployed veterans in the following ways:

- *Short-term unemployed:* A new credit of 40 percent of the first $6,000 of wages (up to $2,400) for employers who hire veterans who have been unemployed at least 4 weeks.

- *Long-term unemployed:* A new credit of 40 percent of the first $14,000 of wages (up to $5,600) for employers who hire veterans who have been unemployed longer than 6 months.

The **Wounded Warrior Tax Credit** will double the existing tax credit for businesses that hire long-term unemployed veterans with service-connected disabilities as follows:

- Maintains the existing Work Opportunity Tax Credit for employers that hire veterans with service-connected disabilities (currently the maximum is $4,800).

- Introduces a new credit of 40 percent of the first $24,000 of wages (up to $9,600) for firms that hire veterans with service-connected disabilities who have been unemployed longer than 6 months.[7]

We hope you find this information to be useful. Please let us know if you have questions or need additional information.

---

[5] To file for Veteran's Tax Credit, Illinois employers complete Schedule 1299-D, "Income Tax Credits."

[6] For disabled veterans, the credit is the percentage of disability multiplied by the first $5,000 in wages. We include, as Attachment B, West Virginia Annotated Code 21A-2C-4, which pertains to the tax credit and tax schedule J—the "West Virginia Military Incentive Credit."

[7] Detailed information on these tax credit programs is available at *www.whitehouse.gov/the-press-office/2011/11/21/fact-sheet-returning-heroes-and-wounded-warrior-tax-credits.*

Chapter 904 - Anchorage, Alaska
"An Agenda of Service"

January 19, 2012

Senator Bill Weilechowski
Chairman
Senate State Affairs Committee
Alaska State Legislature

Senator:

As you know we were very much involved in the development of a veteran jobs package in Washington, DC that was finally approved by the Congress and signed by the President. An important component of this package was a tax incentive for American businesses to hire veterans, with some additional incentives for disabled veterans. The incentives start at $2,400 in the federal package.

Like so many Alaskans we have heard time and again about how imposing our state incorporation taxes are. So, in an effort to encourage Alaskan businesses to also hire veterans we were very pleased with your interest in an additional incentive, right here in Alaska to hire veterans.

We strongly support SB 136, and would suggest that the tax credit be at $2,600. This would allow a combined tax credit (federal/state) of $5,000 per veteran hired at a minim of 32 hours a week and retained for most of a year.

With the provision of SB 136, we have shared with bill with 48 other VVA State Council Presidents, and I can report that a number of them have asked their legislators to seriously consider doing the same.

With passage of this bill, Alaska will continue to be viewed nationally as a very veteran friendly state.

I wanted to again thank you for the Town Hall Meeting you and your colleagues held in east Anchorage last year. It was without question one of the best to date and I think those Members of the legislature who attended got something substantive out of it. Certainly SB 136 was one of those ideas presented at that meeting.

It is an honor,

Ric Davidge
President, VVA 904
Also: National Chairman, VVA Govt Affairs Cmte
Former National Chairman, VVA Economic Opportunities Cmte

Vietnam Veterans of America Alaska Chapter 904
3705 Arctic Blvd, #415, Anchorage, Alaska 99503 Web Site: www.VVA904.org
Ric Davidge, President Cell 907 29 5328 Fax (907) 762-7577 Email: pm@cvalaska.com

VETS HELPING VETS

2808 E. TUDOR ROAD, SUITE 3
ANCHORAGE, ALASKA, 99507
907-433-0011

"Making a difference one person at a time"

Date: 22 January 2012

Subject: Support Letter for SB136 Income Tax Credit for Employing Veterans

To whom it may concern,

On behalf of many Alaska Veterans and the Vets Helping Vets organization of Anchorage, Alaska, I am writing this letter of support for the Income Tax Credit for Employing Veterans bill.

My name is Calista Anderson; I am the President of the Vets Helping Vets organization located here in Anchorage at 2808 E. Tudor Rd. , and a proud military (US Army) wife of 17 years. My husband along with many other spouses, sons, daughters and mothers and fathers have made many sacrifices and will continue to do so today and in the future for all the freedoms we enjoy in our way of life today. Many of these are now business owners. Too many have given the ultimate sacrifice! In saying this, every state in America should have such a bill as this put in to motion, but especially here in Alaska with the enormous amount of unemployment we have right here in our own community. Now and always in the future every business should receive a tax credit for hiring veterans, as we will always have veterans in our country. The reason we have the ability to open a business anytime or any place we choose is because of these veterans that ensured we are free, not living under a dictatorship as many countries today are forced to do so. Offering this bill will encourage business owners to hire more veterans, giving them a chance to improve their lives and the chance to get back on their feet, a hand UP, not a hand OUT. Many of our veterans have fallen thru the cracks to many times for too long, providing this tax credit bill to businesses in our state will be a great incentive to reach out to many more veterans and to decrease the percentage rate of unemployed and homeless veterans in Alaska, therefore, giving veterans an opportunity to improve their quality of life as well as for their families. By hiring our veterans and allowing them to learn new trades opens many doors for them and their families to begin a normal way of life, the dream they had when they entered the military to defend our freedoms, the AMERICAN DREAM. Not only will it give business owners a tax credit but in many ways for many people it will give a sense of pride and self-worth that needs to be restored today and for the business owners that tax break that many of them deserve as well. Passing such a bill as this can only benefit our local business

owners and our nation's heroes that deserve that second chance. Employing our veterans and getting them off the streets should always be a priority in our state and across our nation, as "homeless " and "veteran" should never come together in the same sentence. Veterans voluntarily gave up so much of their "normal" way of life to protect ours; allowing business owners to employ them with a tax credit will provide a sense of normalcy and appreciation back to our veterans and some businesses across our great state.

When making your decision to pass this law, please remember that all of our veterans (that are many of our business owners today), gave some, however, some gave ALL.

In addition, we are fully supportive also of the Military Training Credit bill as well. This is very important for our military; training is very important and is the very thing that provides our military with the knowledge to continue to keep our country free.

Sincerely,

Calista Anderson

US Army wife and President of Vets Helping Vets of Anchorage, Alaska

Chapter 904 - Anchorage, Alaska
"An Agenda of Service"

January 19, 2012

Senator Bill Weilechowski
Chairman
Senate State Affairs Committee
Alaska State Legislature

Senator:

As you know we were very much involved in the development of a veteran jobs package in Washington, DC that was finally approved by the Congress and signed by the President. An important component of this package was a tax incentive for American businesses to hire veterans, with some additional incentives for disabled veterans. The incentives start at $2,400 in the federal package.

Like so many Alaskans we have heard time and again about how imposing our state incorporation taxes are. So, in an effort to encourage Alaskan businesses to also hire veterans we were very pleased with your interest in an additional incentive, right here in Alaska to hire veterans.

We strongly support SB 136, and would suggest that the tax credit be at $2,600. This would allow a combined tax credit (federal/state) of $5,000 per veteran hired at a minim of 32 hours a week and retained for most of a year.

With the provision of SB 136, we have shared with bill with 48 other VVA State Council Presidents, and I can report that a number of them have asked their legislators to seriously consider doing the same.

With passage of this bill, Alaska will continue to be viewed nationally as a very veteran friendly state.

I wanted to again thank you for the Town Hall Meeting you and your colleagues held in east Anchorage last year. It was without question one of the best to date and I think those Members of the legislature who attended got something substantive out of it. Certainly SB 136 was one of those ideas presented at that meeting.

It is an honor,

Ric Davidge
President, VVA 904
Also: National Chairman, VVA Govt Affairs Cmte
Former National Chairman, VVA Economic Opportunities Cmte

Vietnam Veterans of America Alaska Chapter 904
3705 Arctic Blvd, #415, Anchorage, Alaska 99503 Web Site: www.VVA904.org
Ric Davidge, President Cell 907 29 5328 Fax (907) 762-7577 Email: pm@cvalaska.com

27-LS0983\I.1
Bullock
1/25/12

AMENDMENT

OFFERED IN THE SENATE BY SENATOR WIELECHOWSKI

TO: SB 136

Page 1, line 1:
Delete "**an Alaska**"
Insert "**a**"

Page 1, lines 6 - 7:
Delete "an Alaska veteran and employs the veteran"
Insert "a veteran and employs the veteran in the state"

Page 1, line 8:
Delete "Alaska"

Page 2, line 4:
Delete "Alaska"

Page 2, line 6:
Delete "an Alaska veteran, and the Alaska"
Insert "a veteran, and the veteran"

Page 2, line 9:
Delete "an Alaska"
Insert "a"

Page 2, line 10:

Delete ""Alaska veteran" has the meaning given in AS 36.30.175"

Insert ""veteran" means an individual who served in the

(A) armed forces of the United States, including a reserve unit of the United States armed forces; or

(B) Alaska Territorial Guard, the Alaska Army National Guard, the Alaska Air National Guard, or the Alaska Naval Militia"

SITE: OFFNET	SUBJECT OF MEETING: Income Tax Credit for Employing a Veteran	TESTIFY KEY: Y = yes LO = Listen only ? = Available for questions
COMMITTEE: SSTA	BILL# SB 136	
DATE: 1/26/12	UPDATE #:1	

NAME	COMMUNITY	REPRESENTING/AFFILIATION	DO YOU WANT TESTIFY
Joanna Bales	Anchorage	Department of Revenue	?s
Rick Davies	Anchorage	Vietnam Veterans of America	Y
└ Feds have			
$2400 tax credit — st. should match or exceed.			
Supports # 2,600 credit. ⇒ combined incentive would be $5,000			
highest per capita # of veterans in U.S.			

SB 150

<TARGET><BILL>SB 150</BILL><SUBJECT>SB 150</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/17/12

FURTHER: Labor and Commerce

Date of 5-Day Notice: 1/19/12.
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 1-26-12.

State Affairs Committee considered SENATE BILL NO. 150

SB 150-MILITARY TRAINING CREDIT

"An Act relating to applying military education, training, and service credit to occupational licensing and certain postsecondary education and employment training requirements; and providing for a temporary occupational license for qualified military service members."

and recommends:

[Y] be **replaced** with **CS** ~~Version I~~ SB 150 Version I (STA) [ ] *Same Title* [X] *New Title*

[ ] adopt **previous CS** _____ (_____) [ ] *Same Title* [ ] *New Title*

[ ] attached amendment(s)

[ ] adopt _____ Letter of Intent

[ ] further referral to _____ Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)

Dept.	Fiscal	Indet.	Zero	FN #
LWF			X	1
UA			X	2.

Fiscal Info Forthcoming

PREVIOUS FISCAL NOTE(S)

Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Joe Paskvan	PASKVAN	X			
K Meyer	meyer	X			
Giessel	Giessel			X	
CO-CHAIR:	wielechowski	✓			

CS FOR SENATE BILL NO. 150(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS WIELECHOWSKI, Ellis, Meyer, Menard

A BILL

FOR AN ACT ENTITLED

"An Act relating to applying military education, training, and service credit to occupational licensing and certain postsecondary education and employment training requirements; providing for a temporary occupational license for qualified military service members; and providing for an effective date."

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

* **Section 1.** AS 08.01 is amended by adding a new section to read:

Sec. 08.01.064. Military education, training, and service credit; temporary license. (a) Notwithstanding another provision of law, the department or applicable board shall accept military education, training, and service as equivalent to some or all of the qualifications otherwise required of an applicant for a license or certificate issued under this chapter if the applicant provides satisfactory evidence of successful completion of the education, training, or service as a member of the armed forces of the United States, the United States Reserves, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SB150 SSA**
Fiscal Note Number: (1)
() Publish Date: 1/27/12

Identifier (file name): SB150-DOLWD-WIB-1-20-12
Title: Military Training Credit
Sponsor: Senator Wielechowski
Requester: Senate State Affairs

Dept. Affected: Labor and Workforce Development
Appropriation: Business Partnerships
Allocation: Workforce Investment Board
OMB Component Number: 2659

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version.

Prepared by: Jeff Selvey, Executive Director, Workforce Investment Board — Phone 907-269-3569
Division: Business Partnerships — Date/Time 1/20/12 1:00 PM
Approved by: Click Bishop, Commissioner — Date 1/20/2012
Department of Labor and Workforce Development

(Revised 1/17/2012 OMB)

FISCAL NOTE #1

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB150 S/A

Analysis

The proposed legislation requires the Workforce Investment Board to facilitate a statewide policy to determine credit towards a degree or program offered by a vocational or technical center in the state of Alaska for a member of the nation's armed forces. This will be conducted via teleconferences between the state's applicable training center organizations.

There is no fiscal impact to the department as a result of this legislation.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version SB150 SFA
Fiscal Note Number (2)
() Publish Date 1/27/12

Identifier (file name) SB150-UA-SYSBRA-01-24-12
Title Military Training Credit
Sponsor SENATOR(S) WIELECHOWSKI, Ellis, Meyer, Menard
Requester State Affairs

Dept. Affected University of Alaska
Appropriation Budget Reductions/Additions-Systemwid
Allocation Budget Reductions/Additions-Systemwid
OMB Component Number 1296

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by Michelle Rizk
Division University of Alaska
Approved by Michelle Rizk

Phone 907-450-8187
Date/Time 1/20/12 5:00 PM
Date 1/20/2012

(Revised 11/28/2011 OMB)

FISCAL NOTE #

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB150 SPA

Analysis

SB150 will not have a fiscal impact on the University of Alaska (UA).

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SB 150**
Fiscal Note Number:
() Publish Date:

Identifier (file name): SB150-DCCED-CBPL-01-20-12
Title: Military Training Credit
Sponsor: Senator Wielechowski
Requester: Sentate State Affairs

Dept. Affected: DCCED
Appropriation: Corps, Bus & Professional Licensing
Allocation: Corps, Bus & Professional Licensing
OMB Component Number: 2360

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services	157.3		75.5	75.5	75.5	75.5	75.5
Travel	0.0		0.0	0.0	0.0	0.0	0.0
Services	50.0		15.0	15.0	15.0	15.0	15.0
Commodities	0.5		0.5	0.5	0.5	0.5	0.5
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**207.8**	**0.0**	**91.0**	**91.0**	**91.0**	**91.0**	**91.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1156	Rcpt Svcs (DGF)	207.8		91.0	91.0	91.0	91.0	91.0
TOTAL		**207.8**	**0.0**	**91.0**	**91.0**	**91.0**	**91.0**	**91.0**

POSITIONS							
Full-time	**2**		1	1	1	1	1
Part-time							
Temporary							

CHANGE IN REVENUES	**207.8**		**91.0**	**91.0**	**91.0**	**91.0**	**91.0**

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial Version

Prepared by: Don Habeger, Director — Phone: 465-2536
Division: Division of Corporations, Business and Professional Licensing — Date/Time: 1/21/2012 4:30pm
Approved by: Susan K. Bell, Commissioner — Date: 1/21/2012
Commerce, Community, and Economic Development

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB 150

Analysis

SB 150 would require the department or board to accept relevant experience, training or service acquired while serving in the armed forces. The bill would allow greater flexibility for those exiting military service to become temporarily licensed in Alaska.

The following is a detailed cost analysis:

Personal Services consist of a long term non-perm Regulations Specialist I (Range 13) and an Administrative Assistant (Range 14). The Regulation Specialist I will work with boards, commissions, and staff to create regulations for new "temporary license" types for all licenses, and will craft clarifying regulations for programs with existing temporary licenses. The Administrative Assistant II will work with the Regulations Specialist and existing Publications Specialist II to draft correspondence to boards and commissions, create new forms and applications, liaison with the Department of Law regarding these regulations changes, and ensure timelines are maintained. This position will administer the military licensing program, including the receiving and tracking of military applications to ensure they are expedited, providing administrative support to licensing staff, customer support to military personnel, and organizing an accurate structure of the new license types into the licensing database. Once these regulations are in place, updates can be managed by existing staff and the Regulations Specialist position will be eliminated.

Services include the initial legal and start up costs, and ongoing support services.

Commodities include general supply costs.

Under the self-sufficiency statue of AS 08.01.065, regulatory programs are required to pay the cost of regulation through licensing fees. The funding source in establishing this position is Receipt Supported Services funded entirely from licensing fees.

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

MEMORANDUM

DATE: January 25, 2012

TO: Senate State Affairs Committee

FROM: Senator Bill Wielechowski

SUBJECT: Changes from CS SB150 (version E) to CS SB150 (version X)

The following are changes made in the Committee Substitute for Senate Bill 150:

- Page 2, line 16 – added the word "temporary" before "license" to clarify that section (c) was referring that the boards may issue temporary license extension of 180 days.

- Page 5, line 15 – adds Section 5 to include transitional language allowing the Department of Commerce, Community, and Economic Development and applicable boards to immediately begin implementing regulations to accept military education, training and service.

- Page 5, line 22 – add Section 6 adds an effective date of December 31, 2013. This will allow the Departments and boards enough time to adopt regulations for accepting equivalent military education, training and service.

- Page 5, line 23 – adds Section 7 to allow section 5 to take effect immediately.

27-LS1117\X
Mischel
1/25/12

CS FOR SENATE BILL NO. 150( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS WIELECHOWSKI, Ellis, Meyer, Menard

A BILL

FOR AN ACT ENTITLED

"An Act relating to applying military education, training, and service credit to occupational licensing and certain postsecondary education and employment training requirements; providing for a temporary occupational license for qualified military service members; and providing for an effective date."

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

*** Section 1.** AS 08.01 is amended by adding a new section to read:

Sec. 08.01.064. Military education, training, and service credit; temporary license. (a) Notwithstanding another provision of law, the department or applicable board shall accept military education, training, and service as equivalent to some or all of the qualifications otherwise required of an applicant for a license or certificate issued under this chapter if the applicant provides satisfactory evidence of successful completion of the education, training, or service as a member of the armed forces of the United States, the United States Reserves, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state.

(b) If the department or applicable board is otherwise authorized to issue a temporary license or certificate, the department or applicable board shall issue a temporary license or certificate to a person who

(1) applies to the department or relevant board in a manner prescribed by the department or board;

(2) meets the requirements in AS 08.01.063(a)(3) - (6); and

(3) while on active duty in the armed forces of the United States or any state, as described in (a) of this section,

(A) held a current license or certificate in another state, district, or territory of the United States and has practiced in the area of the license or certificate; or

(B) was awarded a diploma or certificate by a branch of the armed forces of the United States or any state, as described in (a) of this section, that met standards for an equivalent license or a certificate of technical training.

(c) A temporary license or certificate issued under (b) of this section is valid for 180 days and may be extended at the discretion of the department or applicable board for one additional 180-day period if the holder of the license or certificate applies for an extension on a form approved by the department or applicable board.

(d) The department or applicable board may adopt regulations necessary to implement this section.

*** Sec. 2.** AS 14.40.210 is amended by adding a new subsection to read:

(c) The president of the University of Alaska shall implement a policy and procedure for the acceptance of academic credit toward a degree or technical program offered by the university if an applicant provides satisfactory evidence of successful completion of relevant military education, training, or service as a member of the armed forces of the United States, the United States Reserves, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state.

*** Sec. 3.** AS 14.48.060(b) is amended to read:

(b) A postsecondary educational institution must be maintained and operated, or, in the case of a new institution must demonstrate that it can be maintained and

operated so that

(1) the quality and content of each course or program of instruction, training, or study are such as may reasonably and adequately achieve the stated objective for which the course or program is offered;

(2) the institution has or has access to adequate space, equipment, instructional materials, and personnel where applicable to achieve the stated objective of the course or program of study and to provide education of good quality;

(3) the education or experience qualifications of directors, administrators, supervisors, and instructors are such as may reasonably ensure that the students will receive education consistent with the objectives of the course or program of study;

(4) the institution provides a catalog or brochure containing information describing the programs offered, program objectives, length of program, schedule of tuition, fees, and all other charges and expenses necessary for completion of the course of study, cancellation and refund policies, and other material facts concerning the institution and the program or course of instruction that are reasonably likely to affect the decision of the student to enroll, together with any other disclosures specified by the commission by regulation; and that this information is provided to prospective students before enrollment;

(5) upon satisfactory completion of training, the student is given appropriate educational credentials by the institution, indicating that the course of instruction or study has been satisfactorily completed by the student;

(6) adequate records are maintained by the institution to show attendance, progress, or grades, and that satisfactory standards are enforced relating to attendance, progress, and performance;

(7) the institution is maintained and operated in compliance with all pertinent ordinances and laws relating to the safety and health of persons upon the premises of the institution;

(8) the institution is financially sound and capable of fulfilling its commitments to students;

(9) neither the institution nor its agents engage in advertising, sales,

collection, credit, or other practices which are false, deceptive, misleading, or unfair;

(10) the chief executive officer, trustees, directors, owners, administrators, supervisors, staff, and instructors of the institution are of good reputation and character and have not been convicted of a violation of AS 14.48.020 or 14.48.150 or AS 45.50.471 - 45.50.561 or a comparable law in another state or province;

(11) the student housing owned, maintained, or approved by the institution is appropriate, safe, and adequate;

(12) the institution has a fair and equitable cancellation and refund policy; [AND]

(13) the charges set by the institution for tuition, fees, books, and supplies are fair and equitable**; and**

(14) the institution accepts military education, training, or service credit or hours toward a degree or technical program offered by the institution if

(A) the institution otherwise accepts transfer credits or hours; and

(B) the credit or hours transfer process meets the requirements of the accrediting body of the institution or the commission.

* **Sec. 4.** AS 23.15.820(a) is amended to read:

(a) The Alaska Workforce Investment Board shall

(1) administer the Alaska technical and vocational education program established in AS 23.15.820 - 23.15.850;

(2) facilitate the development of a statewide policy for a coordinated and effective technical and vocational education training system in this state and, to the extent authorized by federal and state law, plan and coordinate federal, state, and local efforts in technical and vocational education programs;

(3) adopt regulations under AS 44.62 (Administrative Procedure Act) to carry out the purposes of AS 23.15.820 - 23.15.850, including regulations that set standards for the percentage of a grant that may be used for administrative costs; the regulations must clearly identify and distinguish between expenses that may be included in administrative costs and those that may not be included in administrative

costs; the percentage allowed for administrative costs may not exceed the lesser of five percent or the amount permitted under the requirements of a federal program, if applicable;

(4) administer the grant program under AS 23.15.840 and establish grant administration requirements including accounting procedures that apply to qualified entities and their grantees;

(5) facilitate the development and implementation of a statewide policy and procedure that provides for the acceptance of credit or hours toward a degree or technical program offered by a vocational or technical training center in the state for an applicant who provides satisfactory evidence of successful completion of relevant military education, training, or service as a member of the armed forces of the United States, the United States Reserves, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state.

* **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to read:

MILITARY EDUCATION, TRAINING, AND SERVICE CREDIT: TRANSITION. The Department of Commerce, Community, and Economic Development and applicable boards may immediately promulgate regulations necessary to implement AS 08.01.064, added by sec. 1 of this Act, except that the effective date of the regulations may not be earlier than the effective date of secs. 1 - 4 of this Act.

* **Sec. 6.** Sections 1 - 4 of this Act take effect December 31, 2013.

* **Sec. 7.** Section 5 of this Act takes effect immediately under AS 01.10.070(c).

27-LS1117\E
Mischel
1/23/12

CS FOR SENATE BILL NO. 150( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS WIELECHOWSKI, Ellis, Meyer, Menard

A BILL

FOR AN ACT ENTITLED

"An Act relating to applying military education, training, and service credit to occupational licensing and certain postsecondary education and employment training requirements; and providing for a temporary occupational license for qualified military service members."

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

*** Section 1.** AS 08.01 is amended by adding a new section to read:

Sec. 08.01.064. Military education, training, and service credit; temporary license. (a) Notwithstanding another provision of law, the department or applicable board shall accept military education, training, and service as equivalent to some or all of the qualifications otherwise required of an applicant for a license or certificate issued under this chapter if the applicant provides satisfactory evidence of successful completion of the education, training, or service as a member of the armed forces of the United States, the United States Reserves, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state.

(b) If the department or applicable board is otherwise authorized to issue a temporary license, the department or applicable board shall issue a temporary license or certificate to a person who

(1) applies to the department or relevant board in a manner prescribed by the department or board;

(2) meets the requirements in AS 08.01.063(a)(3) - (6); and

(3) while on active duty in the armed forces of the United States or any state, as described in (a) of this section,

(A) held a current license or certificate in another state, district, or territory of the United States and has practiced in the area of the license or certificate; or

(B) was awarded a diploma or certificate by a branch of the armed forces of the United States or any state, as described in (a) of this section, that met standards for an equivalent license or a certificate of technical training.

(c) A license or certificate issued under (b) of this section is valid for 180 days and may be extended at the discretion of the department or applicable board for one additional 180-day period if the holder of the license or certificate applies for an extension on a form approved by the department or applicable board.

(d) The department or applicable board may adopt regulations necessary to implement this section.

*** Sec. 2.** AS 14.40.210 is amended by adding a new subsection to read:

(c) The president of the University of Alaska shall implement a policy and procedure for the acceptance of academic credit toward a degree or technical program offered by the university if an applicant provides satisfactory evidence of successful completion of relevant military education, training, or service as a member of the armed forces of the United States, the United States Reserves, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state.

*** Sec. 3.** AS 14.48.060(b) is amended to read:

(b) A postsecondary educational institution must be maintained and operated, or, in the case of a new institution must demonstrate that it can be maintained and

operated so that

(1) the quality and content of each course or program of instruction, training, or study are such as may reasonably and adequately achieve the stated objective for which the course or program is offered;

(2) the institution has or has access to adequate space, equipment, instructional materials, and personnel where applicable to achieve the stated objective of the course or program of study and to provide education of good quality;

(3) the education or experience qualifications of directors, administrators, supervisors, and instructors are such as may reasonably ensure that the students will receive education consistent with the objectives of the course or program of study;

(4) the institution provides a catalog or brochure containing information describing the programs offered, program objectives, length of program, schedule of tuition, fees, and all other charges and expenses necessary for completion of the course of study, cancellation and refund policies, and other material facts concerning the institution and the program or course of instruction that are reasonably likely to affect the decision of the student to enroll, together with any other disclosures specified by the commission by regulation; and that this information is provided to prospective students before enrollment;

(5) upon satisfactory completion of training, the student is given appropriate educational credentials by the institution, indicating that the course of instruction or study has been satisfactorily completed by the student;

(6) adequate records are maintained by the institution to show attendance, progress, or grades, and that satisfactory standards are enforced relating to attendance, progress, and performance;

(7) the institution is maintained and operated in compliance with all pertinent ordinances and laws relating to the safety and health of persons upon the premises of the institution;

(8) the institution is financially sound and capable of fulfilling its commitments to students;

(9) neither the institution nor its agents engage in advertising, sales,

collection, credit, or other practices which are false, deceptive, misleading, or unfair;

(10) the chief executive officer, trustees, directors, owners, administrators, supervisors, staff, and instructors of the institution are of good reputation and character and have not been convicted of a violation of AS 14.48.020 or 14.48.150 or AS 45.50.471 - 45.50.561 or a comparable law in another state or province;

(11) the student housing owned, maintained, or approved by the institution is appropriate, safe, and adequate;

(12) the institution has a fair and equitable cancellation and refund policy; [AND]

(13) the charges set by the institution for tuition, fees, books, and supplies are fair and equitable**; and**

(14) the institution accepts military education, training, or service credit or hours toward a degree or technical program offered by the institution if

(A) the institution otherwise accepts transfer credits or hours; and

(B) the credit or hours transfer process meets the requirements of the accrediting body of the institution or the commission.

*** Sec. 4.** AS 23.15.820(a) is amended to read:

(a) The Alaska Workforce Investment Board shall

(1) administer the Alaska technical and vocational education program established in AS 23.15.820 - 23.15.850;

(2) facilitate the development of a statewide policy for a coordinated and effective technical and vocational education training system in this state and, to the extent authorized by federal and state law, plan and coordinate federal, state, and local efforts in technical and vocational education programs;

(3) adopt regulations under AS 44.62 (Administrative Procedure Act) to carry out the purposes of AS 23.15.820 - 23.15.850, including regulations that set standards for the percentage of a grant that may be used for administrative costs; the regulations must clearly identify and distinguish between expenses that may be included in administrative costs and those that may not be included in administrative

costs; the percentage allowed for administrative costs may not exceed the lesser of five percent or the amount permitted under the requirements of a federal program, if applicable;

(4) administer the grant program under AS 23.15.840 and establish grant administration requirements including accounting procedures that apply to qualified entities and their grantees;

(5) facilitate the development and implementation of a statewide policy and procedure that provides for the acceptance of credit or hours toward a degree or technical program offered by a vocational or technical training center in the state for an applicant who provides satisfactory evidence of successful completion of relevant military education, training, or service as a member of the armed forces of the United States, the United States Reserves, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state.

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

MEMORANDUM

DATE: January 20, 2012

TO: Senate State Affairs Committee

FROM: Senator Bill Wielechowski

SUBJECT: Changes from SB150 to CS SB150 (version E)

The following are changes made in the Committee Substitute for Senate Bill 150:

- Page 2, line 10 – 14: by request of the Department of Defense language was included to add the word "diploma or certificate" which properly references the training and education documents provided to service members after the completion of their education and training programs.

- Page 2 and 3, section 3: by request of the Commission on Postsecondary Education, moved section three to amend AS 14.48.060(b): minimum standards in establishing the criteria required by the commission, rather than creating a new section (d).

- Page 2, line 1 – 3: additional language was added stating a temporary license is issued to a board which is already "authorized to issue a temporary license". Previous language would have required all boards to issue temporary licenses which would have required an onerous process and not necessary or recommended that all boards have temporary licenses.

- Page 2, line 13 & 14: removed part (c) stating the department or applicable board shall expedite the procedure for issuance of a license. Department of Commerce stated this expediting language would cause a need to increase staff due to the increased time frame for processing which is not the original intention. The Department has stated they will continue to work in a timely manner to process and review occupational licenses, but the expediting language could be a burden.

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave. Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

Senate Bill 150: Military Training Credit
Sponsor Statement

Senate Bill 150 will help eliminate the red tape veterans face when they leave the service and seek employment or education in a field where they have been working for years. This bill directs state boards to accept relevant military education, training, and service as equivalent to some or all of the qualifications required while applying for a license or certificate. In addition, it authorizes the issuance of a temporary license or certificate for active duty service members who had an equivalent license or certificate issued in another state.

The United States Department of Defense has designated this effort as a top priority across the nation. According to their data, as of June 2011, one million veterans were unemployed and the jobless rate for post-9/11 veterans was 13.3%, with young male veterans experiencing an unemployment rate of 21.9%. Data also indicates that last year, 1,286 military members separated or retired and called Alaska home. This legislation will help those veterans find employment quicker to support their families.

When recruiting, the military highlights its educational advantages, promising young men and women that service will give them an advantage toward a college degree and a better career. However, many veterans who attend college after tours of duty are denied credit for military courses and specialized skills, forcing them to waste time taking classes on subjects they have already mastered.

Senate Bill 150 also directs the University of Alaska and Alaska Commission on Postsecondary Education to implement policies and procedures to accept relevant military experience as credit toward a degree or technical program.

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

Senate Bill 150: Military Training Credit

SUBJECT: Separating Service members are frequently delayed or denied getting post-Service employment and education credit even though they have applicable military education, training and experience which can qualify them for licenses and/or provide academic credit towards degree requirements.

MESSAGE: Separating Service members leave the military with documented training and experience that can prepare them for civilian employment; however, this documentation is not always used by state entities to qualify them for licenses required for their occupation or to provide them academic credit. Reported unemployment rates of separating Service members that are higher than national averages have brought attention to supporting issues such as expedited licensure and increased academic credit recognition to alleviate this problem.

BACKGROUND: As of June 2011, one million Veterans were unemployed and the jobless rate for post-9/11 veterans was 13.3%, with young male Veterans experiencing an unemployment rate of 21.9%.

SENATE BILL 150:

- Requires the Department of Commerce and Boards to accept relevant military education, training, and service as equivalent to some or all of the qualifications required while applying for a license or certificate.

- Authorizes the issuance of a temporary license or certificate for active duty service members who had an equivalent license or certificate issued by another state.

- Requires the President of the University of Alaska and Alaska Commission on Postsecondary Education to implement a policy and procedure for the acceptance of military education, training and service credit as academic credit toward a degree or technical program offered in the University.

SENATE BILL NO. 150

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY SENATOR WIELECHOWSKI

Introduced: 1/13/12
Referred: Prefiled

A BILL

FOR AN ACT ENTITLED

"An Act relating to applying military education, training, and service credit to occupational licensing and certain postsecondary education and employment training requirements; and providing for a temporary occupational license for qualified military service members."

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

* **Section 1.** AS 08.01 is amended by adding a new section to read:

Sec. 08.01.064. Military education, training, and service credit; temporary license. (a) Notwithstanding another provision of law, the department or applicable board shall accept relevant military education, training, and service as equivalent to some or all of the qualifications otherwise required of an applicant for a license or certificate issued under this chapter if the applicant provides satisfactory evidence of successful completion of the education, training, or service as a member of the armed forces of the United States, the United States Reserves, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state.

(b) Notwithstanding another provision of law, the department or applicable board shall issue a license or certificate to a person who

(1) applies to the department or relevant board in a manner prescribed by the department or board;

(2) meets the requirements in AS 08.01.063(a)(3) - (6); and

(3) while on active duty in the armed forces of the United States or any state, as described in (a) of this section,

(A) held a current license or certificate in another state, district, or territory of the United States and has practiced in the area of the license; or

(B) met standards for an equivalent license or a certificate of technical training established by a branch of the armed forces of the United States or any state, as described in (a) of this section.

(c) The department or applicable board shall expedite the procedure for issuance of a license under (b) of this section.

(d) A license issued under (b) of this section is valid for 180 days and may be extended at the discretion of the department or applicable board for one additional 180-day period if the license holder applies for an extension on a form approved by the department or applicable board.

(e) The department or applicable board may adopt regulations necessary to implement this section.

* **Sec. 2.** AS 14.40.210 is amended by adding a new subsection to read:

(c) The president of the University of Alaska shall implement a policy and procedure for the acceptance of academic credit toward a degree or technical program offered by the university if an applicant provides satisfactory evidence of successful completion of relevant military education, training, or service as a member of the armed forces of the United States, the United States Reserves, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state.

* **Sec. 3.** AS 14.48.060 is amended by adding a new subsection to read:

(d) In addition to the minimum standards established under (b) of this section, the commission shall develop and implement policies and procedures that require a postsecondary educational institution to provide credit toward a degree or program for

a person enrolled in the postsecondary educational institution if the person provides satisfactory evidence of successful completion of relevant military education, training, or service as a member of the armed forces of the United States, the United States Reserves, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state.

* **Sec. 4.** AS 23.15.820(a) is amended to read:

(a) The Alaska Workforce Investment Board shall

(1) administer the Alaska technical and vocational education program established in AS 23.15.820 - 23.15.850;

(2) facilitate the development of a statewide policy for a coordinated and effective technical and vocational education training system in this state and, to the extent authorized by federal and state law, plan and coordinate federal, state, and local efforts in technical and vocational education programs;

(3) adopt regulations under AS 44.62 (Administrative Procedure Act) to carry out the purposes of AS 23.15.820 - 23.15.850, including regulations that set standards for the percentage of a grant that may be used for administrative costs; the regulations must clearly identify and distinguish between expenses that may be included in administrative costs and those that may not be included in administrative costs; the percentage allowed for administrative costs may not exceed the lesser of five percent or the amount permitted under the requirements of a federal program, if applicable;

(4) administer the grant program under AS 23.15.840 and establish grant administration requirements including accounting procedures that apply to qualified entities and their grantees;

(5) facilitate the development and implementation of a statewide policy and procedure that provides for the acceptance of credit toward a degree or technical program offered by a vocational or technical training center in the state for an applicant who provides satisfactory evidence of successful completion of relevant military education, training, or service as a member of the armed forces of the United States, the United States Reserves, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state.

27-LS1117\D
Mischel
1/20/12

CS FOR SENATE BILL NO. 150( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS WIELECHOWSKI, Ellis, Meyer, Menard

A BILL

FOR AN ACT ENTITLED

"An Act relating to applying military education, training, and service credit to occupational licensing and certain postsecondary education and employment training requirements; and providing for a temporary occupational license for qualified military service members."

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

*** Section 1.** AS 08.01 is amended by adding a new section to read:

Sec. 08.01.064. Military education, training, and service credit; temporary license. (a) Notwithstanding another provision of law, the department or applicable board shall accept relevant military education, training, and service as equivalent to some or all of the qualifications otherwise required of an applicant for a license or certificate issued under this chapter if the applicant provides satisfactory evidence of successful completion of the education, training, or service as a member of the armed forces of the United States, the United States Reserves, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state.

(b) Notwithstanding another provision of law, the department or applicable board shall issue a license or certificate to a person who

(1) applies to the department or relevant board in a manner prescribed by the department or board;

(2) meets the requirements in AS 08.01.063(a)(3) - (6); and

(3) while on active duty in the armed forces of the United States or any state, as described in (a) of this section,

(A) held a current license or certificate in another state, district, or territory of the United States and has practiced in the area of the license or certificate; or

(B) was awarded a diploma or certificate by a branch of the armed forces of the United States or any state, as described in (a) of this section, that met standards for an equivalent license or a certificate of technical training.

(c) The department or applicable board shall expedite the procedure for issuance of a license or certificate under (b) of this section.

(d) A license or certificate issued under (b) of this section is valid for 180 days and may be extended at the discretion of the department or applicable board for one additional 180-day period if the holder of the license or certificate applies for an extension on a form approved by the department or applicable board.

(e) The department or applicable board may adopt regulations necessary to implement this section.

*** Sec. 2.** AS 14.40.210 is amended by adding a new subsection to read:

(c) The president of the University of Alaska shall implement a policy and procedure for the acceptance of academic credit toward a degree or technical program offered by the university if an applicant provides satisfactory evidence of successful completion of relevant military education, training, or service as a member of the armed forces of the United States, the United States Reserves, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state.

*** Sec. 3.** AS 14.48.060(b) is amended to read:

(b) A postsecondary educational institution must be maintained and operated,

or, in the case of a new institution must demonstrate that it can be maintained and operated so that

(1) the quality and content of each course or program of instruction, training, or study are such as may reasonably and adequately achieve the stated objective for which the course or program is offered;

(2) the institution has or has access to adequate space, equipment, instructional materials, and personnel where applicable to achieve the stated objective of the course or program of study and to provide education of good quality;

(3) the education or experience qualifications of directors, administrators, supervisors, and instructors are such as may reasonably ensure that the students will receive education consistent with the objectives of the course or program of study;

(4) the institution provides a catalog or brochure containing information describing the programs offered, program objectives, length of program, schedule of tuition, fees, and all other charges and expenses necessary for completion of the course of study, cancellation and refund policies, and other material facts concerning the institution and the program or course of instruction that are reasonably likely to affect the decision of the student to enroll, together with any other disclosures specified by the commission by regulation; and that this information is provided to prospective students before enrollment;

(5) upon satisfactory completion of training, the student is given appropriate educational credentials by the institution, indicating that the course of instruction or study has been satisfactorily completed by the student;

(6) adequate records are maintained by the institution to show attendance, progress, or grades, and that satisfactory standards are enforced relating to attendance, progress, and performance;

(7) the institution is maintained and operated in compliance with all pertinent ordinances and laws relating to the safety and health of persons upon the premises of the institution;

(8) the institution is financially sound and capable of fulfilling its commitments to students;

(9) neither the institution nor its agents engage in advertising, sales, collection, credit, or other practices which are false, deceptive, misleading, or unfair;

(10) the chief executive officer, trustees, directors, owners, administrators, supervisors, staff, and instructors of the institution are of good reputation and character and have not been convicted of a violation of AS 14.48.020 or 14.48.150 or AS 45.50.471 - 45.50.561 or a comparable law in another state or province;

(11) the student housing owned, maintained, or approved by the institution is appropriate, safe, and adequate;

(12) the institution has a fair and equitable cancellation and refund policy; [AND]

(13) the charges set by the institution for tuition, fees, books, and supplies are fair and equitable**; and**

(14) the institution accepts military education, training, or service credit or hours toward a degree or technical program offered by the institution if

(A) the institution otherwise accepts transfer credits or hours; and

(B) the credit or hours transfer process meets the requirements of the accrediting body of the institution or the commission.

*** Sec. 4.** AS 23.15.820(a) is amended to read:

(a) The Alaska Workforce Investment Board shall

(1) administer the Alaska technical and vocational education program established in AS 23.15.820 - 23.15.850;

(2) facilitate the development of a statewide policy for a coordinated and effective technical and vocational education training system in this state and, to the extent authorized by federal and state law, plan and coordinate federal, state, and local efforts in technical and vocational education programs;

(3) adopt regulations under AS 44.62 (Administrative Procedure Act) to carry out the purposes of AS 23.15.820 - 23.15.850, including regulations that set standards for the percentage of a grant that may be used for administrative costs; the regulations must clearly identify and distinguish between expenses that may be

included in administrative costs and those that may not be included in administrative costs; the percentage allowed for administrative costs may not exceed the lesser of five percent or the amount permitted under the requirements of a federal program, if applicable;

(4) administer the grant program under AS 23.15.840 and establish grant administration requirements including accounting procedures that apply to qualified entities and their grantees**;**

(5) facilitate the development and implementation of a statewide policy and procedure that provides for the acceptance of credit or hours toward a degree or technical program offered by a vocational or technical training center in the state for an applicant who provides satisfactory evidence of successful completion of relevant military education, training, or service as a member of the armed forces of the United States, the United States Reserves, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state.

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

MEMORANDUM

DATE: January 20, 2012

TO: Senate State Affairs Committee

FROM: Senator Bill Wielechowski

SUBJECT: Changes from SB150 to CS SB150

The following are changes made in the Committee Substitute for Senate Bill 150:

- Page 2, line 10 – 14: by request of the Department of Defense language was included to add the word "diploma or certificate" which properly references the training and education documents provided to service members after the completion of their education and training programs.

- Page 2 and 3, section 3 – by request of the Commission on Postsecondary Education, moved section three to amend AS 14.48.060(b): minimum standards in establishing the criteria required by the commission, rather than creating a new section (d).

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 January 18, 2012

SUBJECT: Revised sectional summary for SB 150
(Work Order No. 27-LS1117\B)

TO: Senator Bill Wielechowski
Attn: Kendra Kloster

FROM: Jean M. Mischel
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Requires the Department of Commerce, Community, and Economic Development and AS 08.01 Boards to accept relevant military education, training, and service credit toward the qualifications required for an occupational license or certificate issued under AS 08.01. Authorizes the issuance of a temporary license or certificate for active duty service members who had an equivalent license or certificate issued by another state or who met military standards for an equivalent license or certificate.

Section 2. Requires the President of the University of Alaska to implement a policy and procedure for the acceptance of military education, training, and service credit as academic credit toward a degree or technical program offered by the University.

Section 3. Requires the Alaska Commission on Postsecondary Education to develop and implement policies and procedures that require a postsecondary education institution to provide military education, training, and service credit toward a degree or program offered by the institution.

Section 4. Requires the Alaska Workforce Investment Board to facilitate the development and implementation of a statewide policy and procedure that provides for the acceptance of military education, training, and service credit toward a degree or program offered by a technical training center in the state.

JMM:ljw
12-023.ljw

Chapter 904 - Anchorage, Alaska
"An Agenda of Service"

January 19, 2012

Senator Bill Weilechowski
Chairman
Senate State Affairs Committee

Senator:

As you and other members of the state legislature heard during your very successful town hall meeting this winter, many members of the service, upon separation and becoming veterans basically loose any consideration for the value of the training they have received in service and the work they have done in a number of vocations for years in the most challenging of environments – combat.

This just doesn't make much sense. We must find a way for the state through its licensing programs and/or for the University of Alaska to recognize the value of both these veterans' training and service.

Your bill, SB 150 should jump start this process, and hundreds of veterans in Alaska will thank you for this. But let me also point out that 48 other State Council Presidents of VVA have been sent this bill and based on questions to me while in DC last week, there is a great deal of interest in this idea.

This is NOT to suggest that our new veterans may not need additional training to meet licensing or other civilian standards for such. But it is to strongly suggest that this experience and training should be seriously considered by the state et al.

It is critical in this time of military downsizing and international redeployments, that we make every effort in Alaska, with the highest per capita number of veterans, to welcome, enable and embrace these men and women who have walked in hell for us.

It is an honor,

Ric Davidge
President, VVA 904
Also: National Chairman, VVA Government Affairs Committee

Vietnam Veterans of America Alaska Chapter 904
3705 Arctic Blvd, #415, Anchorage, Alaska 99503 Web Site: www.VVA904.org
Ric Davidge, President Cell 907 29 5328 Fax (907) 762-7577 Email: pm@cvalaska.com

SB 178

<TARGET><BILL>SB 178</BILL><SUBJECT>SB 178</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/27/12

FURTHER: (Finance)

Date of 5-Day Notice: 2/16/12
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 3-15-12

State Affairs Committee considered SENATE BILL NO. 178

SB 178-ALASKA OPERATING ENDOWMENT FUND

"An Act relating to the Alaska operating endowment fund; and providing for an effective date."

and recommends:

[✓] be **replaced** with **CS** SB 178 (STA) *[X] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ SCS/CS- Forthcoming _____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____ Letter of Intent

[ ] further referral to _____ Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
REV	✓			

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Giessel	Giessel			X	
K. Meyer	Meyer			X	
CHAIR:	Wielechowski			X	

ALASKA STATE LEGISLATURE

SENATE FINANCE COMMITTEE

Senator Bert Stedman, Co-Chair
State Capitol, Room 516
Juneau, AK 99801-1182
(907) 465- 3873 - Phone
(907) 465-3922 - Fax
Senator_Bert_Stedman@legis.state.ak.us

Official Business

Senator Lyman Hoffman, Co-Chair
State Capitol, Room 518
Juneau, AK 99801-1182
Phone - (907) 465- 4453
Fax - (907) 465- 4523
Senator_Lyman_Hoffman@legis.state.ak.us

SPONSOR STATEMENT

SB 178 – Alaska Operating Endowment Fund
"A Plan for Funding the Future"

Recently, the credit rating agency Standard & Poor's upgraded the State of Alaska's bond rating to AAA, the highest credit rating in state history. This is a result of prudent financial management of state finances. The Legislature has taken the lead on this issue by instituting strong fiscal practices and placing upwards of $16 billion in savings.

While high oil prices have provided the state a healthy budget surplus, it's important to ensure Alaska's finances stay strong by enhancing state savings, avoiding wasteful spending, and providing the public works infrastructure that will help grow our economy. At the same time, the Legislature needs to seriously consider options for creating a fiscal framework that will protect our substantial savings from irresponsible spending in the future.

SB 178 will create the Alaska Operating Endowment Fund as a depository for the state's savings in order to generate revenue for the benefit of future generations of Alaskans. It is the intent of the Senate Finance Committee that approximately $15 billion will be used to capitalize the Fund. This number was calculated by combining the current balance of the Constitutional Budget Reserve Fund, the Constitutional Budget Reserve Fund – Special Subaccount, the Statutory Budget Reserve Fund and the estimated FY12 revenue surplus.

Once the Fund has been capitalized, the Department of Revenue shall manage and invest the fund subject to the same investment criteria established for the Alaska Permanent Fund Corporation. At the end of each fiscal year, the Department of Revenue will determine the average market value of the Fund for the preceding three fiscal years. Once that is determined, an amount not to exceed four and one half percent may be available for General Fund appropriations by the Legislature. This will provide a steady stream of funding for the state far into the future that is not subject to the volatility of oil prices. It will also aim to protect the Legislature from overspending in years of surplus revenue and provide a cushion for years when the state is facing deficits.

If you assume the same asset allocation utilized by the Alaska Permanent Fund Corporation and their projected annual rate of return of 7.5%, in FY16 the Fund would generate $781 million in revenue. By FY23 there would be a little over $1 billion available for General Fund appropriations with an end of year balance of $23.9 billion in the Fund.

27-LS1255\M
Kirsch
3/14/12

CS FOR SENATE BILL NO. 178(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

"An Act relating to the Alaska operating endowment fund; and providing for an effective date."

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

*** Section 1.** AS 37.14 is amended by adding new sections to read:

Article 10. Alaska Operating Endowment Fund.

Sec. 37.14.850. Alaska operating endowment fund established. (a) The Alaska operating endowment fund is established as a separate endowment fund of the state. Appropriations may be made to the Alaska operating endowment fund.

(b) Money in the fund does not lapse under AS 37.25.010. Nothing in this section exempts money transferred to the fund from the requirements of AS 37.07 (Executive Budget Act).

Sec. 37.14.860. Fund management. The Alaska operating endowment fund shall be managed and invested by the Department of Revenue, subject to the same powers and duties established for the Alaska Permanent Fund Corporation in

AS 37.13.120 and the regulations adopted by the Board of Trustees of the Alaska Permanent Fund Corporation. The department shall retain income in the fund. The department shall, not less frequently than annually, prepare, publish, and distribute a financial report showing fund investment revenue and expenditures.

Sec. 37.14.870. Use of the fund. (a) As soon as practicable after June 30 of each fiscal year, the Department of Revenue shall determine the average month-end market value of the Alaska operating endowment fund for the immediately preceding three fiscal years. The department shall identify four percent of that amount as available for appropriation by the legislature for the purpose described in (b) of this section.

(b) Each fiscal year, the legislature may appropriate the amount identified under (a) of this section from the Alaska operating endowment fund for any public purpose.

Sec. 37.14.880. No dedicated fund. Nothing in AS 37.14.850 - 37.14.870 creates a dedicated fund or dedicates state revenue.

*** Sec. 2.** This Act takes effect July 1, 2012.

FISCAL NOTE

STATE OF ALASKA cost ≠ codes
2012 LEGISLATIVE SESSION

Bill Version: **SB178**
Fiscal Note Number:
Publish Date:

Identifier (file name): SB178-DOR-TRS-2-21-12
Title: Alaska Operating Endowment Fund
Sponsor: (S) FIN
Requester: (S) STA

Dept. Affected: Revenue
Appropriation: Treasury And Taxation
Allocation: Treasury Division
OMB Component Number: 121

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services	645.0		870.0	1,110.0	1,155.0	1,195.0	1,230.0
Travel							
Services	1,115.0		1,500.0	1,920.0	1,995.0	2,065.0	2,130.0
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**1,760.0**	**0.0**	**2,370.0**	**3,030.0**	**3,150.0**	**3,260.0**	**3,360.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)	1,760.0	0.0	2,370.0	3,030.0	3,150.0	3,260.0	3,360.0
TOTAL		**1,760.0**	**0.0**	**2,370.0**	**3,030.0**	**3,150.0**	**3,260.0**	**3,360.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial fiscal note.

Prepared by: Pamela Leary, Comptroller — Phone: 465-2350
Division: Treasury Division — Date/Time: 2/21/12 12:00 AM
Approved by: Angela Rodell, Deputy Commissioner — Date: 2/21/2012

(Revised 8/17/2011 OMB)

Analysis

The bill provides for the Alaska Operating Endowment Fund to be managed by the Commissioner of Revenue. This fiscal note assumes a fund balance of $15 billion in order to estimate costs. It is anticipated that the balance of $15 billion in the fund will be achieved by moving $5.3 billion in investments from the Constitutional Budget Reserve Main Fund, $5.1 billion in investments from the CBRF Sub Account Fund, $2.6 billion in investments from the Statutory Budget Reserve Fund and an estimated $2 billion in FY2012 revenue surplus. The operating expenditures include the costs associated with investment management fees, audit, accounting and custody fees and other costs incurred by Treasury to manage the funds based on the fund moving towards an asset allocation of 41% fixed income, 27% domestic equity, and 32% international equity. It is anticipated that the investments moved from other funds will be transitioned to the new asset allocation in such a manner, as to minimize losses.

Note that this fiscal note includes all costs associated with managing this fund which is assumed to be sourced from the fund itself. However, the incremental budget request by Treasury would only be for the additional services needed to manage the new fund. Personal services costs would not be a budget increase request as it relates to finite internal costs that are spread amongst all funds managed by Treasury.

FISCAL NOTE

STATE OF ALASKA cost ≠ codes
2012 LEGISLATIVE SESSION

Bill Version: **SB 178**
Fiscal Note Number:
Publish Date:

Identifier (file name): SB178-DOR-TRS-2-22-12
Title: Alaska Operating Endowment Fund
Sponsor: (S) Finance
Requester: (S) STA

Dept. Affected: Revenue
Appropriation: Treasury And Taxation
Allocation: Treasury Division
OMB Component Number: 121

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services	1,155.0		1,415.0	1,700.0	1,765.0	1,820.0	1,880.0
Travel							
Services	1,995.0		2,450.0	2,935.0	3,045.0	3,150.0	3,245.0
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**3,150.0**	**0.0**	**3,865.0**	**4,635.0**	**4,810.0**	**4,970.0**	**5,125.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)	3,150.0	0.0	3,865.0	4,635.0	4,810.0	4,970.0	5,125.0
TOTAL		**3,150.0**	**0.0**	**3,865.0**	**4,635.0**	**4,810.0**	**4,970.0**	**5,125.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial fiscal note.

Prepared by: Pamela Leary, Comptroller — Phone: 465-2350
Division: Treasury Division — Date/Time: 2/22/12 3:00 PM
Approved by: Angela Rodell, Deputy Commissioner — Date: 2/22/2012

(Revised 8/17/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB 178

Analysis

The bill provides for the Alaska Operating Endowment Fund to be managed by the Commissioner of Revenue. This fiscal note assumes a fund balance of $15 billion in order to estimate costs. It is anticipated that the balance of $15 billion in the fund will be achieved by moving $5.3 billion in investments from the Constitutional Budget Reserve Main Fund, $5.1 billion in investments from the CBRF Sub Account Fund, $2.6 billion in investments from the Statutory Budget Reserve Fund and an estimated $2 billion in FY2012 revenue surplus. The operating expenditures include the costs associated with investment management fees, audit, accounting and custody fees and other costs incurred by Treasury to manage the funds based on the fund moving towards an asset allocation of 41% fixed income, 27% domestic equity, and 32% international equity. It is anticipated that the investments moved from other funds will be transitioned to the new asset allocation in such a manner as to minimize losses.

Note that this fiscal note includes all costs associated with managing this fund which is assumed to be sourced from the fund itself. However, the incremental budget request by Treasury would only be for the additional services needed to manage the new fund. Personal services costs would not be a budget increase request as it relates to finite internal costs that are spread amongst all funds managed by Treasury.

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 February 24, 2012

SUBJECT: Dedicated funds (SB 178, Work Order No. 27-LS1255\A)

TO: Senator Bert Stedman
Attn: Darwin Peterson

FROM: Lisa Moritz Kirsch
Legislative Counsel

You have asked whether SB 178 creates a dedicated fund in violation of article IX, sec. 7 of the Constitution of the State of Alaska. I believe it does not because the money in the proposed endowment fund would be subject to appropriation by the legislature for any public purpose.

State funds may be appropriated into and out of the fund.[1] New subsection AS 37.14.870(b) provides:

> (b) Each fiscal year, the legislature may appropriate the amount identified under (a) of this section, ***or any other amount***, from the Alaska operating endowment fund ***for any public purpose***. (emphasis added)

Therefore the use of the fund is not limited to any specific purpose, and the amount the legislature may appropriate is not limited. The Department of Revenue will calculate an amount it determines "available for appropriation" under AS 37.14.870(a), but under the subsection quoted above the legislature is free to appropriate that amount or some other amount.

The Alaska Supreme Court has held that similar language creating the Alaska marine highway system fund (AS 19.65.060) did not create a dedicated fund. According to the court, "the expectations created by the act are merely a 'talking point' because they impose no legal restraint on the appropriation power of the legislature."[2] Here the act explicitly states that the legislature may appropriate money in the fund for any public purpose. Please let me know if you have additional questions.

LMK:plm
12-129.plm

---

[1] AS 37.14.850; AS 37.14.870(b).

[2] *Sonneman v. Hickel*, 836 P.2d 936, 940 (Alaska 1992).

SB178-- Alaska Operating Endowment Fund

Sample--$15 billion initial appropriation to the endowment in FY13

		7.50%	4.50%	
	BoY Balance	Earnings	Payout	EoY Balance
FY13	15,000	1,125		16,125
FY14	16,125	1,209		17,334
FY15	17,334	1,300		18,634
FY16	18,634	1,398	781	19,251
FY17	19,251	1,444	828	19,866
FY18	19,866	1,490	866	20,490
FY19	20,490	1,537	894	21,132
FY20	21,132	1,585	922	21,795
FY21	21,795	1,635	951	22,478
FY22	22,478	1,686	981	23,183
FY23	23,183	1,739	1,012	23,910

Notes:

1) Assumes payout begins in FY16.

2) Appropriating money from the CBRF to the endowment leaves a liability to repay the CBRF.

3) Earnings on the CBRF remain in the CBRF; they are currently available for use only with a supermajority vote.

4) Earnings on other funds are currently available for appropriation as UGF.

5) Future returns are based on 2011 Callan capital market assumptions and median expected returns. Actual results will vary.

3 Anchorage vs. U.S. City Averages, Part 1

Select CPI components, 1983 to 2010 annual averages

Year	ALL ITEMS				ALL ITEMS LESS SHELTER*			
	Anchorage average	% chg. from prev. yr.	U.S. average	% chg. from prev. yr.	Anchorage average	% chg. from prev. yr.	U.S. average	% chg. from prev. yr.
1983	99.2	1.8%	99.6	3.2%	99.9	3.7%	99.8	3.7%
1984	103.3	4.1%	10.4	4.3%	103.8	3.9%	103.9	4.1%
1985	105.8	2.4%	107.6	3.6%	107.5	3.6%	107.0	3.0%
1986	107.8	1.9%	109.6	1.9%	111.2	3.4%	108.0	0.9%
1987	108.2	0.4%	113.6	3.6%	115.1	3.5%	111.6	3.3%
1988	108.6	0.4%	118.3	4.1%	117.8	2.3%	115.9	3.9%
1989	111.7	2.9%	124.0	4.8%	122.3	3.8%	121.6	4.9%
1990	118.6	6.2%	130.7	5.4%	128.0	4.7%	128.2	5.4%
1991	124.0	4.6%	136.2	4.2%	131.9	3.0%	133.5	4.1%
1992	128.2	3.4%	140.3	3.0%	134.6	2.0%	137.3	2.8%
1993	132.2	3.1%	144.5	3.0%	137.9	2.5%	141.4	3.0%
1994	135.0	2.1%	148.2	2.6%	140.3	1.7%	144.8	2.4%
1995	138.9	2.9%	152.4	2.8%	144.6	3.1%	148.6	2.6%
1996	142.7	2.7%	156.9	3.0%	148.4	2.6%	152.8	2.8%
1997	144.8	1.5%	160.5	2.3%	150.6	1.5%	155.9	2.0%
1998	146.9	1.5%	163.0	1.6%	152.6	1.3%	157.2	0.8%
1999	148.4	1.0%	166.6	2.2%	153.5	0.6%	160.2	1.9%
2000	150.9	1.7%	172.2	3.4%	156.1	1.7%	165.7	3.4%
2001	155.2	2.8%	177.1	2.8%	160.6	2.9%	169.7	2.4%
2002	158.2	1.9%	179.9	1.6%	162.2	1.0%	170.8	0.6%
2003	162.5	2.7%	184.0	2.3%	166.5	2.7%	174.6	2.2%
2004	166.7	2.6%	188.9	2.7%	171.7	3.1%	179.3	2.7%
2005	171.8	3.1%	195.3	3.4%	177.5	3.4%	186.1	3.8%
2006	177.3	3.2%	201.6	3.2%	182.9	3.0%	191.9	3.1%
2007	181.2	2.2%	207.3	2.8%	187.7	2.6%	196.6	2.5%
2008	189.5	4.6%	215.3	3.8%	198.0	5.5%	205.5	4.5%
2009	191.7	1.2%	214.5	-0.4%	199.2	0.6%	203.3	-1.0%
2010	195.1	1.8%	218.1	1.6%	202.2	1.5%	208.6	2.6%

Year	HOUSING				TRANSPORTATION			
	Anchorage average	% chg. from prev. yr.	U.S. average	% chg. from prev. yr.	Anchorage average	% chg. from prev. yr.	U.S. average	% chg. from prev. yr.
1983	99.0	0.8%	99.5	2.7%	98.5	1.8%	99.3	2.4%
1984	102.7	3.7%	103.6	4.1%	104.6	6.2%	103.7	4.4%
1985	103.0	0.3%	107.7	4.0%	108.2	3.4%	106.4	2.6%
1986	102.6	-0.4%	110.9	3.0%	107.8	-0.4%	102.3	-3.9%
1987	97.5	-5.0%	114.2	3.0%	111.3	3.2%	105.4	3.0%
1988	95.4	-2.2%	118.5	3.8%	113.0	1.5%	108.7	3.1%
1989	96.3	0.9%	123.0	3.8%	116.7	3.3%	114.1	5.0%
1990	103.9	7.9%	128.5	4.5%	120.7	3.4%	120.5	5.6%
1991	111.2	7.0%	133.6	4.0%	121.7	0.8%	123.8	2.7%
1992	116.6	4.9%	137.5	2.9%	123.3	1.3%	126.5	2.2%
1993	121.1	3.9%	141.2	2.7%	128.8	4.5%	130.4	3.1%
1994	122.9	1.5%	144.8	2.5%	136.9	6.3%	134.3	3.0%
1995	124.9	1.6%	148.5	2.6%	143.8	5.0%	139.1	3.6%
1996	127.9	2.4%	152.8	2.9%	147.2	2.4%	143.0	2.8%
1997	129.4	1.2%	156.8	2.6%	147.0	-0.1%	144.3	0.9%
1998	131.0	1.2%	160.4	2.3%	144.9	-1.4%	141.6	-1.9%
1999	132.7	1.3%	163.9	2.2%	143.7	-0.8%	144.4	2.0%
2000	134.2	1.1%	169.6	3.5%	150.5	4.7%	153.3	6.2%
2001	139.0	3.6%	176.4	4.0%	153.0	1.7%	154.3	0.7%
2002	143.5	3.2%	180.3	2.2%	151.5	-1.0%	152.9	-1.0%
2003	146.8	2.3%	184.8	2.5%	158.3	4.5%	157.6	3.1%
2004	149.1	1.6%	189.5	2.5%	162.7	2.8%	163.1	3.5%
2005	153.1	2.7%	195.7	3.3%	171.7	5.5%	173.9	6.6%
2006	159.2	4.0%	203.2	3.8%	178.6	4.0%	180.9	4.0%
2007	163.5	2.7%	209.6	3.1%	180.7	1.2%	184.7	2.1%
2008	167.6	2.5%	216.3	2.2%	199.7	10.5%	195.5	5.9%
2009	173.7	3.7%	217.1	0.4%	190.2	-4.8%	179.3	-8.3%
2010	175.2	0.9%	216.3	-0.4%	198.6	4.4%	193.4	7.9%

*"All Items Less Shelter" includes everything except housing.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Anchorage CPI used for Alaska

The Anchorage CPI is probably the most important cost-of-living index in Alaska. Anchorage is the only community in the state where the U.S. Department of Labor's Bureau of Labor Statistics produces such an index, and it is often treated as the de facto statewide inflation measure.

Anchorage is one of 27 urban areas in the country where the BLS tracks changes in consumer prices, and among cities with their own CPIs, Anchorage is the smallest. For the nation and some of the largest metro areas, the index is produced monthly. Others come out every other month, and for the rest — like Anchorage — it's twice yearly.

In most cases, price changes in Anchorage do not differ radically from Alaska's other urban areas, so the Anchorage CPI is probably a decent proxy. However, in the smaller and more remote communities — particularly those off the road system — spending habits may differ greatly from Anchorage. Despite this shortcoming, no good substitute exists.

CPI shows what we buy

The U.S. Department of Labor goes to great lengths and expense to produce the consumer price index. Intermittently, BLS conducts elaborate surveys of consumers' spending habits to examine the market basket of goods and their location-specific weights. The

State of Alaska
An Update on the State's Savings Accounts

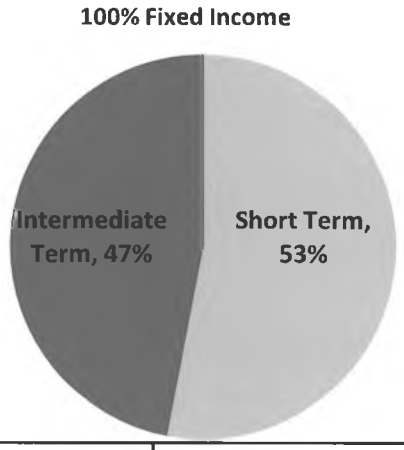
February 2, 2012

Department of Revenue
Treasury Division

1: Comparative Analysis of State Operating and Savings Funds

General Fund and other non segregated investments

Fiduciary oversight: Commissioner of Revenue

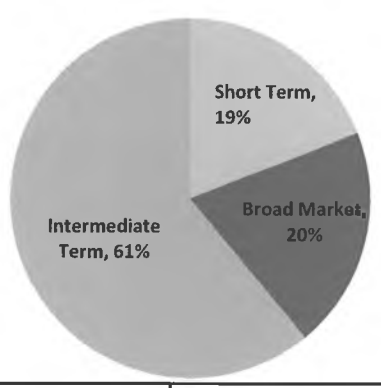
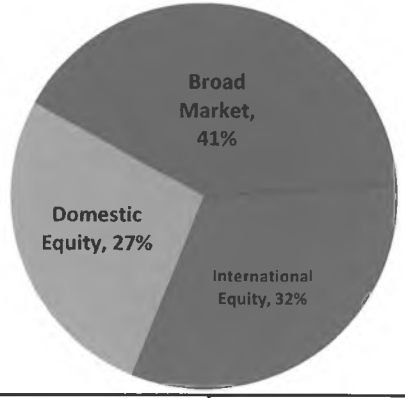
		General Fund (and other nonsegregated investments)	
Investment Objective		Moderate Risk, Short to Intermediate investment horizon	
Target Asset Allocation			
		Actuals	Benchmark*
Market Value (in 000s)	12/31/2009	$6,184,600	-
	12/31/2010	$6,589,600	-
	12/31/2011	$9,207,700	-
Returns (6/30/11)	FY11	1.72%	1.25%
Returns (12/31/11)	YTD	1.94%	1.67%
	FYTD	0.89%	0.81%
	3 Year Actuals	2.46%	1.42%
	5 Year Actuals	3.68%	3.42%
	FORECAST	**3.20%**	

*Short-term: 3-month U.S. Treasury Bill; Intermediate-term: 1-5 Year Bank of America Govt. Bond Index

Current Fiscal Year market values and stated returns are unaudited, preliminary, and include some estimates

Constitutional Budget Reserve Fund (main & sub)

Fiduciary oversight: Commissioner of Revenue

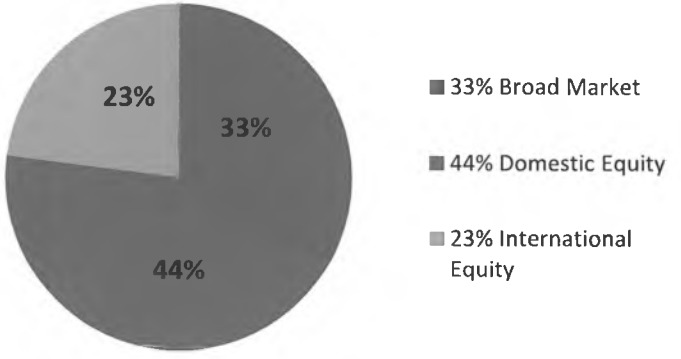
		Constitutional Budget Reserve (main fund)		**Constitutional Budget Reserve** (sub fund)	
Investment Objective		Moderate Risk, Intermediate investment horizon		High Risk, Moderately Long investment horizon	
Target Asset Allocation		100% Fixed Income 			
		Actuals	Benchmark*	Actuals	Benchmark*
Market Value (in 000s)	12/31/2009	$4,231,100	-	$4,427,300	-
	12/31/2010	$5,029,000	-	$4,928,400	-
	12/31/2011	$5,290,600	-	$4,955,400	-
Returns (6/30/11)	FY11	2.64%	2.29%	21.13%	20.64%
Returns (12/31/11)	YTD	3.73%	3.65%	0.55%	0.02%
	FYTD	2.08%	2.03%	-4.07%	-4.58%
	3 Year Actuals	4.06%	3.08%	11.34%	10.34%
	5 Year Actuals	4.93%	4.84%	1.80%	1.79%
	FORECAST	**3.40%**		**6.85%**	

*Short-term: 3-month U.S. Treasury Bill; Intermediate-term: 1-5 Year Bank of America Govt. Bond Index; Broad Market: Barclays U.S. Aggregate; Domestic Equity: Russell 3000 Stock Index; International Equity: MSCI EAFE

Current Fiscal Year market values and stated returns are unaudited, preliminary, and include some estimates

Power Cost Equalization Fund

Fiduciary oversight: Commissioner of Revenue

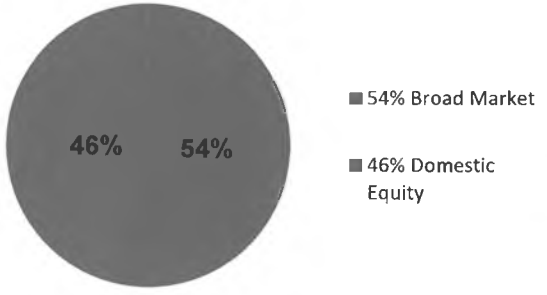
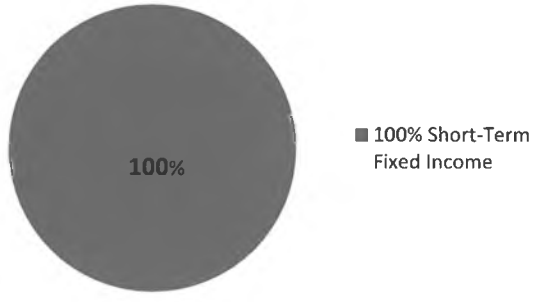
		Power Cost Equalization Fund	
Investment Objective		High Risk, Moderately Long investment horizon	
Target Asset Allocation			
		Actuals	Benchmark*
Market Value (in 000s)	12/31/2009	$329,400	-
	12/31/2010	$352,600	-
	12/31/2011	$716,300	-
Returns (6/30/11)	FY11	21.80%	21.17%
Returns (12/31/11)	YTD	0.87%	0.37%
	FYTD	-3.98%	-4.30%
	3 Year Actuals	11.48%	10.52%
	5 Year Actuals	2.60%	2.10%
	FORECAST	**7.00%**	

*Broad Market: Barclays U.S. Aggregate; Domestic Equity: Russell 3000 Stock Index; International Equity: MSCI EAFE

Current Fiscal Year market values and stated returns are unaudited, preliminary, and include some estimates

Public School Trust Fund (Principle and Income accounts)

Fiduciary oversight: Commissioner of Revenue

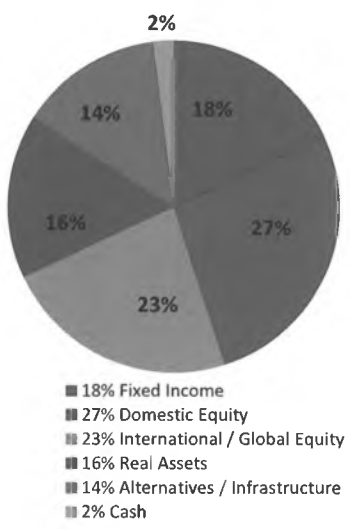
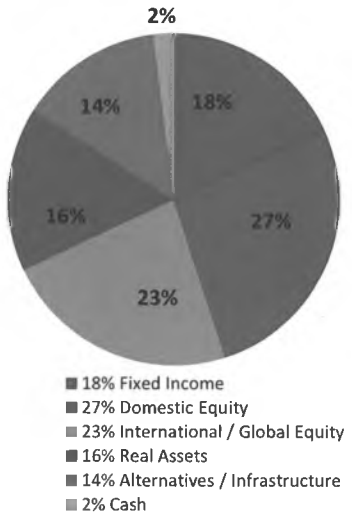
		Public School Trust Fund (Principle)		**Public School Trust Fund** (Income)	
Investment Objective		Moderate Risk, Long Term investment horizon		Low Risk, Short investment horizon	
Target Asset Allocation					
		Actuals	Benchmark*	Actuals	Benchmark*
Market Value (in 000s)	12/31/2009	$365,100	-	$15,200	-
	12/31/2010	$407,600	-	$15,700	-
	12/31/2011	$433,600	-	$14,100	-
Returns (6/30/11)	FY11	16.98%	16.71%	0.48%	0.16%
Returns (12/31/11)	YTD	4.77%	5.04%	0.35%	0.10%
	FYTD	0.32%	0.60%	0.10%	0.02%
	3 Year Actuals	11.45%	10.77%	1.19%	0.14%
	5 Year Actuals	4.16%	4.04%	1.75%	1.48%
	FORECAST	**6.07%**		**3.00%**	

*Short-term: 3-month U.S. Treasury Bill; Broad Market: Barclays U.S. Aggregate; Domestic Equity: Russell 3000 Stock Index

Current Fiscal Year market values and stated returns are unaudited, preliminary, and include some estimates

PERS & TRS

Fiduciary oversight: Alaska Retirement Management Board

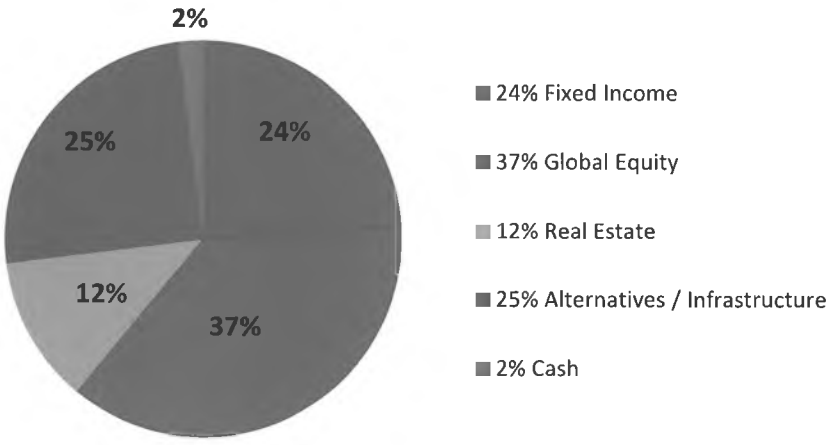
		PERS Retirement Defined Benefit Pension		TRS Retirement Defined Benefit Pension	
Investment Objective		Moderate Risk, Long Term investment horizon		Moderate Risk, Long Term investment horizon	
Target Asset Allocation					
		Actuals	Benchmark*	Actuals	Benchmark*
Market Value (in 000s)	12/31/2009	$9,551,100	-	$4,194,600	-
	12/31/2010	$10,901,800	-	$4,603,700	-
	12/31/2011	$10,873,100	-	$4,545,200	-
Returns (6/30/11)	FY11	21.07%	22.52%	21.23%	22.52%
Returns (12/31/11)	YTD	0.73%	0.91%	0.87%	0.91%
	FYTD	-5.09%	-4.25%	-5.02%	-4.25%
	3 Year Actuals	7.97%	10.23%	8.00%	10.23%
	5 Year Actuals	1.28%	2.08%	1.28%	2.08%
	FORECAST	**8.00%**		**8.00%**	

*The ARMB Benchmark is a diversified weighted composite comprised of the following indexes by weight: 29.0% Russell 3000; 23.0% MSCI ACWI ex-US; 15.0% Barclays Intermediate Treasury; 9.6% NCREIF Total; 5.0% 3-Month U.S. Treasury Bill+5.0%; 3.2% Barclays U.S. TIPS; 2.3% MSCI EAFE; 2.3% S&P 500; 2.3% Russell 2000; 2.0% Citi WGBI Non-U.S.; 2.0% HiYld II; 1.6% NCREIF Farmland; 1.6% NCREIF Timberland; 1.0% 3-month U.S. Treasury Bill

Current Fiscal Year market values and stated returns are unaudited, preliminary, and include some estimates

APFC

Fiduciary oversight: Alaska Permanent Fund Corporation Board

		Alaska Permanent Fund Corporation	
Investment Objective		Long term Investment Goal is to achieve a real rate of return of 5% per year	
Target Asset Allocation			
		Actuals	Benchmark*
Market Value (in 000s)	12/31/2009	$34,617,900	-
	12/31/2010	$38,425,100	-
	12/31/2011	$38,646,700	-
Returns (6/30/11)	FY11	20.56%	22.63%
Returns (12/31/11)	YTD	0.33%	-0.35%
	FYTD	-4.54%	-4.60%
	3 Year Actuals	10.20%	8.70%
	5 Year Actuals	1.61%	0.90%
	FORECAST	**7.50%**	

*The APFC Benchmark is a diversified weighted composite comprised of the following indexes by weight: 59.2% AC WORLD IMI; 13.5% NCREIF Total; 14.8% Global Corporation Holdings; 6.0% Barclays Global Government Holdings; 4.5% Barclays U.S. TIPS; 2.0% 3-month US Treasury Bill

Current Fiscal Year market values and stated returns are unaudited, preliminary, and include some estimates

2: FY2011 Investment Revenue Forecast

FY2012 Investment Revenue Forecast

All Amounts in $ Millions

Prepared January 27, 2012 by the State of Alaska - Department of Revenue

FY 2011 Actuals	Actual through 06-30-11
UNRESTRICTED	
Investments	93.2
Interest Paid by Others	3.1
TOTAL UNRESTRICTED	**96.3**
RESTRICTED	
Investments - Designated GF	8.6
Investments - Other Restricted	17.4
CBRF - Main Account	*125.9*
CBRF - Special Sub Account	*901.0*
CBRF - Total	1,026.9
Other Treasury Managed Funds	63.8
Alaska Permanent Fund	6,811.8
TOTAL RESTRICTED	**7,928.5**
GRAND TOTAL	**8,024.8**

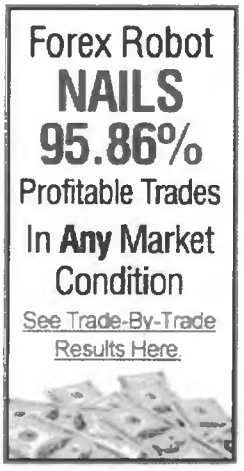
FY 2012 Forecast - Based on actuals through Dec 31, 2011	Actual through 12-31-11	Forecast through 06-30-12	Total FY 12
UNRESTRICTED			
Investments	62.5	88.1	*150.6*
Interest Paid by Others	1.4	1.0	*2.4*
TOTAL UNRESTRICTED	**63.9**	**89.1**	**153.0**
RESTRICTED			
Investments - Designated GF	4.3	7.6	11.9
Investments - Other Restricted	8.7	15.3	24.0
CBRF - Main Account	*107.3*	*90.7*	*198.0*
CBRF - Special Sub Account	*(210.5)*	*172.2*	*(38.3)*
CBRF - Total	(103.2)	262.9	159.7
Other Treasury Managed Funds	1.4	13.4	14.8
Alaska Permanent Fund	(1,942.8)	1,449.3	(493.5)
TOTAL RESTRICTED	**(2,031.6)**	**1,748.5**	**(283.1)**
GRAND TOTAL	**(1,967.7)**	**1,837.6**	**(130.1)**

Notes:

FY2012 investment forecasts include actual data through Dec 31, 2011 and projections for the remainder of FY2012.

Due to financial market volatility, forecasts shown are subject to review and adjustment.

Current Fiscal Year market values and stated returns are unaudited, preliminary, and include some estimates



Webmasters

Your Ad Here!

Advertise on InflationData.com
PR5 links available

Long Term U.S. Inflation

Updated July 2006

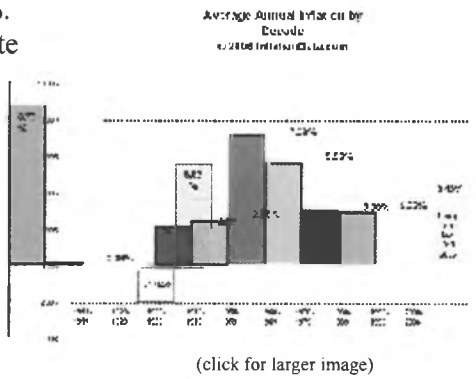
Today's 50 Top Trending Stocks

1,929% Inflation!

The Chart to the right shows the Annual Inflation Rates for each decade. Each bar represents the average Annual Inflation for the decade (not the total cumulative inflation for that 10 year period).

The final Yellow bar shows the average annual inflation rate since the government began tracking it in 1913.

As we can see the Average annual inflation rate is 3.43%. That doesn't sound too bad until we realize that at that rate prices will double every 20 years.



(click for larger image)

That means that every two bars on average prices have doubled or about 5 doublings since they began keeping records.

Five Doublings sounds like prices increased by 10 times right? But it gets even worse than that! Because it isn't just a arithmetic doubling it is compounded. So just as compound interest can multiply your savings, compound inflation can multiply the effects of inflation. As you can see from the cumulative Inflation chart since 1913 we have seen 1929% inflation.

SB 179

<TARGET><BILL>SB 179</BILL><SUBJECT>SB 179</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/27/12

FURTHER: Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2/16/12

State Affairs Committee considered SENATE BILL NO. 179

SB 179-MISSING VULNERABLE ADULT RESPONSE PLAN

"An Act relating to missing vulnerable adult prompt response and notification plans."

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
DFS			✓	
MVA			✓	

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
K-Meyer	Meyer	X			
Giessel	Giessel	X			
CHAIR:	wielechowski	X			

Alaska State Legislature

Senate
Health & Social
Committee
Chair
•
Senate
Education Committee
Vice-Chair

Legislative Council
Vice-Chair
•
Senate
Transportation
Committee
•
Senate
Labor & Commerce
Committee

Senator_Bettye_Davis@legis.state.ak.us
http://www.aksenate.org/

Senator Bettye Davis

Date: January 31, 2012

To: Senator Bill Wielechowski
Chair, State Affairs

From: Senator Bettye Davis

RE: **Request for SB 179 "Missing Vulnerable Adult Response Plan" to be heard in the State Affairs Committee**

Senator Wielechowski,

You currently have in your possession SB 179 – **"An Act relating to missing vulnerable adult prompt response and notification plans."** I am requesting that SB 179 be heard in the State Affairs Committee as soon as possible and have included the bill packet.

SB 179 creates a new statewide alert system to help find vulnerable missing adults. The system, which is similar to the nationwide Amber Alert program, would help local law enforcement notify the public when a mentally or physically impaired Alaskan goes missing. This program is of immediate importance because of the urgency of the issue that it seeks to address. The tragic incident in December of 2011 when a 63-year-old woman in Fairbanks who suffered from Alzheimer's Disease froze to death after becoming disoriented while driving and running out of gas, provides an indication of the immediacy of the issue. With Alaska's increasing senior population and the corresponding growth in the number of Alaskans suffering from Alzheimer's Disease and related dementia, such incidents as the tragedy in Fairbanks can be expected to occur more frequently. Furthermore, the dangers posed by the elements and the potential for wandering into isolated areas that are particular to Alaska create an even greater urgency for an alert system to be implemented. Such a system, which would be operated by the Department of Military Affairs and the Department of Public Safety, is a necessary tool in the protection of Alaska's citizens.

Thanks in advance for your consideration. If you have any questions, please contact Celeste Hodge at (907)-465-4906.

Session: (January – April)
State Capitol, Room #30, Juneau, AK 99801-1182 Phone: (907) 465-3822 · Fax: (907) 465-3756 · Toll Free: (800) 770-3822
Interim: (April – December)
716 West 4th Avenue, Anchorage, AK 99501-2133 · Phone: (907) 269-0144 · Fax: (907) 269-0148

Alaska State Legislature

Senate
Health & Social
Committee
Chair

Education Committee
Vice-Chair

Legislative Council
Vice-Chair

Senate
Military & Veterans Affairs

Senate
Labor & Commerce
Committee

Senator_Bettye_Davis@legis.state.ak.us
http://www.aksenate.org/

Senator Bettye Davis

SPONSOR STATEMENT

SENATE BILL 179-*"MISSING VULNERABLE ADULT RESPONSE PLAN"*

SB179 creates a new statewide alert system to help find vulnerable missing adults. The system, which is similar to the nationwide Amber Alert program, would help local law enforcement notify the public when a mentally or physically impaired Alaskan goes missing.

According to the Alaska Commission on Aging, there were approximately 7,785 Alaskans suffering from Alzheimer's Disease and related dementia in 2010, and that number is expected to grow to more than 17,000 by 2030. Alaska has the fastest growing senior population in the nation and we can't afford to ignore this problem any longer.

Recently, in Fairbanks, a 63-year-old woman suffering from Alzheimer's Disease froze to death after she became disoriented while driving, ran out of gas, and tried walking several miles to seek help. This incident and several others like it demonstrate the need for an alert system to assist in the search for missing vulnerable adults. When a vulnerable adult goes missing, his or her best chance of survival is if someone finds them within 24 to 48 hours.

The bill calls for the Department of Military Affairs to coordinate with Department of Public Safety to create and implement prompt response and notification plans that would use a voluntary network of statewide and local newspapers as well as radio and television stations to rapidly alert the public that a vulnerable adult is missing. The bill also calls for both departments to establish standards on what triggers an alert and when a vulnerable adult is officially considered missing. This legislation would ensure the search for Alaska's most vulnerable citizens happens a lot faster.

Currently, there are 28 states that have implemented or will implement Silver Alert programs, an increase of 10 states since the National Association of States United for Aging and Disabilities (NASUAD's) last report.

Session: (January – April)
State Capitol, Room #30, Juneau, AK 99801-1182 Phone: (907) 465-3822 · Fax: (907) 465-3756 · Toll Free: (800) 770-3822
Interim: (April – December)
716 West 4th Avenue, Anchorage, AK 99501-2133 · Phone: (907) 269-0144 · Fax: (907) 269-0148

A **Silver Alert** is a public notification system in the United States to broadcast information about missing persons - especially seniors with Alzheimer's Disease, dementia or other mental disabilities - in order to aid in their return.

Silver Alerts use a wide array of media outlets—such as commercial radio stations, television stations, and cable TV—to broadcast information about missing persons. Silver Alerts also use variable-message signs on roadways to alert motorists to be on the lookout for missing seniors. In cases in which a missing person is believed to have gone missing on foot, Silver Alerts have used Reverse 911 or other emergency notification systems to notify nearby residents of the neighborhood surrounding the missing person's last known location.

Supporters of Silver Alert point to America's growing elderly population as a reason to support new programs to locate missing seniors. Approximately 6 in 10 dementia victims will wander at least once, health care statistics show, and the numbers are growing worldwide, fueled primarily by Alzheimer's disease.[1] If not found within 24 hours, up to half of wandering seniors with dementia suffer serious injury or death.[2]

History

In December 2005, Oklahoma state Representative Fred Perry (R-Tulsa) announced his intention to introduce an "AMBER Alert for seniors," which he dubbed "Silver Alert."[3] In March 2006, the Oklahoma House of Representatives passed H.R. 1075, a resolution calling for a Silver Alert system to find missing seniors.[4] In response to this non-binding resolution, the Oklahoma Department of Public Safety added Silver Alert notifications to the statewide alerts sent to law enforcement agencies and the media for rapid distribution.[5] In April 2009, Governor Brad Henry signed legislation permanently establishing the Silver Alert program.[6]

In Georgia, public efforts to locate missing seniors increased following the April 2004 disappearance of Mattie Moore, a 68-year-old Atlanta resident suffering from Alzheimer's disease. Eight months after Moore's disappearance, her body was found 500 yards from her home.[7] The City of Atlanta created "Mattie's Call" to coordinate and support Metro Atlanta law enforcement, emergency management and broadcasters to issue an urgent bulletin in missing persons cases involving persons with Alzheimer's disease, dementia and other mental disabilities.[8] Legislation to create a statewide Mattie's Call program was enacted in April 2006.[9]

In Florida, Mary Zelter, an 86-year-old resident of Largo, drove away from her assisted living facility on Feb. 26, 2008 and never returned. Her body was found a week later 10 miles (16 km) away in the Intracoastal Waterway near a Clearwater boat ramp. Her submerged car was nearby. This tragedy prompted Pinellas County officials to create a Silver Alert pilot program that later grew into a statewide initiative.[10]

[edit] National growth

29 states and New York City[11] have Silver Alert or similar programs targeting missing seniors. More than 195 million people live in jurisdictions served by Silver Alert or a similar program.

20 states have missing senior recovery programs that are formally called "Silver Alert":

- Arkansas[12]
- Connecticut[13]
- Florida[14]
- Illinois[15]
- Indiana[16]
- Kansas[17]
- Louisiana[18]
- Maine[19]
- Maryland[20]
- Massachusetts[21]
- Mississippi[22]
- Nevada[23]
- New Jersey[24]
- North Carolina[25]
- Oklahoma[26]
- Rhode Island[27]
- South Carolina[28]
- Tennessee[29]
- Texas[30]
- West Virginia[31]

Additionally, 9 states have programs to help locate missing seniors that are not officially called "Silver Alert" but contain criteria similar to existing Silver Alert programs:

- Alabama, Missing Senior Alert[32]
- Delaware, Gold Alert[33]
- Colorado, Missing Senior Citizen Alert[34]
- Georgia, Mattie's Call[35]
- Kentucky, Golden Alert[36]
- New Hampshire, Missing Senior Citizen Alert[37]
- New York, Golden Alert[38]
- Ohio, Missing Adult Alert[39]
- Virginia, Senior Alert[40]

www.alz.org

Public Policy Office
1212 New York Avenue, NW
Suite 800
Washington, DC 20005-6105

202 393 7737 **p**
866 865 0270 **f**

alzheimer's association

8 February 2012

Senator Bill Wielechowski
Chairman, Senate State Affairs Committee
State Capitol Room 101
Juneau AK, 99801

Dear Senator Wielechowski:

On behalf of the Alzheimer's Association, I am pleased to extend our support for Senate Bill 179, sponsored by Senator Bettye Davis, which would address the need for a prompt response system when a vulnerable adult has gone missing. The Association supports creating a system that provides for dissemination of relevant information about missing individuals with Alzheimer's disease or a related dementia to appropriate law enforcement personnel.

An estimated six out of ten people with Alzheimer's disease will wander from their homes or caregiving facilities at some point during the disease process. Most people with dementia who wander are found within 1.5 miles of home, and 50 percent of individuals who wander risk serious injury or death if not found within the first 24 hours. Environmental dangers pose serious threats to people with Alzheimer's who are particularly vulnerable to succumb to natural elements such as weather, and who may lose their ability to remember when to eat or drink. An immediate response with emphasis on local searching is imperative once an individual with dementia is reported missing.

The Alzheimer's Association supports a comprehensive approach to constructing a notification, or "silver alert", system that addresses the needs of persons with dementia and their families. This approach includes first responder dementia training and coordinating search efforts between families, caregivers and local authorities. The system should be interoperable with existing programs, such as the MedicAlert and Safe Return program, which is a nationwide identification, support and enrollment program providing assistance to adult wanders and their families.

I appreciate the opportunity to comment on this issue and applaud Senator Davis for spearheading this effort.

With best regards,

Randi Chapman
Director, State Affairs
Alzheimer's Association

Cc: Senator Bettye Davis

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version **SB179**
Fiscal Note Number
() Publish Date

Identifier (file name) SB179-DPS-DET-02-07-12
Title MISSING VULNERABLE ADULT RESPONSE PLAN
Sponsor Senator Davis
Requester (S) STA

Dept. Affected Public Safety
Appropriation Alaska State Troopers
Allocation AST Detachments
OMB Component Number 2325

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version.

Prepared by Lt. Rodney Dial
Division Alaska State Troopers
Approved by Joseph A. Masters
Commissioner

Phone (907) 247-4480
Date/Time 2/6/12 8:30 AM
Date 2/7/2012

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB179

Analysis

This bill amends AS 44.41 by adding a new section requiring the Department of Public Safety, in cooperation with the Department of Military and Veterans' Affairs, to develop and implement missing vulnerable adult response and notification plans using statewide and local radio and television broadcasters and newspaper publishers.

It is not anticipated that compliance with this legislation will have a fiscal impact on the Division of Alaska State Troopers.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SB179**
Fiscal Note Number:
() Publish Date:

Identifier (file name): SB179-DPS-R&I-02-08-12
Title: MISSING VULNERABLE ADULT RESPONSE PLAN
Sponsor: Senator Davis
Requester: (S) STA

Dept. Affected: Public Safety
Appropriation: Statewide Support
Allocation: Criminal Records & Identification
OMB Component Number: 1190

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version.

Prepared by: David Schade, Director — Phone: (907) 269-0202
Division: Statewide Services — Date/Time: 2/8/12 5:05 PM
Approved by: Joseph A. Masters — Date: 2/8/2012
Commissioner

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB179

Analysis

This bill amends AS 44.41 by adding a new section requiring the Department of Public Safety (DPS), in cooperation with the Department of Military and Veterans' Affairs (DMVA), to develop and implement missing vulnerable adult response and notification plans using statewide and local radio and television broadcasters and newspaper publishers.

It is expected that DPS will implement the notification using DMVA's modernized emergency alert system, EMnet. This system is new and it is anticipated that it includes all the capabilities necessary to implement the missing vulnerable adult notification on a statewide or regional basis. Therefore, a zero fiscal note is being submitted.

Celeste Hodge

From: O'Hare, Michael F (MVA) <mike.ohare@alaska.gov>
Sent: Monday, January 30, 2012 1:34 PM
To: Celeste Hodge
Cc: Pierre, McHugh (MVA); Howell, Kelly A (DPS); Fisher, Bryan J (MVA); Carney, Roberta D (MVA)
Subject: FW: 27-LS1250\A - An Act relating to missing vulnerable adult prompt response and notification plans
Attachments: Silver Alert Updated Report_11-9-10.pdf

Celeste,

Per your request, and after review of the draft legislation, I am providing the following response from our Emergency Operations Section:

A portion of the Alaska Amber Alert Plan involves the local law enforcement agency and the Alaska State Troopers providing additional "emergency public information" to broadcast outlets to assist with the recovery effort. Most Sliver Alert plans revolve around that. Not using EAS, but notifying and providing information on the missing person, vehicle, etc, and the broadcast outlets voluntarily providing that information to their viewers/listeners. In many cases State DOTs or those who control highway signs would also post the information to the public, as well as the investigating law enforcement agency providing a BOLO alert in the state APSIN/NCIC systems.

Attached is a seven page report from the 2010 summary of States performed by the National Association of States United for Aging and Disabilities. The report is a summary of states that have plans, and the enabling legislation behind it. It doesn't speak to operational aspects.

From an EAS standpoint there is no event code that is designated for missing persons (adults), so we couldn't utilize EAS like we do for Amber alerts, which uses the special "Child Abduction Emergency" code.

We certainly could work with DPS on this plan, the same players from AST, DHS&EM, APD, and the Alaska Broadcasters Association could work out the plans that would be required by the bill/law.

So, to be clear, we have no issues on the draft legislation.

Please do not hesitate to contact me should you have any questions. Thank you.

Sincerely,

Mike O'Hare

Michael F. O'Hare
State of Alaska
Department of Military and Veterans Affairs
Division of Homeland Security and Emergency Management
Deputy Director
(907) 428-7066 Office
(907) 529-2406 Cell
(907) 428-7009 Fax *mike.ohare@alaska.gov*

From: Fisher, Bryan J (MVA)
Sent: Thursday, January 26, 2012 4:09 PM

SILVER ALERT INITIATIVES IN THE STATES

11/9/2010

Protecting Seniors with Cognitive Impairments

Silver Alert Initiatives in the States

PROTECTING SENIORS WITH COGNITIVE IMPAIRMENTS

INTRODUCTION

In March 2009, NASUAD released a report that identified states that have a Silver Alert program, how they fund it, and how each administers the program. The report revealed that 18 states have a Silver Alert program, 14 states had pending legislation, and 18 states did not have legislation.

Several states have implemented Silver Alert programs since our last report. The following chart reflects the updated status of states across the country.

States with Silver Alert Programs		States with Pending Legislation	States Without Silver Alert Programs
Alabama *	Mississippi *	California	Alaska
Arizona	Missouri	Hawaii	Idaho
Arkansas **	New Hampshire	Massachusetts	Illinois
Colorado	New Jersey *	Pennsylvania	Iowa
Connecticut *	New Mexico		Maine
Delaware	North Carolina		Michigan
Florida	Oklahoma		Montana
Georgia	Ohio		Nebraska
Indiana *	Rhode Island		Nevada
Kansas *	South Carolina		New York
Kentucky	Tennessee *		North Dakota
Louisiana	Texas		Oregon
Maryland *	Virginia		South Dakota
Minnesota	West Virginia *		Utah
			Vermont
			Washington
			Wisconsin ***
			Wyoming

* State has legislation that went into effect since NASUAD's 2009 Report.
** Arkansas has a Memorandum of Understanding that establishes the Silver Alert Program.
*** Wisconsin governor vetoed legislation for a lack of funding.

States with Silver Alert Programs

Currently, there are 28 states that have implemented or will implement Silver Alert programs, an increase of 10 states since the NASUAD's last report. The following section provides a brief summary of the legislation that establishes the programs, the agencies administering the programs, and the program requirements for initiating an alert. The links below will provide you with further information on each state's Silver Alert program.

Alabama

The Alabama Missing Senior Citizen Alert Act (HB 33) went into effect on June 1, 2009. The purpose of this law is to provide immediate response to missing or lost seniors age 60 or older who are at risk of bodily harm or death and to gain the voluntary assistance of the broadcast media to help locate missing seniors. The Department of Public Safety, who administers this program, works collaboratively with other local and state law enforcement agencies, the Alabama Association of Broadcasters and licensed broadcasters in the state.

To view the legislation, please visit the following Web site.

http://www.dps.state.al.us/ABI/pdf/MissingSeniorAct.pdf

Arkansas

House Bill 2087, "An Act to Establish the 'Silver Alert System' for Adults Who Are Living with Dementia or Other Cognitive Impairment," was filed, but it never became law. However, in March 2009, the Arkansas State Police entered into a Memorandum of Understanding with the Arkansas Sheriffs' Association and the Arkansas Association of Chiefs of Police to host an Internet website that provides Arkansas broadcasters and news organizations a means to receive Arkansas Silver Alerts that are shared with the public. Silver Alerts are disseminated for missing persons 18 years of age or older who are living with dementia or other cognitive impairment.

To view the legislation, please visit the following Web site.

http://staging.arkleg.state.ar.us/ftproot/bills/2009/public/HB2087.pdf

Connecticut

Substitute Senate Bill 451 went into effect July 1, 2009 establishing Connecticut's Silver Alert System. The Department of Public Safety's Missing Child Information Clearinghouse administers the program and notifies the public of missing persons 65 years of age or older and anyone 18 or over who has a mental impairment.

To view the legislation, please visit the following Web site.

http://search.cga.state.ct.us/dtSearch_lpa.html

Indiana

Governor Mitch Daniels signed Senate Bill 307 to establish the Indiana Silver Alert, effective July 1, 2009. The Indiana Clearinghouse for Information on Missing Children and Missing Endangered Adults administers the program and works collaboratively with private organizations and law enforcement agencies in alerting the public of missing persons age 18 or older with mental illness, dementia, or other mental or physical incapacity.

To view the legislation, please visit the following Web site.

http://capwiz.com/ahca/in/webreturn/?url=http%3A%2F%2Fwww.in.gov%2Fapps%2Flsa%2Fsession%2Fbillwatch%2Fbillinfo%3Fyear%3D2009%26session%3D1%26request%3DgetBill%26doctype%3DSB%26docno%3D0307

Kansas

The Kansas Silver Alert Plan was implemented on July 30, 2009 following a resolution that called for the establishment of this senior alert system, but did not require it by law (SHL Resolution 2506). It is administered by the Kansas Bureau of Investigation, which collaborates with local law enforcement agencies and the media to alert the public of missing persons living with dementia or persons over age 65 with a medical or mental condition or one who is at risk of harming himself.

The following Web site provides the protocol and policies for the Silver Alert Plan.

http://www.ksag.org/page/attorney-general-establishes-silver-alert-protocol

Maryland

In October 2009, Maryland established its Silver Alert Program (HB 192) that is designed to alert the public about missing persons with cognitive impairments such as Alzheimer's or dementia. The Department of State Police administers the statewide program and works collaboratively with the State Highway Administration on this initiative.

You can view the bill by going to the following Web site.

http://mlis.state.md.us/2009rs/fnotes/bil_0002/hb0192.pdf

Mississippi

The Mississippi Silver Alert System Act of 2010 (HB 664) went into effect July 1, 2010. The Bureau of Investigation of the Department of Public Safety will be responsible for implementing the statewide alert system. The purpose of the Silver Alert System is to provide a tiered, rapid response system to notify the public about missing endangered adults age 18 or older with dementia or other cognitive impairments. The Bureau of Investigation will work with local law enforcement agencies and the Mississippi Highway Patrol Headquarters Communication Center to alert the public about missing persons.

You can view the bill by going to the following Web site.

http://billstatus.ls.state.ms.us/documents/2010/pdf/HB/0600-0699/HB0664PS.pdf

New Jersey

The Silver Alert System Act went into effect on December 22, 2009. The State Police administers the program and disseminates missing person information on people age 65 or older to broadcast media, the Department of Transportation, the New Jersey Highway Authority, the New Jersey Turnpike Authority, and the South Jersey Transportation Authority.

You can view the bill by going to the following Web sites.

http://www.njlea.state.nj.us/2008/Bills/A3000/2844_I1.HTM

http://www.njlea.state.nj.us/2008/Bills/S2000/1844_I1.HTM

Tennessee

The Tennessee Senior Alert Act went into effect on August 4, 2009. The Tennessee Bureau of Investigation administers the Silver Alert system that provides a statewide system for the rapid dissemination of information on missing persons age 18 or older who have dementia or other cognitive impairment.

You can view the bill by going to the following Web site.

http://www.capitol.tn.gov/Bills/106/Bill/HB0346.pdf

West Virginia

HB 2504 was signed into law by Governor Joe Manchin and went into effect on July 10, 2009 establishing the West Virginia's Silver Alert Plan. The State Police administers the program by providing alerts for cognitively impaired missing persons to broadcast media, the Department of Transportation, the Division of Highways, the West Virginia Turnpike Commission, and affected authorities. HB 2504 does not specify an age requirement of a cognitively impaired missing person.

You can view the bill by going to the following Web site.

http://www.legis.state.wv.us/Bill_Text_HTML/2009_SESSIONS/RS/BILLS/hb2504%20enr%20sub.htm

Pending Legislation

California

On December 22, 2008, Senators Alquist, Correa, and Oropeza introduced SB 38, a bill that would establish a missing senior person alert system. The bill specifies that a missing person would have to be 65 years of age or older and must have an impaired mental condition. As of August 27, 2009, there has been a second reading of the bill and it is currently being held in committee.

You can view the bill and its history by going to the following Web site.

http://www.legislature.ca.gov/cgi-bin/port-postquery?bill_number=sb_38&sess=CUR&house=B&author=alquist

Hawaii

Since January 2009, Hawaii legislators have introduced six bills that would establish a Silver Alert system in their state. However, it appears that SB2226 SD2 HD1 is the only bill that has received considerable action. It was introduced January 21, 2010 and, as of March 12, 2010, it passed the second reading as amended in HD 1 and was referred to the Committee on Judiciary without opposition. The bill specifies that the public alert would be made for missing senior citizens and defines a senior citizens as one who is 65 years of age or older.

You can view the bill and its history by going to the following Web site.

http://www.capitol.hawaii.gov/session2010/bills/SB2226_HD1_.pdf

http://www.capitol.hawaii.gov/session2010/lists/measure_indiv.aspx?billtype=SB&billnumber=2226

Massachusetts

H4344 (new draft of S322, H44, and H603) would establish a Silver Alert community response system to protect seniors. This Silver Alert system would be used to alert the public of missing adults with serious memory impairment such as Alzheimer's disease or other dementia. The last action recorded for this bill was on November 17, 2009 when the Joint Committee on Community Development and Small Business reported favorably on it and referred it to the House Committee on Ways and Means.

You can view the bill and its history by going to the following Web site.

http://www.mass.gov/legis/bills/house/186/ht04pdf/ht04344.pdf

http://www.mass.gov/legis/186history/h04344.htm

Pennsylvania

On March 5, 2009, the General Assembly of Pennsylvania referred HB 726 to Committee on Aging and Older Adult Services. HB 726, which is also referred to as the Silver Alert for Missing Senior Citizens Act, would establish a statewide alert system for notifying the public of missing persons age 65 or older who have an impaired mental condition and whose disappearance poses a credible threat to the senior citizens' health and safety. The Secretary of the Department of Aging is responsible for appointing a director to serve as the statewide coordinator of the alert system.

You can view the bill and its history by going to the following Web site.

http://www.legis.state.pa.us/cfdocs/billinfo/billinfo.cfm?syear=2009&sind=0&body=H&type=B&BN=0726

NASUAD will continue to monitor pending legislations.

Legislation That Did Not Pass

Nevada

According to the Nevada Silver Haired Legislative Forum, AB 4 that would establish a statewide Silver Alert system was referred to the Health and Human Services Committee and died on April 11, 2009 due to no further action being taken on the bill.

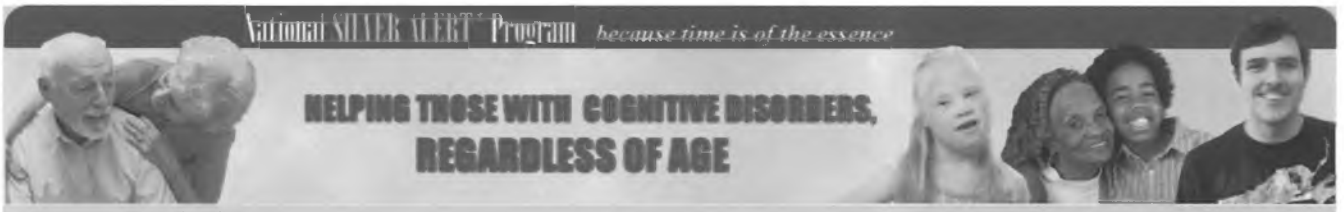
Vetoed Legislation

Wisconsin

Unfunded legislation to establish a Silver Alert program was vetoed by Governor Jim Doyle.

For more information:

John Thompson
National Association of States United for Aging and Disabilities
1201 15th Street, NW
Suite 350
Washington, DC 20005
202-898-2578
www.nasuad.org



Silver Alert

Modeled after the Amber Alert, the Silver Alert is an emergency system in which law enforcement can broadcast regional or statewide alerts for missing seniors and/or other adults with Alzheimer's or other cognitive disorders.

A growing number of states are enacting laws that call for the development of the Silver Alert program and some have implemented their own notification systems.

Activation criteria varies from state to state, see list below for information on the Silver Alert program in your state.

Alabama	
Effective Date	March 25, 2009 AKA "Missing Senior Citizen Alert"
Administered By	Department of Public Safety
Age Requirement	Not specified
Phone	contact your local law enforcement agency
Website	http://community.dps.alabama.gov/Pages/wfAlertListing.aspx?Type=30&Status=5,10
Other	House Bill 33

Arizona	
Effective Date	October 2008 AKA "Endangered Person Alert"
Administered By	Department of Public Safety
Age Requirement	Must be age 18 or older
Phone	contact your local law enforcement agency or (602) 223-2212
Website	http://www.azag.gov/press_releases/oct/2008/End%20Person%20Alert%20Info.pdf
Other	

Arkansas	
Effective Date	April 2009
Administered By	The Arkansas State Police, working with the Arkansas Sheriffs' Association and Arkansas Association of Chiefs of Police
Age Requirement	Adults with Alzheimer's or other cognitive disorders
Phone	contact your local law enforcement agency Arkansas State Police: 501-618-8000
Website	https://www.ark.org/asp/alerts/mnaa/silver.php
Other	

Colorado	
Effective Date	February 2007
Administered By	Colorado Department of Public Safety, Bureau of Investigation (CBI)
Age Requirement	Must be age 60 or older
Phone	contact your local law enforcement agency

Website	None
Other	House Bill 07-1005

Connecticut	
Effective Date	July 1, 2009
Administered By	Department of Public Safety
Age Requirement	(1) anyone 65 or over and (2) anyone 18 or over who has a mental impairment
Phone	contact your local law enforcement agency
Website	None
Other	Senate Bill 451

Delaware	
Effective Date	July 2008 AKA "Gold Alert Program"
Administered By	The initial decision to issue a local Gold Alert is at the discretion of the investigating law-enforcement agency.
Age Requirement	Must be age 60 or older
Phone	contact your local law enforcement agency
Website	None
Other	CHAPTER 85. STATE BUREAU OF IDENTIFICATION. Subchapter VII. Gold Alert Program for Certain Missing Persons

Florida	
Effective Date	October 8, 2008
Administered By	Florida Department of Law Enforcement
Age Requirement	Must be age 60 or older
Phone	contact your local law enforcement agency
Website	http://www.fdle.state.fl.us/MCICSearch/Documents/SilverAlertFAQ.pdf
Other	House Bill HM 753

Georgia	
Effective Date	April 2006 AKA "Mattie's Call"
Administered By	Georgia Bureau of Investigation
Age Requirement	Missing disabled adults
Phone	contact your local law enforcement agency
Website	http://alerts.gbi.georgia.gov/00/channel_modifieddate/0,2096,67865199_74426401,00.html
Other	House Bill 728

Illinois	
Effective Date	January 1, 2010 AKA "Endangered Missing Person Advisory Program"
Administered By	The Illinois Department on Aging (IDoA), in coordination with the Illinois State Police
Age Requirement	Older adults
Phone	contact your local law enforcement agency
Website	http://www.state.il.us/aging/1news_pubs/news/2009-1230.htm http://www.illinois.gov/PressReleases/ShowPressRelease.cfm?SubjectID=1&RecNum=8136
Other	Senate Bill 0027

Indiana	
Effective Date	July 2009
Administered By	Indiana Clearinghouse for Information on Missing Children and Missing Endangered Adults
Age Requirement	Must be age 18 or older
Phone	contact your local law enforcement agency or 800-831-8953
Website	http://www.in.gov/silveralert/index.htm http://www.in.gov/silveralert/2331.htm

Other	Senate Bill 307

Kansas	
Effective Date	July 30, 2009
Administered By	Kansas Bureau of Investigation Communications
Age Requirement	Must be age 65 or older
Phone	contact your local law enforcement agency
Website	http://www.ksag.org/files/SilverAlertProtocol.pdf http://www.ksag.org/page/attorney-general-establishes-silver-alert-protocol
Other	SHL Resolution No. 2506

Kentucky	
Effective Date	July 2008 AKA "Golden Alert"
Administered By	Kentucky Division of Emergency Management
Age Requirement	Must be age 18 or older
Phone	Contact your local law enforcement agency or (502) 607-1638
Website	none
Other	Senate Bill 125

Louisiana	
Effective Date	July 2008
Administered By	Department of Public Safety and Corrections
Age Requirement	Must be age 60 or older
Phone	Contact your local law enforcement agency
Website	none
Other	House Bill 1378

Maine	
Effective Date	April 12, 2010
Administered By	Maine Department of Public Safety
Age Requirement	Must be age 18 or older
Phone	Contact your local law enforcement agency
Website	none
Other	Legislative Documents: HP1138, LD 1610, item 1

Maryland	
Effective Date	October 2009
Administered By	Maryland State Police
Age Requirement	Anyone who may have a cognitive disorder
Phone	Contact your local law enforcement agency or (410)486-3101
Website	
Other	House Bill 192 Press Release

Minnesota	
Effective Date	July 2009 AKA "Brandon's Law"
Administered By	Bureau of Criminal Apprehension
Age Requirement	All ages
Phone	Contact your local law enforcement agency
Website	None
Other	S.F. No. 1146 (Minnesota Missing Person's Act)

Mississippi	
Effective Date	July 1, 2010 "Mississippi Silver Alert System Act of 2010."

Administered By	Mississippi Department of Public Safety
Age Requirement	Must be age 18 or older
Phone	Contact your local law enforcement agency
Website	None
Other	House Bill 664, House Bill 664 Amended

Missouri	
Effective Date	Silver Alert House Bill still in limbo Current program is called "Endangered Person Advisory"
Administered By	Department of Public Safety
Age Requirement	Must be age 18 or older
Phone	Contact your local law enforcement agency
Website	Website
Other	House Bill 1119

New Hampshire	
Effective Date	Approved July 29, 2009, Effective on July 1, 2010
Administered By	Unknown at this time
Age Requirement	Must be age 55 or older
Phone	Contact your local law enforcement agency
Website	None
Other	House Bill 279

New Jersey	
Effective Date	December 23, 2009 law signed into effect
Administered By	State Police
Age Requirement	Must be age 65 or older
Phone	Contact your local law enforcement agency
Website	http://www.njleg.state.nj.us/2008/Bills/A3000/2844_I1.HTM
Other	Assembly No. 2844 Senate Bill 1551 and Senate Bill 1844

New York	
Effective Date	February 20, 2009, bill introduced, but still not signed into law at this time (Apr 2010)
Administered By	State Police
Age Requirement	Must be age 18 or older
Phone	Contact your local law enforcement agency
Website	None, but a list of missing persons is available online. web link
Other	Bills A05783, S04307

New Mexico	
Effective Date	The New Mexico Missing Persons Clearinghouse issues a "Endanger Person Advisory"
Administered By	Department of Public Safety
Age Requirement	All ages
Phone	Contact your local law enforcement agency or (505) 827-9297
Website	http://missingpersons.dps.state.nm.us/
Other	

North Carolina	
Effective Date	Approved June 19, 2009
Administered By	Department of Crime Control and Public Safety
Age Requirement	All ages
Phone	Contact your local law enforcement agency
Website	http://www.nccrimecontrol.org/Index2.cfm?a=000003,000005,000081,001670 http://www.nccrimecontrol.org/div/ale/missingpersons/SilverAlertBrochure3c.pdf
Other	General Statute § 143B-499.8

Oklahoma	
Effective Date	November 1, 2009, passed Senate April 16, 2009
Administered By	Department of Public Safety - Commissioner of Public Safety
Age Requirement	Must be age 60 or older
Phone	Contact your local law enforcement agency
Website	none
Other	House Bill 2030, 63 O.S. §1-1990.2

Ohio	
Effective Date	June 20, 2008 AKA "Missing Adult Alert"
Administered By	Ohio Emergency Management Agency
Age Requirement	Must be age 65 or older
Phone	Contact your local law enforcement agency or 866-693-9171
Website	http://www.missingadults.ohio.gov/OhioMAA/Home.aspx
Other	Senate Bill 87. Sec. 5502.522

Pennsylvania	
Effective Date	September 1, 2009 (based on HB276, although no program confirmation can be found)
Administered By	State Police
Age Requirement	Must be age 65 or older
Phone	Contact your local law enforcement agency
Website	none
Other	House Bill 2558 (2008), House Bill 726 (2009)

Rhode Island	
Effective Date	January 3, 2008 AKA ""Missing Senior Citizen Alert Program"
Administered By	State Police
Age Requirement	Must be age 60 or older
Phone	Contact your local law enforcement agency
Website	none
Other	S7048 and H7048

South Carolina	
Effective Date	May 2010 AKA "The Endangered Person Notification System"
Administered By	South Carolina Law Enforcement Division Missing Persons - Missing Person Information Center
Age Requirement	All ages
Phone	Contact your local law enforcement agency or 803-737-9000
Website	none
Other	Article 5, Chapter 3, Title 23 of the 1976 Code is amended by adding Section 23-3-330, January 13, 2009. House Bill 3817 introduced on March 24. 2009. A192. R240. H3719 General Bill.

Tennessee	
Effective Date	August 4, 2009
Administered By	Tennessee Bureau of Investigation
Age Requirement	Must be age 18 or older
Phone	Contact your local law enforcement agency
Website	none
Other	House Bill 346

Texas	
Effective Date	Sept 1, 2007
Administered By	Department of Public Safety

Age Requirement	Must be age 65 or older
Phone	Contact your local law enforcement agency or Texas Silver Alert Coordinator (512) 424-2208
Website	ftp://ftp.txdps.state.tx.us/dem/amber/silver_alert_instructions.pdf
Other	

Virginia	
Effective Date	July 2007 AKA "Senior Alert System"
Administered By	Virginia State Police
Age Requirement	Must be age 60 or older
Phone	Contact your local law enforcement agency
Website	http://www.vasenioralert.com/index.htm
Other	§ 52-34.5

West Virginia	
Effective Date	April 22, 2009
Administered By	The State Police
Age Requirement	No minimum age
Phone	Contact your local law enforcement agency
Website	none
Other	House Bill 2504 §15-3B-3

Free Online Registration

Home | Personal Safety | Financial Safety | Fraud & Scams | Quick Facts | Resources
Silver Alert Bracelets & Pendants | Media | Testimonials | Silver Alert | Contact

Copyright © 2009, National Silver Alert, Inc. All Rights Reserved
The content of this site is the property of National Silver Alert, Inc. Use of this content requires permission.
Silver Alert® and National Silver Alert® are registered trademarks of National Silver Alert, Inc.
The National Silver Alert® Program is not associated with the proposed U.S. Government National Silver Alert Act, H.R. 632.
The information provided is solely for educational purposes. The content is not intended to be instructional for medical diagnosis or treatment, nor it is intended to take the place of physician provided medical advice.

print

Fairbanks woman's death sheds light on harsh reality of living with Alzheimer's disease

by Dorothy Chomicz / dchomicz@newsminer.com
12.03.11 - 12:28 am

FAIRBANKS — When you are caring for a loved one with Alzheimer's, the possibility of that person wandering off is an ever-present worry. In fact, six out of 10 Alzheimer's patients will wander at some point, and many do so repeatedly, according to the Alzheimer's Association website (www.alz.org).

The situation becomes even more serious in places like Alaska, where severe weather conditions can spell death for someone who has wandered outside and is unprepared for the elements.

This danger was brought to reality this week when Bonnie L. Scott, a 63-year-old Fairbanks woman who suffered from Alzheimer's, became confused while driving an acquaintance home in Fairbanks and ended up 80 miles northeast on the Steese Highway.

Scott wandered away from her vehicle after running out of gas, and Alaska State Troopers were able to follow her footprints into the woods, where they found her body. She had died of exposure after walking by a manned Department of Transportation maintenance facility in which she could have found shelter and aid.

Most cases of wandering do not occur in vehicles and are instead instances of the individual simply walking out of the door while a caretaker is distracted or sleeping.

To minimize the risk of wandering, experts suggest making changes around the home, such as camouflaging exit doors by painting them the same color as the wall, and draping door knobs with same-color cloth.

Placing a mirror next to the door can also stop the potential wanderer — they either think there is someone else there, or they become distracted by their own reflection.

Extra door latches can be placed at the tops or bottom of doors, where they will not be noticed, and car keys should be kept hidden. Chimes or alarms can be placed on doors to alert the caregiver.

Since wandering is often caused by restlessness, fear or physical need, make sure that basics such as hunger, thirst and the need to use the toilet are all met regularly.

If it is physically possible, provide the individual with recreational opportunities such as short, supervised walks or get them to help with simple household chores. Reassure them if they feel agitated or fearful, and give them a routine to help them feel secure.

Even though caregivers are often tempted to keep a person's Alzheimer's a secret, it is important that neighbors and family members be told of potential wandering, and be provided with a good contact number. Always keep a current, clear photo of the individual on hand, and consider keeping one on file with your local police department.

Keep as much identification as possible on the person — place it in every coat, purse, pocket or wallet, and think about providing the person with an ID bracelet or necklace.

Since identification is only helpful once the person has been found, consider purchasing an electronic tracking device that can be used to locate them before tragedy occurs. According to the Alzheimer's Foundation of America website, a person with dementia "only stands a 50 percent chance of survival if they are not found within the first 24 hours."

Finally, do not leave the individual alone. Since it is virtually impossible for one person to keep an Alzheimer's sufferer in sight at all times, it is essential that the caregiver establish a support network that can help out and provide a break when needed.

Alzheimer's Resource of Alaska provides services, information and education to Alaskans dealing with Alzheimer's and has five offices statewide. They can be reached at their Fairbanks office at 452-2277, or visited at www.alzalaska.org.

Contact staff writer Dorothy Chomicz at 459-7590.

© newsminer.com 2011

SB 198

<TARGET><BILL>SB 198</BILL><SUBJECT>SB 198</SUBJECT><COMM>SSTA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATE STATE AFFAIRS COMMITTEE

SB 198: A Bill Relating to Police Officer Protections and Certifications
SPONSOR STATEMENT

Police officers in Alaska provide some of the most valuable services to our citizens. Their protection and service allows us to enjoy our communities safely and comfortably. SB 198 acknowledges the value of police officers and proposes changes to statute.

SB 198 requires due process hearings to occur before a police officer has a certificate revoked. Currently, statute allows for revocation of a certificate by the Police Standards Council without a hearing. Revocation of a certificate can mean the end of a career and should be the last resort used to punish those worst offenders. SB 198 also sets a standard for clear and convincing evidence before revocation occurs and allows for suspension before revocation.

SB 198 also adds court officers to the definition of police officers. By doing this, court service officers are recognized for the work they perform. Court officers carry weapons, can arrest people, and serve warrants. Including them in the definition for police officers allows for streamlined training and certification by the Police Standards Council. This change also puts court officers under an already existing framework of liability.

SB 198 provides protection for police officers against retaliation for refusing to take a lie detector test. Evidence in Alaska shows a retaliatory tendency against officers who opt out of taking a lie detector test. Several other states have passed similar protections for public safety officers.

Lastly, SB 198 makes the personal information of police officers confidential. This section provides security and assurance to officers that their safety is a priority. Police officers and their families should not be subject to harassment in or out of their work environment. This section provides guarantee that their employment will not compromise their or their families' safety.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version **SB198**
Fiscal Note Number
() Publish Date

Identifier (file name) SB198-DPS-APSC-02-28-12
Title POLICE OFFICER PROTECTIONS/CERTIFICATION
Sponsor (S) STA
Requester (S) STA

Dept. Affected Public Safety
Appropriation Alaska Police Standards Council
Allocation Alaska Police Standards Council
OMB Component Number 519

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services	***	***	***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	***	***	***	***	***	***	***

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		***	***	***	***	***	***	***

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version.

Prepared by David Sexton, Executive Director — Phone (907) 465-5523
Division Alaska Police Standards Council — Date/Time 2/28/12 9:12 AM
Approved by Joseph A. Masters, Commissioner — Date 2/28/2012
Department of Public Safety

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB198

Analysis

This bill establishes procedures relating to the issuance, suspension, and revocation of certification of police officers by the Alaska Police Standards Council (APSC); makes court services officers subject to certification by the APSC; makes confidential certain information that personally identifies a police officer; and prohibits public employers of police officers from requiring police officer applicants or employees to submit to a lie detector test.

The potential fiscal impact to the Department of Public Safety (DPS) relates to the portions of this bill that make binding on the Alaska Police Standards Council (APSC) decisions issued as a result of arbitration, grievance, or administrative hearing proceedings (to include reversal of disciplinary actions) and that preclude APSC from holding revocations hearings prior to a decision being issued in any of these proceedings.

When DPS terminates a trooper, they make a recommendation to the APSC to revoke the trooper's police officer certification. The APSC takes the recommendation under advisement and makes an independent decision whether to revoke the tooper's certification. This process runs independently from any grievance, arbitration, or administrative hearing and serves to limit the liability of the state to pay back wages to the period of time between when the employee was terminated and when the certification was revoked.

The Public Safety Employees Association (PSEA) may file a grievance on behalf of that former trooper. If the case is not settled between PSEA and the State, it will go to arbitration. The arbitrator will determine either that the termination was justified and uphold the state's action or grant the grievance and impose some lesser level of discipline. When the grievance is granted, DPS is ordered to make the former employee whole.

If the APSC is prohibited from revoking a trooper's certification until a final administrative decision is issued (which can take many years), DPS could potentially be required to pay hundreds of thousands of dollars in back wages to cover the period of time from the date of termination until the date of the decision.

Should this bill become law, APSC will be required to amend their regulations dealing with denial and revocation of certificates. Any costs associated with a regulation project could be absorbed within the APSC's existing budget.

The actual fiscal impact to the department cannot be estimated because it is dependent on the number of terminations where the final administrative decision is in the trooper's favor; therefore, an indeterminate fiscal note is being submitted.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version **SB198**
Fiscal Note Number
() Publish Date

Identifier (file name) SB198-DOA-LR-02-24-12
Title Police Officer Protections/Certification
Sponsor State Affairs
Requester Senate State Affairs

Dept. Affected Administration
Appropriation Centralized Administrative Services
Allocation Labor Relations
OMB Component Number 58

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, intial version

Prepared by Nicki Neal, Director — Phone 465-4429
Division Labor Relations — Date/Time 2/24/12 1:10 PM
Approved by John Cramer, Deputy Commissioner — Date 2/24/2012
Department of Administration

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB198

Analysis

This bill will have no fiscal impact on the Labor Relations.

Justices Allow Ban on Polygraph Use

By Joan Biskupic
Washington Post Staff Writer
Wednesday, April 1, 1998; Page A01

The Supreme Court ruled yesterday that state and federal governments may ban the use of polygraph evidence in court, declaring that doubts and uncertainties remain about the accuracy of the so-called lie-detector tests.

Close to 30 states, including Maryland and Virginia, ban polygraph evidence, and some legal experts said yesterday's 8 to 1 decision may prompt the states that do not have outright prohibitions on polygraphs to consider imposing them.

The ruling marks the first time the high court has taken up the issue of polygraph testing, and it comes at a time when the machines are increasingly being used outside the courtroom. Prosecutors use them to extract confessions from suspects and defense lawyers use them for leverage in plea bargains. The military uses them to safeguard national security and prevent espionage, and companies often rely on them to uncover employee wrongdoing or to monitor workers in sensitive jobs.

Although the test results can still be used for these purposes, the Supreme Court yesterday said they can be banned from courtrooms, and sent a signal that their accuracy is in doubt.

Advocates of polygraphs say the instruments have grown increasingly sophisticated in recent years in their ability to determine whether a person is lying by recording their breathing, blood pressure and skin conditions.

But several justices expressed skepticism about the science and the ability of any examiner using the polygraph device to accurately gauge whether someone is telling the truth.

"There is simply no consensus that polygraph evidence is reliable," Justice Clarence Thomas wrote for the court.

Because "uncertainties plague even the best polygraph exams," the court found that prohibiting a defendant from introducing the results of a polygraph test, to show he is telling the truth, does not violate his right to fully defend himself.

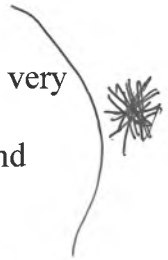
Yesterday's case involved Edward G. Scheffer, a former U.S. airman who was court-martialed for using methamphetamines, passing bad checks and going AWOL. Yet he had passed a polygraph test asking whether he had used illegal drugs. The U.S. Court

of Appeals for the Armed Forces said the military's automatic ban on polygraphs was unconstitutional and that Scheffer had a right to at least try to lay a foundation for the reliability of the polygraph result, as he would other evidence.

But the Supreme Court reversed that decision, ruling that Scheffer was not "significantly impaired" by exclusion of the polygraph evidence.

Although only one justice dissented, the majority spoke with no definitiveness.

Thomas and three other justices sought not only to uphold bans on polygraph evidence, but to discourage states from ever allowing their use in court. "By its very nature, polygraph evidence may diminish the jury's role in making credibility determinations," Thomas said, joined by Chief Justice William H. Rehnquist and Justices Antonin Scalia and David H. Souter.



But the other justices in the majority broke ranks, saying that perhaps in the future another dispute might offer a more compelling case for the introduction of polygraph testimony.

Justice Anthony M. Kennedy wrote in a concurring statement that he agreed with the majority that a defendant does not have a constitutional right to use polygraph evidence, but he doubted that an automatic exclusion of the evidence was "wise." Joined by Justices Sandra Day O'Connor, Ruth Bader Ginsburg and Stephen G. Breyer, Kennedy said some later case may be more compelling to say that defendants have a right to introduce polygraphs.

Justice John Paul Stevens, who was the lone dissenter, emphasized the value of the tests to a defendant and noted that the military gives "hundreds of thousands of such tests and routinely uses their results for a wide variety of official decisions."

Stevens called the government's position inconsistent. While it routinely uses the test and says it is an "effective investigatory tool," the Justice Department said it was not reliable enough to be used in court and, unlike other scientific evidence, could mislead a jury by purporting to show the "truth."

"There will always be critics of the polygraph," said Gordon L. Vaughan, counsel for the American Polygraph Association. "But I think the opinions suggest that there is an ongoing debate about the reliability of the polygraph." Thomas wrote that most states ban polygraph evidence, and Vaughan said that breaks down into 29 states with outright bans, 16 states that allow some test results if both the prosecution and defense agree to it. One state, New Mexico, makes them generally admissible.

LIST OF STATES THAT SUSPEND POLICE CERTIFICATES

1. Arizona - R13-4-109. Denial, Revocation, Suspension, or Cancellation of Peace Officer Certified Status

2. Colorado - Title 24-31-305 2 (a) - Suspension

3. Delaware - Title 1-800-7.1.9 - Suspension

4. Georgia -Title 35-8-7.1 - Suspension

5. Michigan - 28.609b Revocation or suspension of certification; judicial review; jurisdiction; subpoena.

6. Montana - 23.13.702 GROUNDS FOR SANCTION, SUSPENSION, OR REVOCATION OF POST CERTIFICATION

7. Nevada - NAC 289.290 Denial, revocation, suspension and reinstatement of certificate. (NRS 289.510)

8. New Hampshire - Pol 402.02 Revocation or Suspension.

9. New Mexico - 10.29.1.11 GROUNDS FOR DENIAL, REVOCATION OR SUSPENSION OF POLICE OFFICER OR TELECOMMUNICATOR CERTIFICATION; REPORTING REQUIREMENTS

10. Texas - Title 37.7.223.15 - Suspension of License

11. Utah - Title 53-6-211. Suspension or revocation of certification

STATES WITH POLYGRAPH PROTECTION FOR POLICE OFFICERS

1. Arizona - 38-1101 B
2. California - CALIFORNIA CODES GOVERNMENT CODE SECTION 3300-3311 - (3307)
3. Illinois - 50 ILCS 725/3.11

4.Nevada - NRS 289.050

Public Safety Employees Association, Inc.

"Representing Alaska's Finest"

A.F.S.C.M.E. Local 83

Alaska Senate
Chairman Wielechowski
State Affairs Committee

February 24, 2012

Dear Senator Wielechowski,

I am employed as a Court Services Officer (CSO) with the Alaska State Troopers. I wish to take this opportunity to request your support of SB198. The passage of this legislation would require that CSO's be certified by the Alaska Police Standards Council (APSC) and standardize the training which CSO's receive. Passage of this legislation would greatly enhance the professionalism of the officers serving the State of Alaska court system and increase the accountability of individual officer performance.

Sincerely,

Thomas Robson

Phone: (907) 243-4440

4228 Laurel Street, Anchorage, Alaska 99508
Phone (907) 337-1979 FAX (907) 337-1753 E-Mail psea@psea.net

Public Safety Employees Association, Inc.

"Representing Alaska's Finest"

A.F.S.C.M.E. Local 83

Alaska Senate
Chairman Wielechowski
State Affairs Committee

February 24, 2012

Dear Senator Wielechowski,

My name is Charles Taylor. I am employed as a Court Services Officer (CSO) with the Department of Public Safety, Division of Alaska State Troopers, and I am stationed in Kenai. I ask you to support SB198 both in Committee and on the Floor in its entirety and specifically, as it applies to CSO's (SB 198; Section 4). Alaska Statutes currently require that peace officers be certified. However, there is currently no requirement that CSO's be certified. This bill will correct the issue consistent with current law.

Additionally, I view SB198 as a simple and inexpensive fix that protects the State and its resources. In my employment I am uniformed and equipped similar to State Troopers. Consequently, citizens often mistake me as an Alaska State Trooper. Unlike Troopers, the approximately 60 Court Services Officers serve without any type of State-recognized certification. Without formal recognition of training and qualifications through certification, the State of Alaska may be open to greater liability arising out of actions performed by CSO's. Thank you.

Sincerely,

Charles Taylor

Phone: (907) 252-7356

4228 Laurel Street, Anchorage, Alaska 99508
Phone (907) 337-1979 FAX (907) 337-1753 E-Mail psea@psea.net

Dear Senator Wielechowski:

On behalf of the Juneau Police Department employees represented by PSEA, I wish to express our support for Senate Bill 198. SB 198 will improve the quality of police officers protecting Alaskans by strengthening due process, elevating standards, and providing more tools at the Alaska Police Standards Council. This legislation improves this regulatory body and by doing so improves the quality of police officers in Alaska.

My thanks go out to you and the Senate State Affairs Committee for introducing this important legislation.

Lee Phelps

Vice President for the Juneau PSEA chapter/Police Officer
Juneau Police Department
6255 Alaway Ave
Juneau, AK 99801
907-500-0648

Dear Senator Wielechowski,

I am writing in support of SB198 and ask you to support this bill both in Committee and on the Floor. As an Alaska State Trooper who works regularly with Court Services Officers (CSO), I am concerned with the fact that CSO's are currently serving without any type of State-recognized (APSC) certification. Requiring certification for this position will provide consistent job requirements and increased avenues for accountability on the job. Thank you.

Sincerely,
Rob Cox
(907) 350-4656

Federal courts are split on whether polygraph results may be introduced. "This ruling could have some tendency to discourage the admission of polygraphs," said Charles W. Daniels of the National Association of Criminal Defense Lawyers.

Charles L. Hobson, of the Criminal Justice Legal Foundation, which sided with the government, said the ruling in United States v. Scheffer properly gives state and federal governments the ability to limit questionable evidence.

Public Safety Employees Association, Inc.

"Representing Alaska's Finest"

A.F.S.C.M.E. Local 83

February 29, 2012

Dear Senator Wielechowski:

On behalf of the Soldotna Police Department employees represented by PSEA, I wish to express our support for Senate Bill 198. SB 198 will improve the quality of police officers protecting Alaskans by strengthening due process, elevating standards, and providing more tools at the Alaska Police Standards Council. This legislation improves this regulatory body and by doing so improves the quality of police officers in Alaska.

My thanks go out to you and the Senate State Affairs Committee for introducing this important legislation.

Rory L. Espy
President
Soldotna Police Bargaining Unit

4228 Laurel Street, Anchorage, Alaska 99508
Phone (907) 337-1979 FAX (907) 337-1753 E-Mail psea@psea.net

Dear Senator Wielechowski:

On behalf of the Sitka. Police Department employees represented by PSEA, I wish to express our support for Senate Bill 198. SB 198 will improve the quality of police officers protecting Alaskans by strengthening due process, elevating standards, and providing more tools at the Alaska Police Standards Council. This legislation improves this regulatory body and by doing so improves the quality of police officers in Alaska.

My thanks go out to you and the Senate State Affairs Committee for introducing this important legislation.

Timothy D White
PSEA Sitka Chapter President
Sitka Police Department
907-747-3245

SB 206

<TARGET><BILL>SB 206</BILL><SUBJECT>SB 206</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 2/21/12

FURTHER: Finance

Date of 5-Day Notice: 3/22/12
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 4/10/12

State Affairs Committee considered SENATE BILL NO. 206

SB 206-INTERSTATE MINING COMPACT & COMMISSION

"An Act enacting the Interstate Mining Compact and relating to the compact; relating to the Interstate Mining Commission; and providing for an effective date."

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____ Letter of Intent

[ ] further referral to _____ Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
DNR	✓			1

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Kookesh	✓			
	Giessel	✓			
CHAIR:	Wielechowski	✓			

ALASKA STATE LEGISLATURE

716 W 4th Avenue, Suite 460
Anchorage AK 99501-2133
907-269-0181
Fax: 907-269-0184

State Capitol
Juneau AK 99801-1182
907-465-4843
Fax: 907-465-3871
800-892-4843

Senator Cathy Giessel

Senate District P

Senate Bill 206 Sponsor Statement

"An Act enacting the Interstate Mining Compact and relating to the compact; relating to the Interstate Mining Commission; and providing for an effective date."

This act authorizes the State to join and participate in the Interstate Mining Compact Commission.

Alaska has a unique and important relationship with mining. It was the lure of gold that brought thousands of eager prospectors, and served as the founding purpose for many cities and communities. As the territory and later the State grew, zinc, lead, coal, sand, gravel, and other subsurface products all played roles in this all-important sector. Today, mining is Alaska's second-largest industry, and it continues to thrive.

Alaska's five operating mines – Ft. Knox, Greens Creek, Red Dog, Usibelli, and Pogo – employ more than 2,000 people combined. The mining industry also creates public revenue by paying both state and local taxes. Interest in Alaska's mining potential continues to spur new exploration and investment in the subsurface minerals of the Last Frontier.

The Interstate Mining Compact Commission is a coalition of mining states that join together to represent the environmentally sound resource development interests of its members on a national level. Established in 1971, the IMCC recognizes the basic importance of the mining industry to the nation, and believes that the collective voice of mining states is an important aspect in preserving and advocating for states' rights. IMCC regularly serves as the spokesperson for mining states in Washington D.C., and works to represent the member states efficiently and articulately to executive agencies.

Mining was foundational to Alaska's statehood. It continues to be a major economic driver and will play an important role in the state's future. Joining the IMCC gives Alaska the opportunity to build on our successes, share what works with others, work together to build a better mining industry, and foster a better understanding and constructive relationship with the federal agencies.

I urge your support of SB 206.

Senator_Cathy_Giessel@legis.state.ak.us

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version **SB206**
Fiscal Note Number
() Publish Date

Identifier (file name) SB206-DNR-MLW-03-23-12
Title Interstate Mining Compact & Commission
Sponsor Sen. Giessel
Requester (S) STA

Dept. Affected Department of Natural Resources
Appropriation Land and Water Resources
Allocation Mining, Land and Water
OMB Component Number 3002

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel	20.0		20.0	20.0	20.0	20.0	20.0
Services	40.0		40.0	40.0	40.0	40.0	40.0
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**60.0**	**0.0**	**60.0**	**60.0**	**60.0**	**60.0**	**60.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF	60.0		60.0	60.0	60.0	60.0	60.0
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**60.0**	**0.0**	**60.0**	**60.0**	**60.0**	**60.0**	**60.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial Version, not applicable

Prepared by Brent Goodrum, Director — Phone 269-8501
Division Mining, Land & Water — Date/Time 3/23/12 4:00 PM
Approved by Daniel S. Sullivan, Commissioner — Date 3/23/2012
Department of Natural Resources

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB206

Analysis

This bill would authorize Alaska to join and participate in the Interstate Mining Compact.

This fiscal note has two components, annual membership and travel.

Membership Dues:
Membership in the commission requires annual dues paid by each party state. The amount of dues to be paid by each party state is covered under Article VII of the Compact and Bylaws. There are currently 19 member states, Alaska's addition would bring that total to 20.

Specifically; each party state is required to pay one half of the commission's annual budget, in equal shares. With Alaska as a member, Alaska's portion would be 1/20th of half the annual budget. The other half of the annual budget is also paid by the member states but is paid in proportion to the value of the minerals, ores and other solid matter mined in each member state.

DNR estimates that Alaska's share for dues in the first membership-year will be approximately $40.0. This amount will fluctuate in future years based on the amount of the commission's annual budget and the value of the minerals, ores and other solid matter mined in Alaska annually. This value is based on national valuation reports prepared by federal agencies to insure impartial uniformity assessment of mining data. If the annual dues are significantly higher than $40.0, DNR may request supplemental funding in that year.

Travel costs:
Membership and participation in the Interstate Mining Compact Commission will require two or more trips per year by Commissioner, department staff, and possibly other representives of the Governor's office. The department estimates $20.0 per year for this expense.

SB 206 – Interstate Mining Compact & Commission
Sectional Analysis

Passage of SB 206 would elevate Alaska from associate membership to full membership in the Interstate Mining Compact Commission, allowing the Governor to be an active, voting member.

Section 1: Amends AS 27 by adding:

- Sec. 27.08.010, which contains and enacts into law the Interstate Mining Compact, which includes the following articles:
    - **Article 1:** Findings and Purpose – finds the importance of mining to the state and proposes to support environmentally sound mining,
    - **Article 2:** Definitions – defines "mining" and "state",
    - **Article 3:** State Programs – ensures a member state has adequate mining regulations, which Alaska does,
    - **Article 4:** Powers – specifies the power of the Commission to study, make recommendations, and gather and disseminate information on mining-related issues,
    - **Article 5:** The Commission – creates the Commission,
    - **Article 6:** Allows the Commission to establish Advisory, Technical, and Regional Committees,
    - **Article 7:** Finance – details how the Commission's finances are to be handled,
    - **Article 8:** Entry Into Force and Withdrawal – describes that states must enact the compact to participate and must repeal the act to withdraw,
    - **Article 9:** Effects on Other Laws – maintains that the compact does not limit, repeal, or supersede any state laws,
    - **Article 10:** Construction and Severability – Provides that all phrases, clauses, sentences and provisions are severable;
- Sec. 27.08.020, which provides for an alternate; and
- Sec. 27 27.08.030, which requires the Interstate Mining Compact Commission to file its bylaws and amendments with the Department of Natural Resources.

Section 2: Provides for an immediate effective date.

MEMORANDUM OF UNDERSTANDING

BETWEEN THE

UNITED STATES DEPARTMENT OF LABOR,
MINE SAFETY AND HEALTH ADMINISTRATION

AND THE

INTERSTATE MINING COMPACT COMMISSION

I. Introduction

In this Memorandum of Understanding (MOU or Agreement), the U.S. Department of Labor, Mine Safety and Health Administration (MSHA) agrees with the Interstate Mining Compact Commission (IMCC) to facilitate coordinated and timely communications that promote and protect the mining industry's most precious resource, miners.

As part of the Department of Labor (DOL), MSHA administers the Federal Mine Safety and Health Act of 1977 (Mine Act) as amended by the Mine Improvement and New Emergency Response Act of 2006 (MINER Act), Pub. L. 109-236, and regulations to enforce compliance with mandatory safety and health standards as a means to eliminate fatal accidents; to reduce the frequency and severity of nonfatal accidents; to minimize health hazards; and to promote improved safety and health conditions in the Nation's mines. MSHA's first priority is the miner's health and safety.

The IMCC is an organization composed of the Governors of its member states concerning mining regulatory matters. The Commission provides a forum for interstate action and communication on issues concerning mining and related issues. This interstate action stimulates the development and production of each member State's mineral wealth through an effective cooperative regulatory effort that insures the health and safety of our Nation's miners and is protective of human health and the environment. In September of 1996, the Chairman, by way of a resolution adopted by the Commission, established the Mine Safety and Health Committee as an official standing Committee to serve as a liaison between MSHA and IMCC on issues concerning the health and safety of miners. The resolution provided that "[t]he Committee is tasked with responsibility for monitoring issues, policies, regulations and statutes that would impact the states; and for establishing a meaningful state/federal relationship with MSHA that will ensure effective communication and cooperation on matters of mutual concern and interest."

II. Purposes

A. The objectives of this MOU are to set forth an understanding between MSHA and the member states of the IMCC to consult, coordinate, and cooperate effectively and efficiently in carrying out their respective duties concerning miners' health and safety and:

1. To minimize duplication of efforts;
2. To reduce the potential for conflicting standards and procedures; and
3. To provide consistent enforcement of standards.

B. It is in the best interest of the Federal and State governments as well as the public that a coordinated federal-state effort should be conducted to:

1. Encourage a culture of safety in the mining industry.
2. Encourage mine operators to live up to their legal and moral responsibility to provide a safe and healthful workplace for all miners.
3. Encourage mine operators to fully comply with state and federal regulations.
4. Encourage mine operators to provide effective training for their miners.

C. By working together, member States of the IMCC and MSHA intend to increase governmental efficiency and provide for an enhanced health and safety environment in our Nation's mines through more effective training and improved intergovernmental communications and coordination.

III. Authorities

The authorities for this MOU are the following:

A. The Federal Mine Safety and Health Act of 1977, as amended, 30 U.S.C. § 801 *et seq.*;
B. 30 U.S.C. § 962;
C. Title 30 of the Code of Federal Regulations (C.F.R.) parts 1-199;
D. Section 204(b) of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. § 1534; and
E. Exec. Order No. 13132 "Federalism" (Aug. 10, 1999).

IV. Consultation and Coordination

A. To realize the maximum benefit of a cooperative relationship, taking into account the mission of MSHA and the member States of the IMCC, it is necessary to maintain regular communication. This regular communication should be at the District offices and Headquarter levels of MSHA with the respective agencies of the member States of the IMCC.

B. This communication should include the exchange of information and discussion of common issues of concern. The member States of the IMCC and MSHA commit to work toward an effective working relationship on key issues that impact both State and Federal governments in the area of miner health and safety in order to:

1. Achieve a higher level of communication and coordination on key governmental functions;
2. Provide meaningful sharing of information on Federal rules and policies that may impact State mine safety and health regulatory programs and proposed State rules, regulations, and policies;
3. Establish the practice of sharing of information on unsafe mining practices or willful conduct to violate mine safety and health laws;
4. Insure effective training of miners through state-administered programs;
5. Increase governmental efficiency and effectiveness;
6. Encourage a culture of safety in the mining industry;
7. Encourage mine operators to live up to their legal and moral responsibility to provide a safe and healthful workplace for all miners; and
8. Enhance the health and safety of the Nation's miners.

C. To promote open and effective communication, MSHA intends to meet with the member States of the IMCC on a regular basis, at least annually. The parties may conduct these meetings through online conferencing or other available electronic resources.

D. MSHA, through its Coal Mine Safety and Health Administrator, will provide a contact person within MSHA for the member States of IMCC to resolve differences between the States and MSHA that may arise in the field or at the local level.

E. To achieve a higher level of coordination on key governmental functions, the member States of the IMCC and MSHA may enter into supplemental memoranda of understanding at the District or Headquarters levels. These key governmental functions may include, but are not limited to:

1. Accident investigation and reporting,
2. Emergency notification and response,
3. Mine rescue teams and training,
4. Certification, decertification, and qualification of key miner positions--foreman, examiners, blasters and electricians,
5. Coal waste impoundment safety;
6. Underground mine mapping;
7. Mine plan approvals; and
8. Liaisons with family members and the public following mine accidents.

V. Administrative

A. This agreement creates no private right of action against the Federal Government, IMCC, or the member States of IMCC. This agreement creates no rights in any third parties.

B. This agreement is subject to the availability of funds. This agreement will not be construed as obligating funds. Any work that requires the expending or obligating of funds will be accomplished through a separate agreement. Nothing in this agreement obligates MSHA to expend appropriations or enter into any contract or other obligations.

C. Nothing in this agreement shall be interpreted as limiting, superseding, or otherwise affecting MSHA's, IMCC's, or the IMCC member States' normal operations or decisions in carrying out their statutory or regulatory duties. This agreement does not limit or restrict the parties from participating in similar activities or arrangements with other entities. This agreement also does not limit or restrict the parties from taking any other action necessary.

D. Any modification to this agreement must be signed by both parties. Before MSHA may modify this MOU, it must comply with the Department of Labor Manual Series 3-1700 procedures.

E. A party may terminate its participation under this agreement upon at least 30 days written notice to the other party.

F. This Agreement constitutes the entire agreement between the parties concerning the subject matter and supersedes any prior understanding, written or oral.

VI. Points of Contact

For MSHA:
Name: Kevin G .Stricklin
Title: Administrator for Coal Mine Safety and Health
Address: 1100 Wilson Blvd., Suite 2424
Arlington, VA 22209
Telephone: (202) 693-9502
E-mail: stricklin.kevin@dol.gov

For IMCC:
Name: Gregory E. Conrad
Title: Executive Director
Address: 445-A Carlisle Drive
Herndon, VA 20170

Telephone: (703) 709-8654
E-mail: gconrad@imcc.isa.us

VII. Public Information Coordination

Public disclosure of information regarding activities conducted under this MOU will be subject to the Freedom of Information Act (5 U.S.C. § 552) and the public information and disclosure laws of IMCC and its member states. Prior to disclosure of requested information, the parties may consult regarding any proposed disclosure.

VIII. Resolution of Issues

The Parties should refer conflicts arising under this MOU to their respective points of contact for resolution. If a satisfactory resolution cannot be achieved at this level, the responsible points of contact must refer the matter to the Assistant Secretary of Labor for Mine Safety and Health and the Chairman of the IMCC Mine Safety and Health Committee.

IX. Period of Agreement

This MOU will become effective upon the date of final signature of both parties, as designated below, and remain in effect for three years.

Gregory E. Conrad — Date: May 11, 2011
Executive Director
Interstate Mining Compact Commission

Joseph A. Main — Date: May 11, 2011
Assistant Secretary of Labor for Mine Safety and Health
MSHA, U.S. Dept. of Labor

Interstate Mining Compact Commission

Who We Are
What We Do
Member States
Publications
Governing Document
COALEX Information
COALEX Topical List
Conference Info
Awards
Links
Site Map
Contact

Interstate Mining Compact Background

The mining industry is one of the most basic and important in the Nation. Our manufacturing activities, transportation systems, and the comfort of our homes depend on the products of mining. Yet it is also true that generations of mining operations have had their effect on the surface of our land and on the condition of other resources. There is an urgent need to find improved means of turning mined lands to their most useful functions and to find ways of reducing the undesirable effects of mining operations on other property and resources. The necessary programs should be undertaken with due regard for the interests of all land and other resource users, including homeowners, ming and other industries, recreationsists, conservationists, and the general public.

Governmental action to assist mining industries in their efforts to become more efficient in their methods, thereby increasing yields at lower costs, also is in the public interest. Such activities can and should go hand in hand with programs aimed at improving the usefulness of the surface of mined land.

Individual states have the power to establish and maintain programs of land and other resource development, restoration and regulation appropriate to cope with the surface effects of mining. The Interstate Mining Compact would not shift responsibility for such programs. On the other hand, states acting singly without reference to actions in other jurisdictions labor underserious handicaps in mounting desirable programs. While physiographic, climatic and regional differences in density of population and varying availability of recreational facilities make the application of rigid, single standards inappropriate, fundamental equity would be served by making it possible for individual states to construct their programs in such a way that those mining operations which actually are similarly situated be afforded similar types of assistance and be subjected to comparable regulatory patterns. There is much that an insterstate agency like the Interstate Mining Commission established by this compact could do to develop and pool experience in dealing with mining problems.

The Interstate Mining Compact could do much to overcome the limitations just outlined. The Interstate Compact to Conserve Oil and Gas (in successful operation for about thirty-five years and now participated in by virutally every olld and gas producing jurisdiction of the United States), suggests some of the accomplishments that might result from interstate efforts in the field of the mining of solid substances. "The form statute for the conservation of oil and gas," and the many other suggestions of the Interstate Oil Compact Commission, have brought an inceasing degree of comparability into state programs affecting the production of oil and natural gas. Also, that Commission serves as a forum for the exchange of useful information in its field of interest. While the focus of an Interstate Mining Compact as here envisaged would be somewhat different from that of the Oil and Gas Compact, and while its format bears only slight resemblance to the Oil and Gas Compact, its basic approach is the same. By adopting the compact, states would obligate themselves to undertake and maintain certain types of programs. In addition, an interstate body with roots in each of the party states and an ability to facilitate the sharing of knowledge would be placed in operation.

The Interstate Mining Compact had its beginnings in 1964. In April of that year in Roanoke, Virginia, the Council of State Governments held a conference on surface mining, attended by state and federal legislative and administrative officials, by mining industry representatives, and by conservationists. In the aftermath of this meeting, the Southern Governors' Conference, that Fall, called on the Council of State Governments to assist the states in developingone or more compacts to deal with surface mining problems. These initiatives led to the subsequent adoption in many states of strengthened laws and programs for regulating surface mining; and to supplement these intra-state activities, the Interstate Mining Compact was drafted and became available for their consideration in the legislative sessions of 1996.

Interstate Mining Compact Commission

Who We Are
What We Do
Member States
Publications
Governing Document
COALEX Information
COALEX Topical List
Conference Info
Awards
Links
Site Map
Contact

Member States

Alabama
Arkansas
Illinois
Indiana
Kentucky
Louisiana
Maryland
Missouri
New York
North Carolina
North Dakota
Ohio
Oklahoma
Pennsylvania
South Carolina
Tennessee
Texas
Virginia
West Virginia

Associate Member States

Alaska
Colorado
New Mexico
Utah
Wyoming

Member State Contact Information

The IMCC Membership Directory with state contact information can be accessed here: **Membership Directory**

Benefits of Membership

Quarterly newsletter - "The Compact"
Annual National Reclamation Awards Program
Annual National Mineral Education Awards Program
Special Informational Studies and Reports
Annual Reports of activities
Membership Directory
Annual and Mid-Winter Meetings
Interaction opportunities with other states and federal government officials

Interstate Mining Compact Commission

Who We Are
What We Do
Member States
Publications
Governing Document
COALEX Information
COALEX Topical List
Conference Info
Awards
Links
Site Map
Contact

Welcome

The Interstate Mining Compact Commission is a multi-state governmental agency / organization that represents the natural resource interests of its member states. First envisioned in 1964, the Commission came into existence in 1970 with the entry of its first four states. Since that time, 19 additional states have enacted legislation bringing them into the Compact, and 5 additional states have become associate members as they pursue enactment of legislation which will make them full members. The Commission established its headquarters in the Northern Virginia suburbs of Washington, D.C. in 1988. The states are officially represented by their Governors who serve as Commissioners. The Commission operates through several committees composed of duly appointed representatives of the Governors from their respective Departments of Natural Resources or Environmental Protection.

IMCC Staff

Gregory E. Conrad - Executive Director

Beth A. Botsis - Director of Programs

Phyllis Plummer - Bookkeeper

© Interstate Mining Compact Commission
445-A Carlisle Drive | Herndon, VA 20170 | Tel.703.709.8654 | Fax.703.709.8655

Interstate Mining Compact Commission

Who We Are
What We Do
Member States
Publications
Governing Document
COALEX Information
COALEX Topical List
Conference Info
Awards
Links
Site Map
Contact

What We Do

The Commission exercises several powers on behalf of the states, all of which are of a study, recommendatory or consultative nature. The Commission does not possess regulatory powers, as some Compacts do. The Commission provides a forum for interstate action and communication on issues of concern to the member states. It is the potential to stimulate the development and production of each state's mineral wealth through effective regulatory programs that draws many of the states together in the prosecution of the Commission's work. Given the environmental sensitivities associated with this objective, a significant portion of the Commission's work is dedicated to the environmental protection issues naturally associated with this mineral development. It is the significant value and clout that comes from "compacting" together and speaking with a strong, united voice that can make a difference in each state's efforts to implement effective regulatory programs that will conserve natural resources and secure a vibrant state (and thus national) mineral economy.

Initiatives

- Liaison with Federal government and Congress
- Monitoring of regulatory and legislative developments
- Development and communication of State positions and recommendations on Federal rulemakings and national legislation
- Information gathering and dissemination
- Coalition building with related State organizations
- Interaction with environmental and industry groups
- Public mining and minerals education outreaches

Issues pursued by IMCC

- Mine waste regulation under the Resources Conservation and Recovery Act (RCRA)
- Regulatory implementation issues arising under the Surface Mining Control and Reclamation Act (SMCRA) such as: primacy, federal oversight, enforcement, the Applicant/Violator System, bonding, citizen participation, acid mine drainage, single source coal reporting, national technology transfer, and environmental protection standards
- Reform of the 1872 Mining Law
- Groundwater and stormwater regulations
- Inactive and abandoned mine reclamation
- Underground Mine Mapping
- Mine Placement of Coal Combustion Wastes
- Mine Safety and Health Issues
- Zoning and other land use restrictions

Committees

- Abandoned Mine Lands (AML) and Reauthorization of the AML Program under SMCRA
- Awards
- Education Work Group
- Finance & Administrative
- Environmental Affairs, Coal Section

- Environmental Affairs, Noncoal Section
- Mine Safety and Health
- Resolutions

Photos of Active Mining and Reclamation of one site:

Russ & Sons, Inc. Russ and Sons No.1 Mine, Sebastian County, Greenwood, Arkansas (Active Mining). April 18, 1990

Russ & Sons, Inc. Russ and Sons No.1 Mine, Sebastian County, Greenwood, Arkansas (Reclamation). June 15, 1993

See More Photos...

© Interstate Mining Compact Commission
445-A Carlisle Drive | Herndon, VA 20170 | Tel.703.709.8654 | Fax.703.709.8655

Council of
Alaska Producers

Comments on SB206: Interstate Mining Compact and Commission

March 29, 2012

Senator Bill Wielechowski
Chair, Senate State Affairs Committee
Capitol Building
Juneau, AK 99811

Dear Senator Wielechowski,

The Council of Alaska Producers (CAP) appreciates the opportunity to comment on SB206, the bill that would allow Alaska to join the Interstate Mining Compact and Commission (IMCC) as a full member.

CAP is a non-profit trade association formed in 1992 and serves as a spokesperson for the large metal mines and major metal developmental projects in the state. The Council brings together mining companies with interest in Alaska to represent and inform members on legislative and regulatory issues, to support and advance the mining industry, to provide education to members, the media, and the general public on mining related issues, and to promote economic opportunity and environmentally sound mining practices.

The Council fully supports SB206 and we believe that full membership within the IMCC will solidify the State as a leader in permitting and regulation of the mining industry.

CAP has always supported a permitting and regulatory process that is rigorous, science based, transparent, and predictable. We believe Alaska is a leader in this arena, however as mining technologies advance and our understanding of the environment continues to grow, our permitting agencies must continue to learn and adapt as well.

Full membership within the IMCC will allow our resource agencies to have a dedicated forum to collaborate with their peers in other mining states. Within the IMCC they will be able to freely exchange information and best practice in regard to permitting, regulatory and reclamation issues and be able to apply these lessons learned to Alaska.

Historically the IMCC has consisted mainly of coal producing states in the eastern and southern portions of the country. With the resurgence of interest in metal mining throughout the west, including Alaska, it is important that the western states become part of the IMCC to ensure they are part of the collective discussion on issues raised by the development of mining opportunities. By being one of the first western states to join as a full member, Alaska can show true leadership in its efforts to responsibly develop our mineral resources.

Council of
Alaska Producers

Finally, CAP supports this bill as it allows us to join in with other mining states in working with the federal government on state primacy of permitting and regulatory issues. This is best supported by the following statement from the IMCC website:

"The IMCC was founded on the premise that the mining industry is one of the most basic and important to the Nation. Our manufacturing activities, transportation systems, and the comfort of our homes depend on the products of mining. At the same time, it is essential that an appropriate balance be struck between the need for minerals and the protection of the environment. We recognize that individual states have the power to establish and maintain programs of land and other resource development, restoration and regulation appropriate to cope with the surface effects of mining. The IMCC would not shift responsibility for such programs. On the other hand, our member states believe a united position in dealing with the federal government affords us a decided advantage. Our commission feels strongly that the collective voice of many is important in our efforts to preserve and advocate states' rights."

We thank the committee for taking up SB206 and we urge you to move this bill out of committee in an expeditious manner.

Thank you for your consideration,

Michael Satre
Executive Director
Council of Alaska Producers
PO Box 33499
Juneau, Alaska 99803
907-957-2149

Interstate Compacts and Commissions in Alaska Statute			
Agreement	**Citation**	**Year of Joinder**	**Alaska Designees**
Western Regional Education Compact	AS § 14.44.010-040	1955	Diane Barrans, Executive Director, Alaska Commission on Postsecondary Education
Compact on Mental Health	AS § 47.30.880	1957	Melissa Stone, Director, Dept. of Health and Social Services (DHSS), Division of Behavioral Health
Interstate Compact for Juveniles	AS § 47.15.010-080	1960	Barbara Murray, Program Officer, DHSS Office of Youth Corrections
Western Corrections Compact	AS § 33.36.060-100	1961	Joe Schimdt, Commissioner, Dept. of Corrections (DOC)
Pacific Marine Fisheries Compact	AS § 16.45.010-040	1962	Cora Campbell, Commissioner, Dept. of Fish and Game
National Guard Mutual Assistance Compact	AS § 26.25.010-030	1968	Governor Sean Parnell
Western Interstate Energy Compact	AS § 41.98.110-150	1969	Unclear
Agreement on Qualifications of Educational Personnel	AS § 14.20.620-650	1970	Mike Hanley, Commissioner, Dept. of Education and Early Development (DEED)
Multistate Tax Compact	AS § 43.19.010-050	1970	Bryan Butcher, Commissioner, Dept. of Revenue
Compact on Placement of Children	AS § 47.70.010-080	1976	Christy Lawton, Director, DHSS Office of Children's Services
Civil Defense and Disaster Compact	AS § 26.23.120	1977	Repealed
Compact for Education	AS § 14.44.050-060	1980	Esther Cox, President, State Board of Education; Senator Bettye Davis; Representative Carl Gatto; Mike Hanly, Commissioner DEED; Governor Sean Parnell; Carl Rose, President, Association of Alaska School Boards; and Karl Wing, Student Body President, University of Alaska Anchorage

Interstate Compacts and Commissions in Alaska Statute (continued)

Agreement	Citation	Year of Joinder	Alaska Designees
Interstate Compact to Conserve Oil and Gas	AS § 46.04.100	1980	Daniel Seamount, Jr., Alaska Oil and Gas Conservation Commission
Agreement on Detainers	AS § 33.35.010	1981	Joe Schimdt, Commissioner, DOC
Northwest Compact on Low-Level Radioactive Waste Management	AS § 46.45.010-020	1983	Douglas Dasher, Radiation Program Manager, Dept. of Environmental Conservation
Interstate Corrections Compact	AS § 33.36.010-040	1984	Joe Schimdt, Commissioner, DOC
Driver License Compact	AS § 28.37.010-190	1986	Whitney Brewster, Director, Division of Motor Vehicles, Dept. of Administration
Interstate Compact on Adoption and Medical Assistance	AS § 47.05.090	1998	KariLee Pietz, Program Officer, DHSS Office of Children's' Services
National Crime Prevention and Privacy Compact	AS § 12.64.010	2001	Kathryn Monfreda, Chief, Criminal Records and Identification Bureau, Dept. of Public Safety
Emergency Management Assistance Compact	AS § 26.23.135-136	2002	John Madden, Director, Division of Homeland Security and Emergency Management, Dept. of Military and Veterans Affairs
Interstate Compact for Adult Offender Supervision	AS § 33.36.010-040	2002	Ronald Taylor, Director, DOC Division of Probation and Parole
Interstate Insurance Product Regulation Compact	AS § 21.42.700-705	2007	Linda Hall, Director, Division of Insurance, Dept. of Commerce, Community, and Economic Development
Interstate Compact on Educational Opportunity for Military Children	AS § 14.34.010	2009	Mike Hanley, Commissioner, Dept. of Education and Early Development

Notes: Although we believe our research to be thorough, there may be additional interstate compacts and commissions to which Alaska is a party that we were unable to locate through our efforts.
Source: Alaska Statutes, Internet searches, and the National Center for Interstate Compacts (*http://apps.csg.org/ncic/Default.aspx*).

SB 208

<TARGET><BILL>SB 208</BILL><SUBJECT>SB 208</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 2/21/12

FURTHER: (Finance)

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 3-13-12

State Affairs Committee considered SENATE BILL NO. 208

SB 208-DISASTER PLANNING AND SERVICES

"An Act establishing an Alaska intrastate mutual aid system and relating to the duties of the Alaska division of homeland security and emergency management and the duties of the Alaska State Emergency Response Commission."

and recommends:

[ ] be **replaced** with **CS** SB 208 (STA) [X] *Same Title* [ ] *New Title*

[ ] adopt **previous CS** ___ SCS/CS- Forthcoming (_____) [ ] *Same Title* [ ] *New Title*

[ ] attached amendment(s)

[ ] adopt _____ Letter of Intent

[ ] further referral to _____ Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
mVA			x	

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Albert Kookesh	Kookesh	↓			
Kim Meyer	meyer	X			
Giessel	Giessel			X	
CHAIR:	wielechowski	✓			

27-LS0611\B
Bullard
3/2/12

CS FOR SENATE BILL NO. 208( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR PASKVAN

Only 4 states don't have such a system. A mutual aid.

A BILL

FOR AN ACT ENTITLED

"An Act establishing an Alaska intrastate mutual aid system and relating to the duties of the Alaska division of homeland security and emergency management and the duties of the Alaska State Emergency Response Commission."

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

*** Section 1.** AS 26.23.040(b) is amended to read:

(b) The Alaska division of homeland security and emergency management shall play an integral part in the development and revision of local and interjurisdictional disaster plans prepared under AS 26.23.060 **and 26.23.500 - 26.23.549**. To this end, it may employ or otherwise secure the services of professional and technical personnel capable of providing expert assistance to political subdivisions, their disaster agencies, and representatives of interjurisdictional disaster planning and service areas. These personnel shall consult with political subdivisions and agencies on a regular basis and shall make field examinations of the areas, circumstances, and conditions to which particular local and interjurisdictional disaster

plans are intended to apply and may suggest or require revisions.

*** Sec. 2.** AS 26.23.040(e) is amended to read:

(e) The Alaska division of homeland security and emergency management shall

(1) determine requirements of the state and its political subdivisions for food, clothing, and other necessities in the event of a disaster emergency;

(2) procure and pre-position supplies, medicines, materials, and equipment;

(3) adopt standards and requirements for local and interjurisdictional disaster plans;

(4) periodically review local and interjurisdictional disaster plans;

(5) establish and operate, or assist political subdivisions, their disaster agencies, and representatives of interjurisdictional disaster planning and service areas to establish and operate, training programs;

(6) plan and make arrangements for the availability and use of any private facilities, services, and property and, if necessary and if in fact used, provide for payment for use under terms and conditions agreed upon by the parties;

(7) establish a register of persons with types of training and skills important in disaster prevention, preparedness, response, and recovery;

(8) prepare, for issuance by the governor, orders, proclamations, and regulations as necessary or appropriate in coping with disasters;

(9) cooperate with the federal government and any public or private agency or entity in achieving any purpose of this chapter and in implementing programs for disaster prevention, preparedness, response, and recovery;

(10) develop and carry out procedures and policies to effectively employ disaster relief funds made available by the governor's authority or by special legislative action; these procedures shall include application and documentation by disaster victims or applicants, review, verification and funding approval, and processing of appeals;

(11) do other things necessary or proper for the implementation of this chapter;

(12) **coordinate the operation of the Alaska intrastate mutual aid system among participating political subdivisions of the state and develop, in coordination with the political subdivisions and appropriate state and federal agencies, comprehensive guidelines and procedures for the Alaska intrastate mutual aid system, including record keeping and reimbursement procedures and forms for use by political subdivisions requesting and providing assistance;**

(13) to the extent that money is available from an appropriation for the purposes of this paragraph,

(A) award grants for the purpose of forming local emergency planning committees under AS 26.23.073;

(B) in order to comply with 49 U.S.C. 5116(a)(2)(B), make funds available to local emergency planning committees for developing and maintaining emergency plans under AS 26.23.073 and 26.23.075;

(C) make funds available to local emergency planning committees to implement 42 U.S.C. 11022(e) and 42 U.S.C. 11044; and

(D) award grants for training local emergency planning committees and for training and equipping the emergency response organizations identified in the local plans that execute the plans developed by the committees under AS 26.23.073 and 26.23.075.

* **Sec. 3.** AS 26.23.071(e) is amended to read:

(e) The commission shall

(1) serve as the state emergency response commission required under 42 U.S.C. 11001 - 11005;

(2) facilitate the preparation and implementation of all emergency plans prepared by state agencies under other authorities; the statewide, interjurisdictional, and local plans prepared under this chapter**, including the Alaska intrastate mutual aid system**; and the state and regional plans prepared under AS 46.04.200 - 46.04.210;

(3) review the plans described in (2) of this subsection according to the criteria established in AS 26.23.077;

(4) designate, and revise as necessary, the boundaries of emergency

planning districts under AS 26.23.073;

(5) establish a local emergency planning committee under AS 26.23.073(d) for each emergency planning district;

(6) supervise and coordinate the activities of local emergency planning committees;

(7) establish procedures for receiving and processing requests from the public for information under 42 U.S.C. 11044, including tier II information under 42 U.S.C. 11022; procedures established under this paragraph shall designate the Department of Environmental Conservation as the state agency to receive and process these requests on behalf of the commission;

(8) review reports about responses to disaster emergencies and make recommendations to the appropriate parties involved in the response concerning improved prevention and preparedness;

(9) perform other coordinating, advisory, or planning tasks related to emergency planning and preparedness for all types of hazards, community right-to-know reporting, toxic chemical release reporting, or management of hazardous substances;

(10) recommend procedures to integrate, as appropriate, hazardous substance response planning under 42 U.S.C. 11001 - 11005, federal contingency planning under 33 U.S.C. 1321 and other federal laws applicable to hazardous substance discharges, and state, regional, and local planning under this chapter and AS 46.04.200 - 46.04.210;

(11) to the extent consistent with the constitution and law of the state, perform all other functions prescribed for state emergency response commissions under 42 U.S.C. 11001 - 11005; and

(12) adopt regulations necessary to carry out the purposes of AS 26.23.071 - 26.23.077**, 26.23.500 - 26.23.549,** and 42 U.S.C. 11001 - 11005.

*** Sec. 4.** AS 26.23.077(a) is amended to read:

(a) The commission shall review and make recommendations about local, interjurisdictional, regional, and state emergency plans, including **the Alaska intrastate mutual aid system established in AS 26.23.500, other** plans prepared

under this chapter and AS 46.04.200 - 46.04.210, and all emergency plans prepared by state agencies under other authorities.

* **Sec. 5.** AS 26.23 is amended by adding new sections to read:

Article 3A. Alaska Intrastate Mutual Aid System.

Sec. 26.23.500. Alaska intrastate mutual aid system established. (a) The Alaska intrastate mutual aid system is established to provide for mutual assistance among participating political subdivisions of the state in preparing for and responding to a disaster. Except as provided in (b) of this section, all political subdivisions of the state shall participate in the system.

(b) A political subdivision may withdraw from participation in the Alaska intrastate mutual aid system established in (a) of this section. To withdraw, the governing board of a political subdivision shall adopt a resolution declaring that the political subdivision elects not to participate in the system and provide a copy of the resolution to the Alaska division of homeland security and emergency management. A political subdivision that withdraws may later elect to participate by adopting a resolution declaring the election of the political subdivision to participate and by delivering a copy of the resolution to the Alaska division of homeland security and emergency management.

(c) The provisions in AS 26.23.500 - 26.23.549 may not be construed to affect other mutual aid systems or agreements authorized elsewhere by law, do not prohibit a participating political subdivision from entering into other agreements with another political subdivision, including agreements entered into under AS 26.23.070 - 26.23.077, 26.23.180, AS 46.04.200, or 46.04.210, and do not affect any other agreement to which a political subdivision may be a party now or in the future.

(d) The provisions of AS 26.23.500 - 26.23.549 may not be interpreted to preclude the eligibility of a political subdivision for state or federal disaster funding or disaster readiness funding.

Sec. 26.23.510. Requests for assistance from another political subdivision. (a) Except as otherwise provided in this section, a political subdivision of the state that is a participating political subdivision under AS 26.23.500(a) may request and receive assistance from another participating political subdivision for

(1) response, mitigation, or recovery activities related to a local disaster emergency declared under AS 26.23.140;

(2) response to a disaster emergency declared by the governor under AS 26.23.020;

(3) disaster prevention training exercises conducted under AS 26.23.150; or

(4) other drills or exercises conducted in preparation for a disaster.

(b) The principal executive officer or an authorized designee of the principal executive officer of a participating political subdivision that is requesting assistance, shall request assistance directly from the principal executive officer or authorized designee of the principal executive officer of another participating political subdivision. Requests may be made orally or in writing and shall be reported directly to the Alaska division of homeland security and emergency management as soon as is practicable. A request for assistance that is made orally must be confirmed in writing within 30 days after the date of the initial oral request.

(c) A responding political subdivision shall have sole discretion to withhold or withdraw requested assistance to provide reasonable protection and services within its own territorial limits.

(d) Consistent with guidelines and procedures developed by the Alaska division of homeland security and emergency management under AS 26.23.040(e), a responding political subdivision shall document all assistance that is being provided to a requesting political subdivision at the time the assistance is provided and deliver copies of the documentation to the political subdivision that requested assistance within 30 days after the assistance is provided.

(e) The political subdivision requesting assistance shall have sole operational control over assistance provided under AS 26.23.500 - 26.23.549. This subsection does not prohibit a responding political subdivision from withdrawing assistance.

Sec. 26.23.515. Qualifications of emergency responders. An emergency responder holding a license, certificate, or other permit issued by a state agency, or a political subdivision of the state evidencing the responder's qualification in a professional, mechanical, or other skill shall be considered to be licensed, certified, or

permitted in the requesting political subdivision during the emergency, disaster, drill, or exercise, subject to limitations and conditions prescribed by the principal executive officer of the requesting political subdivision in writing.

Sec. 26.23.520. Emergency responder not an employee of a requesting political subdivision. An emergency responder from a political subdivision that responds to a political subdivision requesting assistance is not an employee of the political subdivision requesting assistance and is not entitled to any right, privilege, or benefit of employment from the requesting political subdivision, including compensation, wages, salary, leave, pension, health, or another benefit.

Sec. 26.23.525. Workers' compensation and benefits following injury to or death of emergency responder. An emergency responder that is responding to and rendering assistance in a political subdivision that has requested assistance under AS 26.23.510 who sustains an injury or dies in the course of providing assistance to the requesting political subdivision under AS 26.23.500 - 26.23.549 is entitled to receive only the benefits otherwise authorized by law for an injury sustained, or a death that occurs in the course of employment with, or while providing services to, the responding political subdivision. This section does not affect the right of a person to receive benefits to which the person would otherwise be entitled under any law, nor does it affect entitlement to any other benefits or compensation authorized by state or federal law.

Sec. 26.23.530. Reimbursement for assistance provided and disputes relating to reimbursement. (a) A political subdivision that has received assistance from another political subdivision under AS 26.23.510 shall reimburse the political subdivision that provided assistance for the true and full value of the assistance provided. Requests for reimbursement shall be made in accordance with procedures and guidelines developed by the Alaska division of homeland security and emergency management under AS 26.23.040(e). However, if authorized by law, a responding political subdivision may donate its assistance provided under AS 26.23.500 - 26.23.549 to a requesting political subdivision.

(b) If a dispute regarding reimbursement arises between political subdivisions, the political subdivision asserting the dispute shall provide written notice to the other

political subdivision identifying the reimbursement issues in dispute. If the dispute is not resolved within 90 days after receipt of the dispute notice by the political subdivision asserting the dispute, either party to the dispute may request arbitration under AS 09.43.300 - 09.43.595 (Revised Uniform Arbitration Act) by giving written notice to the other party. Costs of the arbitration, including compensation for the arbitrator's services, must be borne equally by the political subdivisions participating in the arbitration, and each political subdivision shall bear its own costs and expenses, including legal fees and witness expenses, in connection with the arbitration proceeding.

Sec. 26.23.540. Tort liability of participating political subdivisions and emergency responders. For purposes of liability, all persons responding under the operational control of the requesting political subdivision shall be considered to be agents of the requesting political subdivision. An action for damages for an act or omission may not be brought against a responding political subdivision, or an officer or employee of a responding political subdivision, in providing assistance under AS 26.23.500 - 26.23.549. This section does not preclude liability for civil damages that are the result of gross negligence or reckless or intentional misconduct.

Sec. 26.23.549. Definitions. In AS 26.23.500 - 26.23.549,

(1) "assistance" means emergency responders and resources provided by a responding political subdivision in response to a request from a requesting political subdivision;

(2) "emergency responder" means an employee of a responding political subdivision or of a contractor under contract with a responding political subdivision or a member of a volunteer fire department registered with the state fire marshal that provides services to the responding political subdivision, who is designated in writing by that responding political subdivision as possessing skills, qualifications, training, knowledge, or experience that may be needed, under a request for assistance under AS 26.23.500 - 26.23.549, for

(A) response, mitigation, or recovery activities related to a disaster; or

(B) participation in drills or exercises in preparation for a

disaster;

(3) "operational control"

(A) means the limited authority to direct tasks, assignments, and use of assistance provided pursuant to a request for assistance under AS 26.23.500 - 26.23.549 for

(i) response, mitigation, or recovery activities related to a disaster; or

(ii) participation in drills or exercises in preparation for a disaster;

(B) does not include medical protocols or standard operating procedures observed in the responding political subdivision, or any right, privilege, or benefit of ownership or employment, including disposition, compensation, wages, salary, pensions, health benefits, leave, seniority, discipline, promotion, hiring, or firing;

(4) "resources" means supplies, materials, equipment, facilities, energy, services, information systems, and other assets, except for emergency responders, that may be needed, under a request for assistance from a political subdivision, for

(A) response, mitigation, or recovery activities related to a disaster; or

(B) participation in drills or exercises in preparation for a disaster;

(5) "state agency" has the meaning given in AS 37.05.990.

ALASKA STATE LEGISLATURE

Senator Joe Paskvan

Chair, Labor and Commerce
Vice Chair, Health and Social Services
Member, Transportation
Member, State Affairs
Member, Joint Armed Services

Senate District E
Fairbanks and Fort Wainwright

State Capitol Building, Room 7
Juneau, Alaska 99801-1182

Phone (907) 465-3709
Fax (907) 465-4714
sen.joe.paskvan@legis.state.ak.us
http://paskvan.aksenate.org/

Explanation of Changes - CSSB 208\B vs. SB 208\M

- Page 7, line 11:
  - Delete "of a political subdivision"

- Page 7, line 16, following "with":
  - Insert ", or while providing services to,"

- Page 7, lines 17-20:
  - Delete "Any benefits related to injury or death provided by a responding political subdivision to an emergency responder, or the heirs and assigns of an emergency responder, must be included in the true and full value of assistance provided for the purposes of reimbursement under AS 26.23.530."

- Page 8, line 26, following "subdivision":
  - Insert "or of a contractor under contract with a responding political subdivision or a member of a volunteer fire department registered with the state fire marshal that provides services to the responding political subdivision,"

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 2, 2012

SUBJECT: Sectional summary of CSSB 208( )
(Work Order No. 27-LS0611\B)

TO: Senator Joe Paskvan
Attn: Anna Sorensen

FROM: Alpheus Bullard
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Requires the Alaska division of homeland security and emergency management ("division") to play an integral part in developing and implementing the Alaska Intrastate Mutual Aid System ("mutual aid system") established by sec. 5 of the bill.

Section 2. Requires the division to coordinate the operation of the mutual aid system and assist in the development of certain guidelines and procedures for the mutual aid system.

Section 3. Provides that the Alaska State Emergency Response Commission ("commission") will facilitate the preparation and implementation of the mutual aid system.

Section 4. Requires the commission to review and make recommendations about the mutual aid system.

Section 5. Establishes the mutual aid system between participating political subdivisions of the state. Provides that every political subdivision is a participating member of the mutual aid system unless the subdivision withdraws. Provides what assistance a political subdivision may request assistance for. Addresses qualifications and employment of, and workers' compensation for, emergency responders. Establishes reimbursement procedures for, and tort liability of, participating political subdivisions. Provides definitions for the provisions establishing the mutual aid system.

TLAB:plm
12-146.plm

ALASKA STATE LEGISLATURE

Senator Joe Paskvan

Chair, Labor and Commerce
Vice Chair, Health and Social Services
Member, Transportation
Member, State Affairs
Member, Joint Armed Services

Senate District E
Fairbanks and Fort Wainwright

State Capitol Building, Room 7
Juneau, Alaska 99801-1182

Phone (907) 465-3709
Fax (907) 465-4714
sen.joe.paskvan@legis.state.ak.us
http://paskvan.aksenate.org/

Memo

To: Senator Bill Wielechowski, Chair, Senate State Affairs Committee

From: Senator Joe Paskvan JP

Re: Hearing request for Senate Bill 208: Disaster Planning and Services

---

I respectfully request that Senate Bill 208, "An Act establishing an Alaska intrastate mutual aid system and relating to the duties of the Alaska division of homeland security and emergency management and the duties of the Alaska State Emergency Response Commission," be scheduled for a hearing in the Senate State Affairs Committee.

Senate Bill 208 was developed using the National Emergency Management's model legislation for an intrastate mutual aid system as a guide. This system, detailed in SB208, will provide a framework for mutual assistance among the participating political subdivisions in the prevention of, response to, and recovery from any disaster that results in a formal declaration of local disaster emergency. The umbrella mutual aid system, provided for in SB208, would supplement existing and future mutual aid agreements by establishing a comprehensive, integrated system of mutual aid at the state level that will ensure an efficient and effective response to all hazards and disasters.

Please feel free to contact myself or my staff, Anna Sorensen, with any questions you may have.

Thank you for your consideration.

ALASKA STATE LEGISLATURE

Senator Joe Paskvan

Chair, Labor and Commerce
Vice Chair, Health and Social Services
Member, Transportation
Member, State Affairs
Member, Joint Armed Services

Senate District E
Fairbanks and Fort Wainwright

State Capitol Building, Room 7
Juneau, Alaska 99801-1182

Phone (907) 465-3709
Fax (907) 465-4714
sen.joe.paskvan@legis.state.ak.us
http://paskvan.aksenate.org/

SB 208: Disaster Planning and Services

"An Act establishing an Alaska intrastate mutual aid system and relating to the duties of the Alaska division of homeland security and emergency management and the duties of the Alaska State Emergency Response Commission."

In 2004 the National Emergency Management Association (NEMA) in conjunction with the Federal Emergency Management Agency (FEMA) and a host of emergency response organizations, began developing and promoting model legislation for an intrastate mutual aid system (IMAS). The goal of IMAS is to provide a framework for all political subdivisions within a state to receive and render aid to other subdivisions within a state in times of need.

SB 208 will implement this model legislation in a manner that will be beneficial for Alaskan communities. The system detailed in SB 208 will provide a framework for mutual assistance among the participating political subdivisions – regions, boroughs, municipalities, and other local jurisdictions - in the prevention of, response to, and recovery from any disaster that results in a formal declaration of local disaster emergency.

The employees and volunteers who serve in emergency services recognize that emergencies transcend political jurisdictional boundaries. They, and the local agencies they serve, understand that intergovernmental coordination is essential for the protection of lives and property and for best use of available assets. Currently, the Alaska Disaster Act does provide for political subdivisions to create mutual aid agreements, which, in practice, works well for neighboring entities or service areas that have an established history of providing mutual aid to one another. These local mutual aid agreements vary widely in their scope and may not all address key issues of liability and compensation. Further, they may not encompass all emergency services. Through SB 208, a statewide agreement would be developed to supplement existing regional or local agreements by establishing a comprehensive, integrated system of mutual aid at a state level that will ensure an efficient and effective response to all hazards and disasters.

SB208 would allow all political subdivisions to automatically be included in the statewide mutual aid system. A political subdivision may elect to withdraw by enacting an appropriate resolution by its governing body. This legislation would not prevent participating entities from entering into supplementary agreements with other political subdivisions or impact any existing or future agreements. If a participating entity cannot provide assistance to a requesting entity, they are not obligated or bound to provide assistance.

Thank you for your consideration for SB 208. I urge you to support this vital piece of legislation which will provide meaningful support and structure for Alaska's emergency services.

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 February 23, 2012

SUBJECT: Sectional summary of SB 208
(Work Order No. 27-LS0611\M)

TO: Senator Joe Paskvan
Attn: Anna Sorensen

FROM: Alpheus Bullard TLAB
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Requires the Alaska division of homeland security and emergency management ("division") to play an integral part in developing and implementing the Alaska Intrastate Mutual Aid System ("mutual aid system") established by sec. 5 of the bill.

Section 2. Requires the division to coordinate the operation of the mutual aid system and assist in the development of certain guidelines and procedures for the mutual aid system.

Section 3. Provides that the Alaska State Emergency Response Commission ("commission") will facilitate the preparation and implementation of the mutual aid system.

Section 4. Requires the commission to review and make recommendations about the mutual aid system.

Section 5. Establishes the mutual aid system between participating political subdivisions of the state. Provides that every political subdivision is a participating member of the mutual aid system unless the subdivision withdraws. Provides what assistance a political subdivision may request assistance for. Addresses qualifications and employment of, and workers' compensation for, emergency responders. Establishes reimbursement procedures for, and tort liability of, participating political subdivisions. Provides definitions for the provisions establishing the mutual aid system.

TLAB:plm
12-126.plm

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version **SB208**
Fiscal Note Number
() Publish Date

Identifier (file name) SB208-DMVA-MVA-DHSEM-3-5-12
Title Disaster Planning and Services
Sponsor SENATOR PASKVAN
Requester (S) State Affairs Committee

Dept. Affected Dept. of Military & Veterans Affairs
Appropriation Military and Veterans Affairs
Allocation Homeland Security and Emergency Management
OMB Component Number 2657

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version.

Prepared by McHugh Pierre, Deputy Commissioner
Division Office of the Commissioner, DMVA
Approved by Major General Thomas H. Katkus, Commissioner
Office of the Commissioner, DMVA

Phone (907) 428-6003
Date/Time 3/5/12 12:00 PM
Date 3/5/2012

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB208

Analysis

This bill establishes the Alaska intrastate mutual aid system. The Division of Homeland Security and Emergency Management will coordinate the operation of the Alaska intrastate mutual aid system among participating political subdivisions of the state and develop, in coordination with the political subdivisions and appropriate state and federal agencies, comprehensive guidelines and procedures for the Alaska intrastate mutual aid system, including record keeping and reimbursement procedures and forms for use by political subdivisions requesting and providing assistance.

There is no fiscal impact to the Department of Military and Veterans Affairs for this bill.

ALASKA FIRE CHIEF'S ASSOCIATION

2358 Bradway Road, North Pole, Alaska 99705
Phone: (907) 488-3400 FAX: (907) 488-6118

March 5, 2012

Senator Joe Paskvan
State Capitol Room 115
Juneau AK, 99801

Reference: SB 208 "An Act establishing an Alaska intrastate mutual aid system and relating to the duties of the Alaska division of homeland security and emergency management and the duties of the Alaska State Emergency Response Commission."

Dear Senator Paskvan,

On behalf of the Alaska Fire Chiefs Association I want to thank you for introducing SB 208. The Alaska Fire Chiefs Association fully supports this bill and encourages its adoption.

The Alaska Fire Chiefs Association in conjunction with the International Association of Fire Chiefs, the Federal Emergency Management Agency (FEMA), and the Alaska Division of Homeland Security have been working over the last two years to develop an intrastate mutual aid system for the State of Alaska. Currently we are one of only four States who do not have a system in place or the statutory ability that allows communities to come to the aid of other communities in the time of an emergency.

Mutual aid is defined by FEMA as "...agreements between agencies, organizations, and jurisdictions that provide a mechanism to quickly obtain emergency assistance in the form of personnel, equipment, materials, and other associated services. The primary objective is to facilitate rapid, short-term deployment of emergency support prior to, during, and after an incident.

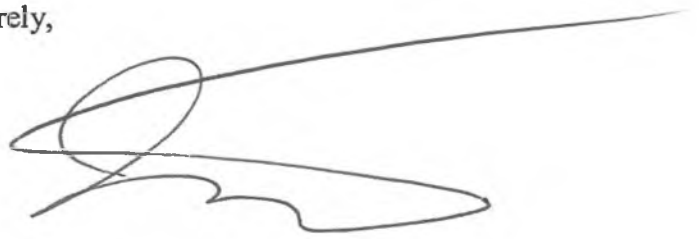
Currently local communities may have mutual aid agreements to provide Fire services to their neighboring communities as provided under AS 18.70.150 "Adoption of Mutual Fire Aid Agreements". However these agreements are limited in scope and do not provide for all of the potential needs of communities.

SB 208 gives us the needed framework that will allow us to develop a comprehensive intrastate mutual aid system. SB 208 addresses several key issues including liability and compensation that are not currently addressed in State Statutes. SB 208 will allow one Alaskan community to assist another Alaskan community no matter the location or need however, in no way are communities obligated or required to provide assistance.

The Alaska Fire Chiefs Association is committed to seeing a comprehensive intrastate mutual aid system work in Alaska and would like to see our organization included as one of the participating groups to whom which the Alaska Division of Homeland Security and Emergency Management would coordinate with in the operation of the Alaska Intrastate Mutual Aid System as amended in SB 208 Sec.2.AS 26.23.040(e).12.

The Alaska Fire Chiefs Association supports SB 208 and urges its adoption. We look forward to working with the State and local communities in the development of an Alaska Intrastate Mutual Aid System.

Sincerely,



Jeff Tucker, Fire Chief
AFCA Legislative Committee Chair

2121 Spar Avenue | Anchorage, Alaska 99501 | T 907.272.3663 | F 907.277.7368 | www.foodbankofalaska.org |

March 9, 2012

The Honorable Bill Wielechowski, Chair
Senate State Affairs Committee
Alaska Capitol, Room 101
Juneau, AK 99801-1182

RE: Support of SB 208

Dear Chair Wielechowski: Bill

I'm writing on behalf of Food Bank of Alaska and the state-wide anti-hunger network, in support of SB 208 – Disaster Planning and Services, sponsored by Senator Joe Paskvan.

In times of disaster, access to safe food and water are a critical part of emergency response services. Food Bank of Alaska currently participates in Alaska VOAD (Volunteer Organizations Active in Disaster) and also responded in times of disaster at the Miller's Reach and Hooper Bay fires. SB 208 will create an infrastructure that provides for coordinated, comprehensive, and consistent emergency response throughout Alaska. Based on model legislation for intrastate mutual aid systems (IMAS), SB 208 is promoted by the National Emergency Management Association (NEMA), Federal Emergency Management Agency (FEMA) and other emergency response organizations.

Food Bank of Alaska believes that SB 208 will provide an efficient structure for emergency services that will benefit everyone in Alaska. I encourage members of the Senate State Affairs Committee to vote in favor of this legislation.

Should you have any questions or if I can be of any assistance, please feel free to contact me at 907-222-3111 or smorgan@foodbankofalaska.org.

Thank you for your consideration.

Sincerely,

Susannah Morgan
Executive Director

CC: Vice-Chair Joe Paskvan
Senator Cathy Giessel
Senator Albert Kookesh
Senator Kevin Meyer

FOOD BANK
OF ALASKA

STATE OF ALASKA

DEPT. OF HEALTH & SOCIAL SERVICES

Alaska Commission on Aging

SEAN PARNELL, GOVERNOR

P.O. BOX 110693
JUNEAU, ALASKA 99811-0693
PHONE: (907) 465-3250
FAX: (907) 465-1398

March 12, 2012

The Honorable Bill Wielechowski, Chair
Senate State Affairs Committee
Alaska State Capitol, Room 101
Juneau, AK 99801-1182

Subject: Support for SB 208, Disaster Planning and Services

Dear Chair Wielechowski:
The Alaska Commission on Aging (ACoA) is pleased to offer our support of SB 208, a bill to establish a comprehensive intrastate mutual aid system (IMAS) that would allow all political subdivisions to transcend their jurisdictional boundaries to receive and render aid to other political subdivisions in the event of disasters and emergencies. This legislation is authored by Senator Joe Paskvan. We believe that this legislation is good public policy that will provide for a consistent and integrated mutual aid system to ensure an effective response in disaster situations.

Older persons with health problems are among the most vulnerable of Alaska's residents. When an emergency or natural disaster occur, they are the most likely to suffer from the direct impact of the force. Many have physical or cognitive impairments that limit their ability to respond and seek help. Frail older persons with special health problems on medication, equipment, or who have mobility needs are at heightened risk during a disaster and require special assistance to get to places offering food and emergency shelter. The horrific experiences of Hurricane Katrina and the loss of life of older adults who were abandoned in nursing homes and assisted living facilities highlight the need to improve disaster response preparedness and planning for vulnerable populations.

Disasters know no political boundaries. They can happen at any time, in any place, and to any one. SB 208 provides an integrated and structured framework to provide efficient and effective emergency aid and relief to older Alaskans and all Alaskan residents when the unthinkable strikes. Thank you for your consideration and support of SB 208. Please feel free to contact Denise Daniello, ACoA's executive director, by phone (465-4879) or email (denise.daniello@alaska.gov) should you have questions or require additional information.

Sincerely,

Sharon Howerton-Clark
Chair, Alaska Commission on Aging

Sincerely,

Denise Daniello
ACoA Executive Director

Cc: Senator Joe Paskvan, Vice Chair
Senator Albert Kookesh
Senator Cathy Giessel
Senator Kevin Meyer

ALASKA MUNICIPAL LEAGUE
Alaska Conference of Mayors

217 Second Street, Suite 200 • Juneau, Alaska 99801
Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

February 29, 2012

Senator Joe Paskvan
Alaska State Capitol Building
Juneau, Alaska 99811

Dear Senator Paskvan,

Thank you for introducing SB 208; An Act establishing an Alaska intrastate mutual aid system and relating to the duties of the Alaska division of homeland security and emergency management and the duties of the Alaska State Emergency Response Commission.

The model legislation that has been put forth by the collaboration of NEMA and FEMA, to promote an Intrastate Mutual Aid System (IMAS), is legislation that the Alaska Municipal League believes should be implemented within the State of Alaska. The ability for one political subdivision to receive and/or render aid to another is both wise and important to all involved.

Emergencies have no respect for jurisdictional boundaries that we impose upon our state. Therefore, emergency responders must be able to depend on other political subdivisions for coordination in order to protect lives and property. SB 208, as we interpret it, would allow for a statewide agreement, rather than the Alaska Disaster Act which provides for mutual aid between neighboring political subdivisions.

The Alaska Fire Chief's Association is a member of AML and we support their hard work and commitment to enhancing all safety needs with regards to fire fighting. Because of this relationship and the importance to municipalities to be able to help protect their residents, we stand in strong support of SB 208.

Thank you for the opportunity to comment.

Sincerely,

Kathie Wasserman

Kathie Wasserman
Executive Director

Anna Sorensen

From: Billie Bob Allen <bballen@mtaonline.net>
Sent: Saturday, March 10, 2012 11:00 AM
To: Sen. Joe Paskvan
Cc: Ray Ritari
Subject: SB 208 Disaster Planning and Services

Senator, due to a time conflict I will not be able to attend the Senate State Affairs Committee meeting on March 13th, however, I would like to offer a few comments to you, the sponsor, regarding the position of the Alaska State Fair on this issue.

The Alaska State Fair (ASF) supports your Bill. ASF management has been working with the Mat-Su Borough EMS (MSB) and the State Homeland Security and Emergency Management Division in regards to emergency planning in the event of a disaster. Signatory to an agreement to develop an initial plan to create shelter for the people of the Mat-Su Borough in the event of a disaster are MSB, State of Alaska, Department of Corrections, MSB School District, American Red Cross, City of Palmer and Mat-Su Regional Medical Center. The MOU purpose is to form a partnership to plan, prepare, and implement mass sheltering protocols for use on the Alaska State Fair grounds.

To that end Senator Paskvan, the ASF has pledged it's assets, where needed, to support the MSB in any fashion that they can. Primarily, in several meetings management of ASF has had with their partners, ASF has offered buildings and infrastructure to be considered for use in mass sheltering. ASF has approximately 130,000 sf under cover that could POTENTIALLY, be used for mass sheltering. Approximately 30,000 sf could be placed in service almost immediately for sheltering.

In summation Senator, the Alaska State Fair stands ready to support the local political subdivision in a statewide mutual aid system and pledge our assets as needed in the event of a disaster.

Thank you.

Sent from my iPad

SB 222

<TARGET><BILL>SB 222</BILL><SUBJECT>SB 222</SUBJECT><COMM>SSTA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

SB 222: Appropriation for Base Closure & Realignment Strategies
Sponsor Statement

"I believe that in the future, whoever holds Alaska will hold the world. I think it is the most important strategic place in the world."
- U.S. General Billy Mitchell to the U.S. Congress in 1935

Defense Secretary Panetta recently announced that the Pentagon will seek new rounds of military base closures as part of the budget-cutting process. Over the next decade, the Army will drop from 562,000 to 490,000 soldiers and the Marine Corps from 202,000 to 182,000 marines in an effort to cut $487 billion. These cuts could have a devastating impact on Alaska's and our nation's security.

During the 2005 Base Closure and Realignment Commission (BRAC), Eielson Air Force Base was originally designated for realignment. A strong community and state effort opposed the Department of Defense recommendation by pointing out the critical strategic importance of Eielson, the loss of training opportunities, and the fact that its realignment would not have produced the estimated savings DoD anticipated.

As the Department of Defense begins to review options for budget cuts and base closure and realignments are considered, states across the nation have begun advocating for their military bases and personnel. It is of vital importance that Alaska uses every avenue to persuade the President and Defense Secretary that Alaska's geographic location is of great strategic importance for the nations' security. In addition, Alaska's military force is of great importance to our economy with 32 military installations, more than 23,000 active duty service members and more than 37,000 active family members, contributing approximately 13 percent to Alaska's economy.

Senate Bill 222 proposes to appropriate $300,000 to the Department of Military and Veterans' Affairs for a specialized consulting firm to advocate to the United States Department of Defense, U.S. Congress and the President that Alaska's military bases and service members are of strategic importance to the defense of our nation. It is imperative that Alaska begins a strategic effort to protect our military bases and personnel. Passage of SB 222 will provide Alaska another tool to fight for Alaska's Armed Forces.

adn.com
Anchorage Daily News

[Print Page] [Close Window]

Alaska politicians pledge to oppose military base cutbacks

By DAN JOLING
(01/27/12 16:24:34)

Defense Secretary Leon Panetta's announcement that the Pentagon will seek new rounds of military base closures drew a swift response from Alaskans who watched a similar process nearly gut Eielson Air Force Base in Fairbanks in 2005.

Alaska's congressional delegation and Gov. Sean Parnell issued a joint statement saying they will stand together to resist attempts to close or shrink Alaska bases.

"Alaska's military bases provide essential defense for the nation," Sen. Mark Begich, D-Alaska, said in the statement. "They are even more important with the administration's new focus on security concerns in the Pacific and with international attention on the changing Arctic."

Panetta at a news conference Thursday said the Army by will be cut by 80,000 soldiers, from 570,000 to 490,000, by 2017. He also called for additional rounds of base closures and realignment.

Under the closure process, defense officials submit a list of bases to a Base Closure and Realignment Commission. The commission analyzes the recommendations and sends its own list to the president, who can ask for more evaluation. The president eventually sends the report to Congress, which can pass a joint resolution to reject the full report. If Congress does not pass the joint resolution, the report becomes law.

The military in May 2005 recommended closure of 33 major bases and substantial reductions at 29 more. That included the recommended partial shutdown of Eielson Air Force Base, the sprawling air field in the Fairbanks North Star Borough, which housed a squadron of F-16 fighters and A-10 Thunderbolts. The Defense Department recommended Eielson for "warm" status, a part-time base where squadrons from other bases could use for training.

Begich, Parnell, U.S. Sen. Lisa Murkowski and Rep. Don Young on Thursday stressed Alaska's strategic importance to the nation, but an underlying issue is the role the military plays in the state's economy — 32 installations, more than 23,000 active duty service members, more than 37,000 active family members. It adds up to more than 13 percent of the state economy.

The Pentagon in 2005 projected Eielson's loss at 2,821 military jobs and 319 civilian jobs — just under 4 percent of the Fairbank North Star Borough population without counting 3,300 dependents. The military estimated a savings of $2.7 billion over 20 years at Eielson.

When the BRAC commission visited Fairbanks a month after the announcement, the community responded with fervor. More than 3,000 residents filled a civic center for the hearing. The late U.S. Sen. Ted Stevens, retired Air Force General Pat Gamble and retired Army Maj. Gen. Mark Hamilton, the current and former presidents of the University of Alaska, made impassioned statements in opposition to Eielson changes, noting its strategic importance on polar air routes and its location at the mid-way point of the trans-Alaska pipeline.

The testimony and show of community support worked. The base lost its A-10 warthogs but kept the F-16s and most permanent employees.

Young called Panetta's announcement unwelcome and not surprising, but said it's only the beginning of a long process that will include opportunities to support Alaska's military installations.

Begich said he supports saving money in nearly every area of the federal budget, including the cutting of overseas military bases, which are more expensive to operate and maintain.

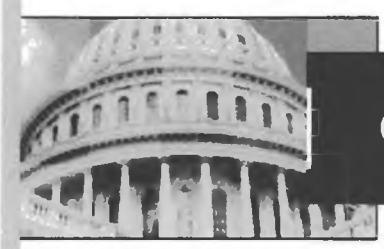
"But requesting congressional approval to begin another domestic BRAC process in 2013, shortly after spending billions to complete the most recent BRAC round just doesn't make sense," he said.

Murkowski, who was serving her first term in 2005, said the military's increased commitment to Asia and the Pacific underscores the importance of Alaska bases.

"If the Defense Department is true to its strategy, contribution to the military mission should grow in the coming years," she said in the statement.

Print Page | Close Window

Copyright © Sun Feb 5 14:16:19 UTC-0900 20121900 The Anchorage Daily News (www.adn.com)



Government Contracts Advisory

FEBRUARY 1, 2012

CONTACTS

For further information regarding the topic discussed in this update, please contact one of the professionals below, or the attorney or public policy advisor with whom you regularly work.

Robert E. Tritt
404.527.8130

Henry J. "Jim" Schweiter
202.496.7511

Stephen M. Sorett
202.496.7260

Department of Defense to Request Additional Base Closures and Realignments: Implications for Contractors and Communities

On January 26, 2012, Secretary of Defense Leon Panetta unveiled key features of the Obama Administration's defense budget request for fiscal year 2013. Among the key features of the Department of Defense's (DOD's) spending priorities for fiscal year 2013 will be a request that Congress authorize at least one more round of domestic military base realignments and closures (BRAC rounds). If approved by Congress, new rounds of base closures could have both positive and negative implications for government contractors. The actual fiscal year 2013 budget request will not be transmitted to Congress until February 13.

Base realignment and closure refers to a process designed to save costs and increase operational efficiency by closing excess military installations and realigning and redistributing the asset inventory among remaining defense bases. More than 350 installations have been closed in five previous BRAC rounds: 1989, 1991, 1993, 1995 and 2005.

New legislation would be required to implement another BRAC round. If the legislation followed the process in the most recent 2005 round, then DOD would submit recommendations for closure/realignment to an independent commission (the BRAC Commission), which may accept, reject or amend the DOD recommendations. The revised list is then submitted to the President for approval. In the 2005 BRAC Round, DOD recommended 190 closures and realignments, and the BRAC Commission approved 119 with no changes and accepted 45 others with modest amendments. The Commission rejected 13 DOD recommendations and significantly modified 13 others.

Because base closures are so politically charged, recent rounds have been structured to insulate base closure recommendations from the normal political aspect of lawmaking. Under these procedures, the President certifies the recommendations of the BRAC Commission and transmits them to Congress. Fast track parliamentary procedures have been established so that the entire package of recommended base closures automatically goes into effect unless Congress adopts a joint resolution of disapproval rejecting the package within 45 days of the President's submission or the adjournment *sine die* of the session of Congress, whichever occurs earlier.

Experience with past BRAC rounds has shown that base closures and realignments can save the government money, although the savings have proved more modest than many initial forecasts.[1] There are also significant fiscal, economic and environmental consequences that flow from base closures at the state and local level, including the loss of jobs and challenges

with developing and implementing a viable base reuse plan. There are also strategic and operational considerations associated with BRAC for DOD.

For affected communities and contractors alike, the ability to ensure potential candidates for closure or realignment survive can often depend on making a case that such action would be inconsistent with evaluation and closure criteria. It is not too early for state and local governments whose installations will be under scrutiny to begin developing a national security and business case to resist closure or realignment.

For contractors with business operations at military installations subject to potential closure or realignment, particularly companies in the construction and service industries, the prospect of another BRAC round can have significant financial consequences. At this stage, it is important to assess which bases with company operations are the most likely candidates for closure or realignment. Ultimately, business judgments will have to be made about whether and in connection with which bases a company should wage a campaign (because that is what it will take) to shape the perceptions and decisions of DOD and a future BRAC Commission.

Given the political environment, it seems unlikely Congress will authorize another round of base closures and realignments in an election year. Nevertheless, given the size of the federal deficit and debt ceiling, the weak economy and the imperative for DOD to achieve real long term savings required by the Budget Control Act of 2011[2] (not to mention the threat of sequestration), one or more future rounds of base closure seem inevitable. As Deputy Secretary of Defense Ashton Carter recently said, "If we have ... unneeded basing structure in our armed forces in a time when we're trying to deal with the deficit reduction, national security imperative that we face, how can we not put on the table unneeded basing structure?"[3] Businesses and communities that stand to be affected by another BRAC round should anticipate this eventuality and begin preparing now to protect their interests and be meaningful participants in the process.

[1] See, e.g., U.S. General Accounting Office, GAO/NSIAD 96-67, Military Bases: Closure and Realignment Savings Are Significant, but Not Easily Quantified, (Apr. 1996); U.S. Government Accountability Office, GAO-08-315, Military Base Realignment and Closures: Higher Costs and Lower Savings Projected for Implementing Two Key Supply-Related BRAC Recommendations, (Mar. 2008).

[2] Pub. L. 112-25.

[3] Interview of Deputy Secretary of Defense Ashton Carter, PBS News Hour, Jan. 26, 2012, at **http://video.pbs.org/video/2190617039/#**.

Panetta: 'Sequestration' Would Upend Military Strategy

By Karen Parrish
American Forces Press Service

WASHINGTON, Jan. 8, 2012 – The Defense Department's new 10-year strategy will go "out the window" if the federal Budget Control Act's additional spending cuts go into effect next year, Defense Secretary Leon E. Panetta said.

"If we had to do over a trillion dollars in cuts in this department, I have to tell you that the strategy that we developed, we'd probably have to … start over," Panetta said during an interview with Rachel Martin that aired today on the NPR program "Weekend Edition."

President Barack Obama unveiled the strategy in a rare Pentagon appearance Jan. 5 alongside Panetta and other DOD leaders, saying he called for the strategy review to inform the budget process. The strategy is based on $487 billion in budget cuts over ten years.

The Budget Control Act, which Congress passed and Obama signed in August, includes automatic spending cuts across government, including about $500,000 to the Defense Department, to go into effect in 2013. The sequestration cuts, as they are known, were triggered by a congressional committee's inability to agree on specific cuts last fall. Those across-the-board cuts will be in addition to the $487 billion the administration has proposed in DOD savings, unless Congress takes additional action.

Officials would not discuss specific cost-cutting proposals before the budget is due out early next month. But Panetta said last week he knows many proposals in the fiscal 2012 budget request will be politically sensitive.

"There is no doubt that the fiscal situation this country faces is difficult, and in many ways we are at a crisis point. But I believe that in every crisis there is opportunity," he said on Jan. 5. "Out of this crisis, we have the opportunity to end the old ways of doing business and to build a modern force for the 21st century that can win today's wars and successfully confront any enemy, and respond to any threat and any challenge of the future."

The strategy calls for reducing the number of men and women in uniform. The secretary told NPR "the human side" of defense spending cuts makes difficult choices even harder.

"What's going to happen to those people that come back to this country from the battle zones? How are we going to deal with them? What kind of jobs are we going to be able to provide them? How are we going to care for them?" he said.

During the strategy's rollout at the Pentagon, Panetta repeated his often-stated pledge that DOD will "not break faith" with service members.

"I commit to you that I will fight for you and for your families," he said.

Troop cuts also will affect the military's ability to bring troops to bear quickly, Panetta told NPR.

"Part of our approach here is to make sure that we maintain a strong National Guard and a

strong reserve," he said. "They have been fully operational — we have brought them into battle zones. They have gained as much experience as the active force. But … if we are dealing with a leaner and meaner force, if we have to mobilize, there's only one place to go — and that's to the National Guard and to our reserve units."

The new, leaner military will retain the ability to fight on multiple fronts, Panetta emphasized.

"That's the most important message the American people have to know," he said. "This force is going to be able to fight any enemy, any aggressor that tries to take us on."

The secretary said despite the strategy's emphasis on the Asia-Pacific region as a defense focus, he does not view China's military buildup as a direct threat to the United States.

"The fact is, as a major power, they have that capability," he added. "What we have to ensure is that it's used for the right reasons."

China and the United States face common threats in the region, the secretary said: "The whole issue of Korea and the stability of Korea, the whole issue of nuclear proliferation, the whole issue of providing free access to our ships that are operating in that area."

Panetta said he intends for the military to work with China and other Pacific nations "to make sure that we secure that area for the future."

Biographies:

Leon E. Panetta

Related Sites:

Defense Strategic Guidance
Photo Essay: Obama, Panetta, DOD Leaders Hold Briefing On New Defense Strategy
Transcript: Defense Strategic Guidance Media Roundtable at the Pentagon

Related Articles:

Obama: Defense Strategy Will Maintain U.S. Military Pre-eminence

Alaska Delegation & Governor Oppose BRAC

For Immediate Release
Thursday, January 26, 2012

The Alaska Congressional Delegation and Alaska Governor Sean Parnell issued a united set of statements defending Alaska's military bases and expressing their importance to military operations and national security. The show of support follows an announcement from Defense Secretary Leon Panetta to seek two new rounds of Base Closure and Realignment Commissions (BRAC).

The last round of BRAC took place in 2005 and changes were completed in fall of 2011. Alaska's military constitutes more than 13 percent of Alaska's economy, with 32 military installations, more than 23,000 active duty service members and more than 37,000 active family members.

Governor Sean Parnell:

"Alaskans will stand united against closing our nation's most strategic military facilities in the Arctic. With the instability in the Pacific Rim and Middle East, now is not the time to experiment with this strategic advantage. I am working aggressively with our communities, elected officials, and the Department of Defense to fight any erosion of the military in Alaska."

Senator Lisa Murkowski:

"Secretary Panetta's announcement today about potential BRAC moves reinforced Alaska's key strategic role – especially given the Pentagon's newly-stated military strategy highlighting Asia and the Pacific. Our state's role in ensuring US military dominance in the Pacific theatre is significant. If the Defense Department is true to its strategy, contribution to the military mission should grow in the coming years.

"Alaska's active duty Army and Air Force units in Alaska are primarily responsible for delivering military assets to the U.S. Pacific Command. Secretary Panetta also acknowledged that our Nation will protect or increase its investment in homeland missile defense, reinforcing Fort Greely's contribution.

"And while it may seem like yesterday that the Interior turned out by the thousands to oppose the potential closure of Eielson Air Force Base, I would like to believe that Eielson is in a stronger position today. The exercises that launch from Eielson play a key role in training allied Armed Forces to fulfill the expectations of our new military strategy and our Air National Guard refueling wing is pivotal in supporting US air missions in the Pacific area of responsibility that the Pentagon is touting as an even higher priority in the new military framework."

Senator Mark Begich:

"I support cost-savings in virtually every area of the federal budget. I have proposed billions of dollars in DOD cuts to include closure of overseas bases which the Department has the authority to do immediately. But requesting Congressional approval to begin another domestic BRAC process in 2013, shortly after spending billions to complete the most recent BRAC round just doesn't make sense.

"We must look hard at closing overseas military installations, which are more expensive to operate and maintain, before considering closure of domestic bases.

"Alaska's military bases provide essential defense for the nation. They are even more important with the administration's new focus on security concerns in the Pacific and with international attention on the changing Arctic. I'll be using my position on the Senate Armed Services Committee to demonstrate the enormous strategic value of Alaska's military bases, and oppose any misguided attempt to close them."

Congressman Don Young:

"While today's announcement is unwelcome news, it shouldn't come as a surprise. It's important to note that this is the beginning of a long process that will include countless opportunities for us to stand up and support Alaska and Alaska's military installations by illustrating their strategic importance to the expanding Arctic exploration and the overall defense of this nation. I want to make one thing clear, as someone who fought alongside Senator Stevens against previous BRAC closure attempts, I know firsthand that if we stay united in our cause and present the facts, we will be in an excellent position to beat back any attempts to close, shrink, or realign Alaskan bases."

###

© Copyright 2012, State of Alaska, all rights reserved

The State
South Carolina's Homepage™

Posted on Tue, Feb. 28, 2012

Task force meeting to protect SC military bases from spending cuts

By JEFF WILKINSON
jwilkinson@thestate.com

The South Carolina Military Base Task Force is set to meet today to discuss ways to protect the state's installations from deep cuts proposed by the Obama administration and the Defense Department, particularly to the Army and Marines.

It will be the first time the task force has met since Haley took office more than a year ago.

Critics claimed that Haley, who didn't make appointments to the board until about three weeks ago, was tardy in building a plan to preserve the $13 billion that is pumped into South Carolina's economy each year by its four major bases in Columbia, Charleston, Sumter and Beaufort.

But the appointments — which include heavy hitters such as Secretary of Commerce Bobby Hitt and SC Adjutant Gen. Bob Livingston, as well as mayors, chamber of commerce heads and county council chairs from the four military communities — now pave the way for a state-wide strategy, said Maj. Gen. William "Dutch" Holland, a former commander of the Ninth Air Force, the planning and logistical arm of Air Force air power in the Middle East and Southwest Asia.

"I think we're OK," said Holland, now executive director of the Shaw-Sumter Partnership for Progress and a member of the task force. "This is good impetus to get us all together, lock the door ... and decide where we want to go on a united basis."

SC Comptroller General Richard Eckstrom is chairman of the committee.

Haley spokesman Rob Godfrey said Haley will work with the state's federal delegation and the task force to protect SC military bases from cuts.

"It's time to speak with one voice as we move to protect all of our military bases and defense programs," he said in a release.

A spokeswoman for Commerce said both Hitt and deputy commerce secretary George Patrick — a retired major general and former executive coordinator of the task force — will attend today's meeting.

"Secretary Hitt is keenly aware of the impact that the military presence has on South Carolina's overall economy," spokeswoman Amy Love said in a release.

In January, Obama and the Defense Department mandated $487 billion in cuts to the U.S. military over the next 10 years — cuts that are expected to impact South Carolina's major military installations. And they and the Pentagon have asked for two more rounds of base closings and realignments, called BRAC, in 2013 and 2015.

A mutual effort between the state and the military communities paid off in the last round of BRAC, in 2005, when Fort Jackson and Shaw Air Force Base gained missions, most notably the national Drill Sergeant School at Fort Jackson and Third Army at Shaw.

Ike McLeese, president and CEO of the Greater Columbia Chamber of Commerce, said that in addition to fending off losses and positioning the installations to gain missions, the task force also needs to develop strategies for caring for service members returning from Iraq and Afghanistan and finding employment for those forced to leave the service.

Among the priorities are:

- Finding jobs with the state for those forced to leave the service because of draw downs
- Ensuring that returning SC National Guard members and Reservists retain their jobs or find new ones after deployment
- Establishing a state-wide network for attaining those goals

"In the past we've targeted issues that were mental or physical in nature," said McLeese, a task force member. "Now the thing that has moved to the No. 1 priority is helping them find jobs."

© 2012 TheState.com and wire service sources. All Rights Reserved. http://www.thestate.com

Legislators prepare to challenge any Ohio base cuts

Rickenbacker, Mansfield in line to lose planes; Obama expected to seek closings in 2013, 2015

By Jessica Wehrman
The Columbus Dispatch • Friday February 10, 2012 5:42 AM

Comments: 0 Tweet 1 ShareThis

WASHINGTON — Days before President Barack Obama releases a budget expected to call for two rounds of military base closures within the next five years, the Ohio congressional delegation already has begun coordinating how to spare Ohio bases.

Obama, as part of his fiscal 2013 budget, is expected to call for base closure rounds to begin in 2013 and 2015.

If Congress agrees, the process, aimed at helping to reduce a massive federal deficit, would require an independent commission to make recommendations on which bases to close and which to realign. Congress would then have to approve or disapprove the list agreed to by the independent commission.

During the last round, in 2005, Wright-Patterson Air Force Base — the state's only active-duty military base — gained missions.

But with federal law calling for at least $487 billion in cuts during the next decade, lawmakers worry that the state could bear the brunt of some of those cuts.

"The expectation is, if we're prepared, we'll end up with better outcomes for the community and the military," said Sen. Rob Portman, R-Ohio, who organized a meeting yesterday of the state's congressional delegation. "Today we started the process."

The state's delegation is already worried about Obama's budget, which will include the elimination of some aircraft at the Air National Guard bases at Rickenbacker and in Mansfield.

Last week, the Air Force announced plans to retire six of the 18 KC-135 tankers at Rickenbacker and four C-27J cargo planes in Mansfield.

Early indications, however, show Wright-Patterson might actually gain intelligence and surveillance work under the president's fiscal 2013 budget.

In all, the state's military installations support 43,950 jobs, according to material compiled by Ohio's congressional delegation, including 27,000 at Wright-Patterson. Rickenbacker and the Defense Supply Center Columbus combined support about 9,200 jobs.

Rep. Steve Austria, R-Beavercreek, said the group, which also included Reps. Mike Turner, R-Centerville; Jim Jordan, R-Urbana; Dennis Kucinich, D-Cleveland; and Steve Stivers, R-Upper Arlington, hopes to apply lessons learned during the 2005 base closure process to future rounds of base closures.

"We need to put a plan together as a delegation," he said.

Sen. Sherrod Brown, D-Ohio, wasn't at the meeting, but he said he wants to work with the delegation "to make sure the process is done fairly."

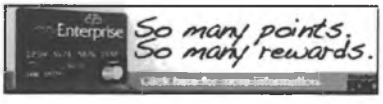
"I'll continue working with the delegation to do the right thing," he said. "We will work across party lines."

To protect the state's bases, Portman said, the delegation will have to rally community support, take a thorough inventory of the value of the state's military bases and make plans for how to proceed when legislation proposing base closures comes to Congress.

"We aren't competing with one another," Portman said. "We're working as a team."

jwehrman@dispatch.com

Add to Favorites Print Story Email

Traffic Weather: FITCHBURG, MA | Now: 30°F | High: 36°F | Low: 14°F | 5-Day Forecast
Register | Sign in Subscribe: Print / Web e-Edition
SentinelandEnterprise.com
Enter Search Term SEARCH
Site Web Search powered by YAHOO! SEARCH
Home News Sports Editorials Entertainment Community Lifestyles Info Site Tools Jobs Autos Homes Advertising
today'sDEALS
Local News section of Sentinel & Enterprise is sponsored by:


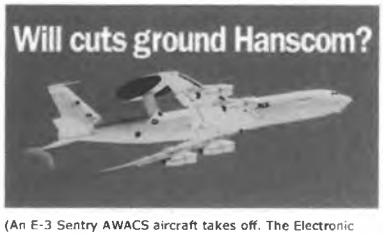
BOOKMARK
Email AAA Font Resize

Hanscom base cuts draw concern

By Chris Camire, ccamire@sentinelandenterprise.com
Posted: 02/24/2012 06:35:47 AM EST

BEDFORD -- Military officials are downplaying reports of dramatic job cuts at Hanscom Air Force Base, but local business officials remain on edge over the future of the facility's role in the local economy.

Hanscom could lose three-quarters of its funding for contract workers over the next four years and an additional 380 government jobs due to a reduction in military spending.



(An E-3 Sentry AWACS aircraft takes off. The Electronic Systems Center at Hanscom was awarded a contract in 2010 to upgrade the French AWACS fleet with more modern capabilities. Photo courtesy Hanscom AFB)

Cuts to the base's Electronic Systems Center, which employs 1,250 contractors, are set to begin in April. The center will see a 10 percent to 15 percent budget reduction in the first year, according to base spokeswoman Sarah Olaciregui.

Olaciregui cautioned, however, that the total number of jobs to be cut in the long term has not been decided.

"It may take some time before all the effects of these changes are fully known and understood," she said.

Hanscom generates $5 billion in annual economic activity, according to Maureen Rogers of the Woburn-based North Suburban Chamber of Commerce. The base has led to the creation of 16,000 jobs that generate a combined annual income of $423 million, she said.

Rogers added that local businesses, such as restaurants and caterers, worry about what the future holds for the local economy should the base suffer steep cuts.

"The base personnel might go to the local restaurants. They have children in the school system. It just increases unemployment with every single cut," said Rogers, who represents 30 companies that do business with Hanscom. "Military may leave this area and go elsewhere."

Advertisement

Hanscom has no planes and few uniformed personnel. The facility largely focuses on developing high-tech weapons and communications systems with the assistance of private contractors that employ hundreds of people who live throughout the region.

Most Viewed Recent Comments Most Emailed
1. Fitchburg father, son to be arraigned in 2011 murder
2. Thieves stealing X-rays for silver
3. Fitchburg motorist crashes pickup truck
4. Bullet from Fitchburg gun-charges trial discharges in Worcester courthouse
5. Two arrested in jewelry store break-in
Subscribe to this Feed

Top Story
Mayor, chief will go to next level in revamp of new Leominster Police Station
Grant family of Townsend has more than passing interest in the Civil War
UConn student who struck, killed Westminster man may not serve jail time
Snow brings fun for many, welcome work for others
So this is what snow looks like
Nana needed help – so Townsend boy made sure she got it

Community
Program focuses on 'To Kill A Mockingbird'
PET OF THE WEEK Shea is eager to please
Credit union gathers pajamas, raises $982 in charity programs
Teamwork at heart of 'Binary Domain'
Military News
Walkers to rally for HIV/AIDS awareness

Contractors that could be affected by the proposed cuts include Oasis Systems in Lexington, Odyssey Systems Consulting Group in Wakefield and Burlington, Gemini Industries in Billerica, Quantech Services in Lexington, and Sumeria Systems Inc. in Danvers.

"They're trying to reduce the cost of doing business -- overhead, discretionary spending, contract support -- which is what we do," said David Clapp, division manager of PESystems Inc., of Littleton, which reviews Hanscom's contracts with such companies as Raytheon Co. and Boeing. "Unfortunately, the easiest thing for them to cut is the contractors. We think we play an important role in Hanscom's success."

Clapp, who has worked for PESystems since 2001, said the company has about 300 people employed at Hanscom. It would be a huge blow if cuts to the Electronic Systems Center are enacted, he said.

"Our main line is federal support contracts," Clapp said. "What we try to do is diversify, but overall, defense is in a decline right now, so it's difficult. We've chosen our course of action. Now we have to make the best of it."

Members of Congress and local officials are urging the military to rethink the changes.

"We've already started the discussion, asking for justifications for these cuts and getting all the information we need," said U.S. Rep. John Tierney, a Salem Democrat. "We will deal with the Washington element and the local element."

Tierney said domestic bases are often targeted when the Pentagon needs to make spending cuts, but he suggested the military would be better served examining spending on international bases and weapons systems he described as "seriously over budget and behind schedule."

U.S. Rep. Niki Tsongas, a Lowell Democrat, said she plans to highlight the strategic importance of Hanscom to Pentagon officials. She said the base has met critical communications, technology and other security needs for the military for decades.

"The Air Force's mission at Hanscom is supported by the universities and innovative high-tech companies that are unique to Massachusetts, and the presence of these institutions has helped the Air Force to confront current threats and prepare for future ones," Tsongas said in a statement.

As the wars in Iraq and Afghanistan wind down, Defense Secretary Leon Panetta has said the military is looking to close domestic bases as early as next year. Hanscom is on that list.

Hanscom narrowly avoided being shut down in 2005, thanks to state officials convincing the Pentagon that the Bedford installation plays a unique role in advancing military innovation and technology.

Former U.S. Sen. Edward Kennedy and former Gov. Mitt Romney co-chaired a public-private effort to protect the local base.

Now state leaders are once again being asked to tout the important role Hanscom plays in protecting the U.S.

"If there isn't a significant demonstration of support, that could be misinterpreted as a laissez-faire attitude -- like, OK, so maybe the base will close or downsize, but we'll move on," Bedford Selectman Michael Rosenberg said. "That's not the way we should feel. Sometimes you really have to have a brass band and a major, visible, public demonstration of support."

Follow Chris Camire at twitter.com/CamireReports.

Return to Top

RECOMMENDED FOR YOU

- Ad proves true love priceless
- Crash victim 'remarkable human being,' father...
- Developer sells Pittsfield BJ's site

Top Classifieds
AUTOS HOMES RENTALS JOBS

Jobs Available!...
Support Advocate...
Support Advocate...
OFFICE ADMINISTRATOR...
FULL TIME...
Medical Associate...
ALL LISTINGS

Newspaper Delivery & Subscriptions

Subscribe to newspaper home delivery, electronic edition, change of address, enter a vacation stop or missed delivery.
Subscriber Services
Log In To e-Edition

Federal budget cuts will likely hit Texas military bases

Some expect building spree will soon come to an end

By Gary Martin
Updated 10:55 p.m., Sunday, February 19, 2012

WASHINGTON — Nearly a decade of military expansion that helped buoy the Texas economy during the recession is coming to an end as Pentagon officials ponder budget cuts and a shrinking force structure.

"It looks to me like the big building boom from the military is screeching to a halt," said Nelson Wolff, the Bexar County administrative judge who has overseen a decade of defense-related growth in San Antonio.

President Barack Obama's budget blueprint for fiscal year 2013 contains $450 million in military construction projects in Texas — far less than the $640 million set aside last year and nearly a third of the $1.1 billion the state received in 2010.

Obama also has proposed two rounds of base closures as the Pentagon withdraws from wars in Iraq and Afghanistan.

"In some cases, that left us unsure where we need to make the 'milcon' investments," said Lt. Gen. Larry Spencer, the Pentagon director for force structure and resources.

Military construction proposals shrunk for Air Force, Army, Navy and the Marines as the Pentagon grapples with other cuts in spending dictated by last year's debt-limit deal between the administration and Congress.

The Defense Department also is finishing the last round of base closures from 2005, which prompted building booms in San Antonio and Bethesda, Md., where the military's medical operations were consolidated.

'One-year pause'

Last year, Obama sought $331 million for military medical consolidation in San Antonio alone.

The 2013 budget out last week includes $80 million for the ongoing construction of a hospital at Lackland to replace Wilford Hall Medical Center.

Overall, the Air Force military construction budget shrank by $900 million, said Maj. Gen. Edward Bolton Jr., Air Force deputy assistant secretary for budget.

"This one-year pause will give us time to ensure proper investment of limited resources in light of the ongoing budget reduction pressures and potential force structure changes," Bolton said during a Pentagon budget briefing.

The Army saw a similar building spree at Fort Bliss, in El Paso, when the U.S. Army's 1st Armored Division was moved from Germany.

Last year, Fort Bliss saw $286 million in construction; this year's total is $214.6 million.

As the Pentagon turns off the spigot for military construction, Defense Secretary Leon Panetta told the Senate Armed Services Committee that further reductions are being eyed at overseas bases.

The Defense Department announced the removal of two of four combat brigades in Europe. That would still leave 70,000 U.S. military personnel stationed abroad, where facilities could be pared.

"Finding further reductions and consolidations in our overseas force posture should be our first priority," Panetta said.

Nonetheless, the Obama administration's budget blueprint for military expansion at domestic bases for fiscal 2013, which begins Oct. 1, will impact the economies of states with multiple military installations.

Texas will still receive $450 million in construction projects, if approved by Congress.

State panel reviewing

The Texas Military Preparedness Commission, a panel appointed by Gov. Rick Perry, reviewed the president's budget last week in Austin.

"It's about being prepared, because the DoD budget plays a big role in our state's economy," said state Sen. Leticia Van de Putte, D-San Antonio, chairwoman of the Texas Senate Committee on Veterans Affairs and Military Installations.

Texas has more than 131,500 active-duty military and 48,000 civilian employees, according to the U.S. Census Bureau.

State officials estimate that the economic impact of the U.S. military payroll for active-duty, reserves and civilians to be more than $77 billion.

The economic impact for San Antonio is estimated at $15 billion. For the state as a whole, military contracts totaled more than $60 billion.

Federal military spending is one sector of the state's economy that helped Texas replace all 433,400 jobs that were shed during the recession as the state economy rebounded more quickly than the United States as a whole, according to Texas Comptroller Susan Combs.

Nationally, through January, only 36 percent of recession-hit jobs have been recovered, Combs said.

Two of the largest projects for Texas are the ongoing construction of hospitals at Fort Bliss and Lackland.

Building at Fort Bliss alone accounts for $4.6 million in annual economic impact for the El Paso region, according to Rep. Silvestre Reyes, D-El Paso.

San Antonio 'lucky'

Wolff said the San Antonio area has been "very lucky" in terms of military expansion, mainly due to the 2005 base closure round and consolidation of military medicine at Fort Sam Houston, which created thousands of construction jobs.

Texas lawmakers are hopeful that state installations will be key to future expansion.

They point to expanding high-technology missions at Ellington Field Joint Reserve Base in Houston, where MQ-1 Predator drones are remotely manned, and at Lackland, where Air Force cybersecurity operations are conducted.

And Texas lawmakers say they will oppose additional rounds of base realignment and closure, commonly referred to by the acronym BRAC.

"Strategic needs have changed, and we certainly can't afford to maintain non-essential overseas bases," said Sen. Kay Bailey Hutchison, R-Texas.

Ready for the ax

Sen. John Cornyn, R-Texas, noted that the 2005 closures were completed just last year. "Congress is not ready for another BRAC, and neither is the military," Cornyn said.

Wolff, meanwhile, is bracing for the possibility. "You can't expect Congress to meet spending guidelines without cutbacks," the administrative judge noted.

Just the reduction in military construction will be felt by Texas cities.

"It does have an economic impact when you do cut back, but there is a clear consensus we need to cut back on spending" Wolff said.

"It doesn't surprise me. I think it needs to be done. We are going to get prepared," he said.

gmartin@express-news.net

CHRON.COM
Home
Houston & Texas
Nation & World
Business
Sports
Entertainment
Life
Corrections
Blogs
Weather

City Brights
Traffic

TOPICS
Small Business
MomHouston.com
HoustonBelief.com
29-95.com

NEIGHBORHOODS
Aldine
Alief
Baytown
Bellaire
Clear Lake
Conroe
Cy-Fair
East End
Fort Bend
Heights
Katy
Kingwood
Lake Houston
Magnolia
Memorial
Montrose
Pasadena
Pearland
Spring
Tomball
West U
The Woodlands

MARKETPLACE
Jobs
Homes
Cars
Coupons
Classifieds
Place a classified ad
Place a retail ad

OTHER EDITIONS
Home Delivery
iPad
iPhone
Android
Mobile
RSS Feeds
e-Edition

LOCAL SERVICES
Air Conditioning Contractors in Houston
Car Dealerships in Houston
Cleaning Services in Houston
Family Doctors in Houston
Furniture Stores in Houston
Injury Attorneys in Houston
New Car Dealer in Houston
Real Estate Agents in Houston
Real Estate Attorneys in Houston
Restaurants in Houston

SERVICES
Help/Contact us
Business directory
Buy photos
Legal notices
Privacy policy
Terms & Conditions
Employment opportunities
Advertise with us
Buy a banner ad

© 2012 Hearst Communications Inc.
HEARST newspapers
RSS

TheBostonChannel.com

State Leaders Push To Save Military Bases

Task Force Will Focus On Hanscom Air Force Base

POSTED: 7:03 am EST March 5, 2012
UPDATED: 12:54 pm EST March 5, 2012

Related To Story

BEDFORD, Mass. -- Some of the Massachusetts' top state leaders are launching a new push to save hundreds of military jobs on Monday, gathering at Hanscom Air Force Base in Bedford to convene a task force to explore what might be lost and what can be done.

Sen. John Kerry, U.S. Rep. Niki Tsongas and Lt. Gov. Tim Murray are concerned about the loss of jobs, both on and off base, because base cuts also affect off-base civilian contractors. None of the cuts would come without a fight, officials said.

Click Like For Boston News Updates:

"What is clear is that the federal government and the U.S. military across the board will be engaging in belt-tightening with the winding down of the wars in Iraq and Afghanistan," Murray said last month, adding that no final decisions have been made about Hanscom or any of the state's other bases.

Murray is leading the Military Asset and Security Strategy Task Force, which is trying to minimize funding and job cuts at the state's six military bases. The Pentagon is looking to close bases in order to meet $500 billion in defense cuts agreed to by President Barack Obama and Congress as part of the deficit-reduction pact.

"It trickles all down," said Maureen Rogers of the North Suburban Chamber of Commerce. She said the economic impact of losing 40 to 45 civilian base jobs this year and 100 to 175 off-base contractor positions next year, could have wide-ranging consequences.

"There are caterers, there are restaurants, everything else. There could be, potentially, a $5 billion economic impact, that we've found, for Hanscom Air Base," said Rogers.

Lt. Gen. Charles Davis is the commander at the Electronic Systems Center, where the cost cutting proposals are focused. The center is facing a total cut of 245 positions, 62 of which are currently filled.

"It's not pleasant right now, especially if you're the one losing a job, but I'm trying to tell everybody there's no reason to panic right now," said Davis.

There's also the possibility of more cuts over the next four years, slashing contractor budgets by 75 percent.

Hanscom was the second of at least six visits to the state's military bases. In addition to Hanscom, Murray has toured Barnes Air National Guard Base in Westfield and plans to tour Westover Air Reserve Base in Chicopee later this month.

In April, Murray plans to tour the Massachusetts Military Reservation / Otis Air National Guard Base in Falmouth, Natick Soldier Systems Center in Natick and Fort Devens.

"The reality is, tough budget choices will be made and we've got to be all hands on deck to ensure that the mission and workers at Hanscom aren't hurt in the process," said Kerry. "We've got a good story to tell and we're going to tell it, because technologies and equipment conceptualized, researched, developed and manufactured at facilities across Massachusetts help the military execute its mission at the highest levels."

"Massachusetts has the immediate ability to meet our country's national security needs in cyber-technology, advanced manufacturing, bio-science and many other critical areas," said U.S. Sen. Scott Brown. "I will continue working at the federal level to spotlight the military value in Massachusetts and greater New England."

Copyright 2012 by TheBostonChannel.com. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

THE REPUBLIC

With cuts looming, NY pols trying to protect military installations worry about air bases

MICHAEL HILL Associated Press
First Posted: February 27, 2012 - 10:14 am
Last Updated: February 27, 2012 - 11:23 am

Share / Save

ALBANY, N.Y. — With broad defense cuts looming, some New York officials working to protect the state's military installations are focusing on Air National Guard and Reserve bases.

President Barack Obama this month proposed a leaner defense budget for 2013 amid troop drawdowns in Iraq and Afghanistan. Meanwhile, Defense Secretary Leon Panetta is soon expected to formally request two new rounds of domestic base closures and realignments as a way to cut long-term costs.

The expected cuts could have major effects in New York, which is home to dozens of military installations, including Fort Drum in northern New York, the Niagara Falls Air Reserve Station and the Army National Guard's Camp Smith near Peekskill in the Hudson Valley. Combined, the active duty, National Guard and Reserve installations employ tens of thousands of troops and civilians from Long Island to western New York, and they are critical to the economies in many upstate areas.

Though it does not appear likely New York will be hit as severely as it was in the mid-'90s base closure round — which shut down active duty Air Force bases in Plattsburgh and Rome — there are still worries.

We also have more stories about:
(click the phrases to see a list)

Category:

- New York

People:

- Barack Obama
- Charles Schumer
- Janet Napolitano
- Kirsten Gillibrand
- Leon Panetta

Organizations:

- U.S. National Guard
- United States military
- United States Senate
- United States Congress
- United States government

Subjects:

- Military facilities
- Armed forces
- Military and defense
- National governments
- Government finance
- Government business and finance
- Legislature
- Business
- Government and politics

Places:

"There's no doubt there will be cuts. We are trying to limit the cuts and trying to grow the missions and present New York as the future for the military," said U.S. Sen. Kirsten Gillibrand, who sits on the Senate Armed Services Committee.

Gillibrand, U.S. Sen. Charles Schumer and other members of New York's congressional delegation have been trying to secure and extend missions at New York's military installations as a way to protect them from being shuttered or shrunk in the coming years.

Gillibrand said she is particularly concerned about the five bases maintained by the Air National Guard and Air Reserves in New York, as well as the Air Force research lab in Rome. The Air Force announced planned nationwide force reductions this month that would lean heavily on the Guard and would trim Reserve forces as well.

One focus for politicians is on Niagara Falls, where the 914th Airlift Wing of the Air Force Reserve and the 107th Airlift Wing of the New York Air National Guard share a tactical airlift mission. There are plans to reduce the number of C-130 transport planes, which has raised fears that fewer planes could leave the 107th without a mission, said Niagara Military Affairs Council chairman Merrell Lane.

Lane, whose group advocates for the base, said it is the largest employer in Niagara County and the loss of the Guard mission could cost about 800 civilian jobs.

"Western New York has always struggled," Lane said. "And the loss of that many jobs to western New York would be — it just wouldn't be good."

Members of New York's congressional delegation advocating for the Guard and Reserve at Niagara Falls have touted the base's proximity to the Canadian border. Gillibrand and others have asked Homeland Security Secretary Janet Napolitano for a new Border Patrol station at a Niagara Falls military base.

In a similar vein, members of Congress are lobbying against a proposed $30 million cut to the Air Force Research Lab in Rome, touting the central New York facility's role in cyber-security. And they have lobbied Panetta not to retire transport planes at Stratton Air National Guard Base near Schenectady.

Officials say they are concerned about every military installation across the state, though some seem immune from major cuts because they have recently gained missions or are being upgraded.

In the Hudson Valley, the 105th Airlift Wing at Stewart Air National Guard Base is receiving C-17 Globemaster cargo planes to replace an older type of transport.

The Air National Guard's 174th Fighter Wing at Syracuse has operated unmanned Reaper drones over Afghanistan since December 2009 and also has a Reaper maintenance training facility. Last fall, the wing began flying the drones out of Fort Drum's Wheeler-Sack Army Airfield for takeoff and landing practice.

Fort Drum is home to the oft-deployed 10th Mountain Division and funding has already been approved for a new training complex to replace World War II-era buildings. Obama's budget proposal includes still more for Fort Drum, including $95 million for an aircraft hangar and $25.9 million for a data terminal complex for the Missile Defense Agency.

"I actually think Fort Drum will be fine," Gillibrand said, "and largely because Drum is one of the premier training bases in the whole

- Watertown
- Niagara Falls
- New York
- United States
- North America

Content blocked by your organization

Content enhanced with OpenCalais.

country, including our remotely piloted aircraft training. It's one of the nation's future and expanding missions."

0

Content blocked by your organization

Add a comment...

Comment

Facebook social plugin

All content copyright ©2012 The Republic, a division of Home News Enterprises unless otherwise noted.
All rights reserved. Click here to read our privacy policy.

USAF Force Structure Changes: Sustaining Readiness and Modernizing the Total Force

New Strategic Guidance

For the last decade, the United States has undertaken extended operations in Iraq and Afghanistan. As we responsibly draw down from these operations, take steps to protect our Nation's economic vitality, and protect our interests in a world of accelerating change, we face an inflection point. The changing geopolitical environment and our changing fiscal circumstances merited a reassessment of U.S. defense strategy. Out of this assessment, the Department of Defense (DoD) developed a strategy that transitions our defense enterprise from an emphasis on today's wars to preparing for future challenges, protects the broad range of U.S. national security interests, advances the Department's efforts to rebalance and reform, and supports the national security imperative of deficit reduction by reducing defense spending. The resulting strategic guidance provided a set of precepts to guide decisions regarding the size and shape of the force over subsequent budget cycles.

To implement the new strategic guidance, the Joint Force will need to recalibrate its capabilities and make selective additional investments to succeed in the following missions: countering terrorism and irregular warfare, deterring and defeating aggression, projecting power despite anti-access/area denial challenges, countering weapons of mass destruction, operating effectively in cyberspace and space, maintaining a safe, secure, and effective nuclear deterrent, defending the homeland and providing support to civil authorities, providing a stabilizing presence, conducting stability and counterinsurgency operations, and conducting humanitarian, disaster relief, and other operations.

These missions will determine and shape the capabilities required by the future Joint Force, and the Air Force must continue to provide key capabilities in all 10 mission areas. However, the overall capacity, or size of the force, will be based on the requirements that the following missions demand: countering terrorism and irregular warfare, deterring and defeating aggression, maintaining a safe, secure, and effective nuclear deterrent, and defending the homeland and supporting civil authorities. U.S. forces will no longer be sized to conduct large-scale, prolonged stability operations.

The new guidance requires U.S. forces to remain capable of deterring and defeating aggression by any potential adversary. Credible deterrence results from maintaining both the capabilities required to deny an aggressor the prospect of achieving his objectives and from the complementary capability to impose unacceptable costs on the aggressor. Our planning envisages forces that are able to fully deny a capable state's aggressive objectives in one region by conducting a combined arms campaign across all domains – land, air, maritime, space, and cyberspace. Even when U.S. forces are committed to a large scale operation in one region, they

will be capable of denying the objectives of – or imposing unacceptable costs on – an opportunistic aggressor in a second region.

The Air Force employed this guidance to prepare an FY13 budget request that ensures the Air Force meets the capability and force-sizing requirements directed by the new strategic guidance, and is:

- Adaptable and capable of deterring aggression and providing a stabilizing presence, especially in the highest priority areas and missions in the Asia-Pacific region and the Middle East, while still ensuring our ability to maintain our defense commitments to Europe and other allies and partners;
- Ready, rapidly deployable, and expeditionary such that it can project power on arrival;
- Capable of conducting homeland defense and providing support to civil authorities;
- Armed with cutting edge capabilities that exploit our technological, joint, and networked advantage;
- Able to reconstitute quickly or grow capabilities as needed; and
- Manned and led by the highest quality professionals.

To deliver the capabilities required by the new strategic guidance and remain within funding constraints, the Air Force made difficult choices in all core functions, including the decision to divest portions of combat and combat enabler forces. The guiding principle was balance. To retain critical core capabilities and maintain our ability to rapidly respond to mission demands, the Air Force balanced risk to force structure and modernization, while maintaining readiness and people programs across all mission areas. We will provide more details about our FY13 decisions on modernization, readiness, and people programs in the coming weeks.

This paper will focus on the decisions we made to divest aircraft and re-mission units, with a particular emphasis on how these choices affect the Air National Guard (ANG) and Air Force Reserve. Our programmed reductions follow detailed assessments of future conflict scenarios and enduring rotational deployment requirements and were chosen to maintain capable and lethal forces while preserving ready and sustainable Active and Reserve Components. The Air Force will be smaller, but will remain highly capable, lethal, ready, agile, and deployable.

Air Force Aircraft Reductions

The Air Force FY 13 Budget Request achieves $8.7 billion in savings across the Active and Reserve Components by retiring over 200 aircraft in FY 13 and nearly 300 aircraft over the FYDP, consistent with the new strategic guidance. Our programmed force reductions are wide ranging and affect over 60 installations. Without the Total Force re-missioning actions described later in the paper, they would have significantly affected 24 units and left eight installations without an Air Force presence. They will have direct impact in 33 states, but in order to support Total Force re-missioning, the manpower realignment plan built by the Reserve Components will significantly

affect additional units in all 54 states and territories. We will be able to provide manpower adjustments by installation and state in the coming weeks.

Our analysis of requirements driven by the new strategy shaped all of our decisions. Our force sizing analysis answered two complementary questions: what is the maximum, or surge, requirement posed by the force sizing model of the new strategy; and what is the steady state, or post-surge, requirement for deployed rotational forces? Because the new guidance requires the Joint Force to be capable of fighting one large scale, combined arms campaign with sufficient combat power to also deny a second adversary, and deemphasized large-scale, prolonged stability operations, our FY13 budget request accepts risk by retiring fighter, mobility, and intelligence, surveillance, and reconnaissance (ISR) aircraft excess to the surge requirements of the new force sizing construct. Although the U.S. has removed all combat forces from Iraq and the new strategic guidance reduces the steady state requirement for ground forces, we expect Air Force steady state rotational requirements to remain nearly constant, or perhaps increase, under the new strategy. This continuing rotational post-surge requirement is a key factor in determining the required mix between Active and Reserve Component forces due to differences in sustainable deployment rates and operations tempo.

Where possible, we attempted to retire all aircraft of a specific type, allowing us to also divest the unique training and logistic support structure for that aircraft. Where that was not possible, we worked to retire the oldest aircraft first, and redistributed aircraft into effective and economical units, eliminating other units when that was most efficient. Where we retained older aircraft, we are taking steps to ensure they will remain viable into the future.

Combat Air Forces

As directed by the new strategic guidance, we accepted risk in our Combat Air Forces by retiring or reclassifying aircraft from seven squadrons: five A-10 squadrons, one F-16 squadron, and one training/support coded F-15 Aggressor squadron. Because of the Department's evolving posture, one of the retiring squadrons is an overseas squadron. We chose to retire more A-10s as a result of guidance to size our forces for one large scale combined arms campaign with sufficient combat power to also deny a second adversary, without conducting a large scale, prolonged stability operation. The A-10 remains essential for combined arms and stability operations and we retain enough A-10s to meet the requirements of the new strategic guidance, but multi-role platforms provide more utility across the range of the potential missions for which we are directed to prepare.

After reductions, we retain 54 combat-coded fighter squadrons and maintain the capabilities and capacity required to meet the requirements of new strategic guidance at increased risk while providing a bridge to the Fifth Generation F-35. Although we transfer five F-15 Aggressor aircraft to attrition reserve status and eliminate one Aggressor squadron flag, we maintain a robust Aggressor training capability. We will relocate our F-16 Aggressor squadron in Alaska from Eielson AFB to Elmendorf AFB, allowing us to achieve savings in base support at Eielson beginning in FY15.

Mobility Air Forces

We also reduced our mobility capacity in line with the requirements of the new strategic guidance and the parallel reductions in land forces, retiring all 27 C-5As, retiring or canceling procurement of all 38 planned C-27Js, and retiring the 65 oldest C-130s. We chose to retire C-5As because of historically lower mission capable rates relative to the C-17 and C-5M. Retiring the entire C-5A fleet provides additional savings in training and logistics support that could not have been achieved by spreading retirements over multiple aircraft types. Divesting the entire C-27J fleet also achieves savings by substituting the lower life cycle costs of the more capable C-130 for the niche C-27J capability. As part of our C-130 retirement strategy, we streamline operations and maintenance by realigning some additional C-130 aircraft to ensure Reserve Component units operate only one C-130 type at any location.

After retirements, we will maintain a fleet of 275 strategic airlifters (52 C-5Ms and 223 C-17s) and 318 C-130s (134 C-130Js and 184 C-130Hs) and our analysis shows that the remaining aircraft are sufficient to meet the airlift requirements of the new strategy, including our commitment for direct support of the Army. We appreciate Congress' support in adjusting the legislated mandatory number of strategic airlifters. Given the changes in strategy and force sizing, we will be seeking a new minimum of 275 aircraft.

We also retire 20 KC-135s and maintain a fleet of 453 air refueling aircraft, sufficient to meet refined requirements. KC-46 development remains on track for initial deliveries in FY16.

Intelligence, Surveillance, and Reconnaissance

Intelligence, surveillance, and reconnaissance reductions divest all 18 Block 30 RQ-4s, generating $2.5 billion in Future Years Defense Program (FYDP) savings by choosing to rely on the proven capability of the mature U-2S aircraft and sensors. The U-2 has superior sensor capabilities now, meets the new Joint Requirements Oversight Council (JROC) force structure requirement, and is viable through 2040. We generate additional savings by eliminating funding for all 11 RC-26s while transferring the more capable MC-12 fleet from the Active Component to the Air National Guard in FY14. We also retire one E-8C aircraft that is damaged beyond economical repair.

Reserve Component Aircraft Reductions and Re-Missioning

The Air Force has enjoyed great success in leveraging our Total Force Enterprise to present our enduring capabilities to the Joint warfighter, and we have successfully met the demand of increased operations tempo over the last two decades through a combination of volunteerism, selective mobilization, and the creation of Active, Reserve, and Guard Associations. The Air National Guard and Air Force Reserve are integrated into all major Air Force mission areas, train to the same high standards as the Active Component, and are invaluable partners in meeting our many and varied commitments. Over the years, we have adjusted the mix between Active and Reserve Components to ensure we maintained a ready and sustainable force and could meet our

surge and rotational requirements. However, two decades of military end strength and force structure reductions have shifted the ratio of Active to Reserve Component forces. In 1990, the Reserve Component represented 25 percent of the Total Force end strength; that percentage has increased to 35 percent today. Reserve Component aircraft ownership also increased from approximately 23 percent to 28 percent over the same period.

Our Reserve Components have proven to be a superb investment -- providing critical Air Force capabilities through a very challenging time. However, our analysis tells us we have reduced the Active Component to the point that further reductions would limit our ability to respond quickly to multiple crises or sustain long duration commitments without asking our Airmen – Active and Reserve Component – to deploy at rates that cannot be sustained by our Total Force Airmen and their families. We also know that the entire Total Force – Active Component, Air National Guard, and Air Force Reserve – depends on the Active Component to recruit, train, and equip the Airmen of the future. Further Active Component aircraft reductions would require detailed analysis to ensure we do not make the Active Component too small to provide the skilled aircrew, maintenance, and support personnel required to sustain the Total Force. Maintaining the appropriate Active/Reserve mix will remain critical to sustaining Air Force capabilities for forward presence and rapid response, meeting overseas rotational demands with a smaller force, and taking care of our most precious resource, our people.

As we were driven to consider reductions in FY13, we carefully considered the ratio between the Active and Reserve Components and made choices that:

1) Ensured the Total Force could fulfill the Air Force's surge requirements as directed by the force sizing construct of the new strategic guidance;
2) Maintained the balance between Active and Reserve Components required to fulfill continuing rotational requirements at deployment rates and personnel tempos that are sustainable for both the Active and Reserve Components;
3) Made sure the Active Component retained the recruiting, training, and operational seasoning base required to sustain the Active Air Force, Air National Guard, and Air Force Reserve into the future; and
4) Ensured the Reserve Component remains relevant and engaged in both enduring and evolving missions.

The Air National Guard and Air Force Reserve were involved in all analysis and decisions, and employed the following principles and strategies to build Reserve Component aircraft reduction and re-missioning plans.

The Air National Guard's Capstone Principles informed Air Force decisions involving the ANG:

1) Allocate at least one flying unit with ANG equipment to each state;
2) Recapitalize concurrently and in balance with the regular component;
3) Manage Air National Guard resources with Air National Guard people;

4) Adopt missions that fit the militia construct; and
5) Build dual-use capabilities.

The Air Force Reserve employed the following realignment strategies in selecting specific locations for aircraft reductions:

1) Ensure aircraft reductions do not negatively impact operational support to the Combatant Commands;
2) Ensure force structure movements do not create any new Air Force bills;
3) Ensure risk is minimized by optimizing crew ratios to exploit expected increase in mission capability rates; and
4) Considered locations that continued to have an Air Force mission due to the presence of another Air Force Component.

Total Force Aircraft Reductions by Fiscal Year

FY 13 Actions: Divests all C-27J aircraft, eliminating aircraft based at or planned for Warfield AGS (Martin State), MD (4), Kellogg AGS (Battle Creek), MI (4), Fargo AGS (Hector), ND (4), Mansfield Lahm AGS, OH (4), Great Falls, MT (4), Bradley , CT (4), and Key Field AGS (Meridian), MS (6). Removes A-10s from Barksdale AFB, LA (retires 21 and transfers three), Selfridge ANGB, MI (21), Ft Smith, AR (20), Ft Wayne, IN (20), and an Active Component overseas location (20). Removes F-16s from Des Moines, IA (21) and transfers Active Component F-16 Aggressors from Eielson AFB, AK (19) to Joint Base (JB) Elmendorf-Richardson, AK (19). Aircraft retirements and transfers result in net reductions of C-130Hs at JB Elmendorf-Richardson, AK (4 H2) (eliminating an Active association), Niagara, NY (3 H2) (eliminating a Reserve association), Rosecrans AGS (St Joseph), MO (10 H2.5), Youngstown-Warren, OH (6 H2), Louisville, KY (1 H2.5), Charleston, WV (1 H3), Cheyenne, WY (1 H2.5), Stratton AGS (Schenectady), NY (4 H2), Dobbins ARB, GA (7 H2), and Pittsburgh, PA (7 H2). The Pittsburgh actions result in the closure of the associated Air Reserve Station at Pittsburgh, PA (closure does not exceed Base Realignment and Closure (BRAC) threshold in accordance with 10 U.S.C. § 2687). Retires KC-135s from Rickenbacker, OH (6), Pittsburgh ANGB, PA (4), Tinker AFB, OK (4), and Altus AFB, OK (three Active Component) as well as three Backup Aircraft Inventory (BAI) aircraft from Sky Harbor (Phoenix), AZ (1), Sioux City AGS, IA (1), and March ARB, CA (1). Reduces KC-135s at McGhee-Tyson, TN (2) and Gen Mitchell, WI (2). Begins retirement of the C-5A fleet at JB San Antonio (Lackland AFB), TX (5) and eliminates an E-8C damaged beyond economical repair from Robins ARB, GA (1). Retires Active Component Block 30 RQ-4s from Beale AFB, CA (18).

Proposed FY 14 Actions: Removes C-130Hs from Maxwell AFB, AL (7 H2), Naval Air Station (NAS) Joint Reserve Base (JRB) Ft Worth (Carswell), TX (8 H2) and Minneapolis-St Paul (8 H3), and removes C-130Js from Keesler AFB, MS (10). Continues to retire C-5As at JB San Antonio (Lackland AFB), TX (3) and Shepherd Field AGS (Martinsburg), WV (5). Converts Active Component F-15Cs at Nellis AFB, NV (5) from Primary Aircraft Inventory (PAI) to BAI status. Transfers 42 Active Component MC-12s from Beale AFB to the Air National Guard.

Proposed FY 15 Actions: Retires remaining Air National Guard C-5As based at Shepherd Field (Martinsburg), WV (6), and additional Air Force Reserve C-5As at JB San Antonio (Lackland AFB) (2). Eliminates funding for all 11 RC-26 aircraft, retiring aircraft based at Ellington Field (Houston), TX (1), Kirtland AFB, NM (1), Tucson, AZ (1), Fresno, CA (1), Fairchild AFB, WA (1), Key Field (Meridian), MS (1), Dannelly Field, AL (1), Truax AGS (Madison), WI (1), Hancock Field AGS (Syracuse), NY (1), Charleston, WV (1), and Jacksonville, FL (1).

Proposed FY 16 Action: Completes retirement of the Air Force Reserve C-5A fleet by divesting the remaining aircraft at JB San Antonio (Lackland AFB), TX (6). Removes C-130H from Savannah, GA (8 H2) and Little Rock, AR (eight Active Component H3). Removes C5Ms from Westover, MA (8).

Proposed FY 17 Actions: Removes C-130Hs from Niagara, NY (8 H2), Little Rock, AR (three Reserve Component H2), Charlotte, NC (2 H3), and Little Rock AR (six Active Component H3).

Total Force Re-Missioning by Fiscal Year

As a Total Force – Active Air Force, Air National Guard, and Air Force Reserve -- we have developed a detailed re-missioning plan that realigns continuing missions to preserve 14 of 24 units, maintains an Air Force presence on seven of the eight affected installations, expands Reserve Component participation in our growing ISR mission, and preserves an appropriate Active and Reserve Component force mix. The Air Force FY13 budget request commits approximately $600 million over the FYDP to execute and sustain re-missioning actions that establish new MQ-1/9 Remote Split Operations Squadrons, transfer the MC-12 fleet to the Air National Guard, thicken Reserve Component ISR and cyber participation, and transfer Active Component C-17s to the Reserve Component.

FY 12 Actions: Transfers six WC-130 aircraft from Nashville, TN to Luis Munoz, Puerto Rico, replacing retiring C-130Es. Establishes an MQ-1/9 Remote Split Operations (RSO) squadron at Nashville. Enlarges Nashville's Intelligence Squadron into a Targeting Group and creates a new Cyber/ISR Group.

FY 13 Actions: Completing a FY12 PB action, transfers eight C-17s from the Active Component to the Air National Guard at Memphis, TN (replacing C-5As). Adds C-130Hs at Youngstown-Warren, OH (4 H2.5) and Cheyenne, WY (1 H3). Establishes an ISR Group and expands the Net Warfare Sq at Warfield AGS (Martin State), MD to replace divested C-27s; establishes an Intelligence Targeting Group at Fargo AGS (Hector), ND; creates four additional MQ-1/9 RSO elements at Ft Smith, AR (replacing A-10s), Des Moines, IA (replacing F-16s), Kellogg AGS (Battle Creek), MI (replacing C-27s), and Willow Grove, PA; adds KC-135s to Selfridge ANGB, MI (4). Adds A-10s at Whiteman AFB, MO (3).

Proposed FY 14 Actions: Transfers 42 Active Component MC-12s to the Air National Guard by assigning between nine and eleven aircraft to each of four Air National Guard locations -- Ft Wayne, IN (replacing A-10s), Bradley, CT (replacing C-27s), Key Field AGS (Meridian), MS (replacing C-27s), and NAS Ft Worth JRB (Carswell), TX (replacing C-130s). Creates an Active Association at Beale AFB, CA to conduct MC-12 training and provides an additional deployed Combat Air Patrol

forward using up to six Air National Guard aircraft. Final aircraft assignments for the four Air National Guard locations and the Active association at Beale will be determined as part of the Air Force's FY14 budget submission after completion of a program plan and operational concept. Transfers C-130Js to Dobbins ARB, GA (10) (replacing C-130Hs) and C-130Hs to Rosecrans AGS (St Joseph), MO (8 H3) and Great Falls, MT (8 H2) (replacing C-27s).

Proposed FY 15 Action: Transfers eight Active Component C-17s to the Air National Guard at Shepherd Field AGS (Martinsburg), WV (replacing C-5As).

Proposed FY 16 Action: Within the Air Force Reserve, transfers eight C-5Ms from Westover ARB, MA to JB San Antonio (Lackland AFB), TX, (replacing C-5As). Replaces C-130H2s at Savannah, GA (8) with C-130H3s. Replaces Active Component C-130H3s (8) at Little Rock AFB, AR with C-130H1 (7).

Proposed FY 17 Action: Dobbins ARB, GA receives two additional C-130Js for a total of 12. Replaces C-130H2s at Niagara, NY (8) with C-130H3s. Replaces Active Component C-130H3s (6) at Little Rock AFB, AR with C-130H1s (7).

After proposed reductions and re-missioning, Reserve Component end strength will make up 33 percent of Total Force military personnel, a reduction of two percent from the FY12 President's Budget (PB) position. The Reserve Component will own 24 percent of Total Force aircraft, two percent less than their FY12 PB share. Within the Combat Air Forces, the percentage of total aircraft in the Reserve Component will be 38 percent, four percent less than in FY12. For the Mobility Air Forces, the Reserve Component share shifts from 51 percent to 46 percent.

Additional Actions

In addition to specific re-missioning actions, the Air Force has also taken a variety of steps to secure the future of the Air National Guard and Air Force Reserve in a balanced Total Force.

Future Aircraft Flow Down

We remain committed to acquiring the F-35A as our future multi-role fighter. Although delivery of the F-35 has been delayed, it is still the future of both Active and Reserve multi-role squadrons. The Air Force has acquired 12 F-35s to date and plans to acquire over 160 more through FY17. The full-rate production plan is yet to be determined.

We have decided to pursue a scalable Service Life Extension Program (SLEP) for approximately 350 F-16s. Although our oldest F-16s will remain viable through the end of this decade, we plan to begin fielding aircraft with SLEP structural improvements in 2017. The program will ensure the F-16 remains viable and relevant for future Active and Reserve Component multi-role fighter squadrons until the F-35 arrives in greater numbers. We will also upgrade combat avionics for a substantial portion of the SLEP-ed aircraft with aircraft delivery beginning in FY18.

We are committed to developing a detailed aircraft flow down plan that describes how the F-35 and modernized and SLEP-ed F-16s will be integrated into the Total Force and replace aging aircraft. We will build a detailed plan after we have a clearer view of F-35 delivery schedules and

have completed Force Composition Analysis studies to determine the optimum Active and Reserve Component unit size and force mix for our remaining multi-role fighter force. As always, the leadership of the Air National Guard and Air Force Reserve will be active partners in determining this mix.

We are also committed to making sure our 184 remaining C-130H variants remain viable and relevant. We developed the C-130 Avionics Modernization Program (AMP) to ensure our C-130H fleet met basic communication, navigation, surveillance, and air traffic management (CNS/ATM) requirements. We later determined that there are less technically complex approaches to meet these requirements and resolve select obsolescence issues. Therefore, our FY13 budget submission terminates the C-130 AMP. However, we have funded an FY13 new start CNS/ATM program to ensure our C-130H fleet will remain viable and relevant, while generating more than $2.2 billion in savings over the FYDP.

Strategic Basing Process

The Air Force Strategic Basing Process was established by the Secretary of the Air Force in August 2009 to create an open, transparent, and consistent process for selecting preferred Total Force basing options. We will employ the Strategic Basing Process to identify preferred Active and Reserve Component basing locations for new aircraft as they become available as part of our recapitalization and modernization efforts.

BRAC 2005 established Eglin AFB as the Initial Joint Training Site for the F-35A. In July 2010, the Air Force announced preferred alternatives for further basing of the initial 250-300 F-35As, identifying Hill AFB and Burlington ANGB as the initial operational locations and Luke AFB as the next training location after Eglin, accommodating all F-35As currently scheduled for delivery through FY19. The Air Force will announce future preferred and reasonable alternatives approximately three years prior to delivery of aircraft to the next round of bases. Given current F-35 production estimates, the next set of F-35 basing decisions will include domestic and overseas bases and will not be required prior to FY17. Over the next two years, we will determine the optimum size of Active and Reserve Component F-35 units and the total number of required F-35 operating locations.

The Air Force is currently developing requirements for the first two KC-46 bases, and expects to approve basing criteria in March 2012, identify candidate installations in June 2012, select preferred and reasonable alternatives in December 2012, and make final decisions in December 2013. These first two bases will begin receiving aircraft in FY16. We will announce future preferred and reasonable alternatives approximately three years prior to delivery of aircraft to the next round of bases. Given current production estimates, the next KC-46 basing decisions will not be required prior to FY14. We are committed to creating associations at all KC-46 operating locations in the continental United States.

Potential Legislative Changes

In coordination with the Air National Guard and Air Force Reserve, the Air Force and the Department of Defense are reviewing the authorities that might be needed to address the impact

of programmed force reduction and re-missioning actions on the affected members of the Air National Guard, Air Force Reserve, and their families.

Air Force Total Force Enterprise and Associations

The Air Force Total Force Enterprise (TFE) management approach provides an inclusive, fact-based, and iterative process designed to maximize combat capability and optimize force structure through a range of innovative organizational constructs and personnel policies that optimize and integrate the capabilities of all Air Force components.

Associations are an integral part of balancing the Total Force to meet the current and future air, space and cyber requirements of the Joint warfighter. Total Force Integration (TFI) associations pair two units, (host and associate) representing two Air Force components, operating together. The host unit is assigned the physical resources for mission accomplishment (aircraft, equipment, facilities) and the associate unit shares those resources. Currently, there are three types of TFI associations: Classic, Active and Air Reserve Component (ARC).

Classic Associations pair units as an Active Component host with a Reserve Component associate which can improve operational synergies and add capacity during surge operations at reduced cost. Active Associations pair a Reserve Component host and an Active Component associate to improve access to aircraft and total rotational capacity by assigning Active Component Airmen in Reserve Component units, allowing the highly experienced Reserve Component to help develop and season maturing Active Component Airmen. ARC Associations pair a Reserve Component host and a Reserve Component associate to deliver operational and organizational efficiencies.

There are currently 100 TFI associations across a variety of weapons systems/functional areas and Air Force Major Commands. The Air Force is planning to add Active Associations at all ARC fighter locations, and Air Mobility Command intends to establish Active or Classic Associations at all continental U.S. KC-46 locations. The Air Force will continue to explore additional opportunities for associations in order to create efficiencies, encourage retention of valuable human capital, and above all, increase Air Force combat capabilities.

New Associations

The Air Force has decided to maintain 18 assigned F-16 aircraft at Air National Guard fighter squadrons to support new F-16 Active Associations at Truax AGS (Madison), WI, Buckley, CO, Joe Foss Field, SD, and Duluth, MN, in addition to the Associations already programmed at Burlington, VT, and Dannelly Field, AL. Although the previously programmed Active Association at Barksdale AFB, LA, is eliminated with the Air Force Reserve Command A-10 retirement, the Active Associations at Whiteman AFB, MO, NAS Ft Worth JRB (Carswell), TX and Homestead ARB, FL will continue as planned. The Chief of Staff of the Air Force has directed the Air Force to develop additional Active Associations at all ARC fighter locations to ensure that the Total Force is able to absorb and season enough young pilots and maintainers to meet future Total Force requirements.

The AF FY13 budget request also establishes C-130J Active Associations at Dobbins ARB, GA starting in FY14, Quonset Point Airport, RI in FY16, and Channel Islands, CA in FY17, as well as an

Active Association with a C-130H unit in FY13 at a location still to be determined. Additionally, Classic Associations will be established in intelligence at Fort Meade, MD, Offutt AFB, NE and Hurlburt Field, FL, and in program analysis at Wright-Patterson AFB, OH. We have also established a new association with the MC-12W mission transfer to the Air National Guard in FY 14. An Active Association will be stood up to operate the MC-12W Flying Training Unit at Beale AFB, using up to six Air National Guard aircraft. The Active Association will also provide one Combat Air Patrol (CAP) of deployed capability.

The Air Force previously funded a RED HORSE Active Association at Beale AFB, CA, as well as Classic Associations in cyber at JB San Antonio (Lackland AFB), TX; Aviation Foreign Internal Defense at a location to be determined; Security Forces at Davis-Monthan AFB, NM; and intelligence at Wright-Patterson AFB, OH, and JB Langley-Eustis, VA. In all, 15 new Associations are programmed, and the Air Force will explore additional opportunities for associations in our FY14 budget submission.

Military Personnel Appropriation Budget Activity Code

We are normalizing our approach to how we program ARC Military Personnel Appropriation (MPA) man day funding by improving the way we forecast, plan, program, and fund MPA man day accounts in our budget build process. These inputs will ensure adequate and predictable funding to support the required level of Reserve Component participation. Our normalization efforts include introducing MPA requirements into our corporate planning process earlier and working with the Office of the Secretary of Defense to create a distinct budget activity with a sub-account dedicated to facilitating more flexible Reserve Component operations, increasing opportunities for Reserve Component participation, and tracking MPA within the Air Force Military Personnel Account. If approved, we would expect to include this account in our FY14 budget submission.

Improving Strategic Planning Transparency and Processes

We have embarked on an effort to examine Active Air Force, Air National Guard, and Air Force Reserve composition across all the Air Force's major functions through the Total Force Enterprise Review Process and System Force Composition Analyses. The Total Force Enterprise Evaluation Group reviews and provides oversight of all Total Force Associations and ensures they have met the requirements for effective operations. Force Composition Analyses examine individual weapons systems or processes and make recommendations for an appropriate Active/Reserve Component mix based on analysis of combat requirements, Total Force capacity, and system and manpower costs.

Most importantly, we have strengthened and refined our corporate processes to ensure that the Air National Guard and Air Force Reserve are involved at every step of our analysis and decision making. Air Force senior leaders have directed that the Air Force Reserve and Air National Guard will continue to be fully represented during system Force Composition Analyses and will participate fully in development of the Core Function Master Plans that guide actions to organize, train and equip the Total Force in each core function.

Air Force Reserve Component 2020 Study

We believe the Air Force Reserve Components set the DoD standard for Total Force integration and operational effectiveness, but we must ensure that we continue to improve our performance and processes to maximize our contribution to the Joint Force of 2020 and beyond. The Chief of Staff of the Air Force and Reserve Component leadership are developing terms of reference to guide an independent study that will evaluate our on-going efforts to optimize the Total Force and make recommendations to guide and shape our future efforts. The study team will likely be led by a former Chief of Staff of the Air Force and will include a former Director of the Air National Guard and Chief of the Air Force Reserve.

Conclusion

We remain fully committed to the essential contributions of the Total Force and have taken proactive steps to:

- Address the impact of force structure reductions in our Reserve Components by re-missioning units with enduring missions and assigning aircraft with extended life spans and improved capabilities;
- Plan for robust use of associations as we field F-35 and KC-46 units;
- Increase the number of associations between existing Active and Reserve units;
- Normalize our management of Reserve Component man days; and
- Improve the transparency of Total Force planning and develop our Total Force vision for the future.

The future of the Air Force depends on sustaining strong and ready Reserve Components, and we believe the Air Force Total Force sets the standard for integrating Active and Reserve Components to improve efficiency and effectiveness in peace and war. The force reductions proposed in the Air Force FY13 budget request were developed in response to new DoD strategic guidance, informed by reduced funding, and shaped by analysis to ensure that the Total Force will continue to fulfill the Air Force's surge requirements and meet continuing rotational demand. We will ensure that the Reserve Component remains engaged and relevant as the Active Component maintains the recruiting, training, and operational seasoning base required to sustain the Total Force into the future.

SCR

1

<TARGET><BILL>SCR 1</BILL><SUBJECT>SCR
1</SUBJECT><COMM>SSTA27</COMM></TARGET>

27-LS0099\B
Bailey
2/25/11

CS FOR SENATE CONCURRENT RESOLUTION NO. 1( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR DAVIS

A RESOLUTION

Designating May of each year as Lupus Awareness Month.

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

WHEREAS, according to the Lupus Foundation of America, lupus is an acute, chronic, and often lifelong disease affecting the immune system by causing inflammation and tissue damage; and

WHEREAS major gaps exist in the understanding of the causes and consequences of lupus; and

WHEREAS lupus can affect any body part, including the skin, lungs, heart, kidney, and brain; and

WHEREAS lupus can cause seizures, strokes, heart attacks, miscarriages, and organ failures; and

WHEREAS anyone may develop lupus for reasons that are not understood; and

WHEREAS lupus strikes mostly women of childbearing age; and

WHEREAS women of color develop lupus at a rate two to three times the rate that Caucasians develop lupus; and

WHEREAS lupus can be particularly difficult to diagnose because its symptoms are

similar to the symptoms of other illnesses; and

WHEREAS new drugs have not been approved by the United States Food and Drug Administration for lupus during the last 50 years; and

WHEREAS current treatment for lupus can have damaging side effects; and

WHEREAS the Lupus Foundation of America designates National Lupus Awareness Month to show support for the estimated 1,500,000 Americans who suffer from lupus; and

WHEREAS more than 3,000 cases of lupus have been diagnosed in Alaska in patients 10 to 87 years of age; and

WHEREAS 10 members of the Lupus Foundation of America, Alaska Chapter, recently passed away from lupus;

BE IT RESOLVED that the Alaska State Legislature designates May of each year as Lupus Awareness Month; and be it

FURTHER RESOLVED that the Alaska State Legislature encourages the people of the state to observe Lupus Awareness Month with appropriate activities to increase awareness of lupus and show support for people diagnosed with the disease.

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 February 25, 2011

SUBJECT: Lupus Awareness Month; resolution or bill (CSSCR 1( ))
(Work Order No. 27-LS0099\B)

TO: Senator Bettye Davis
Attn: Celeste Hodge

FROM: Dennis C. Bailey DCB
Legislative Counsel

This draft accompanies committee substitute for SCR 1, sponsor blank, that changes the resolution to designate May of every year as Lupus Awareness Month rather than designating Lupus Awareness month for 2011.

I discussed with Celeste Hodge of your office the issue of whether the resolution could be modified to include the longer effect or if a bill would be required to make Lupus Awareness Month effective for every year. Either option is available.

A resolution is "used to reflect the will, wish, view, or decision of both houses speaking concurrently. It is used to handle the internal business of the legislature, including requesting action of executive agencies and interim committees, and fixing the time and place of joint assemblies." Uniform Rule 49(a)(3), Legislative Affairs Agency, *Manual of Legislative Drafting* at 76. The resolution essentially requests that Lupus Awareness Month be observed, but relies heavily on institutional memory. I have not found a prohibition against using a resolution to express the legislative view that Lupus Awareness Month be recognized each year. You could also consider using a new resolution each year recognizing Lupus Awareness Month.

Alternatively, a period of recognition lasting indefinitely has been designated in statute. *See*, *e.g.*, AS 44.12, 44.12.075, 44.12.098. Designating Lupus Awareness Month in statute would need to be implemented by a bill rather than a resolution. A resolution might simply be forgotten after the year in which it was passed, in contrast with a statute which would create an ongoing reminder for official agencies to observe Lupus Awareness Month.

If I may be of further assistance, please advise.

DCB:plm
11-108.plm

Enclosure

Alaska State Legislature

Interim: (May - Dec.)
716 W. 4th Ave
Anchorage, AK 99501
Phone: (907) 269-0144
Fax: (907) 269-0148

Session: (Jan. - May)
State Capitol, Suite 30
Juneau, AK 99801-1182
Phone: (907) 465-3822
Fax: (907) 465-3756
Toll free: (800) 770-3822

Senator_Bettye_Davis@legis.state.ak.us
http://www.akdemocrats.org

Senator Bettye Davis

Memorandum

To: Senator Bill Wielechowski
Chair, Senate State Affairs Committee

From: Senator Bettye Davis

Date: February 12, 2011

RE: Hearing request for **SCR 1 "Designating May 2011 as Lupus Awareness Month"**

Senator Wielechowski:

You currently have in your possession **SCR1 – "Designating May 2011 as Lupus Awareness Month."** This bill is of significant importance to me and I am requesting that a hearing be scheduled as soon as possible. Please contact Celeste Hodge of my staff at 465-4906 if you have questions.

Thank you.

Alaska State Legislature

Interim: (May - Dec.)
716 W. 4th Ave
Anchorage, AK 99501
Phone: (907) 269-0144
Fax: (907) 269-0148

Session: (Jan. - May)
State Capitol, Suite 30
Juneau, AK 99801-1182
Phone: (907) 465-3822
Fax: (907) 465-3756
Toll free: (800) 770-3822

Senator_Bettye_Davis@legis.state.ak.us
http://www.akdemocrats.org

Senator Bettye Davis

SCR1 -27-LS0099\M - *"Designating May 2011 as Lupus Awareness Month"*

SPONSOR STATEMENT

SCR1 designates May 2011 as Lupus Awareness Month and encourages Alaskans to observe Lupus Awareness Month with appropriate activities that provide both lupus education and support for people diagnosed with the disease.

According to the Lupus Foundation of America, lupus is an acute, chronic and often lifelong disease affecting the immune system by causing inflammation and tissue damage. Major gaps exist in the understanding of the causes and consequences of lupus. Lupus can affect any body part, including the skin, lungs, heart, kidney, and brain. Lupus can cause seizures, strokes, heart attacks, miscarriages and organ failure. Lupus strikes mostly women of childbearing age and women of color develop lupus at a rate two-to-three times the rate that Caucasians develop lupus. Lupus is difficult to diagnose because its symptoms are similar to the symptoms of other illnesses. New drugs have not been approved by the United States Food and Drug Administration specifically for lupus during the last 50 years. Current treatment for lupus can have damaging side effects.

Each year, May is designated as Lupus Awareness Month to show support for the estimated 1.5 million Americans with lupus. More than 3,000 cases of lupus have been diagnosed in Alaska in patients 20 to 87 years of age. Ten members of the Lupus Foundation of America, Alaska Chapter recently passed away from lupus. Designating May 2011 as Lupus Awareness Month will help increase awareness of lupus and show support for those diagnosed with the disease.

SENATE CONCURRENT RESOLUTION NO. 1

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY SENATOR DAVIS

Introduced: 1/19/11
Referred: State Affairs, Health and Social Services

A RESOLUTION

Designating May 2011 as Lupus Awareness Month.

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

WHEREAS, according to the Lupus Foundation of America, lupus is an acute, chronic, and often lifelong disease affecting the immune system by causing inflammation and tissue damage; and

WHEREAS major gaps exist in the understanding of the causes and consequences of lupus; and

WHEREAS lupus can affect any body part, including the skin, lungs, heart, kidney, and brain; and

WHEREAS lupus can cause seizures, strokes, heart attacks, miscarriages, and organ failures; and

WHEREAS anyone may develop lupus for reasons that are not understood; and

WHEREAS lupus strikes mostly women of childbearing age; and

WHEREAS women of color develop lupus at a rate two to three times the rate that Caucasians develop lupus; and

WHEREAS lupus can be particularly difficult to diagnose because its symptoms are

New Text Underlined [DELETED TEXT BRACKETED]

similar to the symptoms of other illnesses; and

WHEREAS new drugs have not been approved by the United States Food and Drug Administration for lupus during the last 50 years; and

WHEREAS current treatment for lupus can have damaging side effects; and

WHEREAS the Lupus Foundation of America designates National Lupus Awareness Month to show support for the estimated 1,500,000 Americans who suffer from lupus; and

WHEREAS more than 3,000 cases of lupus have been diagnosed in Alaska in patients 10 to 87 years of age; and

WHEREAS 10 members of the Lupus Foundation of America, Alaska Chapter, recently passed away from lupus;

BE IT RESOLVED that the Alaska State Legislature designates May 2011 as Lupus Awareness Month; and be it

FURTHER RESOLVED that the Alaska State Legislature encourages the people of the state to observe Lupus Awareness Month with appropriate activities to increase awareness of lupus and show support for people diagnosed with the disease.

New Text Underlined [DELETED TEXT BRACKETED]

Lupus Foundation of America, Inc.

What I Need to Know About Lupus

If you have been diagnosed with lupus, you will want to know as much as you can about the disease. Lupus is a chronic, autoimmune disease that can damage any part of the body (skin, joints, and/or organs inside the body). Normally the immune system produces proteins called antibodies that protect the body from foreign invaders, such as bacteria and viruses. With lupus, the immune system cannot tell the difference between these foreign invaders and the body's healthy tissues and creates autoantibodies ("auto" means "self") that attack and destroy healthy tissue. These autoantibodies cause inflammation, pain, and damage in various parts of the body.

Lupus is a disease of flares (the symptoms worsen and you feel ill) and remissions (the symptoms improve and you feel better). Lupus can range from mild to life-threatening and should always be treated by a doctor. With good medical care, most people with lupus can lead a full life.

What Causes Lupus?

No one knows what causes lupus. However, scientists believe that hormones, genetics (heredity), and environment are all involved. Hormones regulate many of the body's functions. In particular, the sex hormone estrogen is believed to play a role in lupus. Men and women both produce estrogen, but estrogen production is much greater in females.

Scientists have noted some common triggers among people who have lupus, including exposure to the sun, an infection, a medication taken to treat an illness, pregnancy, and giving birth.

However, that does not mean that estrogen, or any other hormone for that matter, causes lupus.

While no gene or group of genes has been proven to cause lupus, the disease does appear in certain families. And, although lupus can develop in people with no lupus in their family history, other autoimmune diseases may be present in some family members. Certain ethnic groups (people of African, Asian, Hispanic/Latino, Native American, or Pacific Island descent) have a greater risk of developing lupus, which may be related to genes they have in common.

Your genes may increase the chance that you will develop lupus, but scientists believe some kind of environmental trigger can set off the illness or bring on a flare, such as:

- *ultraviolet rays from the sun or from fluorescent light*
- *sulfa drugs and some tetracycline drugs, which make a person more sensitive to the sun*
- *penicillin or certain other antibiotic drugs*
- *infection*
- *a cold or a viral illness*
- *exhaustion*
- *injury*
- *emotional stress*
- *anything that causes stress to the body such as surgery, an accident, pregnancy, or giving birth*

Facts About Lupus

- Lupus is not contagious.
- Lupus is not like or related to cancer.
- Lupus is not like or related to HIV or AIDS.
- It is believed that at least 1.5 million people in the U.S. have lupus.
- More than 16,000 new cases of lupus in the U.S. are reported each year.
- Lupus strikes mostly women of childbearing age.
- Women of color are 2-3 times more likely to develop lupus.
- People of all races and ethnic groups can develop lupus.

Forms of Lupus

Systemic lupus erythematosus is the most common form of lupus, and is what most people mean when they refer to "lupus." Systemic lupus can be mild or severe. Some of the more serious complications involving major organ systems are:

- *inflammation of the kidneys (lupus nephritis)*
- *an increase in blood pressure in the lungs (pulmonary hypertension)*
- *inflammation of the heart muscle (myocarditis)*
- *hardening of the arteries (coronary artery disease)*
- *inflammation of the nervous system and brain*
- *inflammation of the brain's blood vessels*

Cutaneous lupus erythematosus is limited to the skin. Although cutaneous lupus can cause many types of rashes and lesions (sores), the most common rash is raised, scaly and red, but not itchy; it is called a *discoid rash* because the areas of rash are shaped like disks, or circles. Another common example of cutaneous lupus is a rash over the cheeks and across the bridge of the nose, known as the *butterfly rash*. Hair loss and changes in the pigment, or color, of the skin are also symptoms of cutaneous lupus.

Drug-induced lupus is a lupus-like disease caused by certain prescription drugs. The drugs most commonly connected with drug-induced lupus are hydralazine (used to treat high blood pressure or hypertension), procainamide (used to treat irregular heart rhythms), and isoniazid (used to treat tuberculosis). The lupus-like symptoms usually disappear within six months after these drugs are stopped.

Neonatal lupus is a rare condition that can affect infants of women who have lupus. At birth, the infant may have a skin rash, liver problems, or low blood cell counts, but all of these symptoms disappear completely after several months with no lasting effects. A very small percentage of infants with neonatal lupus may also have a serious heart defect; however, most infants of mothers with lupus are entirely healthy.

Another common example of cutaneous lupus is a rash over the cheeks and across the bridge of the nose, known as the butterfly rash.

What Are the Symptoms of Lupus?

Because lupus can affect so many different organs, a wide range of symptoms can occur. The most common symptoms of lupus, which are the same for females and males, are:

- *extreme fatigue (tiredness)*
- *headaches*
- *painful or swollen joints*
- *anemia (low numbers of red blood cells)*
- *fever*
- *swelling (edema) in feet, legs, hands, and/or around the eyes*
- *pain in chest on deep breathing (pleurisy)*
- *butterfly-shaped rash across cheeks and nose*
- *sun- or light-sensitivity (photosensitivity)*
- *hair loss*
- *blood clotting problems*
- *fingers turning white and/or blue when cold (Raynaud's phenomenon)*
- *ulcers in mouth or nose*

Most people with lupus will be treated by a rheumatologist, who is a specialist in the diseases of joints and muscles.

What Kinds of Doctors Treat Lupus?

Most people with lupus will be treated by a *rheumatologist*, who is a specialist in the diseases of joints and muscles. The rashes or lesions from cutaneous lupus require treatment from a *dermatologist*, a specialist in diseases that affect the skin (including the scalp and the mouth).

Because lupus can cause damage to any part of the body, other specialists may be necessary, such as a *nephrologist*, who specializes in kidney problems; a *cardiologist*, who specializes in heart problems; a *neurologist*, who specializes in problems that affect the brain and nervous system; or a *perinatologist*, who specializes in high-risk pregnancies.

The Lupus Foundation of America (LFA) is the nation's leading nonprofit voluntary health organization dedicated to finding the causes of and cure for lupus and providing support and services to all people affected by the disease. The LFA and its network of chapters pursue this mission through programs of research, education and advocacy. Contact the LFA or a chapter that serves your area to find out how you can become involved in our mission and how we can help you. For more information call 1-800-558-0121 or visit us online at www.lupus.org.

2000 L Street, NW, Suite 710 | Washington, DC 20036 | www.lupus.org | ©2007 Lupus Foundation of America Inc.

REVISED 2007

SCR

2

<TARGET><BILL>SCR 2</BILL><SUBJECT>SCR
2</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/19/11

FURTHER: Judiciary
Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 2/15/11

State Affairs Committee considered SENATE CONCURRENT RESOLUTION NO. 2

SCR 2 UNIFORM RULES: PRESIDING OFFICER PRO TEM

Proposing amendments to the Uniform Rules of the Alaska State Legislature relating to the presiding officer pro tempore.

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
S.STA			✓	

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Giessel		X		
	Meyer			X	
	Hoffman		X		
	Kookesh			X	
CHAIR:	Wielechowski			X	

27-LS0031\M
Gardner
2/8/11

CS FOR SENATE CONCURRENT RESOLUTION NO. 2( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS DAVIS, Ellis

A RESOLUTION

Proposing amendments to the Uniform Rules of the Alaska State Legislature relating to the presiding officer pro tempore.

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

* **Section 1.** Rule 1(a), Uniform Rules of the Alaska State Legislature, is amended to read:

(a) At the time for convening of the first regular session of a legislature, the lieutenant governor calls each house to order separately and calls the roll of members whose election has been certified. The lieutenant governor then administers the oath of office to the new members and, pending the election of [TEMPORARY] presiding officers **pro tempore**, preserves order and decorum in the house.

* **Sec. 2.** Rule 1(b), Uniform Rules of the Alaska State Legislature, is amended to read:

(b) When the house by a majority vote of the full membership of the house selects a [TEMPORARY] presiding officer **pro tempore**, the [TEMPORARY] presiding officer **pro tempore** assumes the chair, and the lieutenant governor withdraws. The [TEMPORARY] presiding officer **pro tempore** then calls for nominations for a **regular** [PERMANENT] presiding officer, and the nominee receiving a majority vote of the full membership of the house becomes the **regular**

[PERMANENT] presiding officer for the two-year duration of the legislature. If a **regular** [PERMANENT] presiding officer is not elected by the seventh legislative day, on the eighth legislative day, the [TEMPORARY] presiding officer **pro tempore** shall call for nominations for a **regular** [PERMANENT] presiding officer from the floor. A roll call vote shall be taken on the persons nominated. Election of a **regular** [PERMANENT] presiding officer requires a majority vote of the full membership of the house.

*** Sec. 3.** Rule 1(c), Uniform Rules of the Alaska State Legislature, is amended to read:

(c) Pending the organization of the house, a secretary assigned by the Legislative Council assists the lieutenant governor**, the presiding officer pro tempore,** and the **regular** [TEMPORARY AND PERMANENT] presiding **officer** [OFFICERS] in the performance of their duties.

*** Sec. 4.** Rule 4, Uniform Rules of the Alaska State Legislature, is amended to read:

Rule 4. Duties of the Presiding Officer. The presiding officer of each house has the duties set forth in Section 575, MASON'S MANUAL OF LEGISLATIVE PROCEDURE, 2000 edition, when not inconsistent with these Uniform Rules. In the absence of the regular presiding officer, the majority leader of the house **shall serve** [SERVING EX OFFICIO] as presiding officer**. In the absence of the regular presiding officer, and in the absence of the majority leader of the house, the presiding officer pro tempore elected under Rule 1(b) shall preside over sessions of the house. When presiding during sessions of the house, the majority leader or the presiding officer pro tempore elected under Rule 1(b) may exercise the duties of the regular presiding officer. The** [PRO TEMPORE SHALL PRESIDE; EXCEPT THAT THE] regular presiding officer**, the majority leader, or the presiding officer pro tempore** may temporarily relinquish the chair to any member.

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 February 8, 2011

SUBJECT: Sectional Summary to SCR 2 with amendment
(Work Order Nos. 27-LS0031\A.1 & 27-LS0031\M)

TO: Senator Bettye Davis
Attn: Tom Obermeyer

FROM: Doug Gardner
Director

You requested a sectional summary for the enclosed proposed language amending section 4 of SCR 2, a bill relating to proposed amendments to the Uniform Rules of the Alaska State Legislature relating to the presiding officer pro tempore. You may rely on my prior memo for a sectional summary of sections 1 - 3 of SCR 2. At your request, I am enclosing a blank amendment and a blank committee substitute.

As a preliminary matter, a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

In the proposed amendment and blank committee substitute, **section 4** amends Uniform Rule 4 by establishing that, in the absence of both the regular presiding officer (Speaker of the House) and the absence of the majority leader, the presiding officer pro tempore previously elected in Uniform Rule 1(b) serves as the presiding officer pro tempore. The result of the language amending section 4 of SCR 2, is that the presiding officer pro tempore elected at the start of the first session of a legislature, in addition to the presiding officer pro tempore's duties set out in Uniform Rule 1(b), will continue for both sessions to serve as a "backup" in the absence of the regular presiding officer (Speaker of the House) and majority leader.

If you have additional questions, please advise.

DDG:ljw
11-085.ljw

Enclosures

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 January 28, 2011

SUBJECT: Sectional Summary to SCR 2 (Work Order No. 27-LS0031\A)

TO: Senator Bettye Davis
Attn: Tom Obermeyer

FROM: Doug Gardner
Director

You requested a sectional summary of SCR 2, a bill relating to proposed amendments to the Uniform Rules of the Alaska State Legislature relating to the presiding officer pro tempore.

As a preliminary matter, a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1 of the bill amends Uniform Rule 1(a) by replacing "temporary" with the phrase "pro tempore," making the use of the term "pro tempore" consistent throughout Uniform Rule 1.

Section 2 of the bill amends Uniform Rule 1(b) by replacing "temporary" with the phrase "pro tempore" in two places in Uniform Rule 1(b). Again, replacing "temporary" with "pro tempore" achieves consistency throughout Uniform Rule 1 when describing the "pro tempore" officer. This section also replaces "permanent" with the word "regular" when identifying the regular presiding officer in four places in Uniform Rule 1(b). The term "regular" is used to replace reference to the existing "permanent" officer, and provides consistency in describing the "regular" officer throughout Uniform Rule 1.

Section 3 of the bill amends Uniform Rule 1(c) by replacing the phrase "temporary and permanent," with "the presiding officer pro tempore," and "regular," and also replaces "officers" with "officer." Again, the proposed amending language is used to achieve consistency throughout Uniform Rule 1.

Section 4 of the bill amends Uniform Rule 4 by deleting the phrase "majority leader of the house serving ex officio as," and adds the phrase "during sessions of the house and may exercise any other duty of the regular presiding officer." This section also adds the phrase "or the presiding officer pro tempore," to the existing phrase "regular presiding

officer." The amending language allows the regular presiding officer or the presiding officer pro tempore to temporarily relinquish the floor to any member. However, this section changes the existing language of Uniform Rule 4 by deleting reference to the majority leader of the house. This section provides that the presiding officer pro tempore, who is selected under Uniform Rule 1(b), is not necessarily the majority leader of the house, but is the officer pro tempore elected by the house by a majority vote as provided in Uniform Rule 1(b). This section amending Uniform Rule 4 continues to allow that where the regular presiding officer is absent or unavailable, the presiding officer pro tempore, selected in Uniform Rule 1(b), presides over the house, and may exercise the same duties as the regular presiding officer.

DDG:plm
11-042.plm

ALASKA STATE LEGISLATURE

UNIFORM RULES

ADOPTED 1981

by the

TWELFTH LEGISLATURE - FIRST SESSION

AS AMENDED 1985, 1988, 1989, 1991, 1998, 2001, 2003, 2004, 2008

Legislative Affairs Agency

ORGANIZATION OF FIRST SESSION

Rule 1. Organization of First Session. (a) At the time for convening of the first regular session of a legislature the lieutenant governor calls each house to order separately and calls the roll of members whose election has been certified. The lieutenant governor then administers the oath of office to the new members and, pending the election of temporary presiding officers, preserves order and decorum in the house.

(b) When the house by a majority vote of the full membership of the house selects a temporary presiding officer, the temporary presiding officer assumes the chair and the lieutenant governor withdraws. The temporary presiding officer then calls for nominations for a permanent presiding officer and the nominee receiving a majority vote of the full membership of the house becomes the permanent presiding officer for the two-year duration of the legislature. If a permanent presiding officer is not elected by the seventh legislative day, on the eighth legislative day the temporary presiding officer shall call for nominations for a permanent presiding officer from the floor. A roll call vote shall be taken on the persons nominated. Election of a permanent presiding officer requires a majority vote of the full membership of the house.

(c) Pending the organization of the house a secretary assigned by the Legislative Council assists the lieutenant governor and the temporary and permanent presiding officers in the performance of their duties.

(d) The Uniform Rules of the Legislature of the previous regular session or any authorized revision of those rules are used as the temporary rules until the Rules Committee reports on and the legislature in joint session adopts permanent uniform rules.

(e) The presiding officer shall announce, not later than the day following election, the appointment of a Committee on Committees consisting of five members including the presiding officer. The presiding officer chairs the Committee on Committees. The committee is responsible for nominating the members of the standing committees as set out in Rule 20 and the member who is to chair each standing committee to serve for the two-year duration of the legislature. The membership of each committee shall total to an uneven number. On each standing committee the minority is entitled to the number of seats that is proportional to the number of minority members compared to the total house membership or to one seat, whichever is greater. In calculating the number of seats the minority is entitled to, fractional numbers that represent the minority proportional entitlement to a seat shall be ignored. The report of the Committee on Committees is subject to approval by a majority vote of the full membership of the house. For purposes of this subsection "minority" means a group of members who have organized and elected a minority leader and who constitute at least 25 percent of the total house membership.

ORGANIZATION OF SECOND SESSION

Rule 2. Organization of Second Session. The presiding officer of each house during the first regular session presides during the second regular session or any special session and administers the oath to any new members.

LEGISLATIVE SESSION STAFF

Rule 3. Legislative Session Staff. (a) Each house elects an internal administrative officer (a chief clerk in the house and a secretary in the senate) to serve for the two-year duration of the legislature. The officer is nominated by the Rules Committee and elected by a majority vote of the full membership of the house. The chief clerk and secretary are responsible for the selection and supervision of the staff of their offices and are subject to the direction of the presiding officer and Rules Committee according to law and legislative rule.

(b) The Rules Committee of each house is responsible for the selection and direction of the session staff assigned to each chamber (sergeant-at-arms and their assistants, pages and messengers) and is the source of approval for hiring session assistants for standing, special, and joint committees and caucuses and secretarial help to be assigned to individual members. The Rules Committees of the house and senate shall decide jointly and within the amount budgeted for session staff the compensation and conditions of employment of those working under their individual supervision. The director of administrative services of the Legislative Affairs Agency shall assist and make recommendations to the Rules Committees regarding staff compensation and related matters.

(c) The sergeant-at-arms shall attend all sessions of the house unless absent for the purpose of discharging the duties of the office. The sergeant-at-arms shall maintain order on the floor of the chamber and in the galleries and adjoining hallway, and assure that any person not permitted by law or legislative rule to be present in the chamber is removed from the chamber. The sergeant-at-arms shall assure that a member does not leave the chamber during a call of the house, and shall act to secure the attendance in the chamber of members missing during a call of the house.

DUTIES OF THE PRESIDING OFFICER

Rule 4. Duties of the Presiding Officer. The presiding officer of each house has the duties set forth in Section 575, MASON'S MANUAL OF LEGISLATIVE PROCEDURE, 2000 edition, when not inconsistent with these Uniform Rules. In the absence of the regular presiding officer, the majority leader of the house serving ex officio as presiding officer pro tempore shall preside; except that the regular presiding officer may temporarily relinquish the chair to any member.

Alaska State Legislature

Interim: (May - Dec.)
716 W. 4th Ave
Anchorage, AK 99501
Phone: (907) 269-0144
Fax: (907) 269-0148

Session: (Jan. - May)
State Capitol, Suite 30
Juneau, AK 99801-1182
Phone: (907) 465-3822
Fax: (907) 465-3756
Toll free: (800) 770-3822

Senator_Bettye_Davis@legis.state.ak.us
http://www.akdemocrats.org

Senator Bettye Davis

SCR 2, 27-LS0031 - "Proposing amendments to the Uniform Rules of the Alaska State Legislature relating to the presiding officer pro tempore."

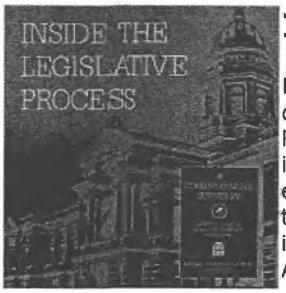
SPONSOR STATEMENT

SCR 2 amends Uniform Rules 1 and 4 to increase the roles and responsibilities of Presiding Officers Pro Tempore. The term "pro tempore" is derived from the Latin phrase "for a time." To make the titles more consistent throughout the Rules and to recognize increased status and duties of Presiding Officers Pro Tempore in the leadership of both houses, Sections 1 and 2 of Uniform Rule 1 change the titles of *Temporary Presiding Officers* to *Presiding Officers Pro Tempore* and *Permanent Presiding Officers* to *Regular Presiding Officers*.

Section 4, Rule 4, Uniform Rules is amended and establishes that in the absence of both the Regular Presiding Officer (Senate President/Speaker of the House) and in the absence of the Majority Leader, the Presiding Officer Pro Tempore previously elected in Uniform Rule 1(b) serves as the Presiding Officer Pro Tempore.

The result of the language amending section 4 of SCR 2 in the original bill is that the Presiding Officer Pro Tempore elected at the start of the first session of a Legislature, in addition to the Presiding Officer Pro Tempore's duties set out in Uniform Rule 1(b), will continue for both sessions to serve as a "backup" in the absence of the regular presiding officer (President of the Senate/Speaker of the House) and Majority Leader. These changes effectively create a third permanent position in the leadership without changing the present leadership structure. The Regular Presiding Officer, the Majority Leader and the Presiding Office Pro Tempore may temporarily relinquish the chair to any member.

These changes in the Uniform Rules mean that in addition to the few minutes of prominent duties, honor, and high visibility assigned to the Presiding Officer Pro Tempore to help organize the houses at the beginning of every two year session, the Presiding Officer Pro Tempore may function in capacities delegated in the absence of the Regular Presiding Officer and Majority Leader.



Inside the Legislative Process

Now, *Inside the Legislative Process* is becoming an electronic document—making its information more accessible to legislators and legislative staff. The electronic version will include all sections published since 1996. Access the electronic edition of *Inside the Legislative Process* through the Published Sections List. Please note that the individual sections are published as PDFs, which will require Adobe Acrobat Reader to download the documents.

As of January 2010

Contents

Background
Topics Covered by Various Editions
Published Sections List
Introduction
Legislative Organization
Bills and Bill Processing
Committee Procedures
Floor Action
General Legislative Procedures
Legislative Documents
Public Information
Office of the Chief Clerk or Secretary
For More Information

Background

Inside the Legislative Process is a nationally-recognized, valuable research tool, providing some of the best information on state legislative processes. It is produced through a cooperative effort between the American Society of Legislative Clerks and Secretaries (ASLCS) and the National Conference of State Legislatures (NCSL).

In 1975, ASLCS authorized its first comprehensive survey of the structure, size, function and operations of the clerks' and secretaries' offices in the 50 state legislatures. The survey proved to be an extraordinarily useful document, not only to the Society's members but also to the NCSL and to others who are interested in the management and procedures of legislative chambers. The data proved so beneficial that the surveys have been continued. Surveys were conducted in 1975, 1979, 1982, 1985, 1988, 1992, 1996, 1997, 1998, 1999, 2000, 2002, 2004, 2006 and 2008.

The publication format for *Inside the Legislative Process* has changed over the years. In 1975, the data were compiled into charts for use by ASLCS members. From 1979 through 1992, editions were published every three to four years as stand-alone books. Beginning with the 1996 edition, *Inside the Legislative Process* became a publication with its information divided among several general topic tabs in a three-ring binder.

Topics Covered by Various Editions

Legislatures deal with a large number of parliamentary issues—too many to be addressed in a single survey. As a result, the topics covered by each edition of *Inside the Legislative Process* typically vary.

Year*	Topics Covered
1979 (available in printed format only)	Selection and duties of the clerk and secretary; staff; parliamentary authority; journals; calendars; bills; committee process; legislative procedures; public information offices; publications; computerization; roll call voting systems; fiscal information; recording of session or committee meetings
1982 (available in printed format only)	Office of the chief clerk and secretary; salaries and benefits; bill processing; printing of legislative documents; referral of bills to committee; calendaring process; advance public notice of committee meetings; taping of committee meetings and floor sessions; parliamentary authority; public information; media coverage; computerization
1985 (available in printed format only)	Office of the chief clerk and secretary; salaries, benefits and personnel policies; printing of legislative documents; referral of bills to committee; calendaring process; advance public notice of committee meetings; committee consideration and reporting of bills; taping committee meetings and floor sessions; conference committee procedures; media coverage; electronic roll call voting systems; computerization
1988 (available in printed format only)	Calendaring process; handling of floor amendments; voting practices; consent calendars; introduction and referral of bills; courtesy or personal resolutions; ceremonial practices (including prayer practices); referral of bills to committee; appointment of standing committee chairs and members; standing committee size and structure; committee scheduling during the session; legislative party caucuses; bill processing; printing of legislative documents; capitol facilities; salaries, benefits and leave policies

1991 (available in printed format only)	Legislative organization; regular, extraordinary or special sessions; committee consideration of bills; committee report information; advance notice of committee meetings and open meeting requirements; expediting the legislative process; readings of bills; processing of bills; debate; taping committee meetings and floor sessions; public information; printing (of legislative documents); document charges; the journal; selection of the principal clerk; selection of other chamber offices; staff functions; parliamentary authority; fringe benefits; leave plans and time
1996	Opening day of session; new member orientation; mechanisms used to streamline bill processing; sponsorship limits for legislation; referral of bills, standing committees; subcommittees; conference committees; floor amendments; vote requirements; roll call voting machines and practices; censure, expulsion and other disciplinary actions
1997	Rules committees; access to printed legislative documents; electronic access to legislative documents; communicating with legislators
1998	Engrossing process; enrolling procedures; the calendaring process; end-of-session logjam; the veto process
1999	Legislative party caucuses; legislative leaders; recording legislative proceedings; media or public information services; the principal clerk or secretary (which also includes info on other job positions within the office); parliamentary authority
2000	Legislative organizational sessions; transition process; germaneness requirements; reconsideration processes; the legislative journal; archiving legislative documents
2002	Bill prefiling; personal, congratulatory, ceremonial or courtesy resolutions; prayer practices; open meetings and notice requirements
2004	Regular and special or extraordinary sessions; committee procedures
2006	Floor Amendment procedures; automation of journal production
2008	Readings of bills; mandatory roll call votes; messaging

NCSL 1999

*Note: The edition year reflects the year in which the data were collected (not the publication date).

Published Sections List

Note: The documents are published as PDF files. To view PDF files, you must install *Adobe Acrobat Reader*.

Section	Topic	Edition Year	Document Name
---	**Inside Cover, Contents, List of Tables, and Acknowledgments**	2008	08Tab0
Tab 1	**Introduction**	2008	08Tab1
Tab 2	**Legislative Organization**		
Part 1	Opening Day of Session	1996	96Tab2Pt1
Part 2	New Member Orientation	1996	96Tab2Pt2
Part 3	Legislative Party Caucuses	1999	99Tab2Pt3
Part 4	Legislative Leaders	1999	99Tab2Pt4
Part 5	Legislative Organizational Sessions	2000	00Tab2Pt5
Part 6	Transition Process	2000	00Tab2Pt6
Part 7	Legislative Sessions	2004	04Tab2Pt7
Tab 3	**Bills and Bill Processing**		
Part 1	Mechanisms Used to Streamline Bill Processing	1996	96Tab3Pt1
Part 2	Sponsorship Limits for Legislation	1996	96Tab3Pt2
Part 3	Referral of Bills	1996	96Tab3Pt3
Part 4	The Engrossing Process	1998	98Tab3Pt4
Part 5	Enrolling Procedures	1998	98Tab3Pt5
Part 6	Bill Prefiling	2002	02Tab3Pt6
Part 7	Personal, Ceremonial, Congratulatory or Courtesy Resolutions	2002	02Tab3Pt7
Tab 4	**Committee Procedures**		
Part 1	Standing Committees	1996	96Tab4Pt1
Part 2	Subcommittees	1996	96Tab4Pt2
Part 3	Conference Committees	1996	96Tab4Pt3
Part 4	Rules Committees	1997	97Tab4Pt4
Part 5	Committee Consideration of Bills	2004	04Tab4Pt5
Tab 5	**Floor Action**		

NCSL 1999

Part 1	Floor Amendments	1996	96Tab5Pt1
Part 2	Vote Requirements	1996	96Tab5Pt2
Part 3	Roll Call Voting Machines and Practices	1996	96Tab5Pt3
Part 4	The Calendaring Process	1998	98Tab5Pt4
Part 5	Germaneness Requirements	2000	00Tab5Pt5
Part 6	Reconsideration Processes	2000	00Tab5Pt6
Part 7	Prayer Practices	2002	02Tab5Pt7
Part 8	Floor Amendment Procedures	2006	06Tab5Pt8
Part 9	Reading of Bills	2008	08Tab5Pt9
Part 10	Mandatory Roll Call Votes	2008	08Tab5Pt10
Tab 6	**General Legislative Procedures**		
Part 1	Censure, Expulsion and Other Disciplinary Actions	1996	96Tab6Pt1
Part 2	End-of-Session Logjam	1998	98Tab6Pt2
Part 3	The Veto Process	1998	98Tab6Pt3
Part 4	Open Meetings and Notice Requirements	2002	02Tab6Pt4
Part 5	Messaging	2008	08Tab6Pt5
Tab 7	**Legislative Documents**		
Part 1	Access to Printed Legislative Documents	1997	97Tab7Pt1
Part 2	Electronic Access to Legislative Documents	1997	97Tab7Pt2
Part 3	The Legislative Journal	2000	00Tab7Pt3
Part 4	Archiving Legislative Documents	2000	00Tab7Pt4
Part 5	Automation of Journal Production	2006	06Tab7Pt5
Tab 8	**Public Information**		
Part 1	Communicating with Legislators	1997	97Tab8Pt1
Part 2	Recording Legislative Proceedings	1999	99Tab8Pt2
Part 3	Media or Public Information Services	1999	99Tab8Pt3
Tab 9	**Office of the Chief Clerk or Secretary**		
Part 1	The Principal Clerk or Secretary	1999	99Tab9Pt1
Part 2	Other Chamber Officers and Staff	1999	99Tab9Pt2
Part 3	Parliamentary Authority	1999	99Tab9Pt3

For More Information

For more information about *Inside the Legislative Process*, contact Brenda Erickson at 303-364-7700, ext. 1391.

Denver Office
Tel: 303-364-7700 | Fax: 303-364-7800 | 7700 East First Place | Denver, CO 80230

Washington Office
Tel: 202-624-5400 | Fax: 202-737-1069 | 444 North Capitol Street, N.W., Suite 515 | Washington, D.C. 20001

©2011 National Conference of State Legislatures. All Rights Reserved.

Legislative Leaders

Leadership positions. At the beginning of each legislative session, decisions are made concerning leadership positions. Among the first is the determination of which titles will be used and the number of individuals who may hold each position. The most common leadership titles are president of the Senate, speaker of the House, majority leader and minority leader. However, there usually are no limits to the names and numbers of leadership positions that may exist, and table 99-2.13 illustrates the variety used by legislative chambers.

Selection and terms. Once titles and the number of individuals to hold each position have been set, the actual selection of legislative leaders commences. It is one of the key steps taken to organize a legislative chamber, and tables 99-2.14 through 99-2.18 illustrate how state legislatures choose their leaders.

The presiding officer—that is, the president of the Senate or speaker of the House—typically is elected by a vote of the full body. However, in the states shown below, the person who is elected by the people to serve as lieutenant governor acts as the president of the Senate.

Alabama
Arkansas
California
Connecticut
Delaware
Georgia
Idaho
Indiana
Michigan
Mississippi
Missouri
Nebraska
Nevada
New Mexico
New York
North Carolina
North Dakota
Oklahoma
Pennsylvania
Rhode Island
South Carolina
South Dakota
Texas
Vermont
Virginia
Washington

The president pro tem selects other caucus leaders in three states. In Alabama, the president pro tem appoints the Senate majority leader and assistant majority leader. The Senate assistant majority leader and the majority whip are appointed by this leader in Connecticut. In the Indiana Senate, the president pro tem chooses the majority leader, assistant majority leader and majority whip.

The majority leader appoints other caucus leaders in the Connecticut Senate and House, Florida Senate and House, Iowa Senate, Minnesota Senate, Oregon Senate and Rhode Island Senate. The specific leaders who are selected by the majority leader are:

Connecticut Senate	Assistant majority leader, majority whip
Connecticut House	Deputy majority leader
Florida Senate	Majority whip
Florida House	Majority floor leader, majority caucus chair
Iowa Senate	Majority caucus secretary
Minnesota Senate	Majority whip, majority caucus secretary
Oregon Senate	Assistant majority leader, majority whip
Rhode Island Senate	Majority whip

In the Delaware House, the speaker pro tem is the most senior member of the majority caucus. The chairman of the District of Columbia Council is elected by the citizens of Washington, D.C.

In most legislatures, there is no limit to the number of years that an individual may hold a leadership position. However, 24 chambers reported that some of their leadership positions have term limits—either official or unwritten. Table 99-2.19 highlights these limits.

Roles and responsibilities. The roles and responsibilities of legislative leaders vary considerably among the states. Shown below are brief synopses of the duties typically associated with selected leadership positions. Tables 99-2.20 through 99-2.36 provide more detailed information on leaders' duties.

President of the Senate. The president is the principal leader of the Senate. The president typically will 1) preside over the daily sessions of the Senate, 2) preserve order in the chamber, 3) state parliamentary motions, 4) rule on parliamentary questions, 5) appoint committee chairs and members, 6) refer bills to committee, 7) sign legislation, writs and warrants, and 8) act as the official spokesperson for the chamber. In about 26 states, the lieutenant governor serves as the president of the Senate, and many of these duties often are assumed by the president pro tem.

President pro tem of the Senate. The primary roles assigned to the president pro tem are to 1) preside over the Senate in the president's absence, 2) exercise the powers and duties of the president in his or her absence, and 3) assume other duties as assigned by the president. Sometimes, this is an honorary position, with few substantive duties assigned. In states where the lieutenant governor presides over the Senate, the president pro tem often assumes duties associated with a president.

Speaker of the House or Assembly. The speaker is the principal leader of the House or Assembly. The speaker typically will 1) preside over the daily sessions of the House or Assembly, 2) preserve order in the chamber, 3) state parliamentary motions, 4) rule on parliamentary questions, 5) appoint committee chairs and members, 6) refer bills to committee, 7) sign legislation, writs and warrants, and 8) act as the official spokesperson for the chamber.

Speaker pro tem. The primary roles assigned to the speaker pro tem are to 1) preside over the House or Assembly in the speaker's absence, 2) exercise the powers and duties of the speaker in his or her absence, and 3) assume other duties as assigned by the speaker. In some states, this is an honorary position, with few substantive duties assigned.

Majority leader or majority floor leader. The primary functions of a majority leader usually relate to floor duties. The majority leader 1) is the lead speaker for the majority party caucus during floor debates, 2) develops the calendar, and 3) assists the president or speaker with program development, policy formation and policy decisions.

Majority whip. The duties of the majority whip are to 1) assist the floor leader, 2) ensure member attendance, 3) count votes, and 4) generally communicate the majority position on issues.

Majority caucus chair. The majority caucus chair generally 1) develops the majority caucus agenda with other principal leaders, 2) presides over the majority caucus meetings, and 3) assists with the development of policy.

Majority caucus secretary. The main responsibility of the majority caucus secretary is to keep records of caucus meetings.

Minority leader or minority floor leader. The minority leader is the principal leader of the minority party caucus. The minority leader is responsible for 1) developing the minority position, 2) negotiating with the majority party, 3) directing minority caucus activities on the chamber floor, and 4) leading floor debate for the minority caucus.

Minority Whip. The major responsibilities for the minority whip are to 1) assist the minority leader on the chamber floor, 2) count votes, and 3) ensure attendance of minority party members.

Minority caucus chair. The minority caucus chair 1) presides over caucus meetings and 2) assists the minority leader with policy development.

Minority caucus secretary. The main responsibility of the minority caucus secretary is to keep records of caucus meetings.

Table 99-2.22 Major Roles and Responsibilities—President Pro Tem or Vice President

State (1)	Acts as official spokesperson for the chamber	Acts as official spokesperson for the caucus	Presides over floor sessions	Preserves order during meetings	States parliamentary motions	Rules on parliamentary questions	Appoints other caucus leaders	Appoints committee chairs	Appoints committee members	Sets calendar(s) or agenda(s)	Refers bills to committee
Alabama			S					S	S		S
Alaska			S								
Arizona											
Arkansas	S										
California	S	S	S	S	S	S					
Colorado			S						S		
Connecticut		S	S				S	S	S		
Delaware											
Florida											
Georgia			S		S	S					
Hawaii											
Idaho	S	S	S		S			S	S		S
Illinois											
Indiana	S				S		S	S	S		S
Iowa											
Kansas			S								
Kentucky									S	S	S
Louisiana											
Maine											
Maryland	S	S	S	S							
Massachusetts											
Michigan			S	S	S	S					
Minnesota											
Mississippi			S	S	S	S					
Missouri	S	S	S	S	S	S		S	S		S
Montana											

Table 99-2.22 Major Roles and Responsibilities—President Pro Tem or Vice President, cont'd.

State (1)	Acts as official spokesperson for the chamber	Acts as official spokesperson for the caucus	Presides over floor sessions	Preserves order during meetings	States parliamentary motions	Rules on parliamentary questions	Appoints other caucus leaders	Appoints committee chairs	Appoints committee members	Sets calendar(s) or agenda(s)	Refers bills to committee
Nebraska											
Nevada	S		S	S	S	S					
New Hampshire											
New Jersey											
New Mexico											
New York											
North Carolina	S							S	S		
North Dakota			S		S	S					S
Ohio					S						
Oklahoma	S		S	S	S	S		S	S		
Oregon			S		S	S					
Pennsylvania	S	S	S	S	S	S		S	S		S
Rhode Island											S
South Carolina	S		S			S					S
South Carolina								S	S	S	
Tennessee											
Texas											
Utah											
Vermont									S	S	
Virginia			S								
Washington			S			S					
West Virginia			S								
Wisconsin											
Wyoming											
American Samoa											
District of Columbia											
Puerto Rico			S		S	S					

Table 99-2.22 Major Roles and Responsibilities—President Pro Tem or Vice President, cont'd.

Key:
S=Senate
H=House or Assembly
B=Both chambers

Note:
1. The following chambers did not return a survey: Delaware Senate, Hawaii Senate, Maryland House, New Hampshire Senate, New York Senate, American Samoa House, Guam Senate, Northern Mariana Islands Senate and House, Puerto Rico House and Virgin Islands Senate.

Table 99-2.23 More Duties of the President Pro Tem or Vice President

State (1)	Signs legislation, writs and warrants	Has jurisdiction over employees	Leads floor debate	Presides over caucus meetings	Ensures member attendance	Counts votes	Develops caucus agenda	Coordinates information dissemination to members	Other
Alabama									
Alaska									
Arizona									
Arkansas									
California			S	S	S	S	S	S	
Colorado									
Connecticut				S			S	S	
Delaware									
Florida									
Georgia					S				
Hawaii									
Idaho	S	S	S			S	S	S	
Illinois									
Indiana	S	S	S		S				
Iowa									
Kansas									
Kentucky		S							
Louisiana									
Maine									
Maryland									
Massachusetts									
Michigan									
Minnesota									
Mississippi									
Missouri	S	S	S		S			S	
Montana									

Table 99-2.23 More Duties of the President Pro Tem or Vice President, cont'd.

State (1)	Signs legislation, writs and warrants	Has jurisdiction over employees	Leads floor debate	Presides over caucus meetings	Ensures member attendance	Counts votes	Develops caucus agenda	Coordinates information dissemination to members	Other
Nebraska									
Nevada	S								
New Hampshire									
New Jersey									
New Mexico									
New York									
North Carolina				S					
North Dakota	S								
Ohio									
Oklahoma	S	S	S			S		S	
Oregon									
Pennsylvania	S	S					S	S	
Rhode Island									
South Carolina		S							
South Carolina		S							
Tennessee									
Texas									
Utah									
Vermont			S						
Virginia									
Washington									
West Virginia									
Wisconsin									
Wyoming									
American Samoa									
District of Columbia									2
Puerto Rico									

Table 99-2.23 More Duties of the President Pro Tem or Vice President, cont'd.

Key:
S=Senate
H=House or Assembly
B=Both chambers

Notes:
1. The following chambers did not return a survey: Delaware Senate, Hawaii Senate, Maryland House, New Hampshire Senate, New York Senate, American Samoa House, Guam Senate, Northern Mariana Islands Senate and House, Puerto Rico House and Virgin Islands Senate.
2. District of Columbia: The chairman pro tem acts in the chairman's absence.

Table 99-2.26 Major Roles and Responsibilities—Speaker Pro Tem

State (1)	Presides over floor sessions	Preserves order during meetings	States parliamentary motions	Rules on parliamentary questions	Ensures member attendance	Counts votes	Develops caucus agenda	Coordinates information dissemination to members	Other
Alabama									
Alaska	H								
Arizona	H	H	H	H					
Arkansas									2
California	H		H	H					3
Colorado									
Connecticut	H	H	H	H	H	H	H	H	4
Delaware	H								
Florida	H								
Georgia	H			H					5
Hawaii									
Idaho									
Illinois									
Indiana	H	H		H					
Iowa	H		H	H			H		
Kansas	H								
Kentucky	H								
Louisiana									6
Maine									
Maryland									
Massachusetts									
Michigan	H								
Minnesota	H	H	H	H	H	H	H		
Mississippi	H	H	H						
Missouri									
Montana									

Table 99-2.26 Major Roles and Responsibilities—Speaker Pro Tem, cont'd.

State (1)	Presides over floor sessions	Preserves order during meetings	States parliamentary motions	Rules on parliamentary questions	Ensures member attendance	Counts votes	Develops caucus agenda	Coordinates information dissemination to members	Other
Nebraska									
Nevada									7
New Hampshire									
New Jersey									
New Mexico									
New York	H		H	H					
North Carolina	H								8
North Dakota									
Ohio									
Oklahoma	H	H		H					9
Oregon									
Pennsylvania									
Rhode Island									10
South Carolina	H	H	H	H					11
South Dakota									
Tennessee	B	H	H	H					12
Texas	H								
Utah									
Vermont									
Virginia									
Washington									
West Virginia									
Wisconsin									
Wyoming									
American Samoa									
District of Columbia									
Puerto Rico									

Table 99-2.26 Major Roles and Responsibilities—Speaker Pro Tem, cont'd.

Key:
S=Senate
H=House or Assembly
B=Both chambers

Notes:
1. The following chambers did not return a survey: Delaware Senate, Hawaii Senate, Maryland House, New Hampshire Senate, New York Senate, American Samoa House, Guam Senate, Northern Mariana Islands Senate and House, Puerto Rico House and Virgin Islands Senate.
2. Arkansas: In the House, the speaker pro tem performs the duties of the speaker in his or her absence.
3. California: The speaker pro tem of the House also may preside over caucus meetings.
4. Connecticut: The speaker pro tem of the House also refers bills to committee and has jurisdiction over employees.
5. Georgia: The speaker pro tem also may act as the official spokesperson for the House.
6. Louisiana: In the House, the speaker pro tem performs the duties of the speaker in his or her absence.
7. Nevada: In the Assembly, the speaker pro tem performs the duties of the speaker in his or her absence.
8. North Carolina: In the House, the speaker pro tem performs the duties of the speaker in his or her absence.
9. Oklahoma: The speaker pro tem of the House also may sign legislation, writs and warrants.
10. Rhode Island: In the House, the speaker pro tem performs the duties of the speaker in his or her absence.
11. South Carolina: In the House, the speaker pro tem also refers bills to committee.
12. Tennessee: The speaker pro tem of the Senate also sets calendars or agendas.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: SCR 2
() Publish Date

Identifier (file name)
Title: SCR 2-UNIFORM RULES: PRESIDING OFFICER PRO TEM
Dept. Affected
Appropriation
Allocation

Sponsor: SENATORS DAVIS, Ellis
Requester: (S) STATE AFFAIRS
OMB Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by: SENATE STATE AFFAIRS COMMITTEE
Phone: 465-2435
Division
Date/Time: 2/15/11 8:00 AM
Approved by: /s/ Senator Wielechowski, Chair
Date

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. SCR 2

Analysis

No Fiscal Impact

CAWP Fact Sheet

Center for American Women and Politics • Eagleton Institute of Politics • Rutgers, The State University of New Jersey
191 Ryders Lane • New Brunswick, NJ 08901-8557 • (732) 932-9384 • Fax (732) 932-6778 • www.cawp.rutgers.edu

WOMEN IN ELECTIVE OFFICE 2011

In 2011, 89 women serve in the U.S. Congress. Seventeen women serve in the Senate and 72 women serve in the House. The number of women in statewide elective executive posts is 68, while the proportion of women in state legislatures is 23.3 percent.

CONGRESS

In 2011, women hold **89**, or **16.6%**, of the 535 seats in the 112th U.S. Congress — **17**, or **17.0%**, of the 100 seats in the Senate and **72**, or **16.6%**, of the 435 seats in the House of Representatives. Congresswoman Nancy Pelosi (D-CA), who was the first woman Speaker of the House, is now minority leader.

Seventeen (12D, 5R) women serve in the **Senate: Kelly Ayotte** (R-ND), **Barbara Boxer** (D-CA); **Maria Cantwell** (D-WA); **Susan Collins** (R-ME); **Dianne Feinstein** (D-CA); **Kirsten Gillibrand** (D-NY); **Kay Hagan** (D-NC); **Kay Bailey Hutchison** (R-TX); **Amy Klobuchar** (D-MN); **Mary Landrieu** (D-LA); **Claire McCaskill** (D-MO); **Barbara Mikulski** (D-MD); **Lisa Murkowski** (R-AK); **Patty Murray** (D-WA); **Jeanne Shaheen** (D-NH); **Olympia Snowe** (R-ME); and **Debbie Stabenow** (D-MI).

Seventy-two women from 27 states serve in the House of Representatives; **48** are Democrats and **24** are Republicans. In addition, three Democratic women serve as the Delegates to the House from Guam, the Virgin Islands and Washington, DC.

STATEWIDE ELECTIVE EXECUTIVE OFFICES

In 2011, **68** women hold statewide elective executive offices across the country; women hold **21.6%** of the 315 available positions. Among these women, **38** are Democrats, **29** are Republicans, and **1** was elected in a nonpartisan race.

GOVERNORS — 6(2D, 4R)
- AZ Jan Brewer (R)
- NC Bevery M. Perdue (D)
- NM Susana Martinez (R)
- OK Mary Fallin (R)
- SC Nikki Haley (R)
- WA Christine Gregoire (D)

LIEUTENANT GOVERNORS — 11 (4D, 7R)
- AL Kay Ivey (R)
- CT Nancy Wyman (D)
- FL Jennifer Carroll (R)
- IA Kim Reynolds (R)
- IL Sheila Simon (D)
- IN Becky Skillman (R)
- MN Yvonne Solon (DFL)
- NJ Kim Guadagno (R)
- OH Mary Taylor (R)
- RI Elizabeth Roberts (D)
- WI Rebecca Kleefisch (R)

Attorney General - 6 (5D, 1R)

Secretary of State - 10 (7D, 3R)

State Treasurer/Chief Financial Officer - 6 (5D, 1R)

State Comptroller - 4 (1D, 3R)

State Auditor - 7 (5D, 2R)

Chief State Education Official — 5 (2D, 2R, 1NP*)
(title varies from state to state)

Commissioner of Insurance - 3 (2D, 1R)

Commissioner of Labor - 1R

Corporation Commissioner - 3(1D, 2R)

Public Service Commissioner - 4 (3D, 1R)

Public Regulation Commissioner - 1D

Railroad Commissioner - 1R

STATE LEGISLATURES

In 2011, **1,718**, or **23.3%**, of the 7,382 state legislators in the United States are women. Women hold **415**, or **21.1%**, of the 1,971 state senate seats and **1,303**, or **24.1%**, of the 5,411 state house seats. Since 1971, the number of women serving in state legislatures has more than quintupled.

* NP = election was nonpartisan.

Reproduction of this entire document or any part of it for non-commercial purposes is encouraged, provided credit is given to Center for American Women and Politics, Eagleton Institute of Politics, Rutgers University. Any information reproduced must include footnotes/endnotes which apply to that information. Commercial reproduction requires prior permission in writing from Center for American Women and Politics.

© Copyright 2011. Center for American Women and Politics (CAWP)

01/11

STATE LEGISLATURE (cont.)

The states with the **highest percentages** of women state legislators are:

State	% Women	State	% Women
Colorado	40.0	Washington	31.3
Vermont	37.8	Maryland	30.9
Arizona	34.4	Illinois	29.4
Hawaii	32.9	Connecticut	28.9
Minnesota	31.8	Nevada	28.6

MUNICIPAL OFFICIALS

As of August 2010, among the 100 largest cities in the U.S., **7** had women mayors. One is African American (Stephanie Rawlings-Blake, Baltimore). In order of city population,[1] the mayors are:

City	Mayor	Rank
Houston, TX	Annise D. Parker	5
Baltimore, MD	Stephanie Rawlings-Blake	21
Fresno, CA	Ashley Swearengin	40
Tampa, FL	Pam Iorio	59
Stockton, CA	Ann Johnston	73
Glendale, AZ	Elaine M. Scruggs	85
Chula Vista, CA	Cheryl Cox	94

As of August 2010, of the 249 mayors of U.S. cities with populations 100,000 and over, **33**, or **13.3%**, were women, including two African Americans, and one Asian/Pacific Islander. Of the 1156 mayors of U.S. cities with populations 30,000 and above, **202**, or **17.5%**, were women.[2]

PERCENTAGES OF WOMEN IN ELECTIVE OFFICES

Year	U.S. Congress	Statewide Elective	State Legislatures	Year	U.S. Congress	Statewide Elective	State Legislatures
1979	3%	11%	10%	2001	13.6%	27.6%	22.4%
1981	4%	11%	12%	2003	13.6%	26.0%	22.4%
1983	4%	11%	13%	2004	13.8%	26.0%	22.5%
1985	5%	14%	15%	2005	15.0%	25.7%	22.7%
1987	5%	14%	16%	2006	15.0%	25.1%	22.8%
1989	5%	14%	17%	2007	16.1%	24.1%	23.5%
1991	6%	18%	18%	2008	16.5%	23.2%	23.7%
1993	10.1%	22.2%	20.5%	2009	16.8%	22.6%	24.3%
1995	10.3%	25.9%	20.6%	2010	16.8%	22.5%	24.5%
1997	11.0%	25.4%	21.6%	2011	16.6%	21.6%	23.3%
1999	12.1%	27.6%	22.4%				

[1] According to data from the U.S. Bureau of the Census.

[2] Information was compiled using the United States Conference of Mayors' 2010 website directory, www.usmayors.org/uscm/meet_mayors, as the primary reference.

© COPYRIGHT 2011. Center for American Women and Politics (CAWP).

CAWP

Fact Sheet

Center for American Women and Politics • Eagleton Institute of Politics • Rutgers, The State University of New Jersey
191 Ryders Lane • New Brunswick, NJ 08901-8557 • (732) 932-9384 • Fax (732) 932-6778 • www.cawp.rutgers.edu

WOMEN IN STATE LEGISLATURES 2011

In 2011, **1,718**, or **23.3%** of the 7,382 state legislators in the United States are women. Women currently hold **415**, or **21.1%**, of the 1,971 state senate seats and **1,303**, or **24.1%**, of the 5,411 state house or assembly seats. Since 1971, the number of women serving in state legislatures has more than quintupled.

Year	Women Legislators	% of Total Legislators	Year	Women Legislators	% of Total Legislators	Year	Women Legislators	% of Total Legislators
1971	344	4.5	1989	1,270	17.0	2002	1,682	22.7
1973	424	5.6	1991	1,368	18.3	2003	1,654	22.4
1975	604	8.0	1993	1,524	20.5	2004	1,659	22.5
1977	688	9.1	1995	1,532	20.6	2005	1,674	22.7
1979	770	10.3	1997	1,605	21.6	2006	1,681	22.8
1981	908	12.1	1998	1,617	21.8	2007	1,732	23.5
1983	991	13.3	1999	1,664	22.4	2008	1,751	23.7
1985	1,103	14.8	2000	1,670	22.5	2009	1,797	24.3
1987	1,170	15.7	2001	1,666	22.4	2010	1,809	24.5
						2011	**1,718**	**23.3**

The party breakdown for women serving in state legislatures in 2011 is:

	Total Legislators		State Senators		State Reps.	
	#	%	#	%	#	%
Democrats	1,052	61.2	259	62.4	793	60.8
Republicans	649	37.8	144	34.7	505	38.8
Nonpartisans*	11	0.6	11	2.7	----	----
Progressives	4	0.2	---	---	4	0.3
Independent	2	0.1	1	0.2	1	0.1
Total	1,718	99.9	415	100.0	1,303	100.0

The states with the **highest percentages** of women state legislators are:

State	% Women	State	% Women
Colorado	40.0	Washington	31.3
Vermont	37.8	Maryland	30.9
Arizona	34.4	Illinois	29.4
Hawaii	32.9	Connecticut	28.9
Minnesota	31.8	Nevada	28.6

The states with the **lowest percentages** of women state legislators are:

State	% Women	State	% Women
South Carolina	9.4	Wyoming	15.6
Oklahoma	12.8	Louisiana	16.0
Alabama	13.6	West Virginia	16.4
Mississippi	14.4	Pennsylvania	16.6
North Dakota	14.9	Kentucky	18.1

Women in State Legislative Leadership
Three women serve as presidents of senates: Michelle L. Fischbach (R-MN), Therese Murray (D-MA), and M. Teresa Paiva-Weed (D-RI). Two women serve as speakers of state houses: Rebecca Lockhart (R-UT) and Sheila Y. Oliver (D-NJ).

Women of Color in State Legislatures
Of the 1,718 women legislators serving nationwide, **349** or **20.3%** are women of color. They include 96 senators and 253 representatives; 331 are Democrats, 16 are Republicans, and two are non-partisan. Women of color constitute 4.7% of the total 7,382 state legislators.

The First Women Legislators
In 1894, the first women state legislators were elected to serve in the United States. Three Republican women were elected to the Colorado House of Representatives: Clara Cressingham; Carrie C. Holly; Frances Klock. The first woman state senator, Democrat Martha Hughes Cannon, was elected to the Utah State Senate in 1896.[+]

---

* In Nebraska, where the legislature is unicameral, legislators are elected on a nonpartisan basis.
[+] Source: Utah Governor's Commission for Women.

Reproduction of this entire document or any part of it for non-commercial purposes is encouraged, provided credit is given to Center for American Women and Politics, Eagleton Institute of Politics, Rutgers University. Any information reproduced must include footnotes/endnotes which apply to that information. Commercial reproduction requires prior permission in writing from Center for American Women and Politics.

© Copyright 2011. Center for American Women and Politics (CAWP) **01/11**

WOMEN IN STATE LEGISLATURES 2011

STATE	STATE RANK	SENATE D	SENATE R	TOTAL WOMEN/ TOTAL SENATE	HOUSE D	HOUSE R	TOTAL WOMEN/ TOTAL HOUSE	TOTAL WOM./ TOTAL LEGIS.	% WOMEN OVERALL
AL	48	4	0 (1I)	5/35	9	5	14/105	19/140	13.6
AK*	25	1	3	4/20	4	6	10/40	14/60	23.3
AZ	3	5	6	11/30	7	13	20/60	31/90	34.4
AR	31	5	3	8/35	11	10	21/100	29/135	21.5
CA*	16	9	2	11/40	16	5	21/80	32/120	26.7
CO	1	14	2	16/35	17	7	24/65	40/100	40.0
CT	9	7	1	8/36	32	14	46/151	54/187	28.9
DE	18	4	3	7/21	7	2	9/41	16/62	25.8
FL	20	6	7	13/40	11	15	26/120	39/160	24.4
GA*	25	7	1	8/56	32	15	47/180	55/236	23.3
HI	4	7	0	7/25	14	4	18/51	25/76	32.9
ID*	16	3	6	9/35	8	11	19/70	28/105	26.7
IL	8	9	5	14/59	27	11	38/118	52/177	29.4
IN	36	4	6	10/50	11	10	21/100	31/150	20.7
IA	32	4	4	8/50	16	8	24/100	32/150	21.3
KS	15	5	8	13/40	14	18	32/125	45/165	27.3
KY	41	3	3	6/38	11	8	19/100	25/138	18.1
LA	44	6	2	8/39	11	4	15/105	23/144	16.0
ME	12	4	3	7/35	27	18	45/151	52/186	28.0
MD	7	10	1	11/47	35	12	47/141	58/188	30.9
MA*	22	11	0	11/40	31	5	36/160	47/200	23.5
MI	35	2	2	4/38	16	11	27/110	31/148	20.9
MN	5	11	10	21/67	25	18	43/134	64/201	31.8
MS	47	3	1	4/52	17	4	21/122	25/174	14.4
MO	24	3	2	5/34	23	18	41/163	46/197	23.4
MT*	25	6	1	7/50	19	9	28/100	35/150	23.3
NE*	29	NONPARTISAN		11/49		UNICAMERAL		11/49	22.4
NV	10	4	2	6/21	11	1	12/42	18/63	28.6
NH	21	3	3	6/24	38	56	94/400	100/424	23.6
NJ	11	7	3	10/40	16	8	24/80	34/120	28.3
NM	14	8	2	10/42	12	9	21/70	31/112	27.7
NY	28	8	3	11/62	30	7	37/150	48/212	22.6
NC*	29	3	3	6/50	22	10	32/120	38/170	22.4
ND	46	3	3	6/47	3	12	15/94	21/141	14.9
OH	33	5	3	8/33	12	8	20/99	28/132	21.2
OK	49	3	1	4/48	4	11	15/101	19/149	12.8
OR	13	7	2	9/30	11	5	16/60	25/90	27.8
PA	42	4	6	10/50	13	19	32/203	42/253	16.6
RI	19	9	1	10/38	17	2	19/75	29/113	25.7
SC	50	0	0	0/46	8	8	16/124	16/170	9.4
SD	37	1	6	7/35	4	9 (1I)	14/70	21/105	20.0
TN	40	4	3	7/33	11	6	17/99	24/132	18.2
TX	34	3	3	6/31	14	18	32/150	38/181	21.0
UT	39	4	1	5/29	9	5	14/75	19/104	18.3
VT	2	9	2	11/30	42	11 (4 Prg)	57/150	68/180	37.8
VA	38	7	1	8/40	13	6	19/100	27/140	19.3
WA	6	11	6	17/49	19	10	29/98	46/147	31.3
WV	43	0	2	2/34	14	6	20/100	22/134	16.4
WI*	22	3	5	8/33	16	7	23/99	31/132	23.5
WY	45	0	1	1/30	3	10	13/60	14/90	15.6
		259 (10 nonpartisans) (1 Independent)	144	415/1,971	793 (4 Progressives) (1 Independent)	505	1,303/5,411	1,718/7,382	23.3

* States share the same rank if their proportions of women legislators are exactly equal or round off to be equal (CA, ID; MA, WI; AK, GA, MT; NE, NC).

© COPYRIGHT 2011. Center for American Women and Politics (CAWP).

01/11

SCR

11

<TARGET><BILL>SCR 11</BILL><SUBJECT>SCR 11</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 4/1/11

FURTHER:

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 4-12-11

State Affairs Committee considered SENATE CONCURRENT RESOLUTION NO. 11

SCR 11-WALTER HICKEL DAY OF THE ARCTIC

Designating August 18, 2011, as Walter J. Hickel Day of the Arctic.

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
S. STA			✓	

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Gilman Kookesh	Kookesh	X			
Joe Paskvan	PASKVAN	X			
Ken Meyer	Meyer	X			
Bert Giessel	Giessel	X			
CHAIR:	Wielechowski	X			

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **SCR 11**
() Publish Date

SCR 11-- Walter Hickel Day of the Arctic
Title

Dept. Affected
Appropriation
Allocation

Sponsor Senator French
Requester

OMB Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by Senate State Affairs Committtee
Division

Phone 465-6881
Date/Time 4/1/11 12:00 AM

Approved by Senator Wielechowski, Chair

Date

(Revised 1/27/2011 OMB)

Alaska State Legislature

Senator Hollis French

SCR 11 - WALTER HICKEL DAY OF THE ARCTIC

Sponsor Statement

SCR 11 establishes August 18, 2011 as Walter J. Hickel Day of the Arctic. The date has been selected to match our former Governor's birthday, and the title 'Day of the Arctic' has been chosen to honor what Walter Hickel knew to be true decades ago - that Alaska, rich with resources, can provide for Alaskans and the world for centuries to come.

During the 1950s Walter Hickel played a major role in the fight to get Alaska's statehood land entitlement, which gave us 103 million acres of land to hold in common. From 1966-1969, he served as the second Governor of Alaska. During his term, he successfully pushed to open Prudhoe Bay to oil development, creating the foundation for our economy today.

From 1969 to 1970 Walter Hickel served as the US Secretary of the Interior. This was when the critical permitting process for our Trans-Alaska Pipeline was taking place. In that capacity, he helped turn plans into a construction project, getting our valuable resource to market.

In 1990, he was elected to his second term as Governor of Alaska. During this term he led the way internationally on the issue of by-catch fish waste, and negotiated the $1 billion Exxon Valdez oil spill settlement.

In 1973, Walter Hickel authored a piece for Readers Digest that declared 'the Day of the Arctic has come.' Today, the points he made in that article are still applicable. The Walter Hickel Day of the Arctic will honor the vision and legacy he left for all Alaskans, and I urge your support.

A Reader's Digest REPRINT

The Day of the Arctic Has Come

"The eyes of the world are turning north. We must start using our Arctic resources—including natural beauty and fossil fuel—right now"

By Walter J. Hickel
Governor of Alaska, 1966-69; Secretary of the Interior, 1969-70

Up here in my office in Anchorage, I sit 90 minutes flying time east of Soviet territory and 90 minutes south of our rich North Slope oil fields, and I wish there was some way I could make the rest of America grasp the urgent importance to our nation of Alaska and this whole top of the world.

It is a vast, forbidding territory as mysterious as the moon, yet under its cover of ice and snow lies a unique opportunity for the future.

Take a good look at a schoolroom globe. Look down at the Arctic—ten million square miles, extending roughly from the 60th parallel up and across the North Pole. Within it lie most of Alaska, almost half of Canada, all of Greenland and Iceland, parts of Scandinavia, an incredible sweep of northern Russia and Siberia, plus most of their continental shelves and islands. In area, it's as big as Western Europe, the continental United States, Japan, India and China combined—nations which support two billion people. The Arctic, just as big, is practically unpeopled, and all but unknown.

Now, focus in on Alaska. Note that the shortest air route from New York to Tokyo, or to Peking, is not through Honolulu but along the Great Circle route through Alaska. Note, too, how the Pacific coasts of North America and Asia stretch south like legs of a wishbone, and how Alaska sits there strategically, atop the entire Pacific basin.

More than this, Alaska is a treas-

ure-house of natural beauty and fossil fuel—fuel that lies undeveloped and unused, at a time when we desperately need it to produce energy to run our country.

How much fuel? Nobody knows. Some 30 billion barrels of oil have already been located on the North Slope—enough to supply the "lower 48" with two million barrels a day, from now until the year 2000. And that's not all. Estimates of other Alaska oil reserves, both on- and offshore, add another 20-30 billion barrels. And if you count potential continental-shelf reserves out to a depth of 200 meters, the total swells unbelievably, by another 600-780 billion barrels. To top all this, Alaska's coal reserves may exceed 120 billion tons, and natural-gas reserves are estimated at 238-438 trillion cubic feet.

Thus, Alaska is 1) geographically a crossroads of the globe, 2) a place of incalculable economic potential. In world politics, these two things add up to tremendous clout. But the northern regions of Russia, Siberia and Canada share similar strategic locations and the same rich potential. This is why the whole Arctic is destined to become a dominant force in the economic-political balance of the world. This is why I believe the world's power center is destined to shift from the Middle East to the Arctic.

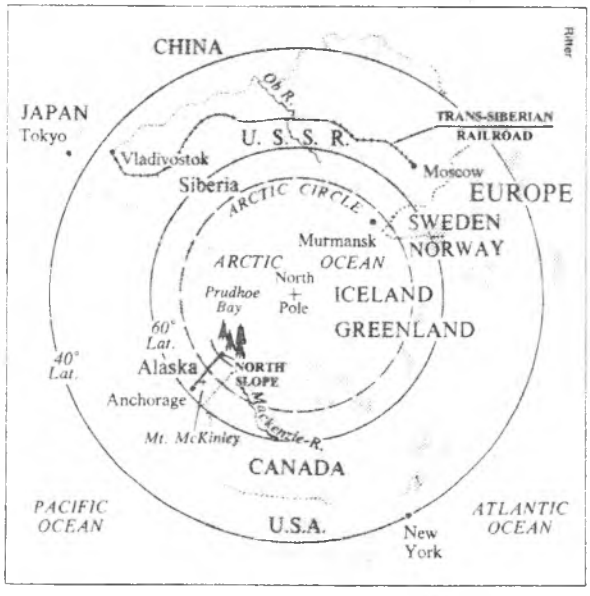
What should we Americans be doing about it right now? I am convinced that we should get on with the job of extracting North Slope oil, so that we can reduce our dependence on Venezuela and the Middle East, and start damming up the critical and unnecessary flow of American dollars abroad.

As living space for man, the Arctic will never compete with the softer climates: no one is going to buy a retirement home on Prudhoe Bay. That is why the Arctic is a perfect location for a storehouse of wealth. And what a storehouse, for everything from mineral resources to the rarer resources of natural beauty and wildlife—perhaps most precious of all, in the long run. They will refresh the spirit of man as long as he inhabits earth.

The unique Arctic conditions encourage two opposite points of view. One says: "Exploit it fast. Get in—grab—and get out." The other warns: "The Arctic is a precious wilderness, so delicate and fragile we should lock it up. Man should stay out forever."

Both viewpoints are wrong. Today we can get the oil out—and the gas, the iron and the copper—without seriously disrupting the environment. We know better now than simply to take over the engineering techniques that worked in Texas and Oklahoma. We have learned to work *with* the Arctic elements, rather than against them.

This is something the Russians have learned, too. It began when they built the Trans-Siberian railroad in the 1890s, across 5500 miles of blizzard-swept desolation—"rusty streaks of iron through the vastness



of nothing to the extremities of nowhere," as detractors scoffed. Then, recognizing potential in the region, Lenin in 1921 set up an institute to study the waters north of Siberia, the "Northeast Passage" between the Atlantic and the Pacific.

Fearful of depending on other nations, Soviet leaders were determined to find and develop raw materials within their own borders. As a result, new cities have materialized in the Soviet Arctic and sub-Arctic at fantastic speeds, and established ones have grown. Novosibirsk, on the River Ob in Siberia, now has a population of 1.1 million.

Today, oil-production plans for western Siberia stagger the mind: two million barrels a day by 1975, and double that by 1980, or some 40 percent of the U.S.S.R.'s total. Overall, including offshore areas, the Soviet Arctic may contain nearly a half-*trillion* barrels of oil, or almost as much as the "proved" reserves (540 billion barrels) of the rest of the world. Even more overwhelming are the Soviet Arctic's natural-gas reserves, estimated in 1970 at 425 trillion cubic feet (15 trillion more than ours at that time).

The Russians have laid down some 18,000 miles of oil pipelines plus 39,000 miles of gas pipelines, and will soon begin piping gas—probably to Austria and West Germany this year, Italy next year, and later Belgium. Before long, we may even be depending on Russia to ease *our* energy crisis. For example, under Soviet study now is the feasibility of constructing two 56-inch pipelines, one to carry western Siberian natural gas northwest to Murmansk for tanker shipment to our East Coast, the other to convey eastern Siberian gas southeast to a port near Vladivostok for shipment to our West Coast. Their combined length: 4000 miles—five times that

of our proposed trans-Alaska oil pipeline.*

Understandably, the Russians now say, "There is no Russia without Siberia." They have turned a corner in their attitude toward the Arctic. It is time for us to do the same. The Arctic is not as difficult as it is different. Our challenge is to appreciate that difference. Let's stop being afraid of the Arctic. Let's roll up our sleeves and get started.

We need, for example, information about the continental shelf and the offshore lands of the Arctic. We need up-to-date polar maps. We need answers to questions about international sovereignty over Arctic waters and their seabeds. We ought to know more about Arctic transportation and communications systems, about the problems of large human settlements in the far north. We need a comprehensive study, leading to a coördinated national policy for Arctic development.

It is a responsibility we share with all the nations that rim the Arctic Ocean: the Soviet Union, the Scandinavian countries and, closest of all, Canada, on whose Mackenzie River delta and Arctic islands oil and natural gas have recently been discovered in enormous quantities. The region can become a hostile arena of economic and possibly military conflict. Or it can become a shining example of how nations can plan, live and work together, intelligently and wisely, with love for their planet Earth. We must join other Arctic nations in a federated approach to our common problems and opportunities. We owe it to future generations of the whole world.

As much as we have yet to learn, one thing is clear to me here in Anchorage—as clear as the peak of Mt. McKinley, 20,300 feet high against the blue Alaskan sky across the inlet. We need to move *right now*. The eyes of the world are turning north. We must start using our Arctic resources, those of natural beauty and those that meet man's other needs. And we must take the first steps, whatever our government and Congress judge them to be, toward coöperative international development of the whole polar region.

I have dreamed of the day when Americans would change their attitude toward Alaska and the Arctic. It begins to look as though history, economics and world politics are with me, and as though the day has begun.

*See "The Great Alaska Pipeline Controversy," The Reader's Digest, November '72.

REPRINTED FROM THE JUNE 1973 ISSUE OF READER'S DIGEST
©1973 THE READER'S DIGEST ASSOCIATION, INC., PLEASANTVILLE, N. Y. 10570 PRINTED IN U.S.A.

A Tribute
to
Walter J. Hickel
from
The President of Iceland
Ólafur Ragnar Grímsson

As we in the North look back over the life of Walter Hickel on his 90th birthday, we salute a visionary leader, a true statesman who has transformed our view of the world.

Now, in the early 21st century, the Arctic and the Northern regions are finally being recognized as the Earth's most crucial territory, of monumental significance for the future of mankind.

All his life, Wally has been the champion of the North, from the times of President Eisenhower to the Administration of Barack Obama.

He has served with distinction, not only America but also all nations of the North; convinced people in every continent of the importance of the resource-rich commons.

He has been both a visionary and a man of action – a proud Alaskan who has inspired us all.

It was my great fortune to welcome Wally to the Presidential Residence in Iceland in the early years of my presidency. That meeting transformed my mission. Ever since then, it has been my privilege to serve as a footsoldier in Wally's forces, to benefit from his wisdom and insights, his comments and conclusions; to enjoy his stories and his jokes.

Wally Hickel has shown as a campaigner, as a Governor, as an activist and as a statesman, how one man can change the world.

On the occasion of his 91st birthday, Dorrit and I, and all Wally's friends and admirers in Iceland, send our congratulations to him and his family.

The people of the North salute a great leader and thank him for his work and inspiration.

Ólafur Ragnar Grímsson

SCR 16

<TARGET><BILL>SCR 16</BILL><SUBJECT>SCR 16</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/17/12

FURTHER: RULES

Date of 5-Day Notice: 2/2/12
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2-7-12

State Affairs Committee considered SENATE CONCURRENT RESOLUTION NO. 16

SCR 16-CELIAC DISEASE AWARENESS MONTH

Proclaiming May 2012 to be Celiac Disease Awareness Month.

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
S.STA			✓	1

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Robert Kookish	Kookish	✓			
Joe Paskvan	PASKVAN	X			
Ted Meyer	Meyer	X			
Bill Giessel	Giessel	X			
CHAIR:	Wielechowski	X			

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SCR 16**
Fiscal Note Number: 1
(S) Publish Date: 2/8/12

Identifier (file name)
Title: SCR 16 CELIAC DISEASE AWARENESS MONTH
Dept. Affected
Appropriation
Allocation
Sponsor: Senator Giessel
Requester: (S) State Affairs
OMB Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by: (S) State Affairs — Phone 465-2435
Division — Date/Time 2/7/12 12:00 AM
Approved by: /s/ Senator Wielechowski, Chair — Date 2/7/2012

(Revised 1/17/2012 OMB)

FISCAL NOTE #1

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SCR 16

Analysis

ALASKA STATE LEGISLATURE

716 W 4th Avenue
Suite 460
Anchorage AK 99501-2133

State Capitol
Juneau AK 99801-1182
907-465-4843
Fax: 907-465-3871
800-892-4843

Senator Cathy Giessel

Senate District P

SPONSOR STATEMENT FOR SCR 16

"Proclaiming May 2012 to be Celiac Disease Awareness Month."

SCR 16 designates May 2012 as Celiac Disease Awareness Month.

Celiac disease - often referred to as gluten intolerance - affects an estimated 3 million men, women and children in the United States. It is one of the most common genetic diseases in the world and affects an estimated 1 in 133 Americans. Assessments indicate that over 5,300 Alaskans (according to the 2010 Census, Alaska's population is 710,231) are living with this disease and, sadly, 97% (nearly 5,200) don't even know it.

Misdiagnosis is common and costly. Individuals who are incorrectly diagnosed and not treated for celiac disease can face health care costs averaging $5,000-$12,000, not including lost work time. The average length of time for a person to be correctly diagnosed is 6-10 years; left undiagnosed and untreated, Celiac disease can lead to cardiovascular disease, diabetes, autoimmune diseases, malnutrition, vitamin deficiencies, loss of calcium, osteoporosis, lactose intolerance, infertility, certain forms of cancer, depression, and neurological complications. There is no known cause or cure for this disease. It is treated by maintaining a strict, lifelong adherence to a gluten-free diet.

While no cure has yet been found, researchers are hard at work looking for a way to combat and eliminate this genetic disorder. Prestigious institutions like the University of Chicago Celiac Disease Center – which is seeking to find a cure by 2026 – and the University of Maryland Center for Celiac Research are sponsoring teams of scientists and doctors who are tirelessly searching for ways to fight and eventually end Celiac disease.

SCR 16 would observe Celiac Disease Awareness Month by promoting awareness of this prevalent disease, lending to early detection and correct diagnosis. It also provides an opportunity to honor our dedicated health professionals and to recognize individuals and their families whose lives have been affected by this disease.

Senator_Cathy_Giessel@legis.state.ak.us
http://www.aksenateminority.com/

THE UNIVERSITY OF CHICAGO
CELIAC
DISEASE CENTER

Celiac Disease Facts and Figures

Celiac disease is an inherited autoimmune disorder that affects the digestive process of the small intestine. When a person who has celiac disease consumes gluten, a protein found in wheat, rye and barley, the individual's immune system responds by attacking the small intestine and inhibiting the absorption of important nutrients into the body. Undiagnosed and untreated, celiac disease can lead to the development of other autoimmune disorders, as well as osteoporosis, infertility, neurological conditions and in rare cases, cancer.

Prevalence of Celiac Disease in the United States

- In average healthy people: 1 in 133
- In people with related symptoms: 1 in 56
- In people with first-degree relatives (parent, child, sibling) who are celiac: 1 in 22
- In people with second-degree relatives (aunt, uncle, cousin) who are celiac: 1 in 39
- Estimated prevalence for African-, Hispanic- and Asian-Americans: 1 in 236
- In the landmark prevalence study on celiac disease, investigators determined that 60% of children and 41% of adults diagnosed during the study were asymptomatic (without any symptoms).
- During the prevalence study, researchers found that 21% of patients with a positive anti-endomysial antibody test could not receive a biopsy due to the refusal of their physician to perform the procedure or the insurance company to pay for it.
- Only 35% of newly diagnosed patients had chronic diarrhea, dispelling the myth that diarrhea must be present to diagnose celiac disease.

Source: A multi-center study on the sero-prevalence of celiac disease in the United States among both at risk and not at risk groups. Fasano et. al., Archives of Internal Medicine. February 2003.

- Celiac disease affects at least 3 million Americans.
- The average length of time it takes for a symptomatic person to be diagnosed with celiac disease in the US is four years; this type of delay dramatically increases an individual's risk of developing autoimmune disorders, neurological problems, osteoporosis and even cancer.

Source: Characteristics of adult celiac disease in the USA: results of a national survey. Green, P.H. et.al. American Journal of Gastroenterology, 2001, 2006.

- The incidence of autoimmune diseases in the general US population is 3.5%.

5839 S. Maryland Avenue, MC4069
Chicago, IL 60637
T: 773.702.7593
F: 773.702.0666
www.CeliacDisease.net

In a 1999 study, Ventura, et.al. found that those diagnosed with celiac disease between 2-4 years of age had a 10.5% chance of developing an autoimmune disorder. Additional findings are outlined in the table below:

Age at diagnosis	Chance of developing autoimmune condition
4 – 12 yrs of age	16.7%
12 – 20 yrs of age	27%
Over 20 yrs of age	34%

- Early diagnosis of celiac disease thus is important, as it might prevent complications, and awareness is the key. A recent study in North America shows that an active case-finding strategy in the primary care setting is an effective means to improve the diagnostic rate of Celiac Disease: by screening with the blood test all subjects belonging to known "at-risk" groups such as those listed above, the diagnosis rates increased more than 40-folds.

Source: Duration of exposure to gluten and risk for autoimmune disorders in patients with celiac disease. SIGEP Study Group for Autoimmune Disorders in Celiac Disease. Ventura A. et.al. Gastroenterology 1999 Aug;117(2):297-303. Rampertab SD et al. Trends in the Presentation of Celiac Disease Am J Medicine 2006 Catassi C et al. Detection of Celiac disease in primary care: a multicenter case-finding study in North America. Am J Gastroenterol 2007

Celiac disease affects 1% of healthy, average Americans. That means at least 3 million people in our country are living with celiac disease—97% of them are undiagnosed.

Chronic Illness in the United States
Below is a list of some commonly known chronic illnesses and the number of people affected in the United States:

- Epilepsy affects 2.7 million
- Cystic Fibrosis affects 30,000 people
- 17,000 people are living with hemophilia
- Parkinson's disease affects 1,000,000 individuals
- Ulcerative colitis affects 500,000 people
- Crohn's disease affects 500,000 Americans
- 2.1 million Americans are living with rheumatoid arthritis
- Lupus affects 1.5 million people
- Multiple sclerosis affects 400,000 people in the United States

Putting Celiac Disease in Perspective

- Type 1 Diabetes affects 3 million people; 6% (180,000) of those diagnosed also have celiac disease.
- 610,000 women in the US experience unexplained infertility; 6% (36,600) of these women might never learn that celiac disease is the cause.
- 350,000 people in the United States are living with Down Syndrome; 12% (42,000) of them also have celiac disease.
- The number of people with celiac disease in the U.S. would fill 4,400 Boeing 747 airplanes.
- It would take 936 cruise ships to hold every American with celiac disease.
- Americans with celiac disease could fill Comiskey Park (now US Cellular Field, with 40,000 seats) to watch the Chicago White Sox 55 times.
- U.S. fans with celiac disease could fill Soldier Field, the home of the Chicago Bears, 37 times.
- The number of people with celiac disease in the U.S. is roughly equal to the number of people living in the state of Nevada.
- Alaska, Delaware, Washington DC, Hawaii, Idaho, Maine, Montana, Nebraska, New Hampshire, New Mexico, North Dakota, Rhode Island, South Dakota, Utah and Vermont all have populations that are less than 2,200,000 the number of people living with celiac disease in the United States.

Facts about the Gluten-Free Diet

- In 2004 the Food Allergen Labeling and Consumer Protection Act became law. This legislation went into effect in 2006 and makes it possible, for the first time, for people with celiac disease to read a food label and determine in a few easy steps if a product is safe to eat. The University of Chicago Celiac Disease Center helped to pass this law.

THE UNIVERSITY OF CHICAGO
CELIAC
DISEASE CENTER

- There are more than 2,000 gluten free food items available in the United States, and consumers are more likely to find these foods in regular grocery stores.
- From 2004 – 2005, sales of gluten-free foods increased by 77.8 million dollars (a growth of 14.6%).
- The US Department of Agriculture projects that the gluten-free industries revenues will reach $1.7 Billion by 2010.

Data from **www.bakingbusiness.com** August 2005.

For more information contact the University of Chicago Celiac Disease Center at 773.702.7593 or www.CeliacDisease.net.

THE UNIVERSITY OF CHICAGO
CELIAC
DISEASE CENTER

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

For release: immediate

Multi-Million Dollar Commitment Spurs First-Ever Mouse Model Studies at University of Chicago's Unique Celiac Disease Center

University of Chicago Celiac Disease Center Advisory Board Campaign Aims to Uncover New Treatments for World's Most Common Genetic Autoimmune Disease

CHICAGO (May 27, 2009) – The University of Chicago Celiac Disease Center Advisory Board has partnered with The University to launch a two million dollar campaign to support the first-ever mouse model for celiac disease, the world's most common genetic autoimmune disease. Celiac disease affects approximately three million Americans and is triggered by the consumption of gluten--a protein found in wheat, barley and rye.

For the first time, researchers at the University of Chicago Celiac Disease Center will examine the underlying causes of the disease, test new therapies and identify new targets for treatment through mouse model research. Currently a gluten-free diet is only known treatment for celiac disease, offering only partial allevation of symptoms.

At least ninety-seven percent of people with celiac disease have not been diagnosed. The symptoms are numerous, ranging from intestinal symptoms to neurological and psychological disorders. If undiagnosed and untreated, it can lead to osteoporosis, infertility, neurological conditions, and cancer. In addition, patients with celiac disease have a significantly higher chance of developing other autoimmune diseases, in particular Type-1 diabetes.

Bana Jabri, M.D., Ph.D., Associate Professor, University of Chicago Medical Center, one of the world's leading celiac disease researchers, will develop the new mouse model with the goal of identifying new remedies and preventive treatments aimed at children of families with celiac disease history. The studies will also shed new light on events triggering the development of Type-1 diabetes.

The University of Chicago Celiac Disease Center is the first of its kind in the country. It has been dedicated to raising awareness and meeting the needs of those affected by the disease nationwide through education, research and advocacy since 2001.

- more -

"There is a critical need to provide the proper resources to those who suffer from celiac disease," said Stefano Guandalini, M.D., professor of pediatrics at the University of Chicago Medical Center, founder and medical director of the Celiac Disease Center. "This commitment from University of Chicago Celiac Advisory Board reaffirms the Celiac Disease Center's mission to bring cutting edge research, education and encouragement to those affected by the disease".

Dr. Jabri believes it is essential to create a mouse model of celiac disease to better understand the chain of events leading to celiac disease, its link to autoimmune diseases, and provide sustainable funds to continue programming for many years to come.

About the University of Chicago Celiac Disease Center
The University of Chicago Celiac Disease Center has fundamentally improved the care, diagnosis and awareness of celiac disease. In addition, it provides the infrastructure and support that is needed to advance cutting-edge celiac research, including investigations into structure of gluten peptides and the mechanisms by which gluten modifies self molecules. The University of Chicago Celiac Disease Center is a 501-c3 non-profit organization, completely funded by donor contributions.

For more information please visit: www.celiacdisease.net

###

Celiac Disease

National Digestive Diseases Information Clearinghouse

U.S. Department of Health and Human Services

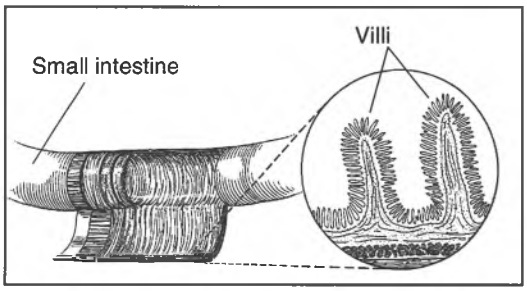
NATIONAL INSTITUTES OF HEALTH

NIDDK
NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

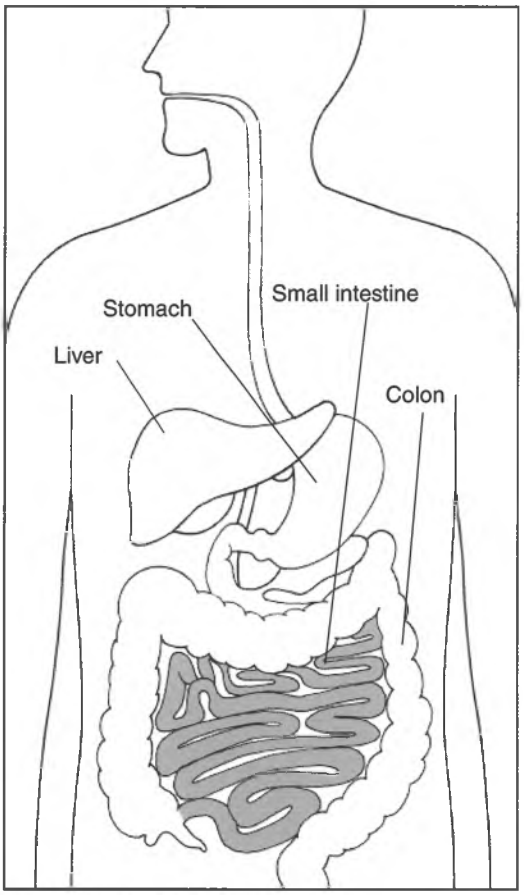
What is celiac disease?

Celiac disease is a digestive disease that damages the small intestine and interferes with absorption of nutrients from food. People who have celiac disease cannot tolerate gluten, a protein in wheat, rye, and barley. Gluten is found mainly in foods but may also be found in everyday products such as medicines, vitamins, and lip balms.

When people with celiac disease eat foods or use products containing gluten, their immune system responds by damaging or destroying villi—the tiny, fingerlike protrusions lining the small intestine. Villi normally allow nutrients from food to be absorbed through the walls of the small intestine into the bloodstream. Without healthy villi, a person becomes malnourished, no matter how much food one eats.



Villi on the lining of the small intestine help absorb nutrients.



The small intestine is shaded above.

Celiac disease is both a disease of malabsorption—meaning nutrients are not absorbed properly—and an abnormal immune reaction to gluten. Celiac disease is also known as celiac sprue, nontropical sprue, and gluten-sensitive enteropathy.

Celiac disease is genetic, meaning it runs in families. Sometimes the disease is triggered—or becomes active for the first time—after surgery, pregnancy, childbirth, viral infection, or severe emotional stress.

What are the symptoms of celiac disease?

Symptoms of celiac disease vary from person to person. Symptoms may occur in the digestive system or in other parts of the body. Digestive symptoms are more common in infants and young children and may include

- abdominal bloating and pain
- chronic diarrhea
- vomiting
- constipation
- pale, foul-smelling, or fatty stool
- weight loss

Irritability is another common symptom in children. Malabsorption of nutrients during the years when nutrition is critical to a child's normal growth and development can result in other problems such as failure to thrive in infants, delayed growth and short stature, delayed puberty, and dental enamel defects of the permanent teeth.

Adults are less likely to have digestive symptoms and may instead have one or more of the following:

- unexplained iron-deficiency anemia
- fatigue
- bone or joint pain
- arthritis
- bone loss or osteoporosis
- depression or anxiety
- tingling numbness in the hands and feet
- seizures
- missed menstrual periods
- infertility or recurrent miscarriage
- canker sores inside the mouth
- an itchy skin rash called dermatitis herpetiformis

People with celiac disease may have no symptoms but can still develop complications of the disease over time. Long-term complications include malnutrition—which can lead to anemia, osteoporosis, and miscarriage, among other problems—liver diseases, and cancers of the intestine.

Why are celiac disease symptoms so varied?

Researchers are studying the reasons celiac disease affects people differently. The length of time a person was breastfed, the age a person started eating gluten-containing foods, and the amount of gluten-containing foods one eats are three factors thought to play a role in when and how celiac disease appears. Some studies have shown, for example, that the longer a person was breastfed, the later the symptoms of celiac disease appear.

Symptoms also vary depending on a person's age and the degree of damage to the small intestine. Many adults have the disease for a decade or more before they are diagnosed. The longer a person goes undiagnosed and untreated, the greater the chance of developing long-term complications.

What other health problems do people with celiac disease have?

People with celiac disease tend to have other diseases in which the immune system attacks the body's healthy cells and tissues. The connection between celiac disease and these diseases may be genetic. They include

- type 1 diabetes
- autoimmune thyroid disease
- autoimmune liver disease
- rheumatoid arthritis
- Addison's disease, a condition in which the glands that produce critical hormones are damaged
- Sjögren's syndrome, a condition in which the glands that produce tears and saliva are destroyed

How common is celiac disease?

Celiac disease affects people in all parts of the world. Originally thought to be a rare childhood syndrome, celiac disease is now known to be a common genetic disorder. More than 2 million people in the United States have the disease, or about 1 in 133 people.[1] Among people who have a first-degree relative—a parent, sibling, or child—diagnosed with celiac disease, as many as 1 in 22 people may have the disease.[2]

Celiac disease is also more common among people with other genetic disorders including Down syndrome and Turner syndrome, a condition that affects girls' development.

---

[1]Fasano A, Berti I, Gerarduzzi T, et al. Prevalence of celiac disease in at-risk and not-at-risk groups in the United States. *Archives of Internal Medicine*. 2003;163(3):268–292.

[2]Ibid.

How is celiac disease diagnosed?

Recognizing celiac disease can be difficult because some of its symptoms are similar to those of other diseases. Celiac disease can be confused with irritable bowel syndrome, iron-deficiency anemia caused by menstrual blood loss, inflammatory bowel disease, diverticulitis, intestinal infections, and chronic fatigue syndrome. As a result, celiac disease has long been underdiagnosed or misdiagnosed. As doctors become more aware of the many varied symptoms of the disease and reliable blood tests become more available, diagnosis rates are increasing.

Blood Tests

People with celiac disease have higher than normal levels of certain autoantibodies—proteins that react against the body's own cells or tissues—in their blood. To diagnose celiac disease, doctors will test blood for high levels of anti-tissue transglutaminase antibodies (tTGA) or anti-endomysium antibodies (EMA). If test results are negative but celiac disease is still suspected, additional blood tests may be needed.

Before being tested, one should continue to eat a diet that includes foods with gluten, such as breads and pastas. If a person stops eating foods with gluten before being tested, the results may be negative for celiac disease even if the disease is present.

Intestinal Biopsy

If blood tests and symptoms suggest celiac disease, a biopsy of the small intestine is performed to confirm the diagnosis. During the biopsy, the doctor removes tiny pieces of tissue from the small intestine to check for damage to the villi. To obtain the tissue sample, the doctor eases a long, thin tube called an endoscope through the patient's mouth and stomach into the small intestine. The doctor then takes the samples using instruments passed through the endoscope.

Dermatitis Herpetiformis

Dermatitis herpetiformis (DH) is an intensely itchy, blistering skin rash that affects 15 to 25 percent of people with celiac disease.[3] The rash usually occurs on the elbows, knees, and buttocks. Most people with DH have no digestive symptoms of celiac disease.

DH is diagnosed through blood tests and a skin biopsy. If the antibody tests are positive and the skin biopsy has the typical findings of DH, patients do not need to have an intestinal biopsy. Both the skin disease and the intestinal disease respond to a gluten-free diet and recur if gluten is added back into the diet. The rash symptoms can be controlled with antibiotics such as dapsone. Because dapsone does not treat the intestinal condition, people with DH must maintain a gluten-free diet.

[3]Rodrigo L. Celiac disease. *World Journal of Gastroenterology*. 2006;12(41):6585–6593.

Screening

Screening for celiac disease means testing for the presence of autoantibodies in the blood in people without symptoms. Americans are not routinely screened for celiac disease. However, because celiac disease is hereditary, family members of a person with the disease may wish to be tested. Four to 12 percent of an affected person's first-degree relatives will also have the disease.[4]

How is celiac disease treated?

The only treatment for celiac disease is a gluten-free diet. Doctors may ask a newly diagnosed person to work with a dietitian on a gluten-free diet plan. A dietitian is a health care professional who specializes in food and nutrition. Someone with celiac disease can learn from a dietitian how to read ingredient lists and identify foods that contain gluten in order to make informed decisions at the grocery store and when eating out.

For most people, following this diet will stop symptoms, heal existing intestinal damage, and prevent further damage. Improvement begins within days of starting the diet. The small intestine usually heals in 3 to 6 months in children but may take several years in adults. A healed intestine means a person now has villi that can absorb nutrients from food into the bloodstream.

[4]Ibid.

To stay well, people with celiac disease must avoid gluten for the rest of their lives. Eating even a small amount of gluten can damage the small intestine. The damage will occur in anyone with the disease, including people without noticeable symptoms. Depending on a person's age at diagnosis, some problems will not improve, such as short stature and dental enamel defects.

Some people with celiac disease show no improvement on the gluten-free diet. The most common reason for poor response to the diet is that small amounts of gluten are still being consumed. Hidden sources of gluten include additives such as modified food starch, preservatives, and stabilizers made with wheat. And because many corn and rice products are produced in factories that also manufacture wheat products, they can be contaminated with wheat gluten.

Rarely, the intestinal injury will continue despite a strictly gluten-free diet. People with this condition, known as refractory celiac disease, have severely damaged intestines that cannot heal. Because their intestines are not absorbing enough nutrients, they may need to receive nutrients directly into their bloodstream through a vein, or intravenously. Researchers are evaluating drug treatments for refractory celiac disease.

The Gluten-free Diet

A gluten-free diet means not eating foods that contain wheat, rye, and barley. The foods and products made from these grains should also be avoided. In other words, a person with celiac disease should not eat most grain, pasta, cereal, and many processed foods.

Despite these restrictions, people with celiac disease can eat a well-balanced diet with a variety of foods. They can use potato, rice, soy, amaranth, quinoa, buckwheat, or bean flour instead of wheat flour. They can buy gluten-free bread, pasta, and other products from stores that carry organic foods, or order products from special food companies. Gluten-free products are increasingly available from mainstream stores.

New Food Labeling

The Food Allergen Labeling and Consumer Protection Act (FALCPA), which took effect on January 1, 2006, requires food labels to clearly identify wheat and other common food allergens in the list of ingredients. FALCPA also requires the U.S. Food and Drug Administration to develop and finalize rules for the use of the term "gluten free" on product labels.

"Plain" meat, fish, rice, fruits, and vegetables do not contain gluten, so people with celiac disease can freely eat these foods. In the past, people with celiac disease were advised not to eat oats. New evidence suggests that most people can safely eat small amounts of oats, as long as the oats are not contaminated with wheat gluten during processing. People with celiac disease should work closely with their health care team when deciding whether to include oats in their diet. Examples of other foods that are safe to eat and those that are not are provided in the table on page 8.

The gluten-free diet requires a completely new approach to eating. Newly diagnosed people and their families may find support groups helpful as they learn to adjust to a new way of life. People with celiac disease must be cautious about what they buy for lunch at school or work, what they purchase at the grocery store, what they eat at restaurants or parties, and what they grab for a snack. Eating out can be a challenge. When in doubt about a menu item, a person with celiac disease should ask the waiter or chef about ingredients and preparation or if a gluten-free menu is available.

Gluten is also used in some medications. People with celiac disease should ask a pharmacist if prescribed medications contain wheat. Because gluten is sometimes used as an additive in unexpected products—such as lipstick and play dough—reading product labels is important. If the ingredients are not listed on the label, the manufacturer should provide a list upon request. With practice, screening for gluten becomes second nature.

The Gluten-free Diet: Some Examples

In 2006, the American Dietetic Association updated its recommendations for a gluten-free diet. The following chart is based on the 2006 recommendations. This list is **not** complete, so people with celiac disease should discuss gluten-free food choices with a dietitian or physician who specializes in celiac disease. People with celiac disease should always read food ingredient lists carefully to make sure the food does not contain gluten.

Allowed Foods		
amaranth	legumes	seeds
arrowroot	millet	sorghum
buckwheat	nuts	soy
cassava	potatoes	tapioca
corn	quinoa	teff
flax	rice	wild rice
Indian rice grass	sago	yucca
Job's tears		
Foods to Avoid		
wheat		barley
• including einkorn, emmer, spelt, kamut		rye
• wheat starch, wheat bran, wheat germ, cracked wheat, hydrolyzed wheat protein		triticale (a cross between wheat and rye)
Other Wheat Products		
bromated flour	graham flour	self-rising flour
durum flour	phosphated flour	semolina
enriched flour	plain flour	white flour
farina		
Processed Foods that May Contain Wheat, Barley, or Rye*		
bouillon cubes	French fries	seasoned tortilla chips
brown rice syrup	gravy	self-basting turkey
candy	imitation fish	soups
chips/potato chips	matzo	soy sauce
cold cuts, hot dogs, salami, sausage	rice mixes	vegetables in sauce
communion wafers	sauces	

*Most of these foods can be found gluten-free. When in doubt, check with the food manufacturer.

Source: Thompson T. *Celiac Disease Nutrition Guide*, 2nd ed. Chicago: American Dietetic Association; 2006. © American Dietetic Association. Adapted with permission. For a complete copy of the *Celiac Disease Nutrition Guide*, please visit *www.eatright.org*.

Points to Remember

- People with celiac disease cannot tolerate gluten, a protein in wheat, rye, and barley.
- Untreated celiac disease damages the small intestine and interferes with nutrient absorption.
- Without treatment, people with celiac disease can develop complications such as osteoporosis, anemia, and cancer.
- A person with celiac disease may or may not have symptoms.
- Diagnosis involves blood tests and, in most cases, a biopsy of the small intestine.
- Since celiac disease is hereditary, family members of a person with celiac disease may wish to be tested.
- Celiac disease is treated by eliminating all gluten from the diet. The gluten-free diet is a lifetime requirement.
- A dietitian can teach a person with celiac disease about food selection, label reading, and other strategies to help manage the disease.

Hope through Research

The National Institute of Diabetes and Digestive and Kidney Diseases conducts and supports research on celiac disease. Researchers are studying new options for diagnosing celiac disease, including capsule endoscopy. In this technique, patients swallow a capsule containing a tiny video camera that records images of the small intestine.

Several drug treatments for celiac disease are under evaluation. Researchers are also studying a combination of enzymes—proteins that aid chemical reactions in the body—that detoxify gluten before it enters the small intestine.

Scientists are also developing educational materials for standardized medical training to raise awareness among health care providers. The hope is that increased understanding and awareness will lead to earlier diagnosis and treatment of celiac disease.

Participants in clinical trials can play a more active role in their own health care, gain access to new research treatments before they are widely available, and help others by contributing to medical research. For information about current studies, visit *www.ClinicalTrials.gov*.

For More Information

American Celiac Disease Alliance
2504 Duxbury Place
Alexandria, VA 22308
Phone: 703–622–3331
Email: info@americanceliac.org
Internet: www.americanceliac.org

American Dietetic Association
120 South Riverside Plaza, Suite 2000
Chicago, IL 60606–6995
Phone: 1–800–877–1600
Email: knowledge@eatright.org
Internet: www.eatright.org

Celiac Disease Foundation
13251 Ventura Boulevard, #1
Studio City, CA 91604
Phone: 818–990–2354
Fax: 818–990–2379
Email: cdf@celiac.org
Internet: www.celiac.org

Celiac Sprue Association/USA, Inc.
P.O. Box 31700
Omaha, NE 68131–0700
Phone: 1–877–CSA–4CSA (272–4272)
Fax: 402–558–1347
Email: celiacs@csaceliacs.org
Internet: www.csaceliacs.org

Children's Digestive Health and Nutrition Foundation
P.O. Box 6
Flourtown, PA 19031
Phone: 215–233–0808
Fax: 215–233–3918
Email: mstallings@naspghan.org
Internet: www.cdhnf.org
www.celiachealth.org

Gluten Intolerance Group of North America
31214 124th Avenue SE
Auburn, WA 98092–3667
Phone: 253–833–6655
Fax: 253–833–6675
Email: info@gluten.net
Internet: www.gluten.net

National Foundation for Celiac Awareness
P.O. Box 544
Ambler, PA 19002–0544
Phone: 215–325–1306
Email: info@celiaccentral.org
Internet: www.celiaccentral.org

North American Society for Pediatric Gastroenterology, Hepatology and Nutrition
P.O. Box 6
Flourtown, PA 19031
Phone: 215–233–0808
Fax: 215–233–3918
Email: naspghan@naspghan.org
Internet: www.naspghan.org

The Celiac Disease Awareness Campaign

To meet the need for comprehensive and current information about celiac disease, the National Digestive Diseases Information Clearinghouse (NDDIC), a service of the National Institute of Diabetes and Digestive and Kidney Diseases (NIDDK), launched the Celiac Disease Awareness Campaign. The Awareness Campaign is the result of the combined ideas and efforts of the professional and voluntary organizations that focus on celiac disease, along with the NIDDK, the National Institutes of Health, and the Centers for Disease Control and Prevention.

Visit *www.celiac.nih.gov* to learn more about the Awareness Campaign.

You may also find additional information about this topic by visiting MedlinePlus at *www.medlineplus.gov.*

This publication may contain information about medications. When prepared, this publication included the most current information available. For updates or for questions about any medications, contact the U.S. Food and Drug Administration toll-free at 1–888–INFO–FDA (463–6332) or visit *www.fda.gov*. Consult your doctor for more information.

National Digestive Diseases Information Clearinghouse

2 Information Way
Bethesda, MD 20892–3570
Phone: 1–800–891–5389
TTY: 1–866–569–1162
Fax: 703–738–4929
Email: nddic@info.niddk.nih.gov
Internet: www.digestive.niddk.nih.gov

The National Digestive Diseases Information Clearinghouse (NDDIC) is a service of the National Institute of Diabetes and Digestive and Kidney Diseases (NIDDK). The NIDDK is part of the National Institutes of Health of the U.S. Department of Health and Human Services. Established in 1980, the Clearinghouse provides information about digestive diseases to people with digestive disorders and to their families, health care professionals, and the public. The NDDIC answers inquiries, develops and distributes publications, and works closely with professional and patient organizations and Government agencies to coordinate resources about digestive diseases.

Publications produced by the Clearinghouse are carefully reviewed by both NIDDK scientists and outside experts. This fact sheet was originally reviewed by Ciaran Kelly, M.D., Beth Israel Deaconess Medical Center; Mitchell Cohen, M.D., Cincinnati, Children's Hospital Medical Center; Walter Reed Army Medical Center; National Foundation for Celiac Awareness; Celiac Disease Foundation; Celiac Sprue Association/USA, Inc.; and Centers for Disease Control and Prevention staff. The gluten-free diet chart was reviewed by Alice Bast and Nancy Dickens, National Foundation for Celiac Awareness; Cynthia Kupper, R.D., C.D., Gluten Intolerance Group; and Elaine Monarch, Celiac Disease Foundation.

This publication is not copyrighted. The Clearinghouse encourages users of this fact sheet to duplicate and distribute as many copies as desired.

This fact sheet is also available at *www.digestive.niddk.nih.gov*.

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
National Institutes of Health

NIH Publication No. 08–4269
September 2008

THE UNIVERSITY OF CHICAGO
CELIAC
DISEASE CENTER

Celiac Disease Facts and Figures

Celiac disease is an inherited autoimmune disorder that affects the digestive process of the small intestine. When a person who has celiac disease consumes gluten, a protein found in wheat, rye and barley, the individual's immune system responds by attacking the small intestine and inhibiting the absorption of important nutrients into the body. Undiagnosed and untreated, celiac disease can lead to the development of other autoimmune disorders, as well as osteoporosis, infertility, neurological conditions and in rare cases, cancer.

Prevalence of Celiac Disease in the United States

- In average healthy people: 1 in 133
- In people with related symptoms: 1 in 56
- In people with first-degree relatives (parent, child, sibling) who are celiac: 1 in 22
- In people with second-degree relatives (aunt, uncle, cousin) who are celiac: 1 in 39
- Estimated prevalence for African-, Hispanic- and Asian-Americans: 1 in 236
- In the landmark prevalence study on celiac disease, investigators determined that 60% of children and 41% of adults diagnosed during the study were asymptomatic (without any symptoms).
- During the prevalence study, researchers found that 21% of patients with a positive anti-endomysial antibody test could not receive a biopsy due to the refusal of their physician to perform the procedure or the insurance company to pay for it.
- Only 35% of newly diagnosed patients had chronic diarrhea, dispelling the myth that diarrhea must be present to diagnose celiac disease.

Source: A multi-center study on the sero-prevalence of celiac disease in the United States among both at risk and not at risk groups. Fasano et. al., Archives of Internal Medicine. February 2003.

- Celiac disease affects at least 3 million Americans.
- The average length of time it takes for a symptomatic person to be diagnosed with celiac disease in the US is four years; this type of delay dramatically increases an individual's risk of developing autoimmune disorders, neurological problems, osteoporosis and even cancer.

Source: Characteristics of adult celiac disease in the USA: results of a national survey. Green, P.H. et.al. American Journal of Gastroenterology, 2001. 2006.

- The incidence of autoimmune diseases in the general US population is 3.5%.

5839 S. Maryland Avenue, MC4069
Chicago, IL 60637
T: 773.702.7593
F: 773.702.0666
www.CeliacDisease.net

In a 1999 study, Ventura, et.al. found that those diagnosed with celiac disease between 2-4 years of age had a 10.5% chance of developing an autoimmune disorder. Additional findings are outlined in the table below:

Age at diagnosis	Chance of developing autoimmune condition
4 – 12 yrs of age	16.7%
12 – 20 yrs of age	27%
Over 20 yrs of age	34%

- Early diagnosis of celiac disease thus is important, as it might prevent complications, and awareness is the key. A recent study in North America shows that an active case-finding strategy in the primary care setting is an effective means to improve the diagnostic rate of Celiac Disease: by screening with the blood test all subjects belonging to known "at-risk" groups such as those listed above, the diagnosis rates increased more than 40-folds.

Source: Duration of exposure to gluten and risk for autoimmune disorders in patients with celiac disease. SIGEP Study Group for Autoimmune Disorders in Celiac Disease. Ventura A, et.al. Gastroenterology 1999 Aug;117(2):297-303. Rampertab SD et al. Trends in the Presentation of Celiac Disease Am J Medicine 2006 Catassi C et al. Detection of Celiac disease in primary care: a multicenter case-finding study in North America. Am J Gastroenterol 2007

Celiac disease affects 1% of healthy, average Americans. That means at least 3 million people in our country are living with celiac disease—97% of them are undiagnosed.

Chronic Illness in the United States
Below is a list of some commonly known chronic illnesses and the number of people affected in the United States:

- Epilepsy affects 2.7 million
- Cystic Fibrosis affects 30,000 people
- 17,000 people are living with hemophilia
- Parkinson's disease affects 1,000,000 individuals
- Ulcerative colitis affects 500,000 people
- Crohn's disease affects 500,000 Americans
- 2.1 million Americans are living with rheumatoid arthritis
- Lupus affects 1.5 million people
- Multiple sclerosis affects 400,000 people in the United States

Putting Celiac Disease in Perspective

- Type 1 Diabetes affects 3 million people; 6% (180,000) of those diagnosed also have celiac disease.
- 610,000 women in the US experience unexplained infertility; 6% (36,600) of these women might never learn that celiac disease is the cause.
- 350,000 people in the United States are living with Down Syndrome; 12% (42,000) of them also have celiac disease.
- The number of people with celiac disease in the U.S. would fill 4,400 Boeing 747 airplanes.
- It would take 936 cruise ships to hold every American with celiac disease.
- Americans with celiac disease could fill Comiskey Park (now US Cellular Field, with 40,000 seats) to watch the Chicago White Sox 55 times.
- U.S. fans with celiac disease could fill Soldier Field, the home of the Chicago Bears, 37 times.
- The number of people with celiac disease in the U.S. is roughly equal to the number of people living in the state of Nevada.
- Alaska, Delaware, Washington DC, Hawaii, Idaho, Maine, Montana, Nebraska, New Hampshire, New Mexico, North Dakota, Rhode Island, South Dakota, Utah and Vermont all have populations that are less than 2,200,000 the number of people living with celiac disease in the United States.

Facts about the Gluten-Free Diet

- In 2004 the Food Allergen Labeling and Consumer Protection Act became law. This legislation went into effect in 2006 and makes it possible, for the first time, for people with celiac disease to read a food label and determine in a few easy steps if a product is safe to eat. The University of Chicago Celiac Disease Center helped to pass this law.

THE UNIVERSITY OF CHICAGO
CELIAC
DISEASE CENTER

- There are more than 2,000 gluten free food items available in the United States, and consumers are more likely to find these foods in regular grocery stores.
- From 2004 – 2005, sales of gluten-free foods increased by 77.8 million dollars (a growth of 14.6%).
- The US Department of Agriculture projects that the gluten-free industries revenues will reach $1.7 Billion by 2010.

Data from **www.bakingbusiness.com** August 2005.

For more information contact the University of Chicago Celiac Disease Center at 773.702.7593 or www.CeliacDisease.net.

THE UNIVERSITY OF CHICAGO
CELIAC
DISEASE CENTER

St. Elias
Specialty Hospital
a Providence Partner

January 24th, 2012

Alaska State Legislature
120 4th Street, State Capitol
Juneau, AK 99801-1182

Dear Committee Members of the House and Senate,

As a diagnosed celiac, I am writing to ask you to join with Senator Cathy Giessel (R-AK) by co-sponsoring SCR 16, which endorses May as Celiac Disease Awareness Month.

Celiac Disease affects 1 in 133 individuals in the United States or roughly 1% of our population. This equals over 3 million Americans, including more than 5,000 Alaskans. These facts were confirmed in 2004 by the National Institutes of Health, yet 97% are undiagnosed with this autoimmune disease because of the lack of awareness and research.

Your support and passage of this resolution will encourage screening and early detection thereby eliminating costly medical expenses from delayed diagnosis and unnecessary years of suffering with a compromised quality of life. The average length of time from symptoms onset to diagnosis is 6-10 years. I was diagnosed after 9 years of misery. This resolution will also serve to align the United States with South America, Europe and Australia for the international observance of May as Celiac Disease Awareness month.

As a celiac who desires to decrease the number of those undiagnosed and hurting, I thank you in advance for your support.

Sincerely,

Brandy Wendler

Brandy Wendler, RN, MSN, ACNP-BC
St. Elias Specialty Hospital Director of Infection Control and Employee Health
Founder/Executive Director, A Spoonful of Wellness
Leader of the Anchorage CDF Gluten-free Support Group

Office of Senator Cathy Giessel
State Capitol Room 7
Anchorage, AK 99801

Dear Senator Giessel,

My name is Deb Wheaton and I have Celiac Disease.

I am writing you today to add my support to SR 16, your bill to designate May as Celiac Disease Awareness Month in Alaska. Last year I worked closely with the Celiac Disease Foundation and California State Senator Robert Huff to achieve the designation for California. As you may know, May has already been recognized as National Celiac Awareness Month, and states such as California, New York, Oregon, No. Carolina and Ohio have recently come on board. Such designations on the state level allows for increased awareness of the *"#1 Disease You've Never Heard Of"*.

My personal crusade:

- Early diagnosis is a personal crusade/passion for me. After being sickly most of her young life, my daughter, Amy, was finally diagnosed in her early 20's. The delay in diagnosis for both of us was over 10 years, which is typical for most Celiacs. This is a genetic disorder and although a simple blood or gene test is all that is needed, somehow it is almost always the last test a Dr. will do. My mother died at age 62 from a Celiac related disease – without ever being diagnosed. On a Gluten-Free diet, my daughter and I are each living a normal healthy life. We have our lives back! And how different all of our lives might have been, if we only had the knowledge. So, my goal is to help raise awareness, which will increase the likelihood that our kids ....their parents, and their grandparents will be tested.

We know that our best hope to raise awareness is through word of mouth and the media. Raising awareness will increase diagnosis and saves lives. Declaring May as Celiac Awareness Month in Alaska will help bring attention to the disease and facilitate that goal.

- *Celiac Disease is the #1 autoimmune disease in the United States. It is a genetic disorder, affecting **1 in 133 Americans**, requiring a life-time commitment to a strict gluten-free diet. Ingestion of even a crumb of wheat, rye and/or barley can cause a severe reaction.*
- According to Dr. Peter Green, Director of the Celiac Disease Center, Columbia University, and author of *"Celiac Disease: The Hidden Epidemic"*, Celiac is the #1 genetic autoimmune disease in the country as well as the most common in the world. It is also the most under-diagnosed and/or misdiagnosed with **the average delay in diagnosis being 10 years.**
- ***There is no cure.** The "cure" requires a life-time commitment to a strict Gluten-Free diet. Ingestion of even a* crumb *of wheat, rye and/or barley can cause a severe reaction. Left untreated related diseases include Type 1 Diabetes, Rheumatoid Arthritis, Osteoporosis and Thyroid Disease, and certain types of cancer.*

Thank you for helping us shine a light on *"The #1 disease that you've never heard of".*

Sincerely,

Deb Wheaton
www.notevenacrumb.com
"Raising Awareness, One Crumb at a Time"

Celiac Disease Foundation
Raising Awareness since 1990
A Nonprofit Corporation

BOARD OF DIRECTORS
MARC RICHES
President
RICHARD TASOFF
Vice President
MARILYN GELLER
Treasurer
TENAYA CUSTER
Secretary

MARVIN BERMAN
CHAD HINES
PAMELA ROWE
ELLIOTT TAFT
MICHAEL WESS, M.D.

MEDICAL ADVISORY BOARD
MARVIN AMENT, M.D.
Central California Children's Hospital
BOB ANDERSON, PhD, FRACP
The Walter & Eliza Hall Institute, Australia
BETTY BERNARD, M.D. (Retired)
University of Southern California
ALICIA CALVO, M.P.H., R.D., C.D.E.
SHELLEY M. CASE, B.Sc., RD
PAUL J. CICLITIRA, M.D. Ph.D.
St. Thomas' Hospital, London
ERIC ESRAILIAN, M.D., M.P.H.
University of California, Los Angeles
ALESSIO FASANO, M.D.
University of Maryland, Baltimore
PETER H. R. GREEN, M.D.
Columbia University, New York
NADINE GRZESKOWIAK, RN, CEN
IVOR D. HILL, M.D.
Wake Forest University, North Carolina
EDWARD J. HOFFENBERG, M.D.
The Children's Hospital, Denver
MARTIN F. KAGNOFF, M.D.
University of California, San Diego
DONALD D. KASARDA, Ph.D. (Retired)
U.S. Department of Agriculture
STEPHEN G. LEVINSON, MD.
TED MALAHIAS, D.D.S.
Columbia University, New York
NICOLE MEADOW, MPN, RD
JOSEPH A. MURRAY, M.D.
Mayo Clinic, Rochester, MN
MICHELLE M. PIETZAK, M.D.
University of Southern California
CYNTHIA S. RUDERT, M.D.
DAN W. THOMAS, M. D.
Childrens Hospital Los Angeles
EVELYN TRIBOLE, M.S., R.D.
KIMBERLY UPTON, R.D.
WILFRED WEINSTEIN, M.D.
University of California, Los Angeles
JOHN J. ZONE, M.D.
University of Utah

EXECUTIVE DIRECTOR/CEO
RITA T. HOPKINS

FOUNDER
ELAINE MONARCH

January 26, 2012

Alaska State Legislature
120 4th Street, State Capitol
Juneau, AK 99801-1182

Dear Committee Members of the House and Senate,

As the Executive Director/CEO of Celiac Disease Foundation, and on behalf of the millions our organization serves, I am writing to ask you to join with Senator Cathy Giessel (R-AK) by co-sponsoring SCR 16, which endorses May as Celiac Disease Awareness Month, aligning the United States with Australia, Europe and South America for the international observance of May as Celiac Disease Awareness Month.

Celiac Disease, a chronic, genetic, multi-system, multi-symptom, autoimmune disease, affects nearly 3 million people in the United States – 1 in 133, including children – as confirmed in 2004 by the National Institutes of Health. Yet 95% of those affected are undiagnosed or mis-diagnosed because of lack of awareness and research. Undiagnosed Celiac disease can lead to early-onset osteoporosis, delayed growth or onset of puberty, spontaneous miscarriages, infertility, depression, among other conditions.

Your support and passage of SCR 16 will encourage screening and early detection thereby eliminating costly medical expenses from delayed diagnosis and unnecessary years of suffering with a compromised quality of life.

I thank you in advance for your support.

Sincerely,

Rita T. Hopkins

13251 VENTURA BLVD. SUITE 1 • STUDIO CITY • CALIFORNIA 91604-1838
818/990.2354 • FAX 818/990.2379
cdf@celiac.org • www.celiac.org

Celiac Disease Foundation
TEAM gluten-free

UNIVERSITY of MARYLAND
CENTER FOR CELIAC RESEARCH

20 Penn Street, Room S303B
Baltimore, MD 21201
410.706.8021
www.celiaccenter.org

January 27, 2012

Alaska State Legislature
120 4th Street, State Capitol
Juneau, AK 99801-1182

Dear Committee Members of the House and Senate:

The Center for Celiac Research at the University of Maryland has been recognized for the past 15 years as a world leader in the field of celiac disease and gluten sensitivity. The Center houses a comprehensive, multidisciplinary program covering clinical care for adults & children, support services, education and scientific research. The paramount goal of the Center is to increase the awareness of celiac disease and gluten sensitivity in order to provide better care, better quality of life, and more adequate support for the gluten-free community.

It is very important for the following reasons that May is designated as Celiac Awareness Month in the state of Alaska, as it is in Maryland and many other states.

- millions of individuals and their family members are facing the challenges of living with celiac disease; and
- celiac disease is a lifelong autoimmune intestinal disorder found in individuals who are genetically susceptible; people with the disease cannot tolerate certain proteins found in common cereal grains such as wheat, barley and rye; and
- when a person with celiac disease eats foods containing these proteins their immune system responds by damaging the small intestine, which can lead to malnourishment; if left untreated, this damage can be chronic and life-threatening; and
- researchers at the Center for Celiac Research have determined that celiac disease affects 1 in 133 Americans, and it is now considered to be the most common genetic disorder in the world; research indicates that there are approximately 2.5 million people with celiac disease in the U.S., yet only approximately 120,000 of those have been diagnosed; and
- Celiac Disease Awareness Month provides an opportunity to recognize individuals and their families whose lives have been affected by this disease, honor dedicated health professionals and researchers, and raise public awareness.

Sincerely,

Alessio Fasano, M.D.
Professor of Pediatrics, Medicine, and Physiology
Director, Center for Celiac Research and Mucosal Biology Research Center
University of Maryland School of Medicine

SCR 17

<TARGET><BILL>SCR 17</BILL><SUBJECT>SCR 17</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/17/12

FURTHER: Rules

Date of 5-Day Notice: 1/26/12
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2/2/12

State Affairs Committee considered SENATE CONCURRENT RESOLUTION NO. 17

SCR 17-GIRL SCOUTS 100TH ANNIVERSARY

Celebrating the 100th anniversary of the Girl Scouts of the United States of America and proclaiming 2012 as the Year of the Girl.

and recommends:

[ ] be **replaced** with **CS** SCR 17 (STA) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** ___ SCS/CS- Forthcoming (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
S. STA			✓	1

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Kookesh	X			
	PASKVAN	X			
	Meyer	X			
	Giessel	X			
CHAIR:	Wielechowski	X			

27-LS1140\M
Martin
1/24/12

CS FOR SENATE CONCURRENT RESOLUTION NO. 17( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR DAVIS

A RESOLUTION

Celebrating the 100th anniversary of the Girl Scouts of the United States of America and proclaiming 2012 as the Year of the Girl.

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

WHEREAS March 12, 2012, marks the 100th anniversary of the Girl Scout movement, which began on March 12, 1912, in Savannah, Georgia, when Juliette "Daisy" Gordon Low organized a group of 18 girls and provided the girls with the opportunity to develop physically, mentally, and spiritually; and

WHEREAS, for 100 years, the Girl Scouts have helped millions of girls and women develop courage, confidence, and character, so that those girls and women could act to make the world a better place; and

WHEREAS the award-winning Girl Scout Leadership Experience helps girls discover themselves, establish values, connect with others, and take action to make the world a better place; and

WHEREAS the Girl Scout Gold Award, the highest honor in the Girl Scouts, requires a girl to make a measurable and sustainable difference in the girl's community by assessing a need, designing a solution, finding the resources and support to achieve that solution,

completing the project, and inspiring others to sustain it; and

WHEREAS the Girl Scout Gold Award honors leadership in the Girl Scout tradition, and, as high school students, Girl Scout Gold Award recipients have already changed the world; and

WHEREAS the Girl Scout programs in science, technology, engineering, math, environmental awareness, healthy living, financial literacy, and global citizenship help girls develop a solid foundation in leadership; and

WHEREAS, since its founding in 2000, the Girl Scout Research Institute has become an internationally recognized center for original research, research reviews, and surveys that provide significant insights into the lives of girls; and

WHEREAS, through the dedication, time, and talent of volunteers of different backgrounds, abilities, and areas of expertise, the Girl Scouts of Alaska serves more than 6,000 girls in grades kindergarten through 12 across the state; and

WHEREAS more than 50,000,000 American women are Girl Scout alumnae, 3,200,000 girls and adult volunteers are active members of the Girl Scouts, and the Girl Scouts of the United States of America is the largest member of the World Association of Girl Guides and Girl Scouts, a global movement of more than 10,000,000 girls in 145 countries;

BE IT RESOLVED that the Alaska State Legislature celebrates the Girl Scouts of the United States of America for 100 years of leadership and expertise and proclaims 2012 the Year of the Girl.

COPIES of this resolution shall be sent to Marge Stoneking, Chief Executive Officer, Girl Scouts of Alaska; Jane Angvik, Chair and Lifetime Member, Girl Scouts of Alaska; Mary Siroky, First Vice Chair, Girl Scouts of Alaska; Lynda Zaugg, Second Vice Chair and Lifetime Member, Girl Scouts of Alaska; Mary Killorin, Secretary, Girl Scouts of Alaska; Linda Freed, Treasurer and Lifetime Member, Girl Scouts of Alaska; and the Honorable Lisa Murkowski and the Honorable Mark Begich, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.

Alaska State Legislature

Interim: (May - Dec.)
716 W. 4th Ave
Anchorage, AK 99501
Phone: (907) 269-0144
Fax: (907) 269-0148

Session: (Jan. - May)
State Capitol, Suite 7
Juneau, AK 99801-1182
Phone: (907) 465-3822
Fax: (907) 465-3756
Toll free: (800) 770-3822

Senator_Bettye_Davis@legis.state.ak.us
http://www.akdemocrats.org

Senator Bettye Davis

SCR 17 "Celebrating the 100th Anniversary of the Girl Scouts of the United States of America and proclaiming 2012 as the Year of the Girl."

Sponsor Statement

SCR17 declares 2012 to be the "Year of the Girl" in honor of the 100th anniversary of the Girl Scouts of the United States of America. Girl Scouts of the USA is the largest organization for girls in the world and its mission is to build girls of courage, confidence and character to make the world a better place. As they celebrate their 100th anniversary as an organization this year, SCR17 recognizes the positive impact that the Girl Scouts have made historically and continue to make in the lives of girls and women throughout the United States.

Statistics indicate the need for such organizations as the Girl Scouts to help mitigate issues with safety, sexual activity and pregnancy, tobacco and substance abuse, and violence among girls. Also, participation in organizations like the Girl Scouts holds great potential for increasing the rate of civic activism and volunteering among girls and women throughout their lives.

Studies indicate that girls who participate in Girl Scouts develop important leadership skills and self-confidence, which help them in many other aspects of their lives. Research shows that girls who participate in Girl Scouts develop a strong sense of self, develop positive values, gain practical life skills, seek challenges in the world, and develop critical thinking, all of which can benefit girls in such important areas as education, physical and mental health, and sports and physical activity.

The Girl Scouts of Alaska includes 6,000 girls ages 5-17 and 1,500 volunteers. Some of the activities that the Girl Scouts of Alaska reported in their December 2011 newsletter included participation in the "Girl Scouts Forever Green" public action project encouraging changes in aspects of daily life to conserve natural resources and protect the environment. Also, the newsletter reported that the Girl Scouts of Alaska conducted a Single Soldier program in which girls wrote letters to soldiers overseas without wives or children to help keep their spirits up, and they also put together nine robotics teams that will compete in statewide robotics competitions in January 2012.

SCR17 honors Girl Scouts of the USA for their contribution to the lives of girls and women and to society by declaring 2012 to be the "Year of the Girl."

girl scouts

About Girls Scouts of the USA

The Girl Scout Promise

On my honor, I will try:
To serve God and my country,
To help people at all times,
And to live by the Girl Scout Law.

The Girl Scout Law

I will do my best to be
honest and fair,
friendly and helpful,
considerate and caring,
courageous and strong, and
responsible for what I say and do,
and to
respect myself and others,
respect authority,
use resources wisely,
make the world a better place, and
be a sister to every Girl Scout.

Who We Are

Girl Scouts of the USA (GSUSA) is the largest organization for girls in the world. Our mission is to build girls of courage, confidence, and character, who make the world a better place. Through activities in science and technology, business and economic literacy, and outdoor and environmental awareness, Girl Scouting provides girls with opportunities for fun and friendship, while fostering the development of leadership skills and self-esteem.

Founded by Juliette Gordon Low in Savannah, Georgia, on March 12, 1912, Girl Scouts of the USA was chartered by the United States Congress on March 16, 1950. Today, there are 3.2 million Girl Scouts: 2.3 million girl members and 890,000 adult members working primarily as volunteers.

What We Do

Girls develop their leadership potential through activities that enable them to discover their values and skills, and the world around them; connect with others in a multicultural environment; and take action to make a difference in the world.

Our Structure

Headquartered in New York City, Girl Scouts has 112 chartered councils nationwide. These councils provide direct services to girls and the volunteers who work with them, and to the communities they serve. Girl Scouting is open to all girls from kindergarten through high school.

National Leadership

National Honorary President: Michelle Obama
Chair, National Board of Directors: Connie L. Lindsey
Chief Executive Officer: Anna Maria Chávez

Key Alumnae Stats

- Ten of seventeen women (59 percent) in the United States Senate are former Girl Scouts.
- Forty-five of seventy-five women (60 percent) in the House of Representatives are former Girl Scouts.
- Fifty-three percent of all women business owners are former Girl Scouts.
- Seventy-six percent of all Girl Scout alumnae report that Girl Scouts had a positive impact in their lives.

For More Information

If you are interested in joining, volunteering with, or donating to Girl Scouts in your community, please call 800-GSUSA-4-U (800-478-7248) or visit www.girlscouts.org.

girl scouts

Facts
Leadership
History
Advocacy
Our Partners
Global Girl Scouting
USA Girl Scouts Overseas
Careers
Diversity

Facts

Tweet 4 48

See our Fact Sheet (PDF)

Also See:
Fact Sheet (PDF)
Who We Are: Girl Scout History
Girl Scout Program
GS Central: Girl Scout Promise and Law
Join Us

Girl Scout Mission

Girl Scouting builds girls of courage, confidence, and character, who make the world a better place.

100 Years

Founder Juliette Gordon Low organized the first Girl Scout Troop on **March 12, 1912**, in Savannah, Ga.

An American Institution

Girl Scouts of the USA was chartered by the U.S. Congress on **March 16, 1950**.

Still Growing Strong

Today, there are **3.2 million Girl Scouts**—2.3 million girl members and 880,000 adult members working primarily as volunteers.

Empowering Girls

In Girl Scouts, girls discover the fun, friendship, and power of girls together. Through a myriad of enriching experiences, such as extraordinary field trips, sports skill-building clinics, community service projects, cultural exchanges, and environmental stewardships, girls grow courageous and strong. Girl Scouting helps girls develop their full individual potential; relate to others with increasing understanding, skill, and respect; develop values to guide their actions and provide the foundation for sound decision-making; and contribute to the improvement of society through their abilities, leadership skills, and cooperation with others.

At Home and Abroad

Girls at home and abroad participate in **troops and groups in more than 92 countries** through USA Girl Scouts Overseas, and over **100 local Girl Scout councils** offer girls the opportunity for membership across the United States.

An International Family

Through its membership in the World Association of Girl Guides and Girl Scouts (WAGGGS), Girl Scouts of the USA is part of a worldwide family of **10 million girls and adults in 145 countries**.

A Pivotal Part of Women's History

More than **50 million American women** enjoyed Girl Scouting during their childhood—and that number continues to grow as Girl Scouts of the USA continues to inspire, challenge, and empower girls everywhere.

Annual Report

We are acutely aware of girls' changing needs. That's why in 2010 we embarked on a journey to develop strategies which will ensure that the Girl Scout Movement is perfectly situated to honor the legacy and promise of the *next* 50 million Girl Scouts. Learn more about these crucial objectives and goals in our Annual Report.

girl scouts

Tweet 7 24

Girl Scout History

Juliette "Daisy" Gordon Low assembled 18 girls from Savannah, Georgia, on March 12, 1912, for a local Girl Scout meeting. She believed that all girls should be given the opportunity to develop physically, mentally, and spiritually. With the goal of bringing girls out of isolated home environments and into community service and the open air, Girl Scouts hiked, played basketball, went on camping trips, learned how to tell time by the stars, and studied first aid.

Within a few years, Daisy's dream for a girl-centered organization was realized. Today, Girl Scouts of the USA has a membership of over 3.2 million girls and adults, a significant growth from its modest beginnings nearly a century ago. In fact, more than 50 million women in the U.S. today are Girl Scout alumnae. We invite you to learn about our robust organization and its rich history. From our willingness to tackle important societal issues, to our commitment to diversity and inclusiveness—Girl Scouts is dedicated to every girl, everywhere.

Also See:

- Who We Are: Juliette Gordon Low Birthplace
- GS Central: Girl Scout Days

- Read Girl Scout founder Juliette Gordon Low's Biography and see how one visionary affected so many lives. See the new Juliette Gordon Low Interactive Timeline.
- Track the incredible journey of the Girl Scout Movement on our Girl Scouts Timeline: Decade by Decade.
- Visit our online Museum for an in-depth look at the objects and ephemera that tell the story of the organization from its inception.
- Don't miss the Museum's Featured Exhibit, which highlights Girl Scout uniforms over the years.
- Learn about the beautiful facilities and history of the Edith Macy Conference Center, Girl Scouts of the USA's unique location for workshops and trainings.
- Find out what happened This Month in Girl Scout History to put it all into context.
- Historical Highlights (PDF): The turn of the century brought Girl Scouting to a threshold of change. In a nutshell, here's what has happened to transform the organization from 2002 to 2008.

© 2012 Girl Scouts of the United States of America. All Rights Reserved.

)out us

Scouts of Alaska is the proven leadership development program for girls from 5-17 in Alaska.

Scouts is a safe, inclusive environment for Alaska's diverse population of girls.

Scouting develops strength of character and confidence allowing girls to become leaders in their communities and to make a difference in the d.

ling on the traditional values of the Girl Scout movement, we meet the needs of girls in Alaska today.

'l Scouts of Alaska. Inspiring Girls to Lead.

ı Bethel to Ketchikan, Girl Scouts of Alaska serves over 6, 000 girls and 1,500 volunteers

·l Scout Mission

Scouting builds girls of courage, confidence, and character, who make the world a better place.

·l Scouts Promise

On my honor, I will try:

To serve God and my country,*

To help people at all times,

And to live by the Girl Scout Law.

flexible wording of the Girl Scout Promise means that a member may substitute another word that more closely represents that member's ual belief for the word God.

·l Scout Law

I will do my best to be:

honest and fair,

friendly and helpful,

considerate and caring,

courageous and strong,

and responsible for what I say and do,

and to

respect myself and others,

respect authority

use resources wisely,

make the world a better place,

and be a sister to every Girl Scout.

SEO powered by JoomSEF

EIN: 92-6000179

Copyright © 2011 Girl Scouts of Alaska. All Rights Reserved.

December Newsletter

My Promise, My Faith

December is a month of religious, spiritual, and cultural holidays for all of the world's major religions. It is therefore an opportune time to update you on how Girl Scouts can interface with any faith.

Although Girl Scouts is a secular organization, and Girl Scouts recognizes that religious instruction comes from the home and one's faith community, we are values based and encourage faith in God -- as defined by each member and her family. Indeed, the Girl Scout Promise and Law are in alignment with many faith organizations' teachings.

For girls who are interested in finding out what their faith and Girl Scouting have in common, Girl Scouts has its own national faith recognition award called My Promise, My Faith. The requirements and guidelines for earning a My Promise, My Faith award are included in The Girl's Guide to Girl Scouting. Girls can earn this pin once a year at each grade level. You can read my full blog post for more on this topic.

Happy December from Girl Scouts of Alaska!

Yours in Girl Scouting,
Marge Stoneking, CEO

Girl Scouts Declares 2012 Year of the Girl

We all know that 2012 is Girl Scouts 100th Anniversary! Now, Girl Scouts of the USA is also declaring 2012 the Year of the Girl.

As Anna Maria Chavez, CEO of Girl Scouts of the USA explained, "We want to make sure that a baby girl born in 2012 will grow up in a new and vastly differently world." She's referring to the fact that, despite so much progress on behalf of women and girls in the last

century, men still outnumber women in most leadership positions as well as science and technology jobs. It's not just a matter of equity. The fact that girls are interested and capable, yet opting out of these choices, has significant implications for our country.

By declaring 2012 the Year of the Girl, we hope to rally the nation around the cause of girls' leadership. Breaking down societal barriers that hinder girls from leading will take a nation-wide effort, and the involvement of individuals and groups beyond the family of Girl Scouts. Do you want to be a part of the movement? Sign up here to get updates directly from the campaign.

Women of Science

We are getting excited for our 20th annual Women of Science events around the state! The theme this year aviation.

We still need more presenters to help us bring science, technology, engineering and math (STEM) to life for girls.

If you know someone who uses STEM in any aspect of their work, please encourage them to share their expertise with girls! Past presenters have included female pilots, photographers, civil engineers, architects, and medical professionals. Do you know someone who can help us show girls how STEM skills are being used in real jobs in the real world?

Call Kay Shoemaker in Anchorage (907-273-0393) or Julie Alexander in Mat-Su (907-376-3822) with your suggestions. Thank you!

National Council Results

At the 2011 National Council session in Houston, Texas, members voted on important policy matters affecting the future of Girl Scouting. In addition to voting on officers to serve for the 2011-2014 term, the following issues were decided:

1. A general program fee for girls was approved, to help with the additional costs involved in executing the Girl Scout program. The fee will be reflected as an annual council fee not to exceed $12.
2. A proposal to change the timing of the election of national delegates was voted down.
3. The question of whether to offer the Girl Scout membership year on a rolling cycle, instead of our current October 1 - September 30 year, was deferred to a committee. Councils using e-Council may have difficulty handling a rolling enrollment system, so the committee will address these and other concerns before bringing the issue to a vote again.

To review the full slate of proposals considered and the outcome of the voting, click here.

Count Down to 100th Anniversary!

Here at the council office we are counting down the days until 2012 when a year-long celebration of 100 years of Girl Scouting will finally begin! We are excited about all the girls who have taken our Centennial Celebration Challenge and are sending us photos and descriptions of their projects. We hope you are also thinking about parades and other events in your area that you can participate in to share with your community the legacy of Girl Scouting in Alaska.

Here are some of the 100th anniversary events to watch for.

- Girl Scouts Forever Green (February - April)
- Southeast Camp-In (March 10)
- Statewide Campfires (March 12)
- Troop 2012 (March 12)

- Juneau Auction (March 17)
- Young Women of Distinction Luncheon (March 29, Anchorage)
- Centennial Celebration Challenge (through May 7)
- 100 Geocaches (Year-Long and Ongoing)
- Year of the Girl (Year-Long and Ongoing) [create anchor back to earlier text]

If you are planning something, please share it with us so we can help spread the word.

Do you have any questions about our 100th Anniversary -- what's happening and what you can do? Please call or email Anne Gore at 273-0315 or agore@girlscoutsalaska.org.

Girl Scouts Forever Green

Girl Scouts Forever Green is the Girl Scouts 100th Anniversary national Take Action project. The project asks everyone -- both Girl Scouts and the public at large -- to commit to changing some aspects of their daily lives to help protect the environment and conserve natural resources. The project suggests specific actions in three categories: reduce plastics, save energy, and save water.

Each action pledged, such as planting a tree, or turning off lights when not in use, has a measurable environmental impact associated with it. And, Girl Scouts' goal is to engage 800,000 Girl Scouts (25 percent of each council's membership) by the end of December 2012. Because the projects are aligned with the It's Your Planet, Love It! leadership journey, girls can earn awards as they work to create positive change for the environment.

Anyone who participates in Girl Scouts Forever Green is eligible to receive the patch shown here. We also have stickers, pledge cards, brochures and posters available for you to print out and use to motivate others to take action, too. The more participation, the greater the environmental impact!

Be sure to visit the Girl Scouts Forever Green website to learn about the three projects, take the pledge, and get more tips, tools, and resources. Also, check out our Girl Scouts Forever Green program offerings at Spring Creek Farm [link to anchor GSFG 67] on the first Saturday of February, March, and April 2012.

Questions? Email Kay Shoemaker kshoemaker@girlscoutsalaska.org or Anne Gore agore@girlscoutsalaska.org.

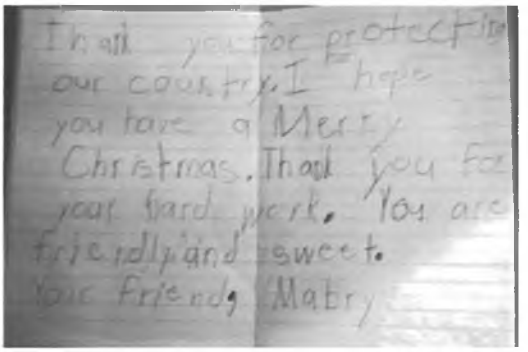
United Way Holiday Guide

Holidays are a time of year when we come together as a community. We make the extra effort to look for the things that bring us together and unite us, as families, as faith communities, as neighbors, as people.

United Way board member Rick Fox recently put it perfectly when he said that he gives to give back. We've all had those moments in our lives where someone did something a little extra to help us in some way. This holiday, United Way of Anchorage asks you to consider making plans to give back.

To help you find the opportunity that is right for you, they offer this guide to giving. It includes a Quick Finder to easily match your gift with your favorite organization, a directory of local organizations, and special sections with ways you can Give, Advocate, and Volunteer. Click on the image above to see United Way's full Holiday Guide.

Letters to Soldiers



Some of our United States soldiers serving overseas do not have wives or children to send them letters and keep their spirits up. If you want to let them know that someone is thinking of them and they are not alone, send your letters to the Single Soldier program care of:

CSM Kirk Johnson

501st IN

TF SPARTAN

FOB SALERNO

APO AE 09314

Please do not use last names in your letters, and write about general interest issues.

News from Southeast

Juneau Auction, March 17

Come to the Girl Scouts Annual Southeast Benefit Auction March 17th at the Juneau Arts and Humanities Council from 6 to 10pm! Traditionally an autumn event, this year's auction moves to March to coincide with the 100th anniversary of Girl Scouting. We're planning a big party in keeping with this benchmark year!

We'll have a vast array of items to bid on, both in an outcry and silent auction format. Guests will enjoy hors d'oeurves and a no-host bar.

The Auction Committee is busy securing donations from regional and statewide donors and businesses; There are a variety of volunteer positions needing to be filled to help make this event something truly spectacular. To contribute with donations or to volunteer, please contact Mary Siroky at 789-7616.

Proceeds raised at the Auction assist Southeast Girl Scouts with memberships, camperships, and travel assistance.

Juneau Cookie Kick-Off

Join the Juneau Girl Scouts as we kick off the Girl Scout Cookie Season at this fun festival of training, crafts, and games! Juneau Girl Scouts will gather in the gym at DZ Friday on January 6th from 6 to 8pm to learn by participating in cool activities! Learn about the cookies, about selling and goal-setting, and about marketing the fun way!

New this year for parents of Girl Scouts is an orientation of their own called "the Cookie Rookie" where moms and dads learn practical ways to be supportive of their girls.

Prev Next

The cost of the event is $5 per girl, including a patch and supplies!

Robotics Rocks!

As of publication, eight of Girl Scouts of Alaska's nine robotics teams have competed in qualifying tournaments. They have all done well and are

eligible to compete in the Championship Tournament on January 28th at South High School in Anchorage.

- Rockin' Wolves (Soldotna) received the Robot Design award
- Lego Experts (Anchorage) received the Judge's Choice award: Rising Stars
- Robotchicks (Anchorage) received the Project award
- Mat-Su Macaroi (Mat-Su) received the Core Values award
- Blight Busters (Anchorage) were the 2nd place Champions in their qualifier tournament
- Killer Cantaloupes (Juneau) were the 1st place Champions in their qualifier tournament
- Nine Northern Computer Cookies, or N2C2 (Juneau) were the 2nd place Champions in their qualifier tournament

Girlz vs. Food are scheduled to compete in their qualifier tournament on Saturday, December 17th at South High School.

Opportunities for Adult Volunteers

Conference Call Classes

Girl Scouts of Alaska strives to provide our adult volunteers with the support and information you need to succeed. Conference calls are a great way to share your experience and questions with other volunteers, parents and staff from across our council without having to leave the comfort of your home. Check out these upcoming opportunities:

January 12, 2012, 7-8pm

- 100th Anniversary and the Centennial Challenge - Learn 100 creative ways you and your girls can celebrate Girl Scout's 100th Anniversary.

February 9, 2012, 7-8pm

- Service Unit Team Talk - Service Unit Teams will talk with our CEO about how to make our organization stronger.

March 8, 2012, 7-8pm

- Opportunities for Adults – BREAK UP your routine and learn about new opportunities to volunteer with Girl Scouts, and recognize others for their efforts. In this conference call we'll address:
  - Pathways
  - Chaperones
  - Host Families
  - Journey in a Weekend
  - Series
  - Events
  - Indirect Opportunities
  - Adult Learning
  - Adult Awards

April 12, 2012, 7-8pm

- Re-engaging Girls – Learn how Bridging, Pathways, the New Girl's Guide to Girl Scouts, Awards and more can re-engage girls in Scouting. In this conference call we'll address:
  - Bridging
  - Pathways
  - Girls Guide to Girl Scouting
  - Awards
  - Girl Adult Partnership
  - Spring Break Ideas

May 10, 2012, 7-8pm

- Wrapping Up for Next Year – Take time to celebrate what you've accomplished, make plans for the summer and prepare yourself, the girls and their parents for next year. We'll cover:
  - Ceremonies
  - Early Bird Registration
  - Reports and other Paperwork

- Plans for Summer - Hiking, Camping, Parades
- Returning Next Year or Disbanding?
- Bank Account
- What to Tell Parents

Opportunities for Girls

Apply for Girls' World Forum

Girl Scouts of Alaska (GSAK) is seeking letters of interest from teenage Girl Scouts to attend the 2012 Girls' World Forum, hosted by Girl Scouts of the USA and the World Association of Girl Guides and Girl Scouts (WAGGGS) July 12-16, 2012 in Chicago.

Two GSAK girls (ages 14-18 on July 12) will be selected to represent Girl Scouts of Alaska as delegates to the Girls' World Forum. This is the third and final event in a series of forums celebrating WAGGG's centennial, and the first in the United States.

The WAGGGS Global Action Theme, which is the focus of the three forums is "Together We can Change Our World." The theme addresses the United Nations Millennium Development Goals. During the WAGGGS Girls' World Forum, girls from around the world will focus on three millennium goals including: goal 1- to end poverty and hunger, goal 3 - to promote gender equality and empower women, and goal 7 - to achieve global environmental sustainability. Girls' World Forum attendees will work together to learn more about, to plan, and to engage in taking action to help achieve these three worldwide goals by 2015.

Are you interested in expanding your Girl Scout impact and network to partner with WAGGGS on global issues affecting girls? Are you committed to taking action to truly make the world a better place? If you said yes, then you are who Alaska is looking for to represent us at the Girls' World Forum. Please write a letter of interest to:

Marge Stoneking, CEO

Girl Scouts of Alaska

3911 Turnagain Blvd East

Anchorage, AK 99517

In your letter of interest, please address the following questions:

1. Why do you think it's important to address the Millennium Development Goals (MDGs)?
2. How have you, your community, and/or your GS Council worked to achieve one or more of the MDGs?
3. What interest/experience do you have in international events?
4. Whether you speak any international languages other than English, and what is your level of fluency?

FYI: Registration costs will be covered by Girl Scouts of Alaska for the two selected delegates, and girls may earn $1.00/box cookie credits in the 2012 GSAK Cookie Program to offset travel fees. Travel fees will be in the neighborhood of $2,000, to be determined early in 2012. Girl delegates will be accompanied by young women (18-30) volunteer chaperones.

Spirit of Youth Nominations being accepted now!

December 31, 2011 is the last day to submit a nomination to be eligible for the 2012 Spirit of Youth Award! The application is simple and can be completed on the Spirit of Youth website. Nominations in any of the 11 categories can be submitted for teens (or teen groups) ages 12-19.

Nomination Categories:

- Cultural Activities
- Overcoming Challenges

- Participation in Government or Business
- Life saver (crisis response) & Prevention
- Service (to children, peers or community)
- Fine Arts (dance, theater, music, art)
- Technology & Media
- Faith-based Service
- Science and Environmental efforts

Research demonstrates that youth who are recognized for their accomplishments by those around them are better able to build confidence in their future! Submit your nomination today.

To learn more about Spirit of Youth or listen to past winners and their radio stories, visit www.spiritofyouth.org.

STEM Program Opportunity

Girl Scouts of the USA is proud to be an outreach partner with the Joan Ganz Cooney Center at Sesame Workshop and E-Line Media to introduce the second annual National STEM Video Game Challenge open to all Girl Scouts! This challenge invites game makers to show their passion for playing and making video games and aims to motivate children's interests in Science, Technology, Engineering, and Math (STEM).

Up for grabs is almost $200,000 in cash and prizes, with multiple ways to win! The entry period is open through March 12th, 2012. Finalists will be selected by a distinguished panel of judges and winners will be announced in the spring of 2012 at a major public event.

For more information on how Girl Scouts can enter the Youth Prize competition (middle school & high school) go to www.STEMChallenge.org.

This challenge also compliments the Entertainment Technology Badge, where girls can dig into video game development! If you have girls interested in earning this badge, encourage them to enter the STEM Video Challenge as well!

Art Contest

The Anchorage Youth Development Coalition (AYDC) and Alaska Youth & Parent Foundation are developing an online directory for Anchorage youth services, programs and opportunities. A diverse group of Anchorage youth has named this directory Anchorage Youth Central.

AYDC is sponsoring a contest to develop a logo or icon for this new online directory. Youth ages 24 and under are eligible to submit drawings, graphic designs, pictures or paintings depicting an appropriate image to use as the logo/icon for this new web-based directory.

A diverse group of youth will judge the submissions and the winner will be awarded a $100 Fred Meyer gift card. Please submit any entries to nicole@aydc.org or bring them by our office at 3350 Commercial Dr. #103 NO LATER THAN 5pm on December 30.

Girl Helpers Needed

The Alaska State Employees Association/Union annual Winter Festival needs 3-4 girls ages 11 or older to assist with kids activities for this family friendly event. Activities may include face painting, ring toss, bowling, and other games. The Winter Festival is January 14 from 11am - 5pm. If your Girl Scout or Troop is interested in helping, please contact Rose Scogin at wildakrose@aol.com or 344-7735.

Pen Pal Requests

Desiree West, a fifth grader from Avon, Indiana is interested in finding a pen pal in Alaska.

If you want to be her pen pal, please write to:

Desiree West

Troop 178

6962 Woodridge

RECEIVED

RECEIVED

JAN 22 2010

Sen. Bettye Davis

From: Debra Henderson [alaskagirlsstatedirector@gmail.com]
Sent: Saturday, January 22, 2011 2:07 PM
To: Sen. Con Bunde; senator_John_coghill@legis.state.sk.us; Sen. Bettye Davis; Sen. Fred Dyson; Sen. Johnny Ellis; Sen. Dennis Egan; Sen. Hollis French; Sen. Lyman Hoffman; Sen. Charlie Huggins; Sen. Albert Kookesh; Sen. Lesil McGuire; Sen. Linda Menard; Sen. Kevin Meyer; Sen. Donny Olson; Sen. Joe Paskvan; Sen. Bert Stedman; senator_gary_steven@legis.state.ak.us; Sen. Joe Thomas; Sen. Tom Wagoner; Sen. Bill Wielechowski
Subject: American Legion Auxiliary Alaska Girls State

First I want to welcome the newly elected Senators to the 27th Legislative First Session 2011.

Next I want to personally thank each and every one of the Senators, Representatives and their staff that helped the Alaska Girls State program for 2010. You were awesome. It amazes the young ladies each time that a real legislative person takes the time to help out at Girls State or come talk to them at a general assembly. Thank you so much from the bottom of my heart. We are here to educate the young citizens (who will be voting age in the next year) and what better way to do that then have the actual legislative personel there helping us. It is amazing how many of them are knowagable about current and world affairs.

Now for who I am: My name is Debra Henderson and I am in my third year of being the American Legion Auxiliary Alaska Girls State Director. I live in Ninilchik, Alaska and work for the Ninilchik Village Tribe as the Procurement Officer (12 years). I am on the Kenai Peninsula Fair Board, the Ninilchik Community Library Board and the American Legion Auxiliary Department of Alaska Girls State Director. I have three grown children and 6 grand children.

I have contacted the Senators and Representatives each year about helping out with the session. American Legion Auxiliary Girls State is a nonpartisan program that teaches young women responsible citizenship and love for God and Country. Since the inception of the Girls State program in 1937, nearly 1 million young people have had the opportunity to learn firsthand how their state and local government works.

High school girls who have completed their junior year spend an intensive week of study, working together as self-governing citizens at Auxiliary-sponsored Girls State programs in every state (with the exception of Hawaii).

Participants learn how to participate in the functioning of their state's government in preparation for their future roles as responsible adult citizens. Two girls are selected from each Girls State program to attend Girls Nation, a national government training program. Girls Nation "senators" meet for a week in Washington, D.C. in July (fully expense paid trip), where they run for political office, campaign for the passage of legislation and possibly meet with their state representatives and senators. Capping off the week of Girls Nation is often times a meeting with the President of the United States at the White House.

Programs/Activities:

At Alaska Girls State, the "citizens"study local and state government processes for one week in June. The 2011 Alaska Girls State Session is June 12th-18th at the Meier Lake Conference Center in Wasilla Alaska. At the beginning of the session, each citizen is given a party affiliation (Nationalist or Federalist). They set up their own city and hold city elefctions. They set up state governments with Speaker of the House and President of the Senate and administer them according to the laws of Alaska. The young ladies

un for a legislative office (this is mandatory), run a campaign and we hold a primary nd general election. Each citizen is required to write at least one bill to be presented. t is amazing to watch these ladies grow through the week. It is a once in a lifetime pportunity.

Alaska Girls State is ran by volunteers, who for one week give up their lives for these girls, the program and what we believe in. There is about 20 staff. The citizens write daily articles and a daily newsletter is published.

low you are probably wondering why I am emailing each of you:
would like to invite each of you to attend part of our program, help out by being a uest speaker or just to stop by and enjoy a meal with the citizens and staff. If you are nterested please let me know. For 2009 there was 40 delegates and 2010 there was 1. My goal is to increase it by one each year until we get the program back where it vas in the 90's (60-70). It is getting harder and harder for us to get our information nto the public schools since 911. Then if we get it into the schools, to find someone hat is passionate about government or knows the American Legion and what we stand or. Usually the information gets put on someone's desk and covered up. Our hands are ied fromt he point of putting the application packets into the schools. If you are nterested in any of these opportunities, please let me know.
Also if you know of any juniors in high school that would be interested in our session, please give them this email address. We are also on the web at www.alaskagirlsstate.org.

Good Luck in your legislative endeavors and God Bless.

For God and Country,
Debra Henderson, Girls State Directror
American Legion Auxiliary Dept. of Alaska

Senator Bettye Davis with Connie Lindsay, President of the National Board of Directors for the Girl Scouts of the United States of America

girl scouts

What Girls Say

Media

Publications

Facts & Findings

Civic Engagement and Volunteering

Education

Physical and Mental Health

Safety

Sexual Activity and Pregnancy

Sports and Physical Activity

Tobacco Use and Substance Abuse

Violence

Resources

e-Newsletters

Feedback

Safety

Tweet 0 1

The safety of girls and youth is always a concern, whether in everyday life or cyberspace. That safety extends to girls and youths' physical and emotional safety. Adults and youth in all fields—youth development, education, sports, out-of-school time—can play an integral part in empowering girls and youth to be safe and in ensuring their safety.

Also See:

Feeling Safe: What Girls Say

How America's Youth Are Faring Since September 11

The Net Effect: Girls and New Media

The Ten Emerging Truths

Statistics

• For girls aged 8 to 17, 72% defined safety as not being physically hurt and 46% defined it as not having their feelings hurt. But when asked what actually **worried**them the most, the number one concern, noted by 32%, was being teased or being made fun of. (The Girl Scout Research Institute, *Feeling Safe: What Girls Say (2003))*

• Bullying or harassment is a particularly prominent problem at the junior high or middle high school level. Three-quarters of junior high or middle high school principals say that bullying or harassment is a serious problem at their school, compared to 43% of elementary school principals and 45% of senior high school principals. (Gay, Lesbian, and Straight Education Network and the National Association of Secondary School Principals, *The Principal's Perspective: School Safety, Bullying, and Harassment, 2008)*

• Teens aged 13 to 17 were less likely than preteens aged 8 to 12 to feel physically (62% vs. 72%) and emotionally (57% vs. 64%) safe. (The Girl Scout Research Institute, *Feeling Safe: What Girls Say (2003))*

• Almost one quarter of teenage girls (23%) have fewer than three adults they could go to if they were in trouble or needed help, compared with only 11% of preteen girls who feel this way. (The Girl Scout Research Institute, *Feeling Safe: What Girls Say (2003))*

• Seventy-one percent of girls aged 13 to 18 believed that it is wrong to meet people off-line that they have initially met through online communications. (The Girl Scout Research Institute, *The Net Effect: Girls and New Media (2002))*

• After experiencing cyberbulling, over half of teen victims aged 13 to 17 claim to have been angry (56%), one-third feeling hurt (33%) and embarrassed (32%), and over one in ten feeling scared (13%). Females are more likely than males to report all these emotions; especially females aged 13 to 15. (Harris Interactive, *Trends and Tudes: Cyberbullying, April 2006)*

• An alarming percentage of girls aged 13 to 17 report posting personal information online: their real age (72%), a fake age (23%), photos or videos of themselves (70%), photos or videos of friends (61%), city they live in (55%), name of school (48%), and cellphone number (7%). (Cox Communications, *Teen Internet Safety Survey Wave II, March 2007)*

• In 2002, 75% of girls aged 13 to 18 reported being given Internet rules by their parents, however, 43% also reported breaking those rules at least once. (The Girl Scout Research Institute, *The Net Effect: Girls and New Media (2002))*

• An increasing percentage of girls aged 13 to 17 say their parents talk to them about the dangers of sharing personal information online: 78% in 2007 versus 72% in 2006. (Cox Communications, *Teen Internet Safety Survey Wave II, March 2007)*

• In 2005, the prevalence of having ridden with a driver who had been drinking alcohol was higher among female high school students (29.6%) than male high school students (27.2%). (Centers for Disease Control, *Youth Risk Behavior Surveillance—2005)*

• In 2005, the prevalence of having driven when they had been drinking alcohol was higher among white female (10.1%) than black female (3.5%) and Hispanic female (6.4%) high school students. (Centers for Disease Control, *Youth Risk Behavior Surveillance—2005)*

• The number one concern, noted by 32% of girls ages 8-17, was being teased or being made fun of. (GSRI, *Feeling Safe: What Girls Say* (2003)

• Three-thirds (74.2%) of LGBT students reported feeling unsafe in school because of their sexual orientation, gender, gender expression, race or ethnicity, a real or perceived disability, or their actual or presumed religion. (Gay, Lesbian, and Straight Education Network, *The 2005 National School Climate, 2005)*

• Elementary and secondary school principals reported that while nearly all (96%) of their schools have anti-bullying policies, less than half specifically mention sexual orientation (46%) or gender identity or expression (39%). (Gay,

What Girls Say

Media

Publications

Facts & Findings

Civic Engagement and Volunteering

Education

Physical and Mental Health

Safety

Sexual Activity and Pregnancy

Sports and Physical Activity

Tobacco Use and Substance Abuse

Violence

Resources

e-Newsletters

Feedback

Sexual Activity and Pregnancy

Tweet 0 2

Girls and boys from early ages are exposed to varying messages about sexual activity and pregnancy from intended and unintended sources. Those varying messages influence the decisions youth make. Youth development, education, health, out-of-school time, social services, and government organizations can have a positive effect on girls and boys as they face decisions related to sexual activity and pregnancy.

Also See:

Teens Before Their Time

Statistics

• In 2005, roughly a third of both male and female high school students reported being sexually active. (ChildTrends.org, *Child and Youth Indicators Databank: Sexually Active Teens, 2006)*

• In 2005, 44.1% of sexually active female high school students did **not** use a condom at their most recent sexual intercourse compared with 30% of males. (Centers for Disease Control, *Youth Risk Behavior Surveillance—2005)*

• Females and males report similar levels of any oral sex experience; in 2002, 54% of teen females and 55% of teen males reported engaging in oral sex. (ChildTrends.org, *Child and Youth Indicators Databank: Oral Sex, 2006)*

• In 2005, 12% of high school females had sexual intercourse with four or more persons during their lifetime compared to 16.5% of high school males. (Centers for Disease Control, *Youth Risk Behavior Surveillance—2005)*

• Annually, there are over 750,000 teen pregnancies. Eight in ten of these pregnancies are unintended and 81% are to unmarried teens. (*The Guttmacher Institute, U.S. Teenage Pregnancy Statistics, National and State Trends and Trends by Race and Ethnicity, 2006)*

• After increasing 23% between 1972 and 1990 to an all-time high, the teen pregnancy rate for girls aged 15-19 declined 36% between 1990 and 2002 (the most recent year that nationally-representative data is available). (*The Guttmacher Institute, U.S. Teenage Pregnancy Statistics, National and State Trends and Trends by Race and Ethnicity, 2006)*

• Teen pregnancy rates vary among the three largest racial/ethnic groups. Between 1990 and 2002, rates for African-American and non-Hispanic white teens (aged 15-19) declined 40% and 34% respectively. The rate for Hispanics teens aged 15-19 declined 19% during the same time period. (*The Guttmacher Institute (2006) U.S. Teenage Pregnancy Statistics, National and State Trends and Trends by Race and Ethnicity)*

• Teen girls (50%) are far less likely than teen boys (69%) to say the decision to use contraception is shared equally by both partners. (The National Campaign to Prevent Teen Pregnancy, *Science Says: American Opinion on Teen Pregnancy and Related Issues 2007)*

• Six in ten sexually experienced teens (60%) say they wish they had waited longer to have sex, including 67% of those aged 12-14 and 57% of those aged 15-19. Almost equal proportions of teen boys (73%) and teen girls (78%) say that being a virgin is not embarrassing. (The National Campaign to Prevent Teen Pregnancy, *Science Says: American Opinion on Teen Pregnancy and Related Issues 2007)*

• The overwhelming majority of teens (90%) think it is important for teens to be given a strong message that they should not have sex until they are at least out of high school. It is also the case that a clear majority of teens (56%) believe young people should be getting information about abstinence and contraception, rather than either/or. (The National Campaign to Prevent Teen Pregnancy, *Science Says: American Opinion on Teen Pregnancy and Related Issues 2007)*

• Just as young girls are confronted with difficult "teen" issues like dating and sex at an increasingly early age, they are learning that their family confidantes are often unwilling or unable to discuss such issues. (The Girl Scout Research Institute, *Teens Before Their Time (2000))*

girl scouts

What Girls Say

Media

Publications

Facts & Findings

Civic Engagement and Volunteering

Education

Physical and Mental Health

Safety

Sexual Activity and Pregnancy

Sports and Physical Activity

Tobacco Use and Substance Abuse

Violence

Resources

e-Newsletters

Feedback

Tobacco Use and Substance Abuse

Tweet 0

Even though cigarette smoking may be in decline for teenage girls and boys, substance abuse continues. Organizations from all fields—youth development, education, health, government, media—can serve as a positive force in helping youth make healthy decisions about tobacco and illicit drug use.

Also See:

The New Normal? What Girls Say About Healthy Living

Statistics

• Approximately 41.6% of females ages 12 or older reported using an illicit drug at some point in their lives. Approximately 12.1% of females ages 12 and older reported illicit drug use in the past year and 6.1% reported illicit drug use in the past six months. (Substance Abuse and Mental Health Services Administration, *2005 National Survey on Drug Use and Health)*

• Approximately 35.9% of female high school students surveyed nationwide in 2005 used marijuana during their lifetime. This is down from 7.6% in 2003 and 38.4% in 2001. (Centers for Disease Control, *Youth Risk Behavior Surveillance —United States 2005)*

• For 8th-graders, female and male students continued to have similar rates of daily smoking (4%) in 2005. White 8th-graders (5%) continued to smoke at a higher rate than either their Black or Hispanic peers (2% and 3%, respectively). (Childstats.gov, *America's Children in Brief: Key National Indicators of Well-Being, 2006)*

• Among youth aged 12 to 17, the rate of current illicit drug use was similar for boys (10.1%) and girls (9.7%). While boys aged 12 to 17 had a higher rate of marijuana use than girls (7.5% vs. 6.2%), the rate for nonmedical use of prescription-type psychotherapeutics was similar for boys and girls (3.1% and 3.6%, respectively). (Substance Abuse and Mental Health Services Administration, *National Survey on Drug Use and Health: 2005)*

• In 2005, among youth aged 12 to 17, the percentage of females who were current drinkers (17.2%) was higher than that for males (15.9%). (Substance Abuse and Mental Health Services Administration, *National Survey on Drug Use and Health: 2005)*

• In 2005, 23.5% of high school females engaged in episodic heavy drinking (i.e., had more than 5 drinks of alcohol in a row on more than one day) compared to 27.5% of their male counterparts. (Centers for Disease Control, *Youth Risk Behavior Surveillance—United States 2005)*

• In 2005, among youths aged 12 to 17, current cigarette smoking in 2005 was equally prevalent among females (10.8%) and males (10.7%). The rate for females in this age group declined from 13.6% in 2002 to 10.8% in 2005. The rate for males in this age group declined from 12.3% in 2002 to 10.7% in 2005. (Substance Abuse and Mental Health Services Administration, *National Survey on Drug Use and Health: 2005)*

• In 2005, the rate of substance dependence or abuse among females aged 12 to 17 was similar to the rate among their male counterparts (8.3% vs. 7.8%). (Substance Abuse and Mental Health Services Administration, *National Survey on Drug Use and Health: 2005)*

• In 2005 high school females (13.5%) were more likely than high school males (11.3%) to have used inhalants one or more times during their life (e.g., sniffed glue, breathed the contents of aerosol spray cans, or inhaled any paints or sprays to get high). (Centers for Disease Control, *Youth Risk Behavior Surveillance—2005)*

• Females generally have had lower rates of heavy drinking; however, this has not been true at 8th grade in the last several years, and at 10th grade, girls overtook boys in 2005 in their 30-day prevalence of alcohol use. And for the last four years, 8th-grade girls have had a higher 30-day prevalence of smoking than boys. (Monitoring the Future, *National Results on Adolescent Drug Use: Overview of Key Findings, 2006)*

• One in four high school females was offered, sold, or given an illicit drug on school property in the past year. (OJJDP, *Juvenile Victims and Offenders: 2006 National Report)*

girl scouts

What Girls Say

Media

Publications

Facts & Findings

Civic Engagement and Volunteering

Education

Physical and Mental Health

Safety

Sexual Activity and Pregnancy

Sports and Physical Activity

Tobacco Use and Substance Abuse

Violence

Resources

e-Newsletters

Feedback

Violence

Tweet 0 3

Youth experience varying forms and degrees of violence and in different environments. Some experience violence at alarming rates and some less frequently. Some experience violence because of real or perceived characteristics. In whatever form against youth, violence leaves a negative and lasting effect. There is much opportunity for all fields to mitigate the experience and effects that violence, in all its forms, has on youth.

Also See:

Feeling Safe: What Girls Say

The Net Effect: Girls and New Media

The Ten Emerging Truths

Statistics

• Nationwide, the prevalence of having been in a physical fight was higher among 9th grade female (37.2%) than 10th grade female (27.6%), 11th grade female (25.0%), and 12th grade female (20.3%) students. (Centers for Disease Control, *Youth Risk Behavior Surveillance—2005)*

• In 2005, 9.2% of students nationwide had been hit, slapped, or physically hurt on purpose by their boyfriend or girlfriend (i.e., dating violence). Overall, the prevalence of dating violence was higher among black female (12.0%) than white female (8.5%) and Hispanic female (9.0%) high school students. (Centers for Disease Control, *Youth Risk Behavior Surveillance—2005)*

• In 2005, while the overall percentage of students reporting being victims of hate speech is not significantly different for females and males, females were more likely to report being targets of hate-related words based on gender discrimination than were males (3% compared with 1%). However, males were more likely to report being targets of hate-related words based on race discrimination compared with females (5% compared with 4%). (ChildTrends.org, *Child and Youth Indicators Databank: Victims of Hate Speech)*

• Two-thirds (65%) of LGBT teens report that they have been verbally or physically harassed or assaulted during the past year because of their perceived or actual appearance, gender, sexual orientation, race/ethnicity, disability, or religion. (Gay, Lesbian, and Straight Education Network, *From Teasing to Torment: A Survey of Students and Teachers, 2005)*

• In 2005, female high school students were more than twice as likely as their male peers to report being physically forced to have intercourse (11% compared with 4%). Eight percent of all students in grades 9 through 12 reported having been raped at some time in their lives. (ChildTrends.org, *Child and Youth Indicators Databank: Adolescents Who Have Ever Been Raped)*

• Female teens aged 12 to 17 are more likely than males to be victims of physical abuse in the home though the opposite is true for children under the age of eight. (ChildTrends Databank: *CrossCurrents: Violence in the Lives of Children, August 2003)*

• By the time they are in high school, one in ten females reports that she has been raped in her lifetime, compared with one in 20 males. (ChildTrends Databank, *CrossCurrents: Violence in the Lives of Children, August 2003)*

• An estimated 1,600 persons under age 18 were murdered in the U.S. in 2002—10% of all persons murdered that year. About one-third (36%) of these juvenile murder victims were female. About 4 in 10 (39%) of these victims were under age 6, 1 in 10 (10%) were ages 6–11, 1 in 10 (8%) were ages 12–14, and 4 in 10 (43%) were ages 15–17. (Office of Juvenile Justice and Delinquency Prevention, *Juvenile Victims and Offenders: 2006 National Report)*

• Among kidnap victims under age 6 known to law enforcement, the numbers of male and female victims were essentially equal. For victims ages 12 to 17, the ratio was almost three female victims for each male victim. For victims ages 25–34, the ratio was almost 4 to 1. (Office of Juvenile Justice and Delinquency Prevention, *Juvenile Victims and Offenders: 2006 National Report)*

• About two-thirds of female victims ages 15–17 were kidnapped by an acquaintance, and one-quarter by a stranger. (Office of Juvenile Justice and Delinquency Prevention, *Juvenile Victims and Offenders: 2006 National Report)*

• Compared to other students their age, girls' playing violent video games differs from boys' playing: 52% of tween females (8 to 12 year-olds) and 38% of teen females (13 to 18 year-olds) never play violent video games versus 11% of tween boys and 10% of teen boys. (Harris Interactive, *Trends and Tudes: Video Gaming: General and Pathological Use, March 2007)*

• One in four girls was involved in physical fights. (OJJDP, *Juvenile Victims and Offenders: 2006 National Report)*

• Half (51.4%) of LGBT students reported having had their property, such as their car, clothing or books stolen or

deliberately damaged at school in the past year with about a tenth (11.3%) reporting that it happened frequently or often. (Gay, Lesbian, and Straight Education Network, *The 2005 National School Climate, 2005)*

follow us on:

Twitter
Blogger
flickr
facebook
YouTube

helpful links:

Site Map
Help
FAQs
Contact Us
Terms & Conditions
Privacy Policy

also visit:

girlscoutcookies.org
blog.girlscouts.org
Girl Scouts *for girls*
lmk.girlscouts.org
girlscoutshop.com
edithmacy.com

commitment:

Internet Safety Pledge
Our Commitment to Diversity

© 2012 Girl Scouts of the United States of America. All Rights Reserved.

girl scouts

What Girls Say

Media

Publications

Facts & Findings

Civic Engagement and Volunteering

Education

Physical and Mental Health

Safety

Sexual Activity and Pregnancy

Sports and Physical Activity

Tobacco Use and Substance Abuse

Violence

Resources

e-Newsletters

Feedback

Civic Engagement and Volunteering

Tweet 1 2

Girls and boys participate in civic engagement activities and volunteering in different ways, venues, and times throughout their adolescence and young adulthood. From what the following statistics and trends indicate, there is much opportunity for youth development, civic, political, and educational organizations to positively affect how youth contribute to society as they grow older.

Also See:

Exploring Girls' Leadership

The Community Connection

The Ten Emerging Truths: New Directions for Girls 11-17

Voices of Volunteers 18-29

Statistics

• For girls ages 11-12, 73% reported improving the world around them as their favorite activity (i.e., activities related to the environment or helping others). (The Girl Scout Research Institute, *The Ten Emerging Truths: New Directions for Girls 11-17 (2002))*

• Girls ages 11-17 participate in student government at markedly increasing levels: 5% of girls ages 11-13; 12% of girls ages 13-15; and 20% of girls ages 16-17. (The Girl Scout Research Institute, *The Ten Emerging Truths: New Directions for Girls 11-17 (2002))*

• **More** young women aged 15 to 25 participate in the following activities than young men: raising money for charity (27% for women vs. 22% for men); regular volunteering for non-political groups (21% vs. 16%); active group membership (22% vs. 18%); membership in political groups (17% vs. 15%); and, participating in a run/walk/ride for charity (20% vs. 15%). (Center for Information and Research on Civic Learning and Engagement, *The Civic and Political Health of a Nation, 2006)*

• **Less** young women aged 15 to 25 participate in the following activities than young men: regular voting (ages 20 to 25) (25% for women vs. 28% for men); persuading others to vote (31% vs. 39%); donating money for a political campaign (5% vs. 9%); and, regular volunteering for a political group (1.3% vs. 2.4%) (Center for Information and Research on Civic Learning and Engagement, *The Civic and Political Health of a Nation, 2006)*

• In the 2004 election, 55% of females ages 18-24 reported registering to vote, compared with 48% of males the same age. Similarly, 45% of females reported actually voting, compared with 39% of males. (ChildTrends.org, *Child and Youth Indicators Databank: Youth Voting, 2006)*

• Voter turnout rates among voters ages 18-29 declined: women (27% in 1994 versus 24% in 2002) and men (25% in 1994 versus 21% in 2002). (Center for Information and Research on Civic Learning and Engagement, *Quick Facts about Young Voters: 2006)*

• From 1990 to 2000, consistent young volunteers were more likely to be female (14 percent) than male (11 percent). They were also more likely to be from higher SES households. (National Center for Education Statistics, *Volunteer Service by Young People from High School through Early Adulthood, 2003)*

• From 1990 to 2000, females (50%) were more likely than males (38%) to volunteer in high school, but no differences were detected between the sexes two years out of high school (38% for males and 39% for females). Male volunteering declined further to 29% by the eighth year after scheduled high school graduation; no change was detected in female volunteering (37%). (National Center for Education Statistics, *Volunteer Service by Young People from High School through Early Adulthood, 2003)*

• As of 2003, female college graduates were more likely than their male counterparts to have volunteered in the past year (50% vs. 43%). Among those who had volunteered, women were more likely than men to have served in educational or religious institutions, while men were more likely than women to have done other volunteer work with children or to have participated in poverty or neighborhood improvement projects. (National Center for Education Statistics, *Where Are They Now? A Description of 1992–93 Bachelor's Degree Recipients 10 Years Later, 2006)*

• College students follow the national trend in volunteering, with females (33%) volunteering at a higher rate than males (26.8%). Both male and female college students were more likely to volunteer for an educational or youth services organization than any other type of organization: 33.6% of male college students, and 30.2% of female college students volunteered at an educational or youth services organization. With a little over 22% of both male and female college students, religious organizations remained the second most popular place for volunteering among both genders. (Corporation for National and Community Service, *College Students Helping America, 2006)*

girl scouts

What Girls Say

Media

Publications

Facts & Findings

Civic Engagement and Volunteering

Education

Physical and Mental Health

Safety

Sexual Activity and Pregnancy

Sports and Physical Activity

Tobacco Use and Substance Abuse

Violence

Resources

e-Newsletters

Feedback

Education

Tweet 0

Education remains a critical factor in the lives of youth today, especially with the advent and consequences of No Child Left Behind (2001), and continued changes in demographic, academic, and technological demands of the workforce. With girls and boys exhibiting different educational trends and needs from K-16, there is opportunity for out-of-school time and youth development programs to benefit girls and boys socially, emotionally, as well as academically.

Also See:

Teens Before Their Time

The Girl Difference

Statistics

• Female kindergarteners (83%) are somewhat more likely than their male counterparts (79%) to exhibit the following positive social behaviors: ease in joining others in play; ability to make and keep friends; and positively interacting with peers. (ChildTrends.org, *Child and Youth Indicators Databank: Kindergartners' Social Interaction Skills, 2006)*

• In 2005, female fourth- and eighth-graders both scored higher on average in reading than their male counterparts. (National Center for Education Statistics, *The Nation's Report Card: Reading 2005)*

• In 2005, female fourth- and eighth-graders scored lower on average in mathematics than their male counterparts. However, both male and female fourth-graders' average scores were higher in 2005 than in any previous assessment year. (National Center for Education Statistics, *The Nation's Report Card: Mathematics 2005)*

• In 2005 eighth- and twelfth-grade male students outperformed female students in science. (National Center for Education Statistics, *The Nation's Report Card: Science 2005)*

• A slightly higher percentage of females than males completed high school in 2005 (87% compared with 85%, respectively). In 2005, females were also more likely than males to have completed some college (62% compared with 52%, respectively) and to have received at least a bachelor's degree (32% compared with 26%, respectively). (ChildTrends.org, *Child and Youth Indicators Databank: Educational Attainment, 2006)*

• In 2004, 9% of females ages 16 to 24 were high school dropouts, compared with 12% of males. Females comprise one-half of the population and make up 43% of the dropouts in this age group. (ChildTrends.org, *Child and Youth Indicators Databank: High School Dropout Rates, 2006)*

• In 2005, high school females (14.8%) were nearly half as likely as high school males (27.4%) to use computers more than 3 hours on an average school day for something **not** related to school work (e.g., played video or computer games). (Centers for Disease Control, *Youth Risk Behavior Surveillance—2005)*

• In 2000, the majority of students who took AP tests received a passing score that would earn college credit, but female test takers were less likely than their male counterparts to earn passing scores. (National Science Foundation, *Science and Engineering Indicators 2006)*

• In 2000, sex differences occurred in science coursetaking but not in mathematics. More females than males completed courses in advanced biology, Advanced Placement (AP) or International Baccalaureate (IB) biology, and chemistry. Males completed physics and AP/IB physics courses at higher rates than females. (National Science Foundation, *Science and Engineering Indicators, 2006)*

• In 2000, women earned more than half of the degrees awarded in psychology (78%), biological/agricultural sciences (59%), and social sciences (55%), and almost half (47%) in mathematics. However, women received 21% of bachelors degrees awarded in engineering, 27% in computer sciences, and 43% in physical sciences. (National Science Foundation, *Science and Engineering Indicators 2006)*

• For girls ages 8-12, aspirations after high school are largely educational and professional: 93% for college education; 76% for a career; 67% for marriage; and, 63% for children. (The Girl Scout Research Institute, *Teens Before Their Time (2000))*

What Girls Say

Media

Publications

Facts & Findings

Civic Engagement and Volunteering

Education

Physical and Mental Health

Safety

Sexual Activity and Pregnancy

Sports and Physical Activity

Tobacco Use and Substance Abuse

Violence

Resources

e-Newsletters

Feedback

Physical and Mental Health

Tweet 3 1

Girls and boys from childhood to young adulthood experience varying degrees of physical and mental health. Although recent statistics show a disturbing trend among of youth health behaviors, there is opportunity for youth development and community-based organizations, health and education field, and public policy makers to engage and empower youth in healthy practices.

Also See:

The New Normal? What Girls Say About Healthy Living

Weighing In Helping Girls Be Healthy Today, Healthy Tomorrow

Statistics

• More than 10 percent of children between the ages of 2 and 5 are overweight, double the proportion since 1980. (Fitness.gov, The President's Council on Physical Fitness and Sports)

• In 2003–2004, Black, non-Hispanic girls were at particularly high risk of being overweight (25%), compared with White, non-Hispanic and Mexican American girls (16% and 17%, respectively). (Childstats.gov, *America's Children in Brief: Key National Indicators of Well-Being, 2006)*

• A daughter's dissatisfaction with her weight is greater if her mother is also dissatisfied with her own weight, in spite of how much a daughter *actually* weighs. (The Girl Scout Research Institute, *The New Normal? What Girls Say About Healthy Living (2006))*

• In 2005, females were more likely than males to engage in disordered eating with 6% of females reporting vomiting or using laxatives to control weight compared with 3% of males. (ChildTrends.org, *Child and Youth Indicators Databank: Disordered Eating—Symptoms of Bulimia, 2006)*

• Although about two-thirds of girls aged 8 to 17 correctly identified themselves as being either normal weight or overweight, one-third have a distorted idea about their weight—either perceiving themselves as too heavy when they are, in fact, of normal weight, or feeling their weight is "about right" when they actually are too heavy. Specifically, 45% of girls that were overweight and 61% of girls at risk of being overweight see themselves as normal weight, while 14% of normal weight girls believe they are overweight. (The Girl Scout Research Institute, *The New Normal? What Girls Say About Healthy Living (2006))*

• In 2005, female youth were nearly twice as likely as male youth to report seriously considering suicide (22% versus 12%) and attempting suicide (11% versus 6%). However, males were far more likely to succeed in committing suicide. (ChildTrends.org, *Child and Youth Indicators Databank: Suicidal Teens, 2006)*

• Overall, the prevalence of having seriously considered attempting suicide was higher among white female (21.5%) and Hispanic female (24.2%) than black female (17.1%) students. (Centers for Disease Control, *Youth Risk Behavior Surveillance—2005)*

• In 2005, there were 5.5 million youths aged 12 to 17 (21.8%) who received treatment or counseling for emotional or behavior problems in the year prior to the interview. Adolescent females were more likely than adolescent males to report past year treatment for mental health problems (23.6% vs. 20.0%). (Substance Abuse and Mental Health Services Administration, *National Survey on Drug Use and Health: 2005)*

• In 2005 high school females (8.1%) were nearly twice as likely as their male counterparts (4.6%) to take diet pills, powders, or liquids without a doctor's advice to lose weight or to keep from gaining weight. Further, high school females (6.2%) were three times as likely as their male counterparts (2.8%) to vomit or take laxatives to lose weight or to keep from gaining weight. (Centers for Disease Control, *Youth Risk Behavior Surveillance—2005)*

• For many girls, health is the absence of illness or of unhealthy behavior. Being free of drugs, alcohol, and tobacco was cited by the greatest number (87%) of girls as being very important. (The Girl Scout Research Institute, *The New Normal? What Girls Say About Healthy Living (2006))*

Lesbian, and Straight Education Network and the National Association of Secondary School Principals, *The Principal's Perspective: School Safety, Bullying, and Harassment, 2008)*

• Students from schools with an inclusive policy are more likely to feel very safe at school (54% vs. 36%) and one-third as likely to skip a class because they felt uncomfortable or unsafe (5% vs. 16%) (Gay, Lesbian, and Straight Education Network, *From Teasing to Torment: School Climate in America, 2005)*

• Seven in ten (69%) elementary and secondary school principals believed that professional development for school personnel would be most helpful in reducing bullying or harassment of LGBT students in their school. (Gay, Lesbian, and Straight Education Network and the National Association of Secondary School Principals, *The Principal's Perspective: School Safety, Bullying, and Harassment, 2008)*

follow us on:
Twitter
Blogger
flickr
Facebook
YouTube

helpful links:
Site Map
Help
FAQs
Contact Us
Terms & Conditions
Privacy Policy

also visit:
girlscoutcookies.org
blog.girlscouts.org
Girl Scouts *for girls*
lmk.girlscouts.org
girlscoutshop.com
edithmacy.com

commitment:
Internet Safety Pledge
Our Commitment to Diversity

© 2012 Girl Scouts of the United States of America. All Rights Reserved.

What Girls Say

Media

Publications

Facts & Findings

- Civic Engagement and Volunteering
- Education
- Physical and Mental Health
- Safety
- Sexual Activity and Pregnancy
- **Sports and Physical Activity**
- Tobacco Use and Substance Abuse
- Violence

Resources

e-Newsletters

Feedback

Sports and Physical Activity

Tweet 24 1

Although sports and physical activity are a part of girls' and boys' lives in and out of school at varying levels, girls tend to be less active than boys. The sports, education, youth development, and out-of-school time fields can provide opportunity for girls to engage in positive, healthy physical activity.

Also See:

The New Normal? What Girls Say About Healthy Living

GirlSports Basic National Evaluation

Statistics

• High school females were much more likely (51.7%) than their male counterparts (40%) to **not** attend physical education class one or more days in an average school week. (Centers for Disease Control, *Youth Risk Behavior Surveillance—United States 2005)*

• In 2005, a much higher percentage of adolescent males participate in vigorous physical activity than do their female peers. Within all racial and ethnic subgroups, activity levels for males are between 13 and 19 percentage points higher than for females. For all grades, activity levels for males are between 10 and 20 percentage points higher than for females. (ChildTrends.org, *Child and Youth Indicators Databank: Vigorous Physical Activity by Youth, 2006)*

• In 2005, more high school females (72.2%) than their male counterparts (56.2%) did **not** meet currently recommended levels of physical activity—doing any kind of physical that increased their heart rate and made them breathe hard for a total of at least 60 minutes per day. (Centers for Disease Control, *Youth Risk Behavior Surveillance —United States 2005)*

• The more physically active girls are, the greater their self-esteem and the more satisfied they are with their weight, regardless of how much they weigh. Eighty-three percent of very active girls say that physical activity makes them feel good about themselves. (The Girl Scout Research Institute, *The New Normal? What Girls Say About Healthy Living (2006))*

• For girls ages 11-17 it is the *perception* of being overweight, not just weight alone, that inhibits participation in sports and physical activities. (The Girl Scout Research Institute, *The New Normal? What Girls Say About Healthy Living (2006))*

• For teen girls, being both physically active and a team sports participant is associated with a lower prevalence of sexual risk-taking behaviors. (Kulig, K., Brener, N. & McManus, T. *Pediatrics and Adolescent Medicine, 2003)*

• Many girls ages 11–17 say they do not play sports because they do not feel skilled or competent (40%) or because they do not think their bodies look good (23%). (The Girl Scout Research Institute, *The New Normal? What Girls Say About Healthy Living (2006))*

• A study of school reading texts found that boys were represented in physical activities 65% of the time, while girls were represented 35% of the time. In addition, boys dominated throwing and catching activities, while girls dominated dance and swing-set activities. (Henschel-Pellet, H.A. *Research Quarterly, 2001)*

• In 2001, 1 in 2.5 girls participated in high school sports—up from 1 in 27 in 1971. That figure represented an 800% increase from 1971. For boys, the figure has remained constant at 1 in 2. (Women's Sports Foundation, *Women's Sports and Physical Activity Facts and Statistics, 2007)*

• Overall, females are somewhat less likely than their male counterparts to watch four or more hours of TV on an average weekday. The largest difference appears among twelfth graders, where 17% of females watch four or more hours of TV on an average weekday compared to 24% of males. (ChildTrends.org, *Child and Youth Indicators Databank: Watching Television, 2006)*

RESEARCH SUMMARY: WHAT GIRLS SAY

While the topic of gender and leadership has been widely explored by social scientists and management practitioners, little or no specific in-depth research has been done on how youth, especially girls, view leadership itself. In particular, little is known about how they understand their leadership experiences, their motivations for pursuing these opportunities, or the implications of their current behaviors and attitudes on their future lives. What kind of leadership does this generation of girls aspire to and connect with? What do we need to know in order to support the next generation of girl and women leaders?

Change It Up! What Girls Say About Redefining Leadership presents findings from a national study of almost 4,000 girls and boys on a broad spectrum of issues related to leadership: how they define it; their experiences, failures, and successes with leadership experimentation; their aspirations, hopes, and fears; the effect of gender biases and stereotypes; and predictors of leadership aspiration. From the evidence of this report, girls are clearly saying we need to "change it up" in how we define and think about leadership.

MAJOR FINDINGS

INSIGHT #1

GIRLS ARE REDEFINING LEADERSHIP IN MEANINGFUL TERMS

The conception of leadership in today's culture is too limiting. Even at a young age, girls have well-formed ideas about what it means to be a leader. The top-of-mind definition of leadership is expressed in terms of authority exercised through command and control. However, both girls and boys find this definition of leadership the least appealing or aspirational. **Their preferred definitions of leadership imply personal principles, ethical behavior, and the ability to effect social change.**

The gap between the kind of leadership girls aspire to and the conventional command-and-control definition may help explain some of this ambivalence. Girls are also more likely to be driven toward leadership by altruistic motives, whereas boys are more likely to be motivated by power and money.

- Youth set the benchmark for leadership skills very high. Leadership is highly idealized and perceived to require a wide range of skills and qualities that do not seem attainable. **Only 21% of girls believe they currently have most of the key qualities required to be a good leader.**
- The desire to be a leader among Asian American (59%), African American (53%), and Hispanic girls (50%) is higher in comparison with Caucasian girls (34%).
- Over 90% of girls say they want to or would not mind being leaders.

INSIGHT #2

SELF-CONFIDENCE + SKILLS = NEW GIRL LEADERS

Self-confidence is the strongest driver of leadership aspirations. **Youth who report high self-regard on a number of leadership skills and qualities are more likely to aspire to leadership.**

- **Girls from higher income and diverse racial and ethnic backgrounds are more likely to desire leadership.** These girls rate themselves higher on leadership skills and dimensions, are more likely to report having had a leadership experience, and are more likely to think of themselves as leaders. It is these attitudes, self-perceptions, and experiences that drive leadership aspirations in youth, not their race/ethnicity or income.
- The greatest single barrier to leadership seems to be low self-regard about skills and qualities.
- Barriers to leadership are consistent among girls and boys, but **girls experience fears and inhibitions about social acceptance more acutely**, in the form of stress, fear of talking in front of others, aversion to seeming bossy, and peer pressure.
- **External barriers in the general environment still exist for girls and young women.** While most youth (82%) agree that girls and boys are equally good at being leaders, 52% also agree that "girls have to work harder than boys in order to gain positions of leadership." Women are still judged to be better than men at stereotypically "female" things like "taking care of others" and "running a household," while men are judged to be better at things such as "running a state or country" and "running a business."

INSIGHT #3

OPPORTUNITIES + EXPERIENCES + SUPPORT = NEW GIRL LEADERS

Other factors influencing girls' leadership aspirations include family, particularly mothers, and peers—who can play both a negative and a positive role. Participation in organized and informal activities and exposure to leadership opportunities are strongly correlated with leadership aspirations. Yet girls relate that environments in which they can develop leadership skills are scarce. **Notably, youth do not feel they have much power to change things or teach/help others in many environments, which is the kind of leadership they aspire to the most.**

- **Overall, four in six girls (67%) believe they have had some opportunity to be a leader.** The large majority (86%) say their most recent experience being a leader was a positive one. African American and Hispanic girls are more likely than Caucasian girls to report enjoying their experiences as leaders.
- Girls derive greater satisfaction from learning (31% vs. 22%) in leadership experiences; boys derive greater satisfaction from being in charge (26% vs. 16%). Girls and boys equally cite "being able to effect change" as a reason for their positive experiences.

- Girls say their mothers are the most likely to encourage them to be leaders, followed by teachers and fathers. However, 39% of girls report having been discouraged or put down, usually by peers and classmates, when they were trying to lead.
- Youth do not feel they have much power to change things or teach/help others in any environment. When asked to rate environments in which they felt they could effect change, "school" is the highest—at 23%—but "none" gets the same rating. After-school environments are rated significantly lower at 7%.

INSIGHT #4

GIRLS HAVE A RANGE OF LEADERSHIP IDENTITIES

Girls vary widely in terms of their leadership aspirations and self-perceptions and fall into five categories of leadership identity. The categories range from girls (and boys—both sexes fall into exactly the same categories in exactly the same proportions) who think of themselves as leaders and actually want to be leaders to those who do not think of themselves as leaders and do not want to be leaders. A comparison of these groups reveals substantial differences not only among their respective orientations to leadership, but also in relation to their general attitudes, goals, aspirations, and behaviors.

- (36%) LEADERSHIP VANGUARD: Youth already think of themselves as leaders and actively desire to be leaders. They have the highest self-confidence, higher focus on academic, personal, and career success, and high social change values.
- (25%) AMBIVALENT LEADERS: Youth think of themselves as leaders and would not mind being leaders, although leadership is not expressly a goal for them. They share most of the attributes and behaviors of Vanguard leaders, only to a lesser degree.
- (4%) HOPEFULS: Youth want to be leaders but do not think of themselves as leaders. They are not as confident as the Vanguard leaders, or even the Ambivalent leaders.
- (26%) UNMOTIVATED: Youth would not mind being leaders but do not think of themselves as leaders. They have relatively low self-confidence and are unmotivated in pursuing leadership opportunities.
- (8%) REJECTERS: Youth do not want to be leaders and do not think of themselves as leaders. This group of girls and boys has the lowest self-confidence, feels powerless to change the world, and is more likely to believe that leadership cannot be learned.

CONCLUSIONS AND RECOMMENDATIONS

Girls today aspire to leadership not in the form in which it most commonly appears in the culture—command and control—but to a model that is purpose-driven and oriented toward social change. As well, the leadership aspirations and experiences of youth are greatly dependent on their perceptions of their own abilities and their opportunities and experiences to exercise leadership.

Opportunities to develop leadership skills are scarce, and youth-developing organizations such as the Girl Scouts need to give youth the opportunity to effect change, which is what they are passionate about. The impact of positive adult role models, especially mothers, and supportive environments cannot be underestimated.

Overall, to be relevant to and successful with girls, a leadership program must address their aspirational or preferred definition of leadership, their need for emotional safety, and their desire for social and personal development. To encourage future girl leaders and support those already interested in leadership:

- **Frame communications about leadership in ways that are appealing to girls.** Understand the types of leaders girls want to become and help them realize that vision. Emphasize the skills and activities associated with the program, not just the end result.
- **Help girls see leadership as attainable.** Girls do not need to have all the skills and qualities they associate with being a leader to actually be one.
- **Work on enhancing girls' self-confidence in their skills and abilities.** Leadership can become a natural by-product of this skill and confidence development.
- **Create opportunities for girls to experience a broad range of leadership activities in a supportive environment.** Make clear that leadership is multi-dimensional and encourage girls to experiment with different roles and types, from social change and political activism to the more traditional, in a supportive environment that allows them to attempt new things and "try leadership on."
- **Understand the barriers to leadership for girls, including the fear of peer ridicule and persistent stereotypes about what it means to be "feminine."** Things like speaking in front of others and not wanting to upset anyone can be prohibitive.
- **Do not treat girls as one homogenous group.** Understand where girls already are in terms of leadership and help guide them forward in the most appropriate way for them.
- **Identify and create opportunities to engender positive leadership aspirations, behaviors, goals, and self-perceptions across environments.** This includes school, home, house of worship, peer group, community organizations, and the Internet, among others.

METHODOLOGY

The study combined qualitative and quantitative research from the Girl Scout Research Institute and Fluent, a New York based research firm. In January of 2007, researchers conducted focus groups and ethnographies with 165 girls, boys, and mothers in four regions across the country. Upon completion of the qualitative research, a nationwide online survey was administered to a national stratified sample of 2,475 girls and 1,514 boys between the ages of 8 and 17 years. The online survey was fielded from June 22, 2007, to June 29, 2007. The margin of error did not exceed 1.5%. The sample was weighted to reflect the U.S. Census representation of racial/ethnic groups among the target-age population.

is the preeminent organization for and leading authority on girls, with 3.6 million girl and adult members. Now in its 96th year, Girl Scouting builds girls of courage, confidence, and character, who make the world a better place.

, formed in 2000, is a center for research and public policy information on the healthy development of girls. Its main goal is to elevate the voices of girls on key issues that affect their lives, such as their emotional and physical health and safety. The GSRI originates national projects and initiatives, synthesizes existing research, and conducts outcomes evaluation to support the development of Girl Scout programs and to provide information to educational institutions, not-for-profits, government agencies, public policy organizations, parents seeking ways to support their daughters, and girls themselves. The GSRI includes staff and advisers who have expertise in child development and advisers from academia, industry, government, and not-for-profit organizations.

, located in Washington, D.C., educates representatives of the legislative and executive branches of federal, state, and local government and advocates for public policy issues important to girls and Girl Scouting.

Source: *Change It Up! What Girls Say About Redefining Leadership* (2008)

Pamela Marsch

From: Marge Larson <mstoneking@girlscoutsalaska.org>
Sent: Friday, December 09, 2011 2:29 PM
To: annafair@gci.net; hultberg@gci.net; Rep. Berta Gardner; bethkerttula@gci.net; Sen. Bettye Davis; Sen. Cathy Giessel; cathym@riemunoz.com; charissemillett@yahoo.com; corajcampbell@gmail.com; lesilmcguire@yahoo.com; Sen. Linda Menard; Rep. Lindsey Holmes; Rep. Mia Costello; Rep. Peggy Wilson; erika.fagerstrom@alaska.gov; Rep. Sharon Cissna; susan.bell@alaska.gov; wilson6T@yahoo.com
Subject: Girl Scouts of Alaska Troop 49
Attachments: CIUI Research Summary-What Girls Say (Eng).pdf; Girl Scouts Declares 2012 the Year of the Girl.doc

Dear Girl Scout Troop 49;

Girl Scouts of Alaska is very grateful for Honorary Troop 49. Your enthusiastic response to launching Troop 49 this past year affirmed your commitment to the girls of Alaska, their welfare and leadership potential, today and into the future. You can renew your membership online for 2012 at http://www.girlscoutsalaska.org/for-girls/join.

As 2011 comes to a close, we want to share some highlights of what Girl Scouts in Alaska has been up to and give you a preview of what 2012 will bring. 2012 is the centennial of Girl Scouts of the USA. In 2011:

- Our rural traveling day camp served 22 Southwest villages, reaching 33% of the region's K-12 girls. This program has been growing for ten years now. We work in partnership with Job Corps, Food Bank, and local tribal organizations to make it happen.
- Over 2,200 Alaskan girls went to Girl Scout camp this summer.
- In Southeast and the Yukon-Kuskokwim regions, 500 new girls experienced Girl Scouts for the first time.
- Over 1,600 girls in Bethel, Juneau, Kodiak, Ketchikan, Sitka, Soldotna, Mat-Su, and Anchorage spent a day doing hands-on science and technology activities with female Alaskan scientists in our signature Women of Science & Technology events.
- Dozens of girls in Kodiak, Juneau, Wasilla, Soldotna, and Ketchikan learned outdoor living skills such as shelter building, outdoor cooking, tent pitching and lashing, and fire-building.
- We kicked off our 100th Anniversary celebration at our Statewide Encampment, drawing nearly 1,000 girls and 400 adults from all over the state. Girls camped out at the Palmer State Fairgrounds for three nights. Thanks to hundreds of Alaskan volunteer presenters, girls discovered new experiences from civil defense to roller derby to wildlife management. A NASA astronaut visited and shared her experience as one of the first women in the space program and what life is like in space.
- Forty Alaskan teenagers traveled abroad, and twenty-six Alaskan teenagers traveled in the U.S. through Girl Scouts.
- In November, Girl Scouts of Alaska sent six girls to the national Girl Scout Leadership Institute (GSLI) where they learned about leadership, marketing, global citizenship, and more. GSLI participants reported back:
    - The top three things they feel are most important: education, environment, and women's issues.
    - The biggest concern in American girls' daily lives is body image.
    - They asked the adults to demonstrate leadership and Girl Scout pride.

- The GSLI co-occurred with the triennial Girl Scout National Convention, held this year in Houston, Texas. This year's Convention was particularly special, as it launched the national 100th anniversary celebration and the **Year of the Girl**. The following key messages were shared over and over at Convention:
    - Girl Scouts has done amazing things for girls and women in the first 100 years; We've grown from the original 18-girl troop to over 50 million girls served;
    - 10% adult women were once Girl Scouts, and 2/3 of women leaders are former Girl Scouts;
    - Women make up 50% of the US workforce and over 50% of college grads;
    - Women are the great untapped leadership resource;
    - Girl Scouts is the pipeline for building leadership in both girls and women;
    - Girls think about leadership differently than boys. Girls think it is about helping others and working collaboratively to make a difference in the community. Boys think of leadership as power and making money (Source: Girl Scout Research Institute *Change it Up*; summary report attached).
    - The challenge for Girl Scouts in the next 100 years is to bring gender balance to the leadership of this country and this world.

One of the convention highlights was the internal kickoff of 2012 as the **Year of the Girl** , which evoked great excitement and energy. Building on that, we are excited to share the attached **Year of the Girl** press release, which will be distributed to national media this week. Additionally, a Web page www.girlscouts.org/YearoftheGirl/ is live on www.girlscouts.org and is a place you can go to for additional information about the **Year of the Girl**. On that website, you will have the ability to share your e-mail address to receive additional information as the campaign progresses.

As part of the **Year of the Girl** campaign, Girl Scouts of the USA will launch on January 31 a landmark cause asking all members of society to join us in support of girls to help them realize their leadership potential. We will encourage mothers, fathers, and all adults, corporations, members of government, as well as other nonprofits to help girls reach their leadership potential -- because when girls succeed, so does society. We all have a role to play in making that happen. Together, we can get girls there.

We'll be in touch again soon to share with you our 2012 Girl Scouts of Alaska event calendar as well as ways you can join us in celebrating 100 years of Girl Scouting and promoting **Year of the Girl.** In the meantime, **please save the date for the evening of March 17th**, when we'll be commemorating our centennial and raising funds for girls in Southeast Alaska at the **Girl Scouts of Alaska, Southeast Auction** right there in Juneau.

Yours in Girl Scouting,

Marge Stoneking
CEO
Girl Scouts of Alaska
907-248-2250
1-800-478-7448

Inspiring Girls to Lead
www.girlscoutsalaska.org

Girl Scouts Declares 2012 the Year of the Girl

CEO Anna Maria Chávez Announces Girl Scouts Plans to Start Transforming American Leadership During the Iconic Organization's 100th Anniversary

NEW YORK, N.Y. — In a move designed to focus national attention on girls and the issues they face, Girl Scouts of the USA (GSUSA) has declared 2012 the Year of the Girl: a celebration of girls, recognition of their leadership potential, and a commitment to creating a coalition of like-minded organizations and individuals in support of balanced leadership in the workplace and in communities across the country.

The announcement comes as GSUSA assumes new leadership under CEO Anna Maria Chávez and prepares to celebrate its centennial in 2012, using this important moment in its history to launch a major initiative to change the landscape for girls and young women. The initiative, which also includes the largest fundraising and advocacy campaign dedicated to girls' issues in the nation's history, will be formally announced in January and will extend well beyond the Year of the Girl in 2012.

"The Year of the Girl is only a beginning," said GSUSA Chief Executive Officer Anna Maria Chávez. "We can't transform American leadership in a year, but we can transform expectations in a year. We can transform awareness in a year. We can set in motion a generational change, and make certain that a baby girl born in 2012 will experience her life in a new and vastly different world. Only Girl Scouts, with its scale and time-honored place in society, can launch this initiative. If not us, who? If not now, when? When girls succeed, so does society. We know that together, we can get her there."

This declaration serves as the foundation for Girl Scouts' broader, multiyear, multipronged effort to break down societal barriers that hinder girls from leading and achieving success in everything from technology and science to business and industry.

During the Year of the Girl, local Girl Scout offices nationwide will mix celebrations of the organization's 100 years as the premier leadership experience for girls with efforts to create a sense of urgency around girls' issues.

"Girl Scouts is at the forefront of building girl leaders, GSUSA National President Connie L. Lindsey said. "We embrace the opportunity we have to develop the next generation and future generations of leaders that understand the interconnectedness of the global community. Our girls will understand that they matter. And when they dream their future, they see a world of shared leadership: where the values of courage, confidence, and character really do make the world a better place."

About Girl Scouts of the USA

Founded in 1912, Girl Scouts of the USA is the preeminent leadership development organization for girls, with 3.2 million girl and adult members worldwide. Girl Scouts is the leading authority on girls' healthy development, and builds girls of courage, confidence, and character, who make the world a better place. The organization serves girls from every corner of the United States and its territories. Girl Scouts of the USA also serves American girls and their classmates attending American and international schools overseas in 90 countries. For more information on how to join, volunteer, reconnect, and donate to Girl Scouts, call 800-GSUSA-4-U or visit www.girlscouts.org.

###

TRANSFORMING LEADERSHIP

Focusing on Outcomes of the New Girl Scout Leadership Experience

Girl Scouts®

TRANSFORMING
LEADERSHIP

Discover

Girl Scouts®

Connect

Take Action

TRANSFORMING
LEADERSHIP

Focusing on Outcomes of the New Girl Scout Leadership Experience

GIRL SCOUTS OF THE USA

Chair, National Board of Directors
Patricia Diaz Dennis

Chief Executive Officer
Kathy Cloninger

© 2008 by Girl Scouts of the USA

All rights reserved. This book may not be reproduced in whole or in part in any form or by any means, electronic or mechanical, including photocopying, recording, or by any information storage or retrieval system now known or hereafter invented, without the prior written permission of Girl Scouts of the United States of America, 420 Fifth Avenue, New York, NY 10018-2798.

Inquiries related to *Transforming Leadership* should be directed to the Girl Scout Research Institute, Girl Scouts of the USA, 420 Fifth Avenue, New York, NY 10018-2798.

ISBN 978-0-88441-708-8

www.girlscouts.org

Contents

The New Girl Scout Leadership Experience 7

The Framework 11

Understanding the Model 12

Outcomes in the New Girl Scout Leadership Experience 14

Reading the Outcome Reference Tables 16

Using the Outcome Reference Tables 18

Looking Ahead 21

Outcomes Arranged by Leadership Key 23

Discover 24

Connect 30

Take Action 36

Outcomes Arranged by Grade Level 43

Daisy 44

Brownie 48

Junior 52

Cadette 56

Senior 60

Ambassador 64

Acknowledgments 68

In Girl Scouts, leadership isn't just about building future leaders—it's about **building girl leaders for today.**

—Kathy Cloninger, CEO, Girl Scouts of the USA

THE NEW GIRL SCOUT LEADERSHIP EXPERIENCE

From founding libraries in America's heartland to establishing free medical clinics in India, each year 2.6 million Girl Scouts take the lead in bettering their communities and the world. Girl leaders have been at the heart of Girl Scouts since its founding in 1912, when Juliette Gordon Low recognized that developing girls' leadership abilities was critical for ensuring they would be the change-makers of the future.

Since Low's time, the world has changed dramatically. Social, cultural, and economic shifts that once took shape over a generation or more are now rapid and often have a global impact. This ever more complex and uncertain world clearly requires a new kind of leader—one who values diversity, inclusion, and collaboration and is committed to improving neighborhoods, communities, and the world.

Girl Scouts is, as it always has been, the organization best positioned to offer girls the tools they need to be successful leaders now and throughout their lives. As Girl Scouting approaches its 100th anniversary, the Movement is using its expertise to create a completely new approach for *what* girls do in Girl Scouting, *how* they do it, and how they will *benefit*.

A good leader is someone who works with others to **make things happen.**

—Annie, 17, Girl Scout Senior, North Carolina

Called the New Girl Scout Leadership Experience, this model engages girls in **discovering** themselves, **connecting** with others, and **taking action** to make the world a better place. This model begins with a definition of leadership that girls understand and believe in: a leader, girls say, is defined not only by the qualities and skills one has, but also by how those qualities and skills are used to make a difference in the world.

Research suggests that the youth development field is moving from the model of one individual leader to a model of shared leadership. This more inclusive and empowering approach is also the one girls most value (see *Exploring Girls' Leadership*, Girl Scout Research Institute, 2007). It encourages girls to take increasing responsibility for designing and implementing activities, and this results in extensive opportunities for them to see how their actions can impact the lives of others.

To develop and evaluate this model objectively, youth development experts, volunteers, and council and national staff identified 15 anticipated outcomes, or benefits, of the leadership experience. Tying the new program experience to outcomes serves three vital functions: to measure the impact of the experience; to determine what modifications are needed; and to communicate, to internal and external audiences, how girls are benefiting.

Leadership is knowing what you believe and putting it into action.

—Meaghan, 14, Girl Scout Cadette, Ohio

The Framework

The New Girl Scout Leadership Experience identifies three "keys" to leadership:

Discover: Girls understand themselves and their values and use their knowledge and skills to explore the world.

Connect: Girls care about, inspire, and team with others locally and globally.

Take Action: Girls act to make the world a better place.

All experiences in Girl Scouting incorporate the Discover, Connect, and Take Action keys to leadership. Girl Scout experiences are also, as much as possible, girl led and encourage learning by doing (experiential learning), and cooperative learning. These three processes promote the fun and friendship that have always been so integral to Girl Scouting.

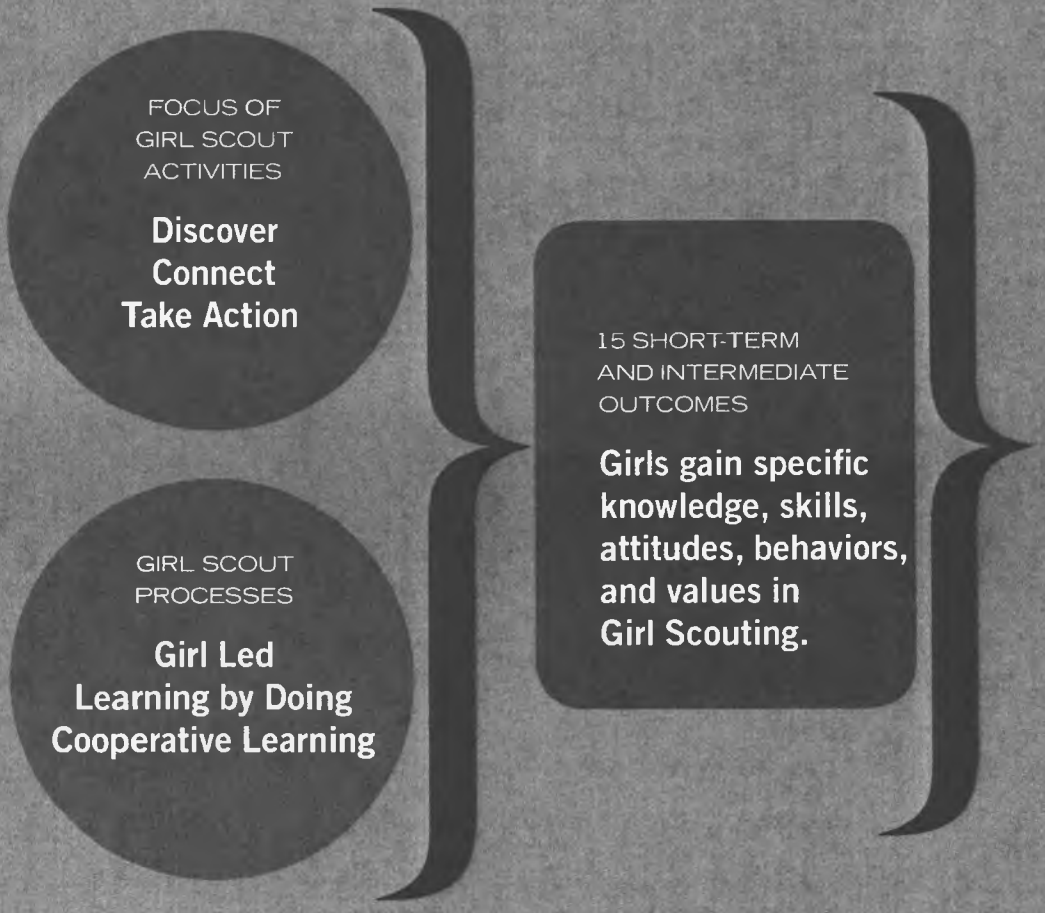
As girls take part in Girl Scouts, facilitators can review the outcomes, and the signs of those outcomes, to gauge the benefits of the experience. The signs of the outcomes reflect what girls might think, say, or do—during and after a leadership experience—and help adults determine the success of the experience.

Outcomes charts, organized by the three Leadership Keys and by grade level, detail all 15 outcomes. Although detailed and comprehensive, the charts are an easy-to-use reference and can be used in varying ways. For example, volunteers coaching girls through experiences will want to know where related outcomes and signs are in the charts and how they fit into the leadership model. The signs are simply examples; they are not official assessments of ability and are not to be used to compare one girl to another.

Understanding the Model

The diagram at right shows the various components of the leadership experience and their tie to the larger goal that girls have the courage, confidence, and character to make the world a better place. When Discover, Connect, and Take Action activities are *girl led* and involve *learning by doing* and *cooperative learning*, girls achieve the desired and expected short-term leadership outcomes, ultimately resulting in Girl Scouting achieving its mission.

THE NEW GIRL SCOUT LEADERSHIP EXPERIENCE



Outcomes in the New Girl Scout Leadership Experience

The diagram at right lists the 15 leadership outcomes and where they "live" within the Discover, Connect, and Take Action keys of leadership.

You may be wondering: How do you know that girls are having an effective leadership experience? Surely, discovering, connecting, and taking action are different for Girl Scout Brownies and Girl Scout Seniors.

The signs are what let adults know if girls at each grade level are achieving leadership skills. Checking the outcomes is like noting road signs on a journey—the signs that let you know you're getting closer to your destination. Similarly, seeing the age-appropriate signs during Girl Scout activities lets adults know that girls are achieving the intended outcomes.

Definitions of each outcome, and the signs for each, are organized in user-friendly reference tables beginning on page 23. Each outcome has its own reference table, as does each grade level. The tables are organized exactly as they are listed in the diagram at right, under the Discover, Connect, and Take Action keys to leadership.

Discover

+

Connect

+

Take Action

–

Leadership

THE 15 OUTCOMES OF THE NEW GIRL SCOUT LEADERSHIP EXPERIENCE

1 Girls develop a strong sense of self.

2 Girls develop positive values.

3 Girls gain practical life skills.

4 Girls seek challenges in the world.

5 Girls develop critical thinking.

1 Girls develop healthy relationships.

2 Girls promote cooperation and team building.

3 Girls can resolve conflicts.

4 Girls advance diversity in a multicultural world.

5 Girls feel connected to their communities, locally and globally.

1 Girls can identify community needs.

2 Girls are resourceful problem solvers.

3 Girls advocate for themselves and others, locally and globally.

4 Girls educate and inspire others to act.

5 Girls feel empowered to make a difference in the world.

Reading the Outcome Reference Tables

Each outcome reference table has six sections, one for each of the six Girl Scout grade levels:

Girl Scout Daisy (grades K–1)
Girl Scout Brownie (grades 2–3)
Girl Scout Junior (grades 4–5)
Girl Scout Cadette (grades 6–8)
Girl Scout Senior (grades 9–10)
Girl Scout Ambassador (grades 11–12)

Most likely, you will zero in on those outcomes you find most meaningful—ones that relate to a specific grade level or a specific impact on girls.

The chart at right shows one section of an outcome reference table and what each row and column mean.

SECTION FROM THE OUTCOME REFERENCE TABLES FOR GIRL SCOUT BROWNIES

This heading shows where the outcome belongs within the three keys to leadership development (Discover, Connect, Take Action).

This part of the table names the outcome and gives its definition.

Connect

OUTCOME **1**

Girls develop healthy relationships.

Girls learn to form and maintain meaningful and caring relationships, communicate effectively, protect their rights in relationships, and know when to seek help from others.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Brownie 2–3	begin to understand how their behavior contributes to maintaining healthy relationships.	identify healthy/unhealthy behaviors (e.g., honesty, caring, bullying) when presented with a relationship scenario.
	are better able to show empathy toward others.	make empathetic statements (e.g., "I helped Kim with that because she was getting frustrated") and/or report being more caring in their interactions with others.

This column shows the Girl Scout grade level.

This column defines the outcome for each grade level.

This column gives the signs of what girls might do or say that shows they achieved the outcome.

Using the Outcome Reference Tables

The outcome reference tables are being used to create resources and awards to ensure that girls engage in activities that lead to leadership skills. The Girl Scout Research Institute is using the tables to design a national system of outcomes measurement. Councils can also use the tables in a variety of ways, even focusing on one particular outcome at a time. Keep in mind, however, that according to the Girl Scout approach, leadership is the result of discovering, connecting, and taking action, so it is important to incorporate outcomes from all three Leadership Keys.

When Implementing Girl Scout Program

The signs in the outcome reference tables can give council staff ideas about how to design activities. A council, for example, may want to organize activities that help Girl Scout Cadettes feel empowered to make a difference in the world. The Take Action outcome reference table suggests that this can be accomplished at the Cadette level by providing opportunities for girls to feel that their opinions, ideas, and contributions are taken seriously by adults.

When Writing a Grant Proposal

Suppose a council fund development team is writing a grant proposal to support a program that helps Girl Scout Juniors develop a strong sense of self. The Discover outcome reference tables can be used to explain to potential funders what a strong sense of self means for this grade level and what its signs are. The fund development team can then include this information in its grant proposal.

When Training Volunteers

Suppose a council adult learning team wants to guide volunteers on partnering with Girl Scout Juniors so that the girls advance diversity. The Connect outcome reference table shows that for Girl Scout Juniors, advancing diversity means being able to identify discrimination and being more aware of ways to promote inclusiveness. The indicators suggest that the adult learning team should select activities for volunteer development that focus on how Girl Scout Juniors might identify discrimination.

When Recruiting

Suppose a council membership team wants to recruit adult volunteers based on a community's specific needs. The council could, for example, choose the outcome of gaining practical life skills, with a focus on healthy living. Outcomes from across all grade levels could be used to appeal to a broad range of volunteers. The membership team can also look at the indicators in the reference table to detail the signs of this outcome—further incentive for healthy-minded adults to volunteer in the community.

SHARE HOW YOU USE THE TABLES

As you discover other ways to make use of the reference tables, e-mail the Girl Scout Research Institute (gsresearch@girlscouts.org) so your ideas can be shared with other councils and Girl Scouts of the USA.

What leadership means to me is bringing others together as one and helping them **do things they have never tried before.**

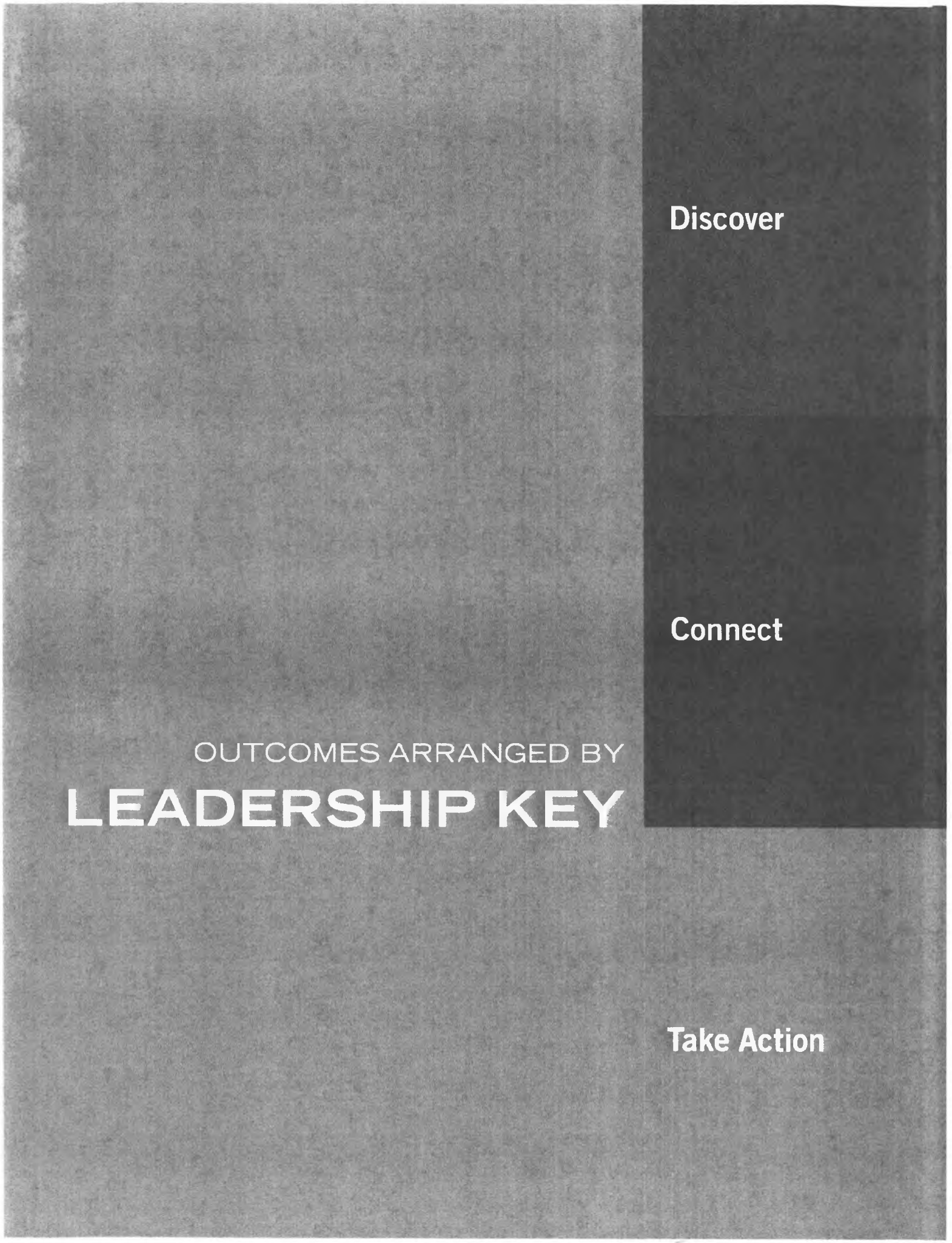
—Shelby, 11, Girl Scout Junior, Colorado

Looking Ahead

Now that we have begun to chart the benefits of the New Girl Scout Leadership Experience and orient staff and volunteers to those benefits, plans are under way to develop measurement systems.

Through spring 2008, the GSRI will test measurements of the New Girl Scout Leadership Experience outcomes and program processes in a pilot study. Developing the signs for how the processes of girl led, learning by doing, and cooperative learning look for each grade level will be a major part of the work. The results will provide a baseline for future comparisons and initial measurement tools that will be ready in time for the 2008 National Council Session. The GSRI is also working with councils to develop a five-year plan for an integrated local/national outcomes measurement system. *Exploring Girls' Leadership* and an original study (forthcoming 2008) will further illuminate what leadership means for girls, which factors encourage them to aspire to leadership, and how Girl Scouting can make a difference.

The New Girl Scout Leadership Experience represents a leap forward in how Girl Scouting builds girls of courage, confidence, and character. By achieving the intended outcomes, girls will be prepared to be leaders who make the world a better place.


Discover
Connect
OUTCOMES ARRANGED BY
LEADERSHIP KEY
Take Action

LEADERSHIP KEY

Discover

Girls understand themselves and their values and use their knowledge and skills to explore the world.

OUTCOMES

1 **Girls develop a strong sense of self.**

2 **Girls develop positive values.**

3 **Girls gain practical life skills.**

4 **Girls seek challenges in the world.**

5 **Girls develop critical thinking.**

Discover

OUTCOME **1**

Girls develop a strong sense of self.

Girls have confidence in themselves and their abilities, feel they are able to achieve their goals, and form positive gender, social, and cultural identities.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Daisy K–1	are better able to recognize their strengths and abilities.	make positive statements about their abilities or demonstrate to others what they can do (e.g., "I was a good friend to Luna today").
Brownie 2–3	positively identify with their gender and cultural, linguistic, racial, and ethnic groups.	name things they like about being a girl. recognize how their characteristics make them unique (e.g., when drawing a picture of themselves, a girl can say, "I am Korean, and I speak Korean and English").
	have increased confidence in their abilities.	express pride in their accomplishments when speaking with others.
Junior 4–5	are better able to recognize how situations, attitudes, and the behaviors of others affect their sense of self.	compare how various situations (home, school, etc.) bring out various aspects of self.
	gain a clearer sense of their individual identities in relation to, and apart from, outside influences.	report increased confidence in dealing with outside pressures that try to dictate their thoughts and behaviors (e.g., peer pressure, advertising, cultural traditions).
Cadette 6–8	are better able to negotiate the effects of sociocultural factors, gender issues, and stereotyping/bias on to their sense of self.	describe how cultural influences affect their self-image (e.g., magazines dictating "right" body shape and size; effects of racist/sexist comments). make use of strategies to resist peer pressure (e.g., communicate with confidence, take responsibility for own actions).
	show an increase in self-efficacy.	report increased belief in their ability to achieve personal goals.
Senior 9–10	are better able to recognize and address personal and social barriers to reaching personal goals.	make connections between societal issues (e.g., prejudice based on gender or race) and their opportunities to achieve goals. report on ways they overcame gender, ethnic, and/or economic challenges to achieving their goals.
	are better able to recognize the multiple demands and expectations of others while establishing their own individuality.	describe challenges they face in finding a balance between accepting group beliefs and thinking/making decisions for themselves.
Ambassador 11–12	feel they are better equipped to pursue future/life goals.	report that they have options and possibilities for pursuing life/career goals. report increased confidence to get the job/education they envision.
	increase their sense of autonomy.	report being more self-reliant.

*Can you think of other sample indicators/signs?

Discover

OUTCOME **2**

Girls develop positive values.

Girls form their beliefs and values based on the Girl Scout Promise and Law, learn to consider ethical aspects of situations, and are committed to social justice and community service and action.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Daisy K–1	begin to understand the values inherent in the Girl Scout Promise and Law.	identify actions that are fair/unfair, honest/dishonest in various scenarios.
	recognize that their choices of actions or words have an effect on others and the environment.	give an example of when their actions made something better for someone else.
Brownie 2–3	begin to apply values inherent in the Girl Scout Promise and Law in various contexts.	explain how they will take responsibility on the playground, at home, and at school.
	are better able to examine positive and negative effects of people's actions on others and the environment.	explain the difference between right and wrong choices. provide alternative choices to actions that harm the environment (e.g., throw plastic bottles in recycle bin, not in trash can).
Junior 4–5	gain greater understanding of ethical decision-making in their lives.	give examples of using the Girl Scout Promise and Law in deciding to "do what's right."
	have increased commitment to engage in sustainable community service and action.	feel it's important to help people and the environment in ways that will have a long-term positive impact. exhibit increased interest in Take Action Projects on issues of fairness and social justice in their communities.
Cadette 6–8	are better able to examine their own and others' values from individual, cultural, and global perspectives.	report greater appreciation for the diversity of values based on individual and/or cultural differences.
	demonstrate increased commitment to addressing issues of fairness, ethics, and justice in their communities.	identify instances that raise questions about issues of fairness, ethics, and/or social justice in their communities.
Senior 9–10	are better able to recognize and resolve ethical dilemmas.	give examples of making ethical decisions in their everyday lives and can explain why they made them (e.g., consider both direct and indirect consequences of their actions).
	strengthen their own and others' commitment to being socially, politically, and environmentally engaged citizens of their communities.	report increased positive attitudes of social responsibility and citizenship.
Ambassador 11–12	act consistently with a considered and self-determined set of values.	choose educational and career goals in line with the values they consider important.
	demonstrate commitment to promoting sustainable solutions to regional, national, and/or global problems.	report increased interest in learning more about making a sustainable impact beyond their local communities.

*Can you think of other sample indicators/signs?

Discover

OUTCOME 3

Girls gain practical life skills—girls practice healthy living.**
Girls gain skills that prepare them for a positive, healthy, and independent future.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Daisy K–1	gain greater knowledge of what is healthy for mind and body.	name behaviors that contribute to good health (e.g., eating fruit, getting exercise).
Brownie 2–3	are better at making healthy choices and minimizing unhealthy behaviors.	identify two hours of after-school sports as healthier than two hours of after-school computer games. name healthy choices they make (e.g., walking every day, choosing healthy snacks).
Junior 4–5	gain greater understanding of what it means to be emotionally and physically healthy.	describe how being stressed can affect physical health.
	are more aware of family, cultural, and media influences on making healthy choices.	list ways in which media promotes/inhibits healthy behavior (e.g., fast food ads).
Cadette 6–8	are increasingly committed to practicing and promoting healthy behavior.	report increased interest in learning more about how exercise, diet, relaxation, and other activities can give balance to their lives.
	are more knowledgeable about how family and cultural differences affect healthy living.	give examples of various cultures' definitions and practices of healthy living.
Senior 9–10	act as role models for younger girls in making healthy choices.	describe strategies for resisting pressure to engage in unhealthy behaviors (e.g., alcohol use or unhealthy dieting).
	show cultural sensitivity in their efforts to promote healthy living in their communities.	report increased knowledge of specific health needs in their diverse communities (e.g., responsive to religious or cultural beliefs).
Ambassador 11–12	are better able to address health issues in their lives, their local communities, and globally.	report using self-care practices to bring balance to their lives. identify ways their school's health education could better address the needs of young women.
	are more interested in leading and/or participating in advocacy projects related to health issues, globally or locally.	report increased knowledge of organizations that advocate for health-related issues, locally or globally.

*Can you think of other sample indicators/signs?

**Healthy Living is one example of a practical life skill. Outcomes and indicators for other practical skills will be developed over time.

Discover

OUTCOME **4**

Girls seek challenges in the world.
Girls develop positive attitudes toward learning, seek opportunities for expanding their knowledge and skills, set challenging goals for themselves, and take appropriate risks.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Daisy K–1	demonstrate increased interest in learning new skills.	ask lots of questions/make lots of observations about the world around them.
Brownie 2–3	are more open to learning or doing new and challenging things.	enjoy trying new activities (e.g., building a fire, pitching a tent). report doing things they thought they couldn't do.
	recognize that one can learn from mistakes.	feel it is OK to make mistakes and might describe an instance in their own lives where they learned from a mistake.
Junior 4–5	increasingly recognize that positive risk-taking is important to personal growth and leadership.	when asked to identify attitudes important to accomplishing goals, mention risk-taking and give examples from their own lives.
	are better at exploring new skills and ideas.	report using a variety of resources to pursue topics of interest (e.g., the Internet, popular culture, art, poetry).
Cadette 6–8	are better able to distinguish positive and negative risk-taking.	when given risk-taking scenarios, identify and distinguish between positive and negative risk (e.g., riding with a driver who has been drinking vs. calling home for a ride even though parents will be angry).
	recognize the importance of challenging oneself for one's positive growth.	report how setting challenging goals helped them do better in school.
Senior 9–10	demonstrate increased enthusiasm for learning new skills and ideas and expanding existing ones.	increasingly offer their own ideas for exploring new topics or making existing ones more challenging.
	show increased courage to challenge their own and others' beliefs and opinions.	engage in a discussion with someone who has different political views. express preferences even when they differ from the majority's opinion.
Ambassador 11–12	increasingly set challenging goals for the future.	see themselves in roles/positions they previously considered unattainable.
	have increased confidence to discuss and address challenging issues and contradictions in their lives and in their local and global communities.	look for ways personal habits conflict with achieving goals that are important to them (e.g., fighting global warming). learn more about a controversial issue from someone who has experienced injustice or from a victim's advocate.

*Can you think of other sample indicators/signs?

Discover

OUTCOME **5**

Girls develop critical thinking.

Girls learn to examine ideas from a variety of viewpoints and further use critical thinking to explore implications of gender issues for their lives and their leadership development.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Daisy K–1	recognize that the thoughts and feelings of others can vary from their own.	make statements that show they recognize another's feelings or opinions, such as "You are sad" and/or "You are happy."
Brownie 2–3	are increasingly able to consider other viewpoints in deciding what to do or believe.	listen to and consider each others' opinions when making decisions.
	are better able to recognize and examine stereotypes (based on gender, race, income, ability, etc.) that they encounter.	identify ways they or others are treated differently based on gender, race, income, and ability and can explain why stereotyping is harmful.
Junior 4–5	show greater skill in gathering and evaluating information.	consider various factors before deciding what to believe (e.g., how credible is the source of information, is there a hidden agenda).
	are better able to consider multiple perspectives on issues.	show increased interest in learning about different sides of issues (e.g., with other girls, in public forums).
Cadette 6–8	are better able to examine issues and ideas from various perspectives.	debate or discuss various perspectives on an issue they are concerned about (e.g., women's rights, global warming).
	have increased understanding of positive and negative ways that media impact their own and others' lives.	give examples of how TV shows can promote sexism, racism, and other -isms or how the Internet can promote freedom of information or allow disinformation.
Senior 9–10	are better able to analyze their own and others' thinking processess.	give examples of the steps they followed and why they made a specific decision or formed an opinion.
	are better able to apply critical thinking skills to challenge stereotypes and biases.	question assumptions behind inequities they encounter (e.g., female athletes earning less than male athletes).
Ambassador 11–12	are increasingly able to address local/global/societal barriers to women's leadership.	discuss various obstacles facing women leaders now and in the past (e.g., discrimination based on gender, race, class, ability). express interest in Take Action Projects that address gender inequality, locally or globally.

*Can you think of other sample indicators/signs?

LEADERSHIP KEY

Connect

Girls care about, inspire, and team with others locally and globally.

OUTCOMES

1. **Girls develop healthy relationships.**
2. **Girls promote cooperation and team building.**
3. **Girls can resolve conflicts.**
4. **Girls advance diversity in a multicultural world.**
5. **Girls feel connected to their communities, locally and globally.**

Connect

OUTCOME **1**

Girls develop healthy relationships.

Girls learn to form and maintain meaningful and caring relationships, communicate effectively, protect their rights in relationships, and know when to seek help from others.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Daisy K–1	are better able to demonstrate helpful and caring behavior.	spontaneously offer to help someone in need of assistance (e.g., opening door, carrying package).
	are better able to identify and communicate their feelings to others.	express their feelings verbally (e.g., "I feel lonely when the others don't include me"), rather than nonverbally (e.g., crying, withdrawing, lashing out).
Brownie 2–3	begin to understand how their behavior contributes to maintaining healthy relationships.	identify healthy/unhealthy behaviors (e.g., honesty, caring, bullying) when presented with a relationship scenario.
	are better able to show empathy toward others.	make empathetic statements (e.g., "I helped Kim with that because she was getting frustrated") and/or report being more caring in their interactions with others.
Junior 4–5	strengthen communication skills for maintaining healthy relationships.	name communication strategies that help them in their relationships (e.g., listening to the ideas of others, encouraging others instead of criticizing them).
	are more competent in addressing negative treatment by others.	identify bullying tactics and aggressive behaviors in others. name people they can turn to for help when dealing with difficulties in relationships.
Cadette 6–8	have more positive, trusting relationships with others.	report having at least one girl or adult they can talk to about anything.
	are able to use positive communication and relationship-building skills.	give examples of behaviors they use to promote mutual respect, trust, and understanding.
	feel more comfortable with new feelings that accompany adolescence and ways of expressing feelings in relationships, including sexual feelings.	talk about healthy decision-making (e.g., encouraging self-respect in themselves and others) when presented with relationship scenarios.
Senior 9–10	are better able to recognize and address challenges to forming and maintaining healthy relationships with others.	recognize that people hold different beliefs about relationships (e.g., based on gender, culture). identify behaviors that hinder the development of positive relationships (e.g., backstabbing, gossip).
	have increased knowledge of what healthy dating entails.	report that it is important to be able to communicate their needs effectively. recognize unhealthy dating behaviors when presented with a dating scenario.
Ambassador 11–12	strengthen strategies for maintaining healthy relationships.	give examples of using assertive behaviors and might explain when and why these work/don't work.
	are better able to protect their rights in relationships.	actively seek information on healthy dating behaviors (e.g., how to avoid risky sexual activity, where to get help for abusive relationships). report knowing whom to contact when faced with unhealthy relationships (e.g., a hotline, school counselor, trusted adults).

Can you think of other sample indicators/signs?

Connect

OUTCOME **2**

Girls promote cooperation and team building.

Girls recognize the value of working together and learn to make decisions that benefit the whole group. They can build effective teams, learn to be accountable for shared goals, and show recognition for others' accomplishments and contributions.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Daisy K–1	begin to learn how to work well with others.	name something about themselves that helps them work well in a group (e.g., "I listen well").
Brownie 2–3	gain a better understanding of cooperative and team-building skills.	be able to identify strengths or talents that each girl brings to group projects (e.g., "Monica is good at drawing and I am a really good singer"). describe ways to make group projects more fun (e.g., switching roles, brainstorming, listening to each other).
Junior 4–5	are better able to initiate and maintain cooperation on their teams.	with minimal adult guidance, apply specific strategies for promoting cooperation (e.g., listening to all ideas, rotating tasks and roles, developing shared goals).
	increasingly recognize how cooperation contributes to a project's success.	consistently prefer solving problems in teams or as a group and explain why this can be more effective than working alone.
Cadette 6–8	have a greater understanding of team building.	list criteria for what makes a good team (e.g., clear roles, trust, respect, diversity).
	are better able to address obstacles to effective group work and team building.	describe obstacles to group work (e.g., not being willing to compromise, concern with individual interests over group goals, always wanting to be the person talking) and suggest possible solutions.
Senior 9–10	strengthen their abilities to build effective teams to accomplish shared goals.	identify specific strategies for building effective teams (e.g., paying attention to interests, strengths, team dynamics). demonstrate that they can reach consensus on common goals.
	are committed to mentoring others on effective strategies for cooperative work and team building.	help others work better as a team (e.g., encourage them to reach consensus on project goals, create "listening" exercises for other girls, recognize each others' achievements).
Ambassador 11–12	are able to promote cooperation and effective team building in their communities.	describe how their Take Action Project encouraged sustained cooperation among various people/organizations in their communities.
	recognize the value of cooperation and team building for effective leadership and for their future careers.	report that cooperation and team-building skills helped them in other spheres of their lives.

*Can you think of other sample indicators/signs?

Connect

OUTCOME **3**

Girls can resolve conflicts.

Girls learn to recognize and analyze different conflict situations and develop skills for constructive conflict resolution and prevention.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Daisy K–1	begin to understand what conflict is.	give examples of conflict situations in their lives.
	learn simple conflict-resolution strategies.	express feelings using "I statements" when they find themselves in a conflict situation (e.g., "I'm sorry I hurt your feelings").
Brownie 2–3	are better able to apply basic strategies for conflict resolution when conflicts arise.	name helpful ways to deal with anger/frustration in a conflict (e.g., talk things out instead of acting out or hitting).
Junior 4–5	are better able to select conflict-resolution strategies to fit the situation.	describe and/or demonstrate conflict-resolution responses for various settings, such as home, school, or neighborhood. explain why one strategy works in one situation but not another (e.g., at home can resolve conflict with sibling by talking with parent; but this would not work at the playground).
	are better at analyzing conflict situations.	give reasons why they fight with each other.
Cadette 6–8	strengthen their conflict-resolution and prevention strategies.	say how they manage their emotions (e.g., anger, hurt) to diffuse a conflict situation (e.g., don't lose their temper).
	have a greater understanding of how conflict-resolution skills contribute to effective leadership.	give examples of how their conflict-resolution skills helped them succeed on a project.
Senior 9–10	can increasingly apply effective strategies for conflict resolution and prevention.	report using effective anger-management skills and strategies.
	are better able to analyze conflict situations in their communities and globally, and offer possible solutions.	identify deeper social roots of conflicts among various groups in their communities (e.g., conflicting interests, racism, sexism, other forms of prejudice). describe how certain conflicts in their communities can be avoided by applying prevention strategies they learned.
Ambassador 11–12	are better able to develop their own approaches to conflict resolution and prevention.	give examples of how they adapted conflict-resolution strategies to personal situations (e.g., argument with parent or at a teen dance).
	increasingly apply conflict-resolution skills to working toward peaceful and fair relations in their communities.	report using conflict-resolution skills to contribute to peace and fairness in their communities (e.g., become peer mediators at school).

* Can you think of other sample indicators/signs?

Connect

OUTCOME **4**

Girls advance diversity in a multicultural world.

Girls learn to think and act in a way that promotes an inclusive environment, respecting and valuing diverse backgrounds, viewpoints, and life experiences.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Daisy K–1	recognize that it's OK to be different.	identify characteristics that make them different from other girls (e.g., hair color, food preferences, other likes/dislikes, family structure).
	increasingly relate to others in an inclusive manner.	notice when others are excluded from activities (e.g., "It's not fair that no one is playing with Annie").
Brownie 2–3	begin to understand the meaning of diversity.	explore their differences and similarities (e.g., based on culture, ethnicity, ability, life experiences).
	strengthen their appreciation of differences in others.	not make fun—and might encourage others not to make fun—of those who look/talk/behave differently from themselves.
Junior 4–5	recognize the value of promoting diversity in the world.	report that it's important to promote inclusiveness in various contexts and can explain why. demonstrate increased interest in interacting with others from different backgrounds (e.g., ethnicity, culture, class, religion, gender, ability).
	develop greater awareness of various forms of discrimination in the world.	when presented with various situations (e.g., from stories, news, movies, music, or their community), identify discrimination.
Cadette 6–8	are more aware of the issues, perspectives, and experiences of people from various backgrounds, locally and globally.	identify main challenges as well as privileges that various groups experience in today's world (e.g., women and men, ethnicities, abilities).
	learn strategies for promoting diversity and creating more inclusive environments.	actively include people of diverse backgrounds in their activities/events. actively encourage others to behave in inclusive ways (e.g., petition for a wheelchair-accessible park gazebo, use effective ways to speak out against exclusion and discrimination).
	can examine the negative impact of stereotyping, prejudice, discrimination, and privilege on their lives and the lives of others.	when given examples from the media, describe the negative impact of stereotyping and prejudice (based on ethnicity, religion, language, class, sexuality, gender, and ability).
Senior 9–10	are actively engaged in promoting diversity and tolerance.	create materials to educate others on how to contribute to more inclusive environments with their peers, in school, in their neighborhoods, etc. (e.g., Web sites, how-to guides, events).
	are increasingly able to address challenges to promoting inclusive attitudes and diversity.	plan activities/events showing the harmful consequences of prejudice and discrimination on people in their communities. place high value on empathy and open-mindedness when interacting with people from diverse backgrounds.
Ambassador 11–12	are actively engaged in promoting diversity and tolerance, locally and/or globally.	give examples of meaningful collaboration with people from diverse backgrounds for their global Take Action Projects.
	are increasingly able to address various challenges to promoting inclusive attitudes and diversity, locally and/or globally.	identify the main reasons that prevent people from embracing diversity (e.g., racism, sexism, lack of education, lack of empathy) and can suggest possible solutions (e.g., increase understanding by educating people about diverse cultural values and traditions).

*Can you think of other sample indicators/signs?

Connect

OUTCOME **5**

Girls feel connected to their communities, locally and globally.

Girls feel that they are part of a larger community and recognize the importance of building diverse, supportive, social networks for their personal and leadership development.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Daisy K–1	are better able to identify people and places that make up their community and understand their various contributions.	identify people who provide services in their communities (e.g., doctors provide medical care, teachers provide education).
	gain increased understanding of how they belong to various groups in their communities.	give examples of the various groups to which they belong (e.g., Girl Scouts, sports team, religious community).
Brownie 2–3	have greater interest in participating in community events, activities, and social networks.	positively describe their participation in at least one community event and/or activity (e.g., help at a cancer walk, start a "Park Keeper" club).
	recognize the importance of being part of a larger community.	give examples of how group/community members help and support each other (e.g., in their neighborhood, school).
Junior 4–5	are better able to recognize the importance of knowing about, and actively participating in, community groups.	identify various sources of information for what is going on in their communities (e.g., the Internet, magazines, interviews with people). describe how being involved in their communities resulted in stronger connections to others (e.g., Take Action Project resulted in an adult from the community volunteering to teach girls a particular skill).
	begin to feel part of a larger community of girls/women.	enjoy connecting with girls/women locally, nationally, or globally (e.g., through reading about them, face-to-face interactions, e-mail).
Cadette 6–8	strengthen existing relationships and seek to create new connections with others in their communities.	use various ways to connect with others, locally and globally (e.g., the Internet, get-togethers, *destinations*, events). feel more confident contacting community members for help with community service and action projects (e.g., teachers, youth organizations, after-school clubs).
	gain greater understanding of the importance of community networks for themselves and others.	describe how their participation in larger communities supported their personal and leadership goals (e.g., provided safe environment, helped gain skills).
Senior 9–10	actively seek to bring people together in local and global networks.	give an example of organizing a local or global event that brought together diverse members of their communities. develop friendships with Girl Guides from other countries (e.g., e-mail pals, joint international projects, visits to World Centers).
	feel that their connections with diverse members of their communities are important resources for personal and leadership development.	make friends with girls/women through the World Association of Girl Guides and Girl Scouts (WAGGGS) and can explain why these connections are important to them.
Ambassador 11–12	have extensive feelings of connection with their local and global communities.	report more positive attitudes toward different members of their communities. place high value on providing support for diverse members of their communities.

Can you think of other sample indicators/signs?

LEADERSHIP KEY

Take Action

Girls act to make the world a better place.

OUTCOMES

1. Girls can identify community needs.
2. Girls are resourceful problem solvers.
3. Girls advocate for themselves and others, locally and globally.
4. Girls educate and inspire others to act.
5. Girls feel empowered to make a difference in the world.

Take Action

OUTCOME **1**

Girls can identify community needs.

Girls learn to identify issues in their local and global communities and come up with realistic possibilities for action.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Daisy K–1	gain increased knowledge of their communities' assets.	name people/places they consider helpful and valuable in their communities.
Brownie 2–3	develop basic strategies to identify community issues.	use various ways to gain information about their communities (e.g., the Internet, library, personal interviews). list things about their community that are valuable and things that could be improved.
	gain a greater understanding of how Take Action Projects might impact their communities.	explain how the issue they agreed to take action on can benefit their community (e.g., other girls, families, a church).
Junior 4–5	learn to use strategies to determine issues that deserve action.	use community asset mapping to identify opportunities to better their communities.
	are better able to determine whether projects can be realistically accomplished.	consider time and/or financial constraints before selecting an issue to tackle.
Cadette 6–8	strengthen their ability to decide which community issue deserves action.	report using a variety of tools (e.g., community mapping, interviewing, observations) to identify needs, assets, and potential impact of their planned projects.
	begin to address deeper causes of issues in their communities.	identify multiple causes for a problem they wish to address. explain the difference between a quick fix and long-term solutions (e.g., reading to someone learning English as a second language vs. teaching someone to read).
Senior 9–10	are more skilled in identifying their local or global communities' needs that they can realistically address.	report considering multiple factors before deciding on the appropriateness of a project for their community (e.g., feasibility, balance of assets and needs, sustainable impact). seek advice from community members/leaders before selecting issues for action.
	choose Take Action Projects that aim to address deeper causes of issues in their communities.	feel confident using tools that help them identify root causes of community problems (e.g., causal mapping).
Ambassador 11–12	are more skilled in identifying issues that balance feasibility with achieving long-term changes in their local or global communities.	identify community partners that can continue their project goals into the future.
	choose Take Action Projects that aim to address deeper causes of issues in their communities.	interview staff and residents of a homeless shelter to identify root causes of homelessness in that community.

*Can you think of other sample indicators/signs?

Take Action

OUTCOME **2**

Girls are resourceful problem solvers.

Girls can use their knowledge and skills to set up and implement creative and effective "action plans," locate tools and resources they need, and know when, where, and how to enlist help from others.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Daisy K–1	learn the basics of planning a project.	with adult guidance, make a list of resources needed to complete their project (e.g., materials for creating get-well cards for a children's hospital).
Brownie 2–3	are better able to develop a basic plan to reach a goal or a solution to a problem.	identify two or three steps and resources (people, materials, information) needed to reach a goal or solve a problem (e.g., how to get ready for camp).
	are better able to create alternative solutions to problems.	reflect on a real-life problem or a scenario and state an alternative solution, such as "Next time, I will do this instead."
Junior 4–5	are better able to create an "action plan" for their projects.	outline steps, resources, and time lines and assign responsibilities for their project with minimal adult guidance. report increased confidence in creating action plans for their goals.
	gain a greater ability to locate and use resources that will help accomplish their project goals.	feel confident contacting community partners who can help them achieve their goals (e.g., school officials who can display girls' fliers on bulletin boards).
Cadette 6–8	are able to create and implement detailed action plans for their projects.	demonstrate independence in thinking through the required components of their action plans (e.g., location of resources, time lines, responsibilities). report being more able to keep themselves "on track," requesting adult help if needed.
	increasingly seek out community support and resources to help achieve their goals.	identify people/organizations in their communities to help on some aspect of their project (e.g., obtain editing guidance for media projects).
Senior 9–10	are better able to effectively plan and carry out action projects with minimal adult guidance.	create detailed action plans, organize, and coordinate with others in the community, managing time and anticipating possible problems and resource needs on their own.
	are able to assess their progress and adjust strategies as necessary.	identify alternative ways to accomplish goals if initial plans prove unsuccessful. identify things they could do better and/or differently next time they work on a community service or action project.
Ambassador 11–12	are better able to independently plan, organize, and manage Take Action Projects.	report increased knowledge and skill in various aspects of project planning and implementation. monitor their own progress and determine criteria for success.
	actively seek partnerships to achieve greater community participation and impact for their Take Action Projects.	describe their efforts to engage community partners—locally or globally—in the implementation of community service and action projects. explain how partnerships with others maximize the impact of their Take Action Projects.

*Can you think of other sample indicators/signs?

Take Action

OUTCOME **3**

Girls advocate for themselves and others, locally and globally.

Girls develop the ability to speak out on their own behalf and seek opportunities to act and speak on behalf of others.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Daisy K–1	recognize that they can act on behalf of others.	recognize situations when they can "make something better" for someone else (e.g., through words or actions).
Brownie 2–3	gain a better understanding of their rights and those of others.	name rights people have in their schools, families, or communities (e.g., to be safe, to be treated fairly, to be heard).
	learn and begin to apply basic advocacy skills.	define what advocacy means and give examples of advocates in their communities. use words or actions to show concern and intervene when another person is not being treated well (e.g., stand up for someone being teased).
Junior 4–5	strengthen their abilities to effectively speak out or act for themselves and others.	identify concrete steps they can take to effect desired changes (e.g., who to contact about creating safer streets for bicycling in their neighborhood).
Cadette 6–8	recognize the importance of advocacy in accomplishing positive changes for themselves and others.	can give examples of how youth can influence and/or participate in community decision-making (e.g., influence the library to remain open longer, start a teen hotline, form an antidiscrimination group).
	gain greater ability to use specific advocacy skills to address issues of interest.	report using various strategies to speak out for themselves and others on issues of interest (e.g., writing letters, petitions, creating public announcements).
Senior 9–10	have a greater understanding of how the decisions and policies of various institutions have effects on their lives and the lives of others.	report increased knowledge about how public decisions in their schools, communities, and local governments affect people's private lives (e.g., decisions about education, juvenile justice).
	use advocacy skills and knowledge to be more active on behalf of a cause, issue, or person, locally or globally.	give examples of advocating for an issue in their school or neighborhood (e.g., more healthful cafeteria food, increased awareness of eating disorders, reproductive health, effects of poverty).
Ambassador 11–12	recognize that they have the rights and abilities to participate in the development of public policy that affects their lives and the lives of others.	report increased interest and confidence in participating in projects or initiatives that promote positive social changes.
	are better able to consider the community/global impact of their advocacy efforts.	describe how their advocacy efforts helped their community or the broader society.
	actively seek partnerships with other organizations that provide support and resources for their advocacy efforts.	report working with organizations that share their advocacy goals.

*Can you think of other sample indicators/signs?

Take Action

OUTCOME **4**

Girls educate and inspire others to act.

Girls learn to effectively explain their ideas to others and motivate them to get involved in community service and action.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Daisy **K–1**	are better able to assist peers and seek help from them.	respond to requests for help/assistance with actions or words.
Brownie **2–3**	are better able to explain their ideas or teach new skills to others.	demonstrate or teach a skill to other girls (e.g., how to sell cookies, how to make a puppet).
	can communicate their reasons for engaging in community service and action.	explain why they chose a community action project (e.g., meals to seniors, holiday gifts to needy children), how/why it benefited others, and what they learned from it.
Junior **4–5**	learn various strategies to communicate and share Take Action Projects with others.	use various ways to tell others about their Take Action Projects (e.g., fliers, presentations). explain what makes a successful persuasive message/action for various audiences (e.g., presentation to peers, petitions to officials).
Cadette **6–8**	show increased commitment to educate others on how to better their communities.	organize a show-and-tell for younger Girl Scouts to educate them about how to be more active in community affairs.
	are better able to identify and select various methods for informing others about their Take Action Projects.	report knowing how to tailor their messages to various audiences (e.g., young girls vs. senior citizens).
Senior **9–10**	are better at inspiring and mobilizing others to become more engaged in community service and action.	shape messages (e.g., in a flier, speech, publication, or Web campaign) to explain the importance of taking action on an issue they care about. organize an awareness day in their schools on an issue they care about (e.g., emotional health, Internet safety).
Ambassador 11–12	are better able to evaluate the effectiveness of their efforts to reach/educate diverse audiences and can adjust their communication strategies accordingly.	implement innovative ways to access hard-to-reach audiences (e.g., using the Internet to engage remote rural populations). work with other youth/community organizations to spread their messages more effectively.

*Can you think of other sample indicators/signs?

Take Action

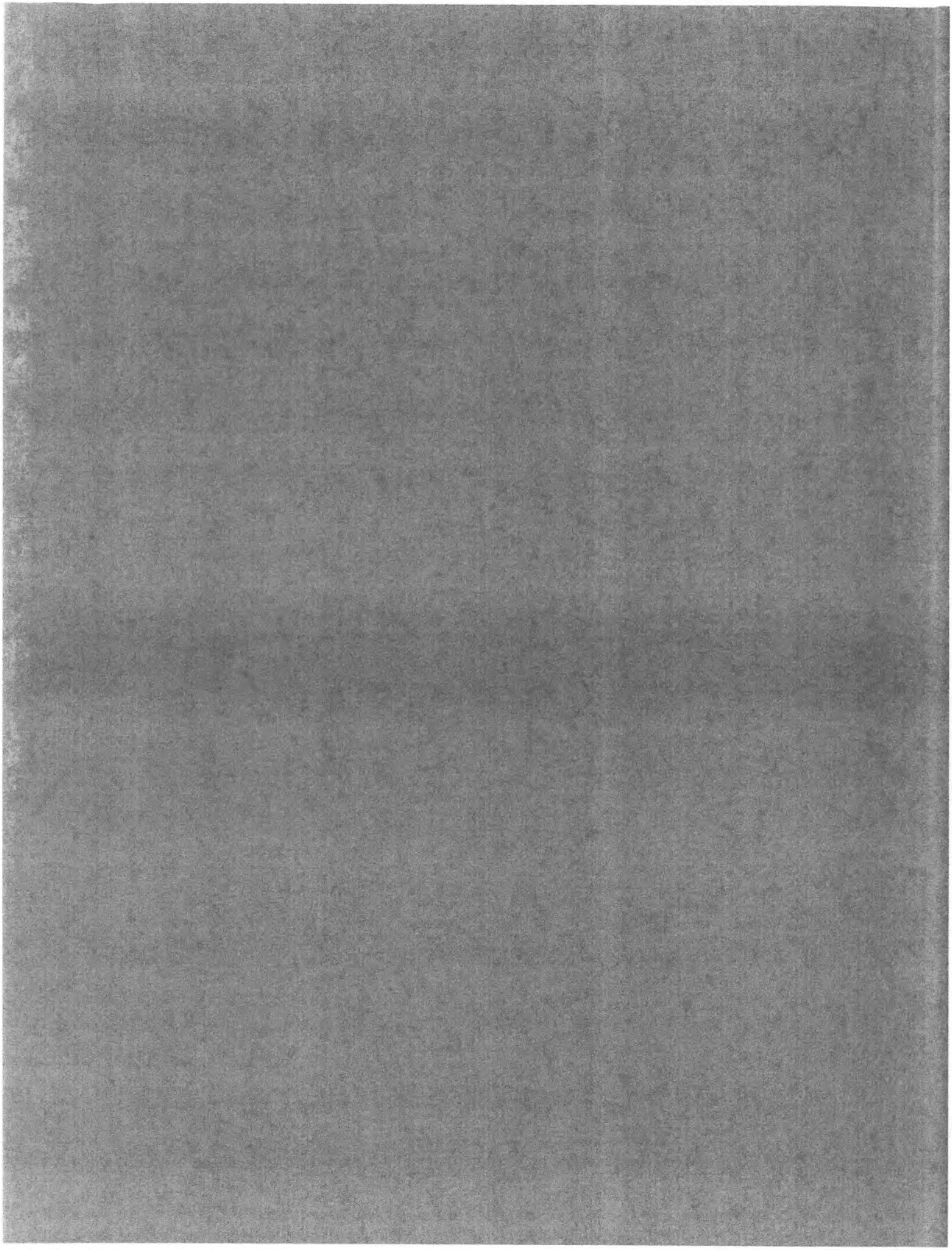
OUTCOME 5

Girls feel empowered to make a difference in the world.

Girls feel empowered to use their leadership skills to effect change in their lives and their world and feel their contributions are valued in the larger community.

GIRL SCOUT GRADE LEVEL	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Daisy K–1	feel their actions and words are important to others.	give an example of something they have done to make them feel like an important part of their group (e.g., help choose an activity, lead a game, help make up a rule).
Brownie 2–3	increasingly feel they have important roles and responsibilities in their groups and/or communities.	describe ways their actions contributed to bettering something (for their families, neighborhood, environment).
	exhibit increased determination to create changes for themselves and others.	give examples when they succeeded in making a positive change for themselves or others.
Junior 4–5	are more confident in their power to effect positive change.	describe various expressions of power around them (e.g., power over others, power to do something, power with others). explain how shared power helped them create better or longer-lasting changes (e.g., working together vs. doing it alone).
	feel they have greater opportunities for involvement in the decision-making of their communities.	give examples of when they participated in the decision-making processes in their Girl Scout council, church, school, etc.
Cadette 6–8	feel more valued by others for their ability to apply leaderships skills toward positive change.	feel that their opinions, ideas, and contributions are taken seriously by adults. express pride that their Take Action Projects improved functioning of some aspect of their communities (e.g., contributed to cleaner air, safer streets, better opportunities for young people).
	have increased confidence to participate in decision-making processes in their groups or communities.	show interest in providing and/or receiving input from community members on community issues.
Senior 9–10	are better able to address challenges to their feeling of empowerment.	identify internal and/or external barriers to feeling empowered to create change (e.g., not being taken seriously because they are "just kids"). describe strategies for ensuring that their voices and opinions are heard.
	feel they have greater access to community resources and more equal relationships with adults in their communities.	report that adults in their communities invite their input and/or participation in community affairs.
Ambassador 11–12	feel capable of using their skills to better the functioning and governance of communities, locally or globally.	create an action plan that could be implemented to include more young people in setting town priorities.
	feel their projects and ideas are valued/respected by stakeholders in their local and/or global communities.	give examples of positive reports (e.g., local news coverage) about their Take Action Projects.

*Can you think of other sample indicators/signs?



OUTCOMES ARRANGED BY

GRADE LEVEL

Daisy

Brownie

Junior

Cadette

Senior

Ambassador

GIRL SCOUT GRADE LEVEL

Daisy

grades K–1

Girl Scout Daisies understand themselves and their values and use their knowledge and skills to explore the world.

DISCOVER OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls develop a strong sense of self: Girls have confidence in themselves and their abilities, feel they are able to achieve their goals, and form positive gender, social, and cultural identities.	are better able to recognize their strengths and abilities.	make positive statements about their abilities or demonstrate to others what they can do (e.g., "I was a good friend to Luna today").
Girls develop positive values: Girls form their beliefs and values based on the Girl Scout Promise and Law, learn to consider ethical aspects of situations, and are committed to social justice and community service and action.	begin to understand the values inherent in the Girl Scout Promise and Law.	identify actions that are fair/unfair, honest/dishonest in various scenarios.
	recognize that their choices of actions or words have an effect on others and the environment.	give an example of when their actions made something better for someone else.
Girls gain practical life skills—girls practice healthy living:** Girls gain skills that prepare them for a positive, healthy, and independent future.	gain greater knowledge of what is healthy for mind and body.	name behaviors that contribute to good health (e.g., eating fruit, getting exercise).
Girls seek challenges in the world: Girls develop positive attitudes toward learning, seek opportunities for expanding their knowledge and skills, set challenging goals for themselves, and take appropriate risks.	demonstrate increased interest in learning new skills.	ask lots of questions/make lots of observations about the world around them.
Girls develop critical thinking: Girls learn to examine ideas from a variety of viewpoints and further use critical thinking to explore implications of gender issues for their lives and their leadership development.	recognize that the thoughts and feelings of others can vary from their own.	make statements that show they recognize another's feelings or opinions, such as "You are sad" and/or "You are happy."

*Can you think of other sample indicators/signs?

**Healthy Living is one example of a practical life skill. Outcomes and indicators for other practical skills will be developed over time.

Girl Scout Daisies care about, inspire, and team with others locally and globally.

CONNECT OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls develop healthy relationships: Girls learn to form and maintain meaningful and caring relationships, communicate effectively, protect their rights in relationships, and know when to seek help from others.	are better able to demonstrate helpful and caring behavior.	spontaneously offer to help someone in need of assistance (e.g., opening door, carrying package).
	are better able to identify and communicate their feelings to others.	express their feelings verbally (e.g., "I feel lonely when the others don't include me"), rather than nonverbally (e.g., crying, withdrawing, lashing out).
Girls promote cooperation and team building: Girls recognize the value of working together and learn to make decisions that benefit the whole group. They can build effective teams, learn to be accountable for their shared goals, and show recognition for others' accomplishments and contributions.	begin to learn how to work well with others.	name something about themselves that helps them work well in a group (e.g., "I listen well").
Girls can resolve conflicts: Girls learn to recognize and analyze different conflict situations and develop skills for constructive conflict resolution and prevention.	begin to understand what conflict is.	give examples of conflict situations in their lives.
	learn simple conflict-resolution strategies.	express feelings using "I statements" when they find themselves in a conflict situation (e.g., "I'm sorry I hurt your feelings").
Girls advance diversity in a multicultural world: Girls learn to think and act in a way that promotes an inclusive environment, respecting and valuing diverse backgrounds, viewpoints, and life experiences.	recognize that it's OK to be different.	identify characteristics that make them different from other girls (e.g., hair color, food preferences, other likes/dislikes, family structure).
	increasingly relate to others in an inclusive manner.	notice when others are excluded from activities (e.g., "It's not fair that no one is playing with Annie").
Girls feel connected to their communities, locally and globally: Girls feel that they are part of a larger community and recognize the importance of building diverse, supportive social networks for their personal and leadership development.	are better able to identify people and places that make up their community and understand their various contributions.	identify people who provide services in their communities (e.g., doctors provide medical care, teachers provide education).
	gain increased understanding of how they belong to various groups in their communities.	give examples of the various groups to which they belong (e.g., Girl Scouts, sports team, religious community).

*Can you think of other sample indicators/signs?

Girl Scout Daisies act to make the world a better place.

TAKE ACTION OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls can identify community needs: Girls learn to identify issues in their local and global communities and come up with realistic possibilities for action.	gain increased knowledge of their communities' assets.	name people/places they consider helpful and valuable in their communities.
Girls are resourceful problem solvers: Girls can use their knowledge and skills to set up and implement creative and effective "action plans," locate tools and resources they need, and know when, where, and how to enlist help from others.	learn the basics of planning a project.	with adult guidance, make a list of resources needed to complete their project (e.g., materials for creating get-well cards for a children's hospital).
Girls advocate for themselves and others, locally and globally: Girls develop the ability to speak out on their own behalf and seek opportunities to act and speak on behalf of others.	recognize that they can act on behalf of others.	recognize situations when they can "make something better" for someone else (e.g., through words or actions).
Girls educate and inspire others to act: Girls learn to effectively explain their ideas to others and motivate them to get involved in community service and action.	are better able to assist peers and seek help from them.	respond to requests for help/assistance with actions or words.
Girls feel empowered to make a difference in the world: Girls feel empowered to use their leadership skills to effect change in their lives and their world, and feel their contributions are valued in the larger community.	feel their actions and words are important to others.	give an example of something they have done to make them feel like an important part of their group (e.g., help choose an activity, lead a game, help make up a rule).

*Can you think of other sample indicators/signs?

GIRL SCOUT GRADE LEVEL

Brownie

grades 2–3

Girl Scout Brownies understand themselves and their values and use their knowledge and skills to explore the world.

DISCOVER OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls develop a strong sense of self: Girls have confidence in themselves and their abilities, feel they are able to achieve their goals, and form positive gender, social, and cultural identities.	positively identify with their gender and cultural, linguistic, racial, and ethnic groups.	name things they like about being a girl. recognize how their characteristics make them unique (e.g., when drawing a picture of themselves, a girl can say, "I am Korean, and I speak Korean and English").
	have increased confidence in their abilities.	express pride in their accomplishments when speaking with others.
Girls develop positive values: Girls form their beliefs and values based on the Girl Scout Promise and Law, learn to consider ethical aspects of situations, and are committed to social justice and community service and action.	begin to apply values inherent in the Girl Scout Promise and Law in various contexts.	explain how they will take responsibility on the playground, at home, and at school.
	are better able to examine positive and negative effects of people's actions on others and the environment.	explain the difference between right and wrong choices. provide alternative choices to actions that harm the environment (e.g., throw plastic bottles in recycle bin, not in trash can).
Girls gain practical life skills—girls practice healthy living:** Girls gain skills that prepare them for a positive, healthy, and independent future.	are better at making healthy choices and minimizing unhealthy behaviors.	identify two hours of after-school sports as healthier than two hours of after-school computer games. name healthy choices they make (e.g., walking every day, choosing healthful snacks).
Girls seek challenges in the world: Girls develop positive attitudes toward learning, seek opportunities for expanding their knowledge and skills, set challenging goals for themselves, and take appropriate risks.	are more open to learning or doing new and challenging things.	enjoy trying new activities (e.g., building a fire, pitching a tent). report doing things they thought they couldn't do.
	recognize that one can learn from mistakes.	feel it is OK to make mistakes and might describe an instance in their own lives where they learned from a mistake.
Girls develop critical thinking: Girls learn to examine ideas from a variety of viewpoints and further use critical thinking to explore implications of gender issues for their lives and their leadership development.	are increasingly able to consider other viewpoints in deciding what to do or believe.	listen to and consider each others' opinions when making decisions.
	are better able to recognize and examine stereotypes (based on gender, race, income, ability, etc.) that they encounter.	identify ways they or others are treated differently based on gender, race, income, and ability and can explain why stereotyping is harmful.

*Can you think of other sample indicators/signs?

**Healthy Living is one example of a practical life skill. Outcomes and indicators for other practical skills will be developed over time.

Girl Scout Brownies care about, inspire, and team with others, locally and globally.

CONNECT OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls develop healthy relationships: Girls learn to form and maintain meaningful and caring relationships, communicate effectively, protect their rights in relationships, and know when to seek help from others.	begin to understand how their behavior contributes to maintaining healthy relationships.	identify healthy/unhealthy behaviors (e.g., honesty, caring, bullying) when presented with a relationship scenario.
	are better able to show empathy toward others.	make empathetic statements (e.g., "I helped Kim with that because she was getting frustrated") and/or report being more caring in their interactions with others.
Girls promote cooperation and team building: Girls recognize the value of working together and learn to make decisions that benefit the whole group. They can build effective teams, learn to be accountable for their shared goals, and show recognition for others' accomplishments and contributions.	gain a better understanding of cooperative and team-building skills.	be able to identify strengths or talents that each girl brings to group projects (e.g., "Monica is good at drawing and I am a really good singer"). describe ways to make group projects more fun (e.g., switching roles, brainstorming, listening to each other).
Girls can resolve conflicts: Girls learn to recognize and analyze different conflict situations and develop skills for constructive conflict resolution and prevention.	are better able to apply basic strategies for conflict resolution when conflicts arise.	name helpful ways to deal with anger/frustration in a conflict (e.g., talk things out instead of acting out or hitting).
Girls advance diversity in a multicultural world: Girls learn to think and act in a way that promotes an inclusive environment, respecting and valuing diverse backgrounds, viewpoints, and life experiences.	begin to understand the meaning of diversity.	explore their differences and similarities (e.g., based on culture, ethnicity, ability, life experiences).
	strengthen their appreciation of differences in others.	not make fun—and might encourage others not to make fun—of those who look/talk/behave differently from themselves.
Girls feel connected to their communities, locally and globally: Girls feel that they are part of a larger community and recognize the importance of building diverse, supportive social networks for their personal and leadership development.	have greater interest in participating in community events, activities, and social networks.	positively describe their participation in at least one community event and/or activity (e.g., help at a cancer walk, start a "Park Keeper" club).
	recognize the importance of being part of a larger community.	give examples of how group/community members help and support each other (e.g., in their neighborhood, school).

*Can you think of other sample indicators/signs?

Girl Scout Brownies act to make the world a better place.

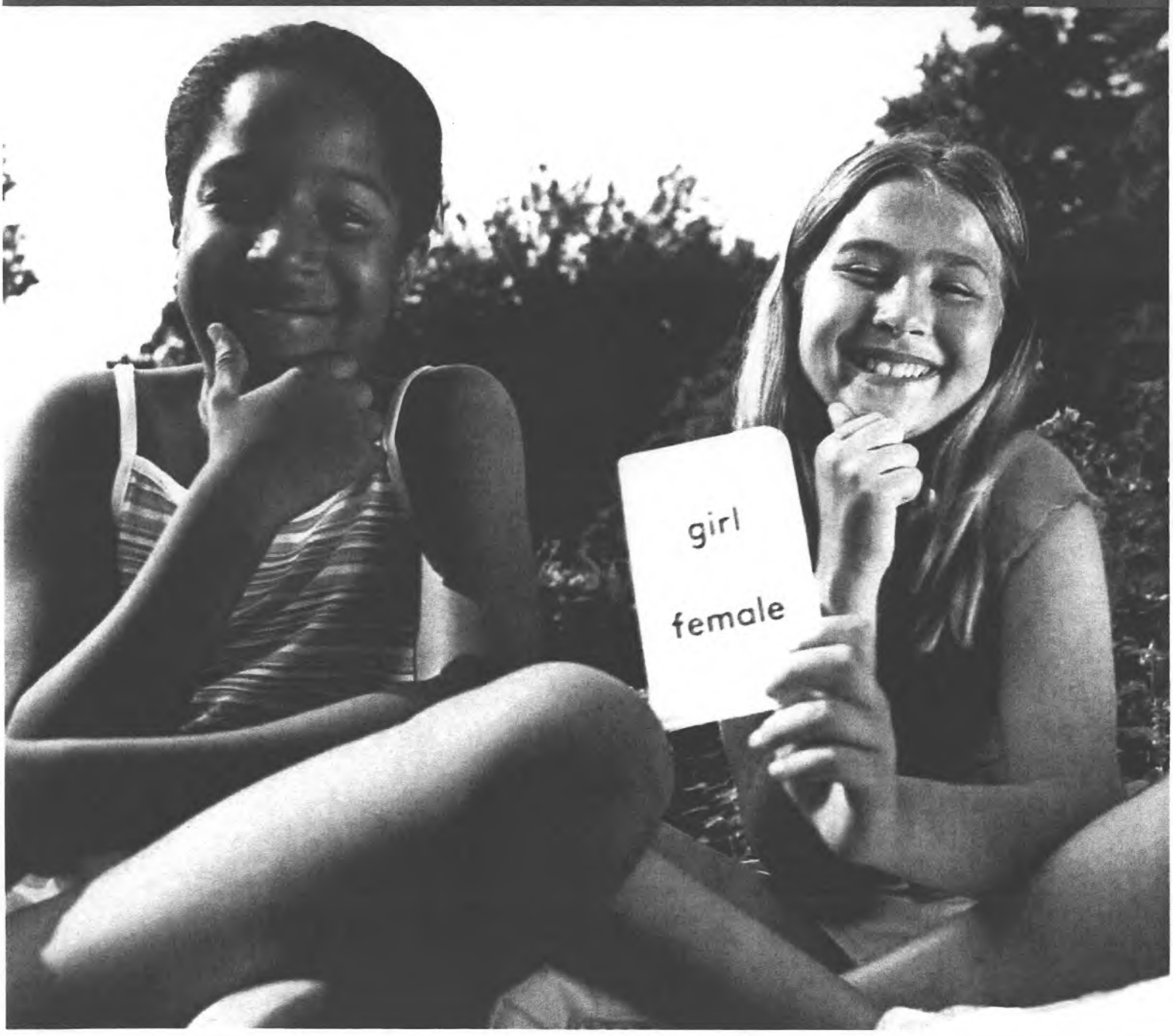
TAKE ACTION OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls can identify community needs: Girls learn to identify issues in their local and global communities and come up with realistic possibilities for action.	develop basic strategies to identify community issues.	use various ways to gain information about their communities (e.g., the Internet, library, personal interviews). list things about their community that are valuable and things that could be improved.
	gain a greater understanding of how Take Action Projects might impact their communities.	explain how the issue they agreed to take action on can benefit their community (e.g., other girls, families, a church).
Girls are resourceful problem solvers: Girls can use their knowledge and skills to set up and implement creative and effective "action plans," locate tools and resources they need, and know when, where, and how to enlist help from others.	are better able to develop a basic plan to reach a goal or a solution to a problem.	identify two or three steps and resources (people, materials, information) needed to reach a goal or solve a problem (e.g., how to get ready for camp).
	are better able to create alternative solutions to problems.	reflect on a real-life problem or a scenario and state an alternative solution, such as "Next time, I will do this instead."
Girls advocate for themselves and others, locally and globally: Girls develop the ability to speak out on their own behalf and seek opportunities to act and speak on behalf of others.	gain a better understanding of their rights and those of others.	name rights people have in their schools, families, or communities (e.g., to be safe, to be treated fairly, to be heard).
	learn and begin to apply basic advocacy skills.	define what advocacy means and give examples of advocates in their communities. use words or actions to show concern and intervene when another person is not being treated well (e.g., stand up for someone being teased).
Girls educate and inspire others to act: Girls learn to effectively explain their ideas to others and motivate them to get involved in community service and action.	are better able to explain their ideas or teach new skills to others.	demonstrate or teach a skill to other girls (e.g., how to sell cookies, how to make a puppet).
	can communicate their reasons for engaging in community service and action.	explain why they chose a community action project (e.g., meals to seniors, holiday gifts to needy children), how/why it benefited others, and what they learned from it.
Girls feel empowered to make a difference in the world: Girls feel empowered to use their leadership skills to effect change in their lives and their world, and feel their contributions are valued in the larger community.	increasingly feel they have important roles and responsibilities in their groups and/or communities.	describe ways their actions contributed to bettering something (for their families, neighborhood, environment).
	exhibit increased determination to create changes for themselves and others.	give examples when they succeeded in making positive change for themselves or others.

*Can you think of other sample indicators/signs?

GIRL SCOUT GRADE LEVEL

Junior

grades 4–5



Girl Scout Juniors understand themselves and their values and use their knowledge and skills to explore the world.

DISCOVER OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls develop a strong sense of self: Girls have confidence in themselves and their abilities, feel they are able to achieve their goals, and form positive gender, social, and cultural identities.	are better able to recognize how situations, attitudes, and the behaviors of others affect their sense of self.	compare how various situations (home, school, etc.) bring out various aspects of self.
	gain a clearer sense of their individual identities in relation to, and apart, from outside influences.	report increased confidence in dealing with outside pressures that try to dictate their thoughts and behaviors (e.g., peer pressure, advertising, cultural traditions).
Girls develop positive values: Girls form their beliefs and values based on the Girl Scout Promise and Law, learn to consider ethical aspects of situations, and are committed to social justice and community service and action.	gain greater understanding of ethical decision-making in their lives.	give examples of using the Girl Scout Promise and Law in deciding to "do what's right."
	have increased commitment to engage in sustainable community service and action.	feel it's important to help people and the environment in ways that will have a long-term positive impact. exhibit increased interest in Take Action Projects on issues of fairness and social justice in their communities.
Girls gain practical life skills—girls practice healthy living:** Girls gain skills that prepare them for a positive, healthy, and independent future.	gain greater understanding of what it means to be emotionally and physically healthy.	describe how being stressed can affect physical health.
	are more aware of family, cultural, and media influences on making healthy choices.	list ways in which media promotes/inhibits healthy behavior (e.g., fast food ads).
Girls seek challenges in the world: Girls develop positive attitudes toward learning, seek opportunities for expanding their knowledge and skills, set challenging goals for themselves, and take appropriate risks.	increasingly recognize that positive risk-taking is important to personal growth and leadership.	when asked to identify attitudes important to accomplishing goals, mention risk-taking and give examples from their own lives.
	are better at exploring new skills and ideas.	report using a variety of resources to pursue topics of interest (e.g., the Internet, popular culture, art, poetry).
Girls develop critical thinking: Girls learn to examine ideas from a variety of viewpoints and further use critical thinking to explore implications of gender issues for their lives and their leadership development.	show greater skill in gathering and evaluating information.	consider various factors before deciding what to believe (e.g., how credible is the source of information, is there a hidden agenda).
	are better able to consider multiple perspectives on issues.	show increased interest in learning about different sides of issues (e.g., with other girls, in public forums).

*Can you think of other sample indicators/signs?

**Healthy Living is one example of a practical life skill. Outcomes and indicators for other practical skills will be developed over time.

Girl Scout Juniors care about, inspire, and team with others locally and globally.

CONNECT OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls develop healthy relationships: Girls learn to form and maintain meaningful and caring relationships, communicate effectively, protect their rights in relationships, and know when to seek help from others.	strengthen communication skills for maintaining healthy relationships.	name communication strategies that help them in their relationships (e.g., listening to the ideas of others, encouraging others instead of criticizing them).
	are more competent in addressing negative treatment by others.	identify bullying tactics and aggressive behaviors in others. name people they can turn to for help when dealing with difficulties in relationships.
Girls promote cooperation and team building: Girls recognize the value of working together and learn to make decisions that benefit the whole group. They can build effective teams, learn to be accountable for their shared goals, and show recognition for others' accomplishments and contributions.	are better able to initiate and maintain cooperation on their teams.	with minimal adult guidance, apply specific strategies for promoting cooperation (e.g., listening to all ideas, rotating tasks and roles, developing shared goals).
	increasingly recognize how cooperation contributes to a project's success.	consistently prefer solving problems in teams or as a group and explain why this can be more effective than working alone.
Girls can resolve conflicts: Girls learn to recognize and analyze different conflict situations and develop skills for constructive conflict resolution and prevention.	are better able to select conflict-resolution strategies to fit the situation.	describe and/or demonstrate conflict-resolution responses for various settings, such as home, school, or neighborhood. explain why one strategy works in one situation but not another (e.g., at home can resolve conflict with sibling by talking with parent; but this would not work at the playground).
	are better at analyzing conflict situations.	give reasons why they fight with each other.
Girls advance diversity in a multicultural world: Girls learn to think and act in a way that promotes an inclusive environment, respecting and valuing diverse backgrounds, viewpoints, and life experiences.	recognize the value of promoting diversity in the world.	report that it's important to promote inclusiveness in various contexts and can explain why. demonstrate increased interest in interacting with others from different backgrounds (e.g., ethnicity, culture, class, religion, gender, ability).
	develop greater awareness of various forms of discrimination in the world.	when presented with various situations (e.g., from stories, news, movies, music, or their community), identify discrimination.
Girls feel connected to their communities, locally and globally: Girls feel that they are part of a larger community and recognize the importance of building diverse, supportive social networks for their personal and leadership development.	are better able to recognize the importance of knowing about and actively participating in community groups.	identify various sources of information for what is going on in their communities (e.g., the Internet, magazines, interviews with people). describe how being involved in their communities resulted in stronger connections to others (e.g., Take Action Project resulted in an adult from the community volunteering to teach girls a particular skill).
	begin to feel part of a larger community of girls/women.	enjoy connecting with girls/women locally, nationally, or globally (e.g., through reading about them, face-to-face interactions, e-mail).

*Can you think of other sample indicators/signs?

Girl Scout Juniors act to make the world a better place.

TAKE ACTION OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls can identify community needs: Girls learn to identify issues in their local and global communities and come up with realistic possibilities for action.	learn to use strategies to determine issues that deserve action.	use community asset mapping to identify opportunities to better their communities.
	are better able to determine whether projects can be realistically accomplished.	consider time and/or financial constraints before selecting an issue to tackle.
Girls are resourceful problem solvers: Girls can use their knowledge and skills to set up and implement creative and effective "action plans," locate tools and resources they need, and know when, where, and how to enlist help from others.	are better able to create an "action plan" for their projects.	outline steps, resources, and time lines and assign responsibilities for their project with minimal adult guidance. report increased confidence in creating action plans for their goals.
	gain a greater ability to locate and use resources that will help accomplish their project goals.	feel confident contacting community partners who can help them achieve their goals (e.g., school officials who can display girls' fliers on bulletin boards).
Girls advocate for themselves and others, locally and globally: Girls develop the ability to speak out on their own behalf and seek opportunities to act and speak on behalf of others.	strengthen their abilities to effectively speak out or act for themselves and others.	identify concrete steps they can take to effect desired changes (e.g., whom to contact about creating safer streets for bicycling in their neighborhood).
Girls educate and inspire others to act: Girls learn to effectively explain their ideas to others and motivate them to get involved in community service and action.	learn various strategies to communicate and share Take Action Projects with others.	use various ways to tell others about their Take Action Projects (e.g., fliers, presentations). explain what makes a successful persuasive message/action for various audiences (e.g., presentation to peers, petitions to officials).
Girls feel empowered to make a difference in the world: Girls feel empowered to use their leadership skills to effect change in their lives and their world, and feel their contributions are valued in the larger community.	are more confident in their power to effect positive change.	describe various expressions of power around them (e.g., power over others, power to do something, power with others). explain how shared power helped them create better or longer-lasting changes (e.g., working together vs. doing it alone).
	feel they have greater opportunities for involvement in the decision-making of their communities.	give examples of when they participated in the decision-making processes in their Girl Scout council, church, school, etc.

*Can you think of other sample indicators/signs?

Cadette

grades 6–8

Girl Scout Cadettes understand themselves and their values and use their knowledge and skills to explore the world.

DISCOVER OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls develop a strong sense of self: Girls have confidence in themselves and their abilities, feel they are able to achieve their goals, and form positive gender, social, and cultural identities.	are better able to negotiate the effects of sociocultural factors, gender issues, and stereotyping/bias on their sense of self.	describe how cultural influences affect their self-image (e.g., magazines dictating "right" body shape and size; effects of racist/sexist comments). make use of strategies to resist peer pressure (e.g., communicate with confidence, take responsibility for own actions).
	show an increase in self-efficacy.	report increased belief in their ability to achieve personal goals.
Girls develop positive values: Girls form their beliefs and values based on the Girl Scout Promise and Law, learn to consider ethical aspects of situations, and are committed to social justice and community service and action.	are better able to examine their own and others' values from individual, cultural, and global perspectives.	report greater appreciation for the diversity of values based on individual and/or cultural differences.
	demonstrate increased commitment to addressing issues of fairness, ethics, and justice in their communities.	identify instances that raise questions about issues of fairness, ethics, and/or social justice in their communities.
Girls gain practical life skills—girls practice healthy living:** Girls gain skills that prepare them for a positive, healthy, and independent future.	are increasingly committed to practicing and promoting healthy behavior.	report increased interest in learning more about how exercise, diet, relaxation, and other activities can give balance to their lives.
	are more knowledgeable about how family and cultural differences affect healthy living.	give examples of various cultures' definitions and practices of healthy living.
Girls seek challenges in the world: Girls develop positive attitudes toward learning, seek opportunities for expanding their knowledge and skills, set challenging goals for themselves, and take appropriate risks.	are better able to distinguish positive and negative risk-taking.	when given risk-taking scenarios, identify and distinguish between positive and negative risk (e.g., riding with a driver who has been drinking vs. calling home for a ride even though parents will be angry).
	recognize the importance of challenging oneself for one's positive growth.	report how setting challenging goals helped them do better in school.
Girls develop critical thinking: Girls learn to examine ideas from a variety of viewpoints and further use critical thinking to explore implications of gender issues for their lives and their leadership development.	are better able to examine issues and ideas from various perspectives.	debate or discuss various perspectives on an issue they are concerned about (e.g., women's rights, global warming).
	have increased understanding of positive and negative ways that media impact their own and others' lives.	give examples of how TV shows can promote sexism, racism, and other -isms or how the Internet can promote freedom of information or allow disinformation.

*Can you think of other sample indicators/signs?

**Healthy Living is one example of a practical life skill. Outcomes and indicators for other practical skills will be developed over time.

Girl Scout Cadettes care about, inspire, and team with others locally and globally.

CONNECT OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls develop healthy relationships: Girls learn to form and maintain meaningful and caring relationships, communicate effectively, protect their rights in relationships, and know when to seek help from others.	have more positive, trusting relationships with others.	report having at least one girl or adult they can talk to about anything.
	are able to use positive communication and relationship-building skills.	give examples of behaviors they use to promote mutual respect, trust, and understanding.
	feel more comfortable with new feelings that accompany adolescence and ways of expressing feelings in relationships, including sexual feelings.	talk about healthy decision-making (e.g., encouraging self-respect in themselves and others) when presented with relationship scenarios.
Girls promote cooperation and team building: Girls recognize the value of working together and learn to make decisions that benefit the whole group. They can build effective teams, learn to be accountable for their shared goals, and show recognition for others' accomplishments and contributions.	have a greater understanding of team building.	list criteria for what makes a good team (e.g., clear roles, trust, respect, diversity).
	are better able to address obstacles to effective group work and team building.	describe obstacles to group work (e.g., not being willing to compromise, concern with individual interests over group goals, always wanting to be the person talking) and suggest possible solutions.
Girls can resolve conflicts: Girls learn to recognize and analyze different conflict situations and develop skills for constructive conflict resolution and prevention.	strengthen their conflict resolution and prevention strategies.	say how they manage their emotions (e.g., anger, hurt) to diffuse a conflict situation (e.g., don't lose their temper).
	have a greater understanding of how conflict-resolution skills contribute to effective leadership.	give examples of how their conflict-resolution skills helped them succeed on a project.
Girls advance diversity in a multicultural world: Girls learn to think and act in a way that promotes an inclusive environment, respecting and valuing diverse backgrounds, viewpoints, and life experiences.	are more aware of the issues, perspectives, and experiences of people from various backgrounds, locally and globally.	identify main challenges and privileges that various groups experience in today's world (e.g., women and men, ethnicities, abilities).
	learn strategies for promoting diversity and creating more inclusive environments.	actively include people of diverse backgrounds in their activities/events. actively encourage others to behave in inclusive ways (e.g., petition for a wheelchair-accessible park gazebo, use effective ways to speak out against exclusion and discrimination).
	can examine the negative impact of stereotyping, prejudice, discrimination, and privilege on their lives and the lives of others.	when given examples from the media, describe the negative impact of stereotyping and prejudice (based on ethnicity, religion, language, class, sexuality, gender, and ability).
Girls feel connected to their communities, locally and globally: Girls feel that they are part of a larger community and recognize the importance of building diverse, supportive social networks for their personal and leadership development.	strengthen existing relationships and seek to create new connections with others in their communities.	use various ways to connect with others, locally and globally (e.g., the Internet, get-togethers, *destinations*, events). feel more confident contacting community members for help with community service and action projects (e.g., teachers, youth organizations, after-school clubs).
	gain greater understanding of the importance of community networks for themselves and others.	describe how their participation in larger communities supported their personal and leadership goals (e.g., provided safe environment, helped gain skills).

*Can you think of other sample indicators/signs?

Girl Scout Cadettes act to make the world a better place.

TAKE ACTION OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls can identify community needs: Girls learn to identify issues in their local and global communities and come up with realistic possibilities for action.	strengthen their ability to decide which community issue deserves action.	report using a variety of tools (e.g., community mapping, interviewing, observations) to identify needs, assets, and potential impact of their planned projects.
	begin to address deeper causes of issues in their communities.	identify multiple causes for a problem they wish to address. explain the difference between a quick fix and long-term solutions (e.g., reading to someone learning English as a second language vs. teaching someone to read).
Girls are resourceful problem solvers: Girls can use their knowledge and skills to set up and implement creative and effective "action plans," locate tools and resources they need, and know when, where, and how to enlist help from others.	are able to create and implement detailed action plans for their projects.	demonstrate independence in thinking through the required components of their action plans (e.g., location of resources, time lines, responsibilities). report being more able to keep themselves "on track," requesting adult help if needed.
	increasingly seek out community support and resources to help achieve their goals.	identify people/organizations in their communities to help on some aspect of their project (e.g., obtain editing guidance for media projects).
Girls advocate for themselves and others, locally and globally: Girls develop the ability to speak out on their own behalf and seek opportunities to act and speak on behalf of others.	recognize the importance of advocacy in accomplishing positive changes for themselves and others.	give examples of how youth can influence and/or participate in community decision-making (e.g., influence the library to remain open longer, start a teen hotline, form an antidiscrimination group).
	gain greater ability to use specific advocacy skills to address issues of interest.	report using various strategies to speak out for themselves and others on issues of interest (e.g., writing letters, petitions, creating public announcements).
Girls educate and inspire others to act: Girls learn to effectively explain their ideas to others and motivate them to get involved in community service and action.	show increased commitment to educate others on how to better their communities.	organize a show-and-tell for younger Girl Scouts to educate them about how to be more active in community affairs.
	are better able to identify and select various methods for informing others about their Take Action Projects.	report knowing how to tailor their messages to various audiences (e.g., young girls vs. senior citizens).
Girls feel empowered to make a difference in the world: Girls feel empowered to use their leadership skills to effect change in their lives and their world, and feel their contributions are valued in the larger community.	feel more valued by others for their ability to apply leaderships skills toward positive change.	feel that their opinions, ideas, and contributions are taken seriously by adults. express pride that their Take Action Projects improved functioning of some aspect of their communities (e.g., contributed to cleaner air, safer streets, better opportunities for young people).
	have increased confidence to participate in decision-making processes in their groups or communities.	show interest in providing and/or receiving input from community members on community issues.

* Can you think of other sample indicators/signs?

GIRL SCOUT GRADE LEVEL

Senior

grades 9–10

Girl Scout Seniors understand themselves and their values and use their knowledge and skills to explore the world.

DISCOVER OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls develop a strong sense of self: Girls have confidence in themselves and their abilities, feel they are able to achieve their goals, and form positive gender, social, and cultural identities.	are better able to recognize and address personal and social barriers to reaching personal goals.	make connections between societal issues (e.g., prejudice based on gender or race) and their opportunities to achieve goals. report on ways they overcame gender, ethnic, and/or economic challenges to achieving their goals.
	are better able to recognize the multiple demands and expectations of others while establishing their own individuality.	describe challenges they face in finding a balance between accepting group beliefs and thinking/making decisions for themselves.
Girls develop positive values: Girls form their beliefs and values based on the Girl Scout Promise and Law, learn to consider ethical aspects of situations, and are committed to social justice and community service and action.	are better able to recognize and resolve ethical dilemmas.	give examples of making ethical decisions in their everyday lives and can explain why they made them (e.g., consider both direct and indirect consequences of their actions).
	strengthen their own and others' commitment to being socially, politically, and environmentally engaged citizens of their communities.	report increased positive attitudes of social responsibility and citizenship.
Girls gain practical life skills—girls practice healthy living:** Girls gain skills that prepare them for a positive, healthy, and independent future.	act as role models for younger girls in making healthy choices.	describe strategies for resisting pressure to engage in unhealthy behaviors (e.g., alcohol use or unhealthy dieting).
	show cultural sensitivity in their efforts to promote healthy living in their communities.	report increased knowledge of specific health needs in their diverse communities (e.g., responsive to religious or cultural beliefs).
Girls seek challenges in the world: Girls develop positive attitudes toward learning, seek opportunities for expanding their knowledge and skills, set challenging goals for themselves, and take appropriate risks.	demonstrate increased enthusiasm for learning new skills and ideas and expanding existing ones.	increasingly offer their own ideas for exploring new topics or making existing ones more challenging.
	show increased courage to challenge their own and others' beliefs and opinions.	engage in a discussion with someone who has different political views. express preferences even when they differ from the majority's opinion.
Girls develop critical thinking: Girls learn to examine ideas from a variety of viewpoints and further use critical thinking to explore implications of gender issues for their lives and their leadership development.	are better able to analyze their own and others' thinking processes.	give examples of the steps they followed and why they made a specific decision or formed an opinion.
	apply critical thinking skills to challenge stereotypes and biases in their lives and in society.	question assumptions behind inequities they encounter (e.g., female athletes earning less than male athletes).

* Can you think of other sample indicators/signs?

** Healthy Living is one example of a practical life skill. Outcomes and indicators for other practical skills will be developed over time.

Girl Scout Seniors care about, inspire, and team with others, locally and globally.

CONNECT OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls develop healthy relationships: Girls learn to form and maintain meaningful and caring relationships, communicate effectively, protect their rights in relationships, and know when to seek help from others.	are better able to recognize and address challenges to forming and maintaining healthy relationships with others.	recognize that people hold different beliefs about relationships (e.g., based on gender, culture). identify behaviors that hinder the development of positive relationships (e.g., backstabbing, gossip).
	have increased knowledge of what healthy dating entails.	report that it is important to be able to communicate their needs effectively. recognize unhealthy dating behaviors when presented with a dating scenario.
Girls promote cooperation and team building: Girls recognize the value of working together and learn to make decisions that benefit the whole group. They can build effective teams, learn to be accountable for their shared goals, and show recognition for others' accomplishments and contributions.	strengthen their abilities to build effective teams to accomplish shared goals.	identify specific strategies for building effective teams (e.g., paying attention to interests, strengths, team dynamics). demonstrate that they can reach consensus on common goals.
	are committed to mentoring others on effective strategies for cooperative work and team building.	help others work better as a team (e.g., encourage them to reach consensus on project goals, create "listening" exercises for other girls, recognize each others' achievements).
Girls can resolve conflicts: Girls learn to recognize and analyze different conflict situations and develop skills for constructive conflict resolution and prevention.	can increasingly apply effective strategies for conflict resolution and prevention.	report using effective anger-management skills and strategies.
	are better able to analyze conflict situations in their communities and globally, and offer possible solutions.	identify deeper social roots of conflicts among various groups in their communities (e.g., conflicting interests, racism, sexism, other forms of prejudice). describe how certain conflicts in their communities can be avoided by applying prevention strategies they learned.
Girls advance diversity in a multicultural world: Girls learn to think and act in a way that promotes an inclusive environment, respecting and valuing diverse backgrounds, viewpoints, and life experiences.	are actively engaged in promoting diversity and tolerance.	create materials to educate others on how to contribute to more inclusive environments with their peers, in school, in their neighborhoods. (e.g., Web sites, how-to guides, events).
	are increasingly able to address challenges to promoting inclusive attitudes and diversity.	plan activities/events showing the harmful consequences of prejudice and discrimination on people in their communities. place high value on empathy and open-mindedness when interacting with people from diverse backgrounds.
Girls feel connected to their communities, locally and globally: Girls feel that they are part of a larger community and recognize the importance of building diverse, supportive social networks for their personal and leadership development.	actively seek to bring people together in local and global networks.	give an example of organizing a local or global event that brought together diverse members of their communities. develop friendships with Girl Guides from other countries (e.g., e-mail pals, joint international projects, visits to World Centers).
	feel that their connections with diverse members of their communities are important resources for personal and leadership development.	make friends with girls/women through the World Association of Girl Guides and Girl Scouts (WAGGGS) and can explain why these connections are important to them.

*Can you think of other sample indicators/signs?

Girl Scout Seniors act to make the world a better place.

TAKE ACTION OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls can identify community needs: Girls learn to identify issues in their local and global communities and come up with realistic possibilities for action.	are more skilled in identifying their local or global communities' needs that they can realistically address.	report considering multiple factors before deciding on the appropriateness of a project for their community (e.g., feasibility, balance of assets and needs, sustainable impact). seek advice from community members/leaders before selecting issues for action.
	choose Take Action Projects that aim to address deeper causes of issues in their communities.	feel confident using tools that help them identify root causes of community problems (e.g., causal mapping).
Girls are resourceful problem solvers: Girls can use their knowledge and skills to set up and implement creative and effective "action plans," locate tools and resources they need, and know when, where, and how to enlist help from others.	are better able to effectively plan and carry out action projects with minimal adult guidance.	create detailed action plans, organize, and coordinate with others in the community, managing time and anticipating possible problems and resource needs on their own.
	are able to assess their progress and adjust strategies as necessary.	identify alternative ways to accomplish goals if initial plans prove unsuccessful. identify things they could do better and/or differently next time they work on a community service or action project.
Girls advocate for themselves and others, locally and globally: Girls develop the ability to speak out on their own behalf and seek opportunities to act and speak on behalf of others.	have a greater understanding of how the decisions and policies of various institutions have effects on their lives and the lives of others.	report increased knowledge about how public decisions in their schools, communities, and local governments affect people's private lives (e.g., decisions about education, juvenile justice).
	use advocacy skills and knowledge to be more active on behalf of a cause, issue or person, locally or globally.	give examples of advocating for an issue in their school or neighborhood (e.g., more healthful cafeteria food, increased awareness of eating disorders, reproductive health, effects of poverty).
Girls educate and inspire others to act: Girls learn to effectively explain their ideas to others and motivate them to get involved in community service and action.	are better at inspiring and mobilizing others to become more engaged in community service and action.	shape messages (e.g., in a flier, speech, publication, or Web campaign) to explain the importance of taking action on an issue they care about. organize an awareness day in their schools on an issue they care about (e.g., emotional health, Internet safety).
Girls feel empowered to make a difference in the world: Girls feel empowered to use their leadership skills to effect change in their lives and their world, and feel their contributions are valued in the larger community.	are better able to address challenges to their feeling of empowerment.	identify internal and/or external barriers to feeling empowered to create change (e.g., not being taken seriously because they are "just kids"). describe strategies for ensuring that their voices and opinions are heard.
	feel that they have greater access to community resources and more equal relationships with adults in their communities.	report that adults in their communities invite their input and/or participation in community affairs.

*Can you think of other sample indicators/signs?

GIRL SCOUT GRADE LEVEL

Ambassador

grades 11–12

Girl Scout Ambassadors understand themselves and their values and use their knowledge and skills to explore the world.

DISCOVER OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls develop a strong sense of self: Girls have confidence in themselves and their abilities, feel they are able to achieve their goals, and form positive gender, social, and cultural identities.	feel they are better equipped to pursue future/ life goals.	report that they have options and possibilities for pursuing life/career goals. report increased confidence to get the job/education they envision.
	increase their sense of autonomy.	report being more self-reliant.
Girls develop positive values: Girls form their beliefs and values based on the Girl Scout Promise and Law, learn to consider ethical aspects of situations, and are committed to social justice and community service and action.	act consistently with a considered and self-determined set of values.	choose educational and career goals in line with the values they consider important.
	demonstrate commitment to promoting sustainable solutions to regional, national, and/or global problems.	report increased interest in learning more about making a sustainable impact beyond their local communities.
Girls gain practical life skills—girls practice healthy living:** Girls gain skills that prepare them for a positive, healthy, and independent future.	are better able to identify health issues in their lives, their local communities, and globally.	report using self-care practices to bring balance to their lives. identify ways their school's health education could better address the needs of young women.
	are more interested in leading and/or participating in advocacy projects related to health issues, globally or locally.	report increased knowledge of organizations that advocate for health-related issues, locally or globally.
Girls seek challenges in the world: Girls develop positive attitudes toward learning, seek opportunities for expanding their knowledge and skills, set challenging goals for themselves, and take appropriate risks.	increasingly set challenging goals for the future.	see themselves in roles/positions they previously considered unattainable.
	have increased confidence to discuss and address challenging issues and contradictions in their lives and in their local and global communities.	look for ways personal habits conflict with achieving goals that are important to them (e.g., fighting global warming). learn more about a controversial issue from someone who has experienced injustice or from a victim's advocate.
Girls develop critical thinking: Girls learn to examine ideas from a variety of viewpoints and further use critical thinking to explore implications of gender issues for their lives and their leadership development.	are increasingly able to address local/global/ societal barriers to women's leadership.	discuss various obstacles facing women leaders now and in the past (e.g., discrimination based on gender, race, class, ability, etc.). express interest in Take Action Projects that address gender inequality locally or globally.

*Can you think of other sample indicators/signs?

**Healthy Living is one example of a practical life skill. Outcomes and indicators for other practical skills will be developed over time.

Girl Scout Ambassadors care about, inspire, and team with others locally and globally.

CONNECT OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls develop healthy relationships: Girls learn to form and maintain meaningful and caring relationships, communicate effectively, protect their rights in relationships, and know when to seek help from others.	strengthen strategies for maintaining healthy relationships.	give examples of using assertive behaviors and might explain when and why these work/don't work.
	are better able to protect their rights in relationships.	actively seek information on healthy dating behaviors (e.g., how to avoid risky sexual activity, where to get help for abusive relationships). report knowing whom to contact when faced with unhealthy relationships (e.g., a hotline, school counselor, trusted adults).
Girls promote cooperation and team building: Girls recognize the value of working together and learn to make decisions that benefit the whole group. They can build effective teams, learn to be accountable for their shared goals, and show recognition for others' accomplishments and contributions.	are able to promote cooperation and effective team building in their communities.	describe how their Take Action Project encouraged sustained cooperation among various people/organizations in their communities.
	recognize the value of cooperation and team building for effective leadership and for their future careers.	report that cooperation and teambuilding skills helped them in other spheres of their lives.
Girls can resolve conflicts: Girls learn to recognize and analyze different conflict situations and develop skills for constructive conflict resolution and prevention.	are better able to develop their own approaches to conflict resolution and prevention in their lives and communities.	give examples of how they adapted conflict-resolution strategies to personal situations (e.g., argument with parent or at a teen dance).
	increasingly apply conflict-resolution skills to working toward peaceful and fair relations in their communities.	report using conflict-resolution skills to contribute to peace and fairness in their communities (e.g., become peer mediators at school).
Girls advance diversity in a multicultural world: Girls learn to think and act in a way that promotes an inclusive environment, respecting and valuing diverse backgrounds, viewpoints, and life experiences.	are actively engaged in promoting diversity and tolerance, locally and/or globally.	give examples of meaningful collaboration with people from diverse backgrounds for their global Take Action Projects.
	are increasingly able to address challenges to promoting inclusive attitudes and diversity locally and/or globally.	identify the main reasons that prevent people from embracing diversity (e.g., racism, sexism, lack of education, lack of empathy) and can suggest possible solutions (e.g., increase understanding by educating people about diverse cultural values and traditions).
Girls feel connected to their communities, locally and globally: Girls feel that they are part of a larger community and recognize the importance of building diverse, supportive social networks for their personal and leadership development.	have extensive feelings of connection with their local and global communities.	report more positive attitudes toward different members of their communities. place high value on providing support for diverse members of their communities.

*Can you think of other sample indicators/signs?

Girl Scout Ambassadors act to make the world a better place.

TAKE ACTION OUTCOMES	BY GRADE LEVEL Girls...	SAMPLE INDICATORS/SIGNS When the outcome is achieved, girls might... *
Girls can identify community needs: Girls learn to identify issues in their local and global communities and come up with realistic possibilities for action.	are more skilled in identifying issues that balance feasibility with achieving long-term changes in their local or global communities.	identify community partners that can continue their project goals into the future.
	choose Take Action Projects that aim to address deeper causes of issues in their communities.	interview staff and residents of a homeless shelter to identify root cause of homelessness in the community.
Girls are resourceful problem solvers: Girls can use their knowledge and skills to set up and implement creative and effective "action plans," locate tools and resources they need, and know when, where, and how to enlist help from others.	are better able to independently plan, organize, and manage Take Action Projects.	report increased knowledge and skill in various aspects of project planning and implementation. monitor their own progress and determine criteria for success.
	actively seek partnerships to achieve greater community participation and impact for their Take Action Projects.	describe their efforts to engage community partners—locally or globally—in the implementation of community service and action projects. explain how partnerships with others maximize the impact of their Take Action Projects.
Girls advocate for themselves and others, locally and globally: Girls develop the ability to speak out on their own behalf and seek opportunities to act and speak on behalf of others.	recognize that they have the rights and abilities to participate in the development of public policy that affects their lives and the lives of others.	report increased interest and confidence in participating in projects or initiatives that promote positive social changes.
	are better able to consider the community/global impact of their advocacy efforts.	describe how their advocacy efforts helped their community or the broader society.
	actively seek partnerships with other organizations that provide support and resources for their advocacy efforts.	report working with organizations that share their advocacy goals.
Girls educate and inspire others to act: Girls learn to effectively explain their ideas to others and motivate them to get involved in community service and action.	are better able to evaluate the effectiveness of their efforts to reach/educate diverse audiences and can adjust their communication strategies accordingly.	implement innovative ways to access hard-to-reach audiences (e.g., using the Internet to engage remote rural populations). work with other youth/community organizations to spread their messages more effectively.
Girls feel empowered to make a difference in the world: Girls feel empowered to use their leadership skills to effect change in their lives and their world, and feel their contributions are valued in the larger community.	feel capable of using their skills to better the functioning and governance of communities, locally or globally.	create an action plan that could be implemented to include more young people in setting town priorities.
	feel their projects and ideas are valued/ respected by stakeholders in their local and/or global communities.	give examples of positive reports (e.g., local news coverage) about their Take Action Projects.

*Can you think of other sample indicators/signs?

Acknowledgments

The information in this document draws upon an extensive review of available research and professional literature in the fields of education, youth development, psychology, and related disciplines. To obtain a bibliography, write to gsresearch@girlscouts.org.

The New Girl Scout Leadership Experience was made possible thanks to the contributions of girls and adults throughout the Girl Scout community and experts from a variety of fields. Girl Scouts of the USA thanks:

Girls in and out of Girl Scouts, volunteers, and Girl Scout council staff from Arizona, California, Connecticut, Colorado, the District of Columbia, Florida, Georgia, Indiana, Maryland, Massachusetts, Michigan, Missouri, New Jersey, New York, North Carolina, Ohio, Texas, Utah, and Washington that took part in focus groups and council and regional work sessions

195 Girl Scout councils that participated in conference calls

4,500 Girl Scouts and volunteers who took part in strategy cafés (informal discussion forums) during the 2005 National Council Session

Members of the Program Advisory Group Councils:
Girl Scout Council of the Congaree Area, Inc.; Girl Scouts of Freedom Valley; Girl Scouts of Kentuckiana, Inc., Girl Scouts of Manitou Council, Inc.; Girl Scouts of Maumee Valley Council, Inc.; Girl Scouts of Southwest Texas; Girl Scouts of Santa Clara County

Members of the Program Gap Team:
Girl Scouts of Central Maryland, Inc.; Glowing Embers Girl Scout Council, Inc.; Girl Scout Great Rivers Council, Inc.; Girl Scouts of Pine Valley Council, Inc.

Experts in the youth development field from Connecticut College, Harvard Family Research Project/Harvard Graduate School of Education, Innovation Center for Community and Youth Development, National 4-H, the Search Institute, University of Arizona, University of Illinois, University of Minnesota, The Forum for Youth Investment, and University of Michigan

ActKnowledge, a research organization dedicated to working with not-for-profits, foundations, and governmental agencies that uses the Theory of Change process as a participatory tool to help organizations create detailed plans for decision-making and evaluation

SPEC Associates, a research and evaluation firm and a long-time consultant to Girl Scouts of the USA in its efforts to measure program processes and outcomes

Smarty Pants, a youth market research and strategic consulting organization

Goodwin Group, a corporate design firm specializing in the youth industry

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

112TH CONGRESS
1ST SESSION

S. RES. 310

Designating 2012 as the "Year of the Girl" and congratulating Girl Scouts of the USA on its 100th anniversary.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 3, 2011

Ms. MIKULSKI (for herself and Ms. COLLINS) submitted the following resolution; which was referred to the Committee on the Judiciary

---

RESOLUTION

Designating 2012 as the "Year of the Girl" and congratulating Girl Scouts of the USA on its 100th anniversary.

Whereas, for more than 100 years, Girl Scouts of the USA (referred to in this preamble as "Girl Scouts") has inspired girls to lead with courage, confidence and character;

Whereas the Girl Scout movement began on March 12, 1912, when Juliette "Daisy" Gordon Low (a native of Savannah, Georgia) organized a group of 18 girls and provided the girls with the opportunity to develop physically, mentally, and spiritually;

Whereas the goal of Daisy Low was to bring together girls of all backgrounds to develop self-reliance and resourcefulness, and to prepare each girl for a future role as a professional woman and active citizen outside the home;

Whereas, within a few years, there were nearly 70,000 Girl Scouts throughout the United States, including the territory of Hawaii;

Whereas Girl Scouts established the first troops for African-American girls in 1917 and the first troops for girls with disabilities in 1920;

Whereas today more than 50,000,000 women in the United States are alumnae of the Girl Scouts, and approximately 3,300,000 girls and adult volunteers are active members of the Girl Scouts;

Whereas Girl Scouts live in every corner of the United States, Puerto Rico, the territories of the United States, and more than 90 countries overseas;

Whereas Girl Scouts is the largest member of the World Association of Girl Guides and Girl Scouts, a global movement comprised of more than 10,000,000 girls in 145 countries worldwide;

Whereas the robust program of Girl Scouts helps girls develop as leaders and build confidence by learning new skills;

Whereas the award-winning Girl Scout Leadership Program helps each girl discover herself and her values;

Whereas the Girl Scout Leadership Program leadership model helps girls develop skills such as critical thinking, problem solving, cooperation and team building, conflict resolution, advocacy, and other important life skills;

Whereas core programs around Science, Technology, Engineering and Math (referred to in this preamble as "STEM"), environmental stewardship, healthy living, financial literacy, and global citizenship help girls develop a solid foundation in leadership;

Whereas STEM programming, first introduced in 1913 with the "electrician" and "flyer" badges, offers girls of every age science, technology, engineering, and math activities that are relevant to everyday life;

Whereas the award-winning STEM program helps girls build strong, hands-on foundations to become future female leaders and meet the growing need for skilled science and technology professionals in the United States;

Whereas healthy living programs—

(1) help each Girl Scout build the skills necessary to maintain a healthy body, an engaged mind, and a positive spirit; and

(2) teach girls about fitness and nutrition, body image, self-esteem, and relational issues, especially bullying;

Whereas through the 100th Anniversary Take Action Project, "Girl Scouts Forever Green", Girl Scouts is honoring the commitment of Juliette Low to the outdoors by engaging families, friends, and communities to improve the environment and protect the natural resources of the United States;

Whereas the financial literacy programming of Girl Scouts, most notably the iconic Girl Scout Cookie Program, helps girls set financial goals and gain the confidence needed to ultimately take control of their own financial future;

Whereas the beloved tradition of the Girl Scout Cookie Program has a proven legacy in the United States, as more than 80 percent of highly successful businesswomen were Girl Scouts;

Whereas Girl Scouts has also helped millions of young girls become good global citizens through international ex-

changes, travel, "take action" and service projects, and newer programs such as "twinning" (where girls in the United States connect with girls in other countries) and virtual Girl Scout troops;

Whereas Girl Scouts has helped girls advance diversity in a multicultural world, connect with local and global communities, and feel empowered to make a difference in the world;

Whereas the Girl Scout Gold Award, the highest honor in Girl Scouting, requires a girl to make a measurable and sustainable difference in the community by—

(1) assessing a need;

(2) designing a solution;

(3) finding the resources and the support to implement the solution;

(4) completing the project; and

(5) inspiring others to sustain the project;

Whereas the Gold Award honors leadership in the Girl Scout tradition because Gold Award recipients have already changed the world as high school students;

Whereas two-thirds of the most accomplished women in public service in the United States were Girl Scouts;

Whereas research by Girl Scouts shows that Girl Scouts alumnae—

(1) have a positive sense of self;

(2) are engaged in community service;

(3) are civically engaged;

(4) have attained high levels of education; and

(5) are successful according to many economic indicators;

Whereas, in addition to the outstanding programs that Girl Scouts offers, Girl Scouts has evolved into the premier expert on the healthy growth and development of girls;

Whereas, since the founding of the Girl Scout Research Institute in 2000, the Institute has become an internationally recognized center for original research, research reviews, and surveys that provide significant insights into the lives of girls;

Whereas the research conducted by Girl Scouts not only informs Girl Scout program development and delivery, but also helps bring the voice of girls to key issues in the public sphere;

Whereas, by bringing greater attention to the health, education, and developmental needs of girls, Girl Scouts provides a voice for girls with policymakers, business leaders, educators, and all other stakeholders who care about the healthy growth and development of girls;

Whereas Girl Scouts ensures that issues such as STEM education, bullying prevention, unhealthy perceptions of beauty as portrayed by the media, and many other important issues—

(1) are brought to the attention of the public; and

(2) are addressed through public policy at the national, State, and local levels; and

Whereas Girl Scouts of the USA is recognizing its 100th anniversary by designating 2012 as the "Year of the Girl": Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the importance of empowering girls to lead with courage, confidence, and character;

(2) congratulates Girl Scouts of the USA on its 100th anniversary; and

(3) designates 2012 as the "Year of the Girl".

○

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

112TH CONGRESS
1ST SESSION

H. RES. 460

Expressing support for designation of 2012 as the "Year of the Girl" and celebrating the 100th anniversary of Girl Scouts of the USA.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 4, 2011

Ms. WASSERMAN SCHULTZ (for herself and Ms. GRANGER) submitted the following resolution; which was referred to the Committee on Oversight and Government Reform

---

RESOLUTION

Expressing support for designation of 2012 as the "Year of the Girl" and celebrating the 100th anniversary of Girl Scouts of the USA.

Whereas for more than 100 years, Girl Scouts of the USA has inspired generations of girls to lead with courage, confidence, and character;

Whereas the Girl Scout Movement began on March 12, 1912, when Savannah, Georgia, native Juliette "Daisy" Gordon Low gathered 18 girls to provide them the opportunity to develop physically, mentally, and spiritually;

Whereas Daisy Low's goal was to bring together girls of all backgrounds to develop self-reliance and resourcefulness as well as prepare them for future roles as professional women and for active citizenship outside the home;

Whereas within just a few years, there were nearly 70,000 Girl Scouts nationwide, including the territory of Hawaii;

Whereas the first African-American troops were established in 1917, and by 1920, troops for girls with disabilities were established;

Whereas today, more than 50,000,000 women in the United States are Girl Scout alumnae, and 3,300,000 girls and adult volunteers are active members;

Whereas Girl Scouts live in every corner of the United States, Puerto Rico, United States territories, and more than 90 countries overseas;

Whereas Girl Scouts is the largest member of the World Association of Girl Guides and Girl Scouts, a global movement comprised of more than 10,000,000 girls in 145 countries worldwide;

Whereas Girl Scouts' robust program helps girls develop as leaders and build confidence by learning new skills;

Whereas the award winning Girl Scout Leadership Program helps girls discover themselves and their values, connect with others, and take action to make the world a better place;

Whereas this leadership model helps girls develop skills such as critical thinking, problem solving, cooperation and team building, conflict resolution, advocacy, and other important life skills;

Whereas core programs around Science, Technology, Engineering and Math (STEM), environmental stewardship, healthy living, financial literacy, and global citizenship help girls develop a solid foundation in leadership;

Whereas Girl Scouts' STEM programming, first introduced in 1913 with the "electrician" and "flyer" badges, offers girls of every age science, technology, engineering, and math activities that are relevant to everyday life;

Whereas these award-winning programs help girls build strong, hands-on foundations to become future female leaders and meet the growing need for skilled science and technology professionals in the United States;

Whereas healthy living programs help Girl Scouts build the skills they need to keep their bodies healthy, their minds engaged, and their spirits positive and teaches girls about fitness and nutrition, body image, self esteem, and relational issues, especially bullying;

Whereas through the 100th Anniversary Take Action Project, Forever Green, Girl Scouts is honoring Daisy Low's commitment to the outdoors by engaging families, friends, and communities to improve the environment and protect its natural resources;

Whereas Girl Scouts' financial literacy programming, notably, the iconic Girl Scout cookie sale, helps girls set financial goals and gain the confidence they need to ultimately take control of their own financial future;

Whereas this beloved United States tradition has a proven legacy, more than 80 percent of highly successful businesswomen were Girl Scouts;

Whereas Girl Scouts has also helped millions of young girls become good global citizens through international exchanges, travel, take action and service projects, and newer programs like "twinning" and virtual Girl Scout troops;

Whereas Girl Scouts has helped girls advance diversity in a multicultural world, connect with their communities, locally and globally, and feel empowered to make a difference in the world;

Whereas the Girl Scout Gold Award, the highest honor in Girl Scouting, requires girls to make a measurable and sustainable difference in their community, assess a need and design a solution, find the resources and the support to make it happen, complete the project, and also inspire others to sustain it;

Whereas the Gold Award honors leadership in the Girl Scout tradition and Gold Award recipients have already changed the world as high school students;

Whereas two-thirds of the Nation's most accomplished women in public service were Girl Scouts;

Whereas Girl Scouts' research shows that Girl Scouts alumnae have a positive sense of self, are engaged in community service, are civically engaged, have attained high levels of education, and are successful on a number of economic indicators;

Whereas beyond its outstanding program, Girl Scouts has evolved into the premier expert on girls' healthy growth and development;

Whereas since its founding in 2000, the Girl Scout Research Institute has become an internationally recognized center for original research, research reviews, and surveys that provide significant insights into the lives of girls;

Whereas Girl Scouts' research informs not only Girl Scouts' program development and delivery, but also helps bring girls' voices to key issues in the public sphere;

Whereas by bringing greater attention to girls' health, education, and developmental needs, Girl Scouts is the voice for girls with policymakers, business leaders, educators, and all other stakeholders who care about girls' healthy growth and development;

Whereas Girl Scouts ensures that issues, such as STEM education, bullying prevention, unhealthy perceptions of beauty as portrayed by the media, and many other important issues, are brought to the public's attention, and addressed through public policy at the national, State, and local level; and

Whereas Girl Scouts of the USA is recognizing its 100th anniversary by designating 2012 as the "Year of the Girl": Now, therefore, be it

Resolved, That the House of Representatives—

(1) recognizes the importance of empowering girls to lead with courage, confidence, and character;

(2) congratulates Girl Scouts of the USA on its 100th anniversary; and

(3) supports the "Year of the Girl".

○

REFERENCE TITLE: girl scouts; centennial

State of Arizona
House of Representatives
Fiftieth Legislature
Second Regular Session
2012

HCR 2041

Introduced by
Representatives Yee, Alston, Brophy McGee, Burges, Farley, Gowan, Hobbs, Lesko, Miranda C, Miranda R, Pancrazi, Pierce, Proud, Seel, Tovar, Senators Aboud, Cajero Bedford, Crandall, Gray, Lopez: Representatives Barton, Campbell, Court, Crandell, Dial, Fann, Forese, Goodale, Gray R, Judd, Mesnard, Meyer, Urie, Senators Allen, Gallardo, Jackson, Murphy, Nelson, Pierce S, Reagan

A CONCURRENT RESOLUTION

HONORING GIRL SCOUTS OF THE USA ON ITS ONE HUNDREDTH ANNIVERSARY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

HCR 2041

Whereas, for more than 100 years, Girl Scouts of the USA (Girl Scouts) has inspired girls around the world to lead with courage, confidence and character; and

Whereas, the Girl Scout movement began on March 12, 1912, when Juliette "Daisy" Gordon Low, a native of Savannah, Georgia, organized a group of 18 girls to provide them with the opportunity to develop physically, mentally and spiritually; and

Whereas, Miss Low's goals were to bring together girls of all backgrounds to develop self-reliance and resourcefulness and to prepare each girl for a future role as a professional woman and active citizen outside the home; and

Whereas, within a few years, there were nearly 70,000 Girl Scouts throughout the United States, including the territory of Hawaii; and

Whereas, Girl Scouts established the first troops for African-American girls in 1917 and the first troops for girls with disabilities in 1920; and

Whereas, today more than 50,000,000 women in the United States are alumnae of the Girl Scouts, and approximately 3,300,000 girls and adult volunteers are active members of the Girl Scouts; and

Whereas, the robust program of Girl Scouts helps girls develop as leaders and build confidence by learning new skills and discovering herself and her values; and

Whereas, through their participation in Girl Scout activities and programs, girls develop such skills as critical thinking, problem solving, cooperation and team building, conflict resolution, advocacy and other vital skills that will remain with them throughout their lives; and

Whereas, healthy living programs help each Girl Scout to maintain a healthy body, an engaged mind and a positive spirit by teaching them about fitness and nutrition, body image, self-esteem and relational issues, especially bullying; and

Whereas, Girl Scouts promotes financial literacy, most notably through the iconic Girl Scout Cookie Program, which helps girls set financial goals and gain the confidence needed to ultimately take control of their own financial future; and

Whereas, by bringing greater attention to the health, education, and developmental needs of girls, Girl Scouts provides a voice for girls with policymakers, business leaders, educators, and all other stakeholders who care about the healthy growth and development of girls; and

Whereas, Girl Scouts of the USA is recognizing its 100th anniversary by designating 2012 as the "Year of the Girl".

Therefore

Be it resolved by the House of Representatives of the State of Arizona, the Senate concurring:

That the Members of the Legislature congratulate Girl Scouts of the USA on the auspicious occasion of its 100th anniversary and honor this outstanding organization for a century of empowering girls to lead with courage, confidence and character.

House Resolution

A resolution honoring the 100th anniversary of Girl Scouts of the United States of America and recognizing 2012 as "The Year of the Girl" in the State of Florida.

WHEREAS, on March 12, 1912, Juliette "Daisy" Gordon Low gathered 18 local girls together in Savannah, Georgia, for a Girl Scouts meeting to provide them the opportunity to develop physically, mentally, and spiritually, and

WHEREAS, on June 10, 1915, the organization was incorporated as Girl Scouts, Inc., under the laws of the District of Columbia, and on March 16, 1950, Girl Scouts of the United States of America was chartered by the United States Congress, and

WHEREAS, over the last 100 years, the Girl Scouts have helped millions of girls and women develop courage, confidence, and character, equipping them with the skills to make the world a better place, and

WHEREAS, presently, there are more than 50 million Girl Scouts alumnae and 3.2 million active members in the United States, with additional troops and groups in more than 145 countries worldwide, and

WHEREAS, the award winning Girl Scout Leadership Program helps girls discover themselves and their values, connect with others, and take action, and

WHEREAS, this leadership model helps girls develop skills such as critical thinking, problem solving, cooperation and team

building, conflict resolution, advocacy, and other important life skills, and

WHEREAS, core programs around science, technology, engineering, and math (STEM), environmental stewardship, healthy living, financial literacy, and global citizenship help girls develop a solid foundation in leadership, and

WHEREAS, since its founding in 2000, the Girl Scout Research Institute has become an internationally recognized center for original research, research reviews, and surveys that provide significant insights into the lives of girls, and

WHEREAS, through the dedication, time, and talent of volunteers of different backgrounds, abilities, and areas of expertise, the Girl Scouts Program has been delivered to over 100,000 girls in grades K-12 across the State of Florida, NOW, THEREFORE,

Be It Resolved by the House of Representatives of the State of Florida:

That Girl Scouts of the United States of America is recognized and commended on the occasion of its 100th anniversary and that 2012 is recognized as "The Year of the Girl" in the State of Florida.

Tracking in:
0
private files

In bill text the following have special meaning:
green underline denotes added text
~~dark red struck out text denotes deleted text~~
red text denotes vetoed text
The symbol, , indicates a link to an affected code section

2012 FL S 2020	AUTHOR:	Rich
	VERSION:	Adopted
	VERSION DATE:	01/17/2012

Florida Senate - 2012(NP) SR 2020
By Senator Rich

Senate Resolution
A resolution recognizing 2012 as the "Year of the Girl" and celebrating 100 years of Girl Scouting in the State of Florida.

WHEREAS, March 12, 2012, marks the 100th Anniversary of the Girl Scouts of the United States of America, which began in 1912 when Juliette "Daisy" Gordon Low, a native of Savannah, Georgia, gathered 18 girls to provide them the opportunity to develop physically, mentally, and spiritually, and

WHEREAS, for 100 years, Girl Scouting has helped build courage, confidence, and character in millions of girls and women who aspire to make the world a better place, and

WHEREAS, this leadership model assists girls in developing skills, such as critical thinking, problem solving, cooperation, team building, conflict resolution, advocacy, and other important life skills, and

WHEREAS, the award-winning Girl Scout Leadership Program aids girls in discovering themselves and their values, connecting with others, and taking action to make the world a better place, and

WHEREAS, core programs that focus on science, technology, engineering, math, environmental stewardship, healthy living, financial literacy, and global citizenship help girls develop a solid foundation in leadership, and

WHEREAS, since its founding in 2000, the Girl Scout Research Institute, an extension of the Girl Scouts of the Unites States of America, has become an internationally recognized center that conducts original research, evaluations, reviews, and surveys; releases critical facts and findings; and provides resources essential for the advancement of the well being and safety of girls living in today's world, and

WHEREAS, through the dedication, time, and talent of volunteers of different backgrounds, abilities, and areas of expertise, the Girl Scout program is available to more than 100,000 participating girls in grades K-12 across the state of Florida, and

WHEREAS, more than 50 million American women are Girl Scout alumnae today, and 3.3 million girls and adult volunteers in the United States are active members in the Girls Scouts, and

WHEREAS, Girl Scouts is the largest member of the World Association of Girl Guides and Girl Scouts, a global movement comprised of more than 10 million girls in 145 countries worldwide,

NOW, THEREFORE,

Be It Resolved by the Senate of the State of Florida:

That 2012 be recognized as the "Year of the Girl" and that the Girl Scouts of the United States of America be applauded for 100 years of leadership and expertise as the voice for and of girls.

List of Witnesses for Testimony on SCR17

Marge Stoneking- Girl Scouts of Alaska CEO

Jane Angvik- Girl Scouts of Alaska Board Chair/Lifetime Member

SCR 18

<TARGET><BILL>SCR 18</BILL><SUBJECT>SCR 18</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/18/12

FURTHER:

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2/9/12

State Affairs Committee considered SENATE CONCURRENT RESOLUTION NO. 18

SCR 18-RAOUL WALLENBERG REMEMBRANCE DAY

Establishing August 4, 2012, as Raoul Wallenberg Remembrance Day.

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
S.STA			✓	

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Allison Hooker	Hooker	✓			
Joe Paskvan	Paskvan	X			
Dan Giessel	Giessel	X			
CHAIR:	Wielechowski	X			

SCR 18

Establishing August 4, 2012, as Raoul Wallenberg Remembrance Day

SENATE STATE AFFAIRS

Senator Wielechowski, Chair
Senator Paskvan, Vice-Chair

SENATOR FRED DYSON

SPONSOR STATEMENT

SCR 18
A Resolution Establishing August 4, 2012, as Raoul Wallenberg Remembrance Day

The purpose of this Resolution is to establish August 4, 2012, as Raoul Wallenberg Remembrance Day in commemoration of the extraordinary life and sacrifice of this Swedish diplomat, credited with saving more than 100,000 Jews during the Holocaust, on the 100th anniversary of his birth.

Raoul Wallenberg was born August 4, 1912 in Sweden. His father, Raoul Wallenberg Sr., was an officer in the Swedish Navy, and grandfather Gustav Wallenberg was the Swedish Ambassador to Japan. Raoul Wallenberg attended college in the United States, graduating from the University of Michigan in 1935 with a baccalaureate degree in Architectural Design.

In 1939 Wallenberg's business dealings brought him to Hungary, where he began to know the Hungarian Jewish community and became increasingly concerned with the fate of Europe's Jewish communities who were beginning to fall prey to Hitler's advance across Europe. In 1944 during WWII, United States Secretary of State Cordell Hull requested the cooperation of Sweden, a neutral nation, in protecting the lives of 750,000 Hungarian Jews facing extermination at the hands of the Nazis. Raoul Wallenberg agreed to the request, and went to Hungary to protect Jews and victims of the Nazis under his official profession as a Swedish diplomat.

With extraordinary courage and with total disregard for the constant danger to himself, this young diplomat out-dueled Nazi Lieutenant Colonel Adolf Eichmann in Budapest, Hungary from July through December 1944 and miraculously saved more than 100,000 innocent men, women and children from the death camps. Raoul Wallenberg then endured tragic imprisonment and death in a Soviet Gulag in violation of Wallenberg's diplomatic immunity and international law.

The late U.S. Congressman Tom Lantos, rescued by Wallenberg in Budapest, served for several years as economic adviser and chief of staff to former Alaska Congressman Mike Gravel. In 1981 President Ronald Reagan posthumously awarded Mr. Raoul Wallenberg the highest Congressional award making Wallenberg an Honorary Citizen of the United States.

SCR 19 is brought forth in honor of the courageous valor of Raoul Wallenberg whose life demonstrated moral courage and love in the face of incomprehensible evil, and showed us that one person can make a difference.

During Session (January - May): Alaska State Capitol • Juneau, Alaska 99801 • (800) 342-2199 • (907) 465-2199 • (907) 465-4587 (fax)

During Interim (June-December): 10928 Eagle River Road, Suite 238 • Eagle River, Alaska 99577 • (907) 694-6683 • (907) 694-1015 (fax)

senator.fred.dyson@legis.state.ak.us • www.akrepublicans.org

Sep 21, 2011 - Introduced in House. This is the original text of the bill as it was written by its sponsor and submitted to the House for consideration. This is the latest version of the bill currently available on GovTrack.

HR 3001 IH

112th CONGRESS
1st Session
H. R. 3001

To award a Congressional Gold Medal to Raoul Wallenberg, in recognition of his achievements and heroic actions during the Holocaust.

IN THE HOUSE OF REPRESENTATIVES

September 21, 2011

Mr. MEEKS (for himself, Mr. SHERMAN, Mr. BERMAN, Ms. HAYWORTH, and Mr. GRIMM) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To award a Congressional Gold Medal to Raoul Wallenberg, in recognition of his achievements and heroic actions during the Holocaust.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the 'Raoul Wallenberg Centennial Celebration Act'.

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) Raoul Wallenberg was born in Europe on August 4, 1912, to Swedish Christian parents.

(2) In 1935, he graduated from the University of Michigan in Ann Arbor, completing a five-year program in three-and-a-half years.

(3) In a letter to his grandfather, Wallenberg wrote of his time in America: 'I feel so at home in my little Ann Arbor that I'm beginning to sink down roots here and have a hard time imagining my leaving it. . . . Every now and then I feel strange when I think about how tiny my own country is and how large and wonderful America is.'.

(4) Raoul returned to Sweden, where he began a career as a businessman, and afterwards, a Swedish diplomat.

(5) In 1936, Raoul's grandfather arranged a position for him at the Holland Bank in Haifa, Palestine. There Raoul began to meet young Jews who had already been forced to flee from Nazi persecution in Germany. Their stories affected him deeply.

(6) He was greatly troubled by the fate of Jews in Europe, confiding to actress Viveca Lindfors the horrific plight of Jews under Nazi Europe.

(7) Under the direction of President Franklin D. Roosevelt, the War Refugee Board was established in January 1944 to aid civilians that fell victim to the Nazi and Axis powers in Europe.

(8) One of War Refugee Board's top priorities was protection of the 750,000 Hungarian Jews still alive.

(9) It was decided that Raoul Wallenberg, aged 31 at the time, would be most effective in protecting Jews and victims of the Nazis in Hungary under the War Refugee Board. He was recruited by Iver Olsen, an agent for the Office of Strategic Services and sent to Budapest, Hungary, under his official profession as a Swedish diplomat. He was instructed to use passports and other creative means to save as many lives as possible.

(10) Wallenberg created a new Swedish passport, the Schutzpass, which looked more imposing and official than the actual Swedish passport. He reportedly put up huge place cards of it throughout Budapest to make the Nazis familiar with it. He unilaterally announced that it granted the holder immunity from the death camps. The Schutzpasses alone are credited with saving 20,000 Jewish lives.

(11) In one example of his heroism, Wallenberg was told of a Nazi plot to round up several thousand Jewish women and acted swiftly to save them. Former Wallenberg staffer, Agnes Adachi, recalls the time when she and other staff, spent the whole night making around 2,000 Schutzpasses before 6 a.m. They were all completed and personally delivered to the women in time to save their lives.
(12) Using the money the United States put into the War Refugee Board, Wallenberg was able to purchase about thirty buildings, which he used as hospitals, schools, soup kitchens, and safe houses for over 8,000 children whose parents have already been deported or killed.
(13) Tommy Lapid, a young boy who was staying with his mother in a Swedish safe house (his father was already dead), gave an eyewitness account of how his family was helped by Wallenberg and the War Refugee Board: 'One morning, a group of Hungarian Fascists came into the house and said that all the able-bodied women must go with them. We knew what this meant. My mother kissed me and I cried and she cried. We knew we were parting forever and she left me there, an orphan to all intents and purposes. Then two or three hours later, to my amazement, my mother returned with the other women. It seemed like a mirage, a miracle. My mother was there--she was alive and she was hugging me and kissing me, and she said one word: Wallenberg.'.
(14) Even as the war was coming to a close, Wallenberg remained vigilant and attentive to the people under his care. Adolf Eichmann, the SS colonel charged with the extermination of Jews in Eastern Europe, was determined to exterminate the 70,000 Jews kept as prisoners in a guarded ghetto in Budapest. As soon as Wallenberg heard of the plot, he sent Pal Szalay, an Arrow-Crossman senior official, who defected and turned to Wallenberg. Szalay was sent to speak to General Schmidthuber, who was ordered to spearhead the ghetto extermination in Budapest. Szalay informed Schmidthuber that, seeing as the war was coming to an end, if the planned massacre took place, Wallenberg would see to it personally that Schmidthuber would be prosecuted as a war criminal and hanged. The plans were ultimately abandoned and considered Wallenberg's last big victory.
(15) Of the 120,000 Hungarian Jews that survived, Raoul Wallenberg, acting under the War Refugee Board, is credited with saving an estimated 100,000 of them in a six-month period.
(16) Raoul Wallenberg's fate remains a mystery. In January 13, 1945, he contacted the Russians in an effort to secure food for the Jews under his protection--as he was still working hard to protect them.
(17) In 1981, President Ronald Reagan made Raoul Wallenberg an honorary citizen of the United States, an honor only previously extended to Winston Churchill.
(18) These findings show that Raoul Wallenberg showed exceptional heroism and bravery with his actions during the holocaust. Working with the War Refugee Board, a United State's agency, he was able to save about 100,000 Hungarian Jews, many of which were later able to immigrate to the United States.
(19) Indeed, hundreds of thousands of American Jews can directly or indirectly attribute their own lives to Raoul Wallenberg's actions during World War II. Many of the people Wallenberg saved have been influential citizens contributing to American institutions and culture, including Congressman Tom Lantos (February 1, 1928-February 11, 2008), Annette Lantos, and the Liska Rebbe, Rabbi Yoizef (Joseph) Friedlander, who carried forth the Liska Hassidic dynasty from Hungary to the United States after being saved by Raoul Wallenberg.
(20) His actions and character make him an excellent contender for a Congressional Gold Medal in time for the centennial of his birth, to celebrate his achievements and humanitarian accomplishments.

Public Law 97-54
97th Congress

Joint Resolution

Proclaiming Raoul Wallenberg to be an honorary citizen of the United States, and requesting the President to ascertain from the Soviet Union the whereabouts of Raoul Wallenberg and to secure his return to freedom.

Oct. 5, 1981
[S.J. Res. 65]

Whereas the United States has conferred honorary citizenship on only one occasion in its more than two hundred years, and honorary citizenship is and should remain an extraordinary honor not lightly conferred nor frequently granted;

Whereas during World War II the United States was at war with Hungary, and had no diplomatic relations with that country;

Whereas in 1944 the United States Government through Secretary of State Cordell Hull requested the cooperation of Sweden, as a neutral nation, in protecting the lives of Hungarian Jews facing extermination at the hands of the Nazis;

Whereas Raoul Wallenberg agreed to act at the behest of the United States in Hungary, and went to Hungary in the summer of 1944 as Secretary of the Swedish Legation;

Whereas Raoul Wallenberg, with extraordinary courage and with total disregard for the constant danger to himself, saved the lives of almost one hundred thousand innocent men, women, and children;

Whereas Raoul Wallenberg, with funds and directives supplied by the United States, provided food, shelter, and medical care to those whom he had rescued;

Whereas the Soviet Union, in violation of Wallenberg's Swedish diplomatic immunity and of international law, seized him on January 17, 1945, with no explanation ever given for his detention and subsequent imprisonment;

Whereas Raoul Wallenberg has been a prisoner in the Soviet Union since 1945;

Whereas reports from former prisoners in the Soviet Union, as recent as January 1981, suggest that Raoul Wallenberg is alive;

Whereas history has revealed that heroic acts of salvation were tragically rare during the massacre of millions of innocent human beings during World War II; and

Whereas the significance of this symbol of man's concern for his fellow man has been tainted by the wall of silence that surrounds the fate of Wallenberg: Now, therefore, be it

Raoul Wallenberg, honorary U.S. citizenship.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Raoul Wallenberg is proclaimed to be an honorary citizen of the United States of America.

SEC. 2. The President is requested to take all possible steps to ascertain from the Soviet Union the whereabouts of Raoul Wallenberg and to secure his return to freedom.

Approved October 5, 1981.

LEGISLATIVE HISTORY—S.J. Res. 65 (H.J. Res. 220):

HOUSE REPORT No. 97-152, pt. 1, accompanying H.J. Res. 220 (Comm. on Foreign Affairs).

SENATE REPORT No. 97-169 (Comm. on Foreign Relations) and (Comm. on the Judiciary).

CONGRESSIONAL RECORD, Vol. 127 (1981):

Aug. 3, considered and passed Senate.

Sept. 22, H.J. Res. 220 considered and passed House; proceedings vacated and S.J. Res. 65 passed in lieu.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 17, No. 41 (1981):

Oct. 5, Presidential statement.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SCR 18**
Fiscal Note Number: 1
(S) Publish Date:

Identifier (file name): SCR 18 RAOUL WALLENBERG REMEMBRANCE DAY
Title:
Sponsor: Senator Dyson
Requester: (S)STA

Dept. Affected:
Appropriation:
Allocation:
OMB Component Number:

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
178	temp code (UGF)							
	TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by: Michelle Sydeman
Division: (S) STA Committee Aide
Approved by:

Phone: 465-6881
Date/Time: 2/8/12 12:00 AM
Date:

vised 1/17/2012 OMB)

SCR 19

<TARGET><BILL>SCR 19</BILL><SUBJECT>SCR 19</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/18/12

FURTHER: Rules

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2-23-12

State Affairs Committee considered SENATE CONCURRENT RESOLUTION NO. 19

SCR 19-PROCLAIMING UNITED STATES MARSHALS DAY

Proclaiming September 24, 2012, to be United States Marshals Day.

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
S.STA			✓	1

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Ellen Kookesh	Kookesh	✓			
Joe Paskvan	PASKVAN	X			
	Wielechowski	✓			
K. Meyer	Meyer	X			
Giessel	Giessel	X			
CHAIR:					

SENATOR FRED DYSON

Date: January 21, 2012

To: Senator Bill Wielechowski, Chair
Senate State Affairs

From: Senator Fred Dyson

Re: Request for Hearing - SCR 19

I respectfully request a committee hearing for SCR 19 – A Resolution proclaiming September 24, 2012, to be United States Marshals Day. Thank you.

During Session (January - May): Alaska State Capitol • Juneau, Alaska 99801 • (800) 342-2199 • (907) 465-2199 • (907) 465-4587 (fax)

During Interim (June-December): 10928 Eagle River Road, Suite 238 • Eagle River, Alaska 99577 • (907) 694-6683 • (907) 694-1015 (fax)

senator.fred.dyson@legis.state.ak.us • www.akrepublicans.org

SCR 19

Proclaiming September 24, 2012, to be United States Marshals Day

SENATE STATE AFFAIRS

Senator Wielechowski, Chair
Senator Paskvan, Vice-Chair

SENATOR FRED DYSON

SPONSOR STATEMENT

SCR 19
A Resolution proclaiming September 24, 2012 as United States Marshals Day

The purpose of this Resolution is to proclaim September 24, 2012 to be US Marshals Day in honor of the long standing service of the United States Marshals and their deputies to the State of Alaska.

The United States Congress appointed the US Marshals Service on September 24, 1789. After the purchase of Alaska from Russia on October 18, 1867, Alaska was designated a military district of the United States and placed under the control of the War Department. The US Army was charged with maintaining law and order until troops were withdrawn in 1877.

In 1884, law and order in Territorial Alaska was assigned to the Marshals. At the start of the gold rush there was only one Marshal and ten Deputy Marshals, the sole law enforcement authority throughout Alaska.

The Alaska Peace Officer Memorial chronicles the eight brave Deputy US Marshals who died in the line of duty in early Alaska. The deputy marshals continued to be the main force of law in rural Alaska until the formation of the Alaska State Troopers. Many early-era troopers were former deputy US Marshals.

The commitment to Alaska continues strong today. In March 1999, the U.S. Marshal's Office established the Alaska Fugitive Task Force to pull together resources of federal, state and local agencies to apprehend state and federal fugitives, especially those wanted for crimes of violence and drug trafficking. The Task Force has arrested over 5,000 subjects in Alaska and extradited over 250 subjects to other States for adjudication of crimes. US Marshal and Alaska State Trooper partnerships include the Village Crime Reduction Program, Registered Sex Offender Compliance & Enforcement Project and the Badges and Books Program.

Many non-fictional books about Alaska's history make reference to the US Marshals. Stories of the frontier Alaskan Marshal still live today in the minds of many village Elders who remember having Marshals in their villages when they were children.

In honor of this legacy, and the rich history between the great state of Alaska and the US Marshals Service, the Alaska State Legislature hereby proclaims September 24, 2012 as US Marshals Day.

During Session (January - May): Alaska State Capitol • Juneau, Alaska 99801 • (800) 342-2199 • (907) 465-2199 • (907) 465-4587 (fax)

During Interim (June-December): 10928 Eagle River Road, Suite 238 • Eagle River, Alaska 99577 • (907) 694-6683 • (907) 694-1015 (fax)

senator.fred.dyson@legis.state.ak.us • www.akrepublicans.org

The United States Marshals Service in Alaska

A Brief History

The US Marshals Service was created by the First Congress in the Judiciary Act of 1789, signed into law by President George Washington on September 24, 1789.

After the United States purchased Alaska from Russia on October 18, 1867, Alaska was designated a military district of the United States and placed under the control of the War Department. The US Army was charged with maintaining law and order until troops were withdrawn in 1877. Alaska was then briefly governed in succession by the Treasury Department and the Naval Department.

Law and order was finally addressed by the Organic Act of May 17, 1884, making Alaska a civil and judicial district subject to the laws of Oregon. Law in the rugged Alaska Territory was now upheld by the US Marshals under a District Judge. At the start of the gold rush there was only one Marshal and ten Deputy Marshals, the sole law enforcement authority throughout Alaska.

In 1897, Deputy Marshals William C. Watt and James Mark Rowan were the first to be killed in the line of duty. The Alaska Peace Officer Memorial chronicles the many brave Deputy US Marshals who paid the ultimate sacrifice in early Alaska.

It was the tumult of the gold rush period which first brought to focus the need for additional law enforcement support to the US Marshal's Office which would continue to bear the responsibility for law enforcement in Alaska for the next forty years.

In 1941 the 15th Territorial Legislature established the Territory of Alaska Highway Patrol for the purpose of enforcing the traffic code, but did not provide the new organization with general police powers. In 1945, as lawlessness continued to thrive outside the jurisdiction of local police departments, the members of the Alaska Highway Patrol were deputized as Special Deputy US Marshals to fill this void.

In 1953, the Alaska Highway Patrol was reformed as the Alaska Territorial Police and granted full police powers by the Territorial Legislature. Additional personnel were hired from the ranks of the US Marshals.

With the advent of statehood in 1959, the Alaska Territorial Police was renamed the Alaska State Police and the organization became a division of the Department of Public Safety. The new State Police added 13 former US Deputy Marshals and 10 new recruits to their ranks, increasing their number to 78 commissioned officers. In 1967, the Alaska State Police were renamed the Alaska State Troopers.

The US Marshals commitment to Alaska continues to be strong. Today the Marshals are headquartered in Anchorage and maintain a two-man office in Fairbanks. The Juneau, Ketchikan and Nome sub-offices are manned during scheduled court arraignments.

In March 1999, the Alaska Fugitive Task Force was established to pull together resources of several agencies and concentrate apprehension efforts on state and federal fugitives, especially those wanted for crimes of violence and drug trafficking. With the assistance of the Alaska State Troopers, the Anchorage Police Department, the Alaska National Guard Counter-Drug Support Team, the Alaska State Probation/Parole Office and other municipal law enforcement agencies, the Task Force has arrested over 5,000 subjects in Alaska and extradited over 250 subjects to other States for adjudication of crimes.

Due to the vast geography of Alaska and the unique challenges of providing law enforcement services, Alaska Deputy US Marshals participate in a variety of special missions like the Alaska Fugitive Task Force and the sharing of US Marshal marine and aviation assets to assist Alaska State Troopers and local law enforcement agencies in the fight against sexual assault and bootlegging in Southwest Alaska. Current US Marshal and Alaska State Trooper partnerships include the Village Crime Reduction Program, Registered Sex Offender Compliance & Enforcement Project and the Badges and Books Program.

Many non-fictional books about Alaska's history make reference to the US Marshals. Stories of the frontier Alaskan Marshal still live today in the minds of many village Elders who remember having Marshals in their villages when they were children.

In honor of this legacy, and the rich history between the great state of Alaska and the US Marshals Service, the Alaska State Legislature is proud to proclaim September 24, 2012 as US Marshals Day.

AST & US Marshal Service

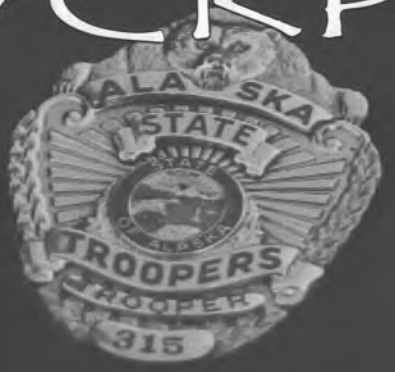
We are pleased to share information about our mutual endeavors with the US Marshal Service. Recently, there have been three targeted initiatives involving the cooperative efforts of the Alaska State Troopers (AST) and US Marshal Service (USMS), as well as other law enforcement agencies. These are the Registered Sex Offender Compliance and Enforcement Project, the Village Crime Reduction and Community Oriented Policing Program, and the Badges-and-Books Program. I'm attaching articles concerning the latter two projects which contain additional details about each initiative. The Sex Offender Compliance and Enforcement Project addressed the statewide need to verify the compliance status of registered sex offenders living in Alaska. At the end of this five-month sweep, AST and the USMS Sex Offender Investigations Branch (working in conjunction with multiple municipal police departments, the state probation and parole offices, and the District Attorney's Offices) traveled to 134 communities throughout Alaska and contacted or verified the status of 1,910 sex offenders who were required to register to confirm whether they were in compliance with Alaska's sex offender registration requirements. In addition to these targeted efforts, the ongoing joint partnership between AST and the USMS, along with local law enforcement and VPSO's, continues to have a positive impact on public safety throughout Alaska.

Kelly Howell
Special Assistant to the Commissioner
Department of Public Safety

VCRP: 2010

VCRP PARTNERS:

Alaska State Troopers
U.S. Marshals
DOC Probations
U.S. Postal Inspectors
District Attorney's Office
U.S. Attorney's Office
Village Police Officers
Village Public Safety Officers



Article and Photos by:
Megan A. Peters

Trooper Steve Kevan somberly walked into the tight quarters of an Emmonak home and removed his hat and gloves. The sub-zero temperatures from outside could be felt emanating from Trooper Kevan's clothes as he sat down on a stool next to a fizzing container of pink liquid with eight blueberries floating on the surface. "You know why I am here, Mr. Kassock? You understand this is a serious matter, Home-brew?" Mr. Kassock nodded and took another drag off of his hand-rolled cigarette.

Normally Trooper Kevan is a larger-than-life character—and little of that has to do with his intimidating size. On this occasion he had a humble, quiet voice and his posture was unassuming. "I'd like to talk to you about it and ask you some questions, if that is okay. But first, I am going to read you your rights and see if you have any questions for me."

While Trooper Kevan continued his interview, a Deputy U.S. Marshal and Captain Steve Arlow, Commander of Alaska State Troopers' C Detachment, listened and looked around the small home for evidence of home-brew activity. A cousin of Mr. Kassock was sitting on the couch nearby and offering encouraging words and support.

Trooper Kevan, Captain Arlow and the Deputy U.S. Marshal, along with 31 other Law Enforcement officers, were in the Yukon-Kuskokwim Delta participating in a week-long Village Crime Reduction and Community-Oriented Policing Program (VCRP) backed by Governor Sean Parnell as a part of the "Safe Homes, Strong Families" initiative.

Trooper Steve Kevan field tests a batch of home-brew found in a home in Emmonak. Samples of the home-brew are also collected to send off for further analysis. Before leaving the home, Trooper Kevan poured the liquid down the drain and punctured the container with a knife to prevent further use.

VCRP is a multi-faceted operation. The Community-oriented policing aspect is vital in fostering positive relationships between villages and law enforcement officers. Communities in the area have repeatedly asked law enforcement to rid their villages of alcohol and violence. However, in many instances in the past and present, the people in the villages were unwilling to step forward with good tips that are needed to develop cases. By meeting with community leaders, school officials and the people living in the villages, more and more individuals realize they have to be apart of the process to reach the goal. Individuals are stepping forward more than ever to be a part of a working solution.

Alaska State Troopers and Deputy U.S. Marshals snapped a group shot in front of AST's two Caravans before heading into the field. The Caravans were used extensively during the operation to transport prisoners and officers.

A focus of the program was contacting all individuals required to register with the Sex Offender and Child Kidnapper Registry to verify compliancy status. During the sweep, 71 offenders were contacted. The contacts resulted in 16 arrests of individuals for being out of compliance. During the contacts, photos were taken of the offenders along with their home coordinates being logged and documented. Holding offenders accountable is one way for communities to safeguard families.

Trooper Josh Cook and a Deputy U.S. Marshal review paperwork before making contact with Sex Offenders and individuals on probation in Kotlik, AK.

Individuals on probation were contacted as apart of VCRP to verify their compliance regarding court-imposed conditions. The contacts were mostly positive and individuals were forthcoming and friendly during their visits. There were a few contacts that didn't go so smoothly. The very first contact of the operation resulted in a man jumping out a back window in an attempt to avoid law enforcement. One of the Marshals slipped on the ice while pursuing him. After a brief chase, and getting some help from witnesses in locating the man, the runner was taken into custody without further incident.

Yeast is one of the main ingredients for making home-brew. Troopers found an empty bag thrown away while investigating allegations of manufacturing alcohol during a case in Emmonak, AK.

More than a dozen firearms were seized during the compliancy contacts that took place in the Y-K Delta. Most of the weapons were discovered in Emmonak. It is against both state and federal law for a felon to have firearms in their possession or in their home, regardless of who owns the gun. The weapons had to be identified and logged then transported to a secure evidence holding facility in Bethel.

VCRP STATS

Sex Offender Compliancy Checks:	71
Offenders Out of Compliance:	16
Assaults:	13
Warrant Arrests:	19
Home-brew Related Arrests:	10
Probation Compliancy Checks:	14
Probation Violation Arrests:	6
DUI Arrests:	1
MICS Arrest:	2
Trespass Arrests:	1
Contraband Arrests:	1
Search and Rescue Operations:	3
Drug/Alcohol Arrests:	6
Total Investigative Contacts:	476
Total Arrests:	74

*Statistics are based off of preliminary data and are subject to change.

Villages Visited

Bethel
Emmonak
Kwethluk
Chevak
Kasigluk
Napaskiak
Nunapitchuk
Hooper Bay
Akiachak
Alakanuk
Kotlik
Akiak
Atmautluak

The Alaska Bureau of Alcohol and Drug Enforcement Investigators took advantage of the opportunity presented at VCRP to team with United States Postal Inspectors and conduct a number of drug and alcohol interdiction operations. Officers performed undercover buys as well as carried out airport and postal interdiction contacts. Their efforts produced 34 new cases, 2 felony arrests, 4 misdemeanor arrests and 2 probation arrests. In addition to the arrests, a large amount of alcohol, oxycodone and marijuana was seized.

The program was a very new experience for many of the Deputy U.S. Marshals and even some of the troopers. Due to a weather delay, initial plans had to be scrapped and re-worked. Instead of flying out to villages as the VCRP called for, some troopers and marshals jumped on snowmachines and headed out to villages relatively close to the hub village of Bethel. It was the first time riding a snow machine for many of the marshals.

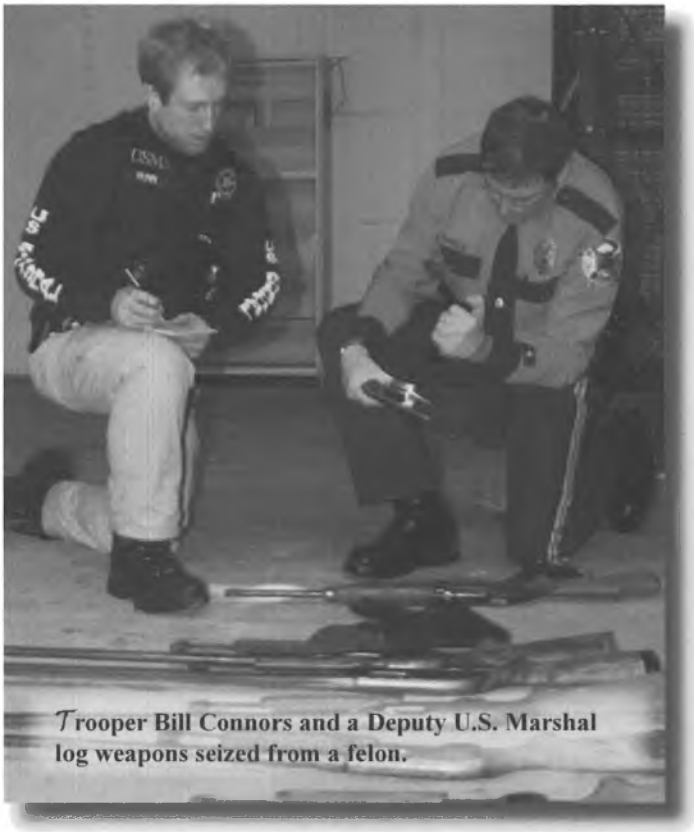
Trooper Andy Evarts, currently stationed in Fairbanks, has flown for AST for years and has logged many hours in the cockpits of a variety of planes. The VCRP took him to a region he

Before heading out to another village for compliancy checks troopers were called on to respond to a domestic violence incident in Emmonak. Troopers responded to a number of assaults in progess while out in Rural Alaska.

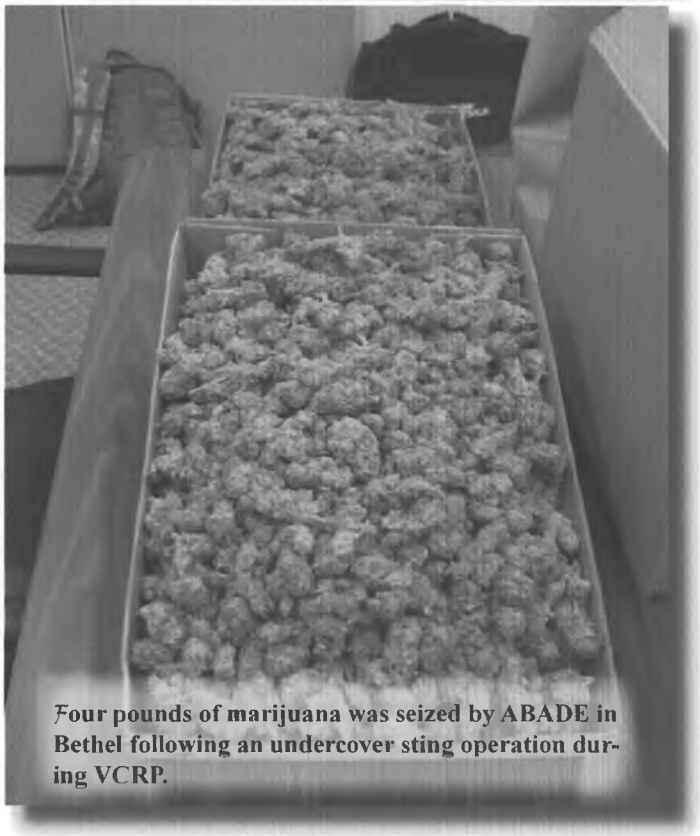
hadn't seen before.

The VCRP was a very unique program. Even though the U.S. Marshals and the Alaska State Troopers have had a strong, positive working relationship, this operation was the first of its kind with the two agencies pairing together in two-man teams and enforcing the laws side-by-side. Many other agencies were crucial in the success of VCRP by providing support, resources and manpower. The reach and scope of VCRP was enormous and the communities effected by the programs were grateful for the concentrated efforts put forth to help the villages re-gain control of the violence, alcohol and drug issues that cause turmoil.

Trooper Bill Conners has some difficulty finding and making out a serial number on a rifle seized from a felon.



Trooper Bill Connors and a Deputy U.S. Marshal log weapons seized from a felon.



Four pounds of marijuana was seized by ABADE in Bethel following an undercover sting operation during VCRP.

Keith Mallard
Director/Colonel
5700 E. Tudor Rd.
Anchorage, AK 99507

ALASKA STATE TROOPERS
PUBLIC INFORMATION OFFICE

Megan A. Peters
Information Officer
office (907)269-5413
cell (907)351-3137
megan.peters@alaska.gov

Press Release

DPS PIO# 11-034
June 13, 2011

Western Alaska Flooded with Books

(BETHEL, Alaska) – On Tuesday June 7, 2011, Badges-and-Books launched its first patrol on the Lower Kuskokwim River. Alaska State Troopers, U.S. Marshal Service and the Village Public Safety Officer Program (VPSO) conducted the first of many boat patrols handing out children's books along the river systems in rural Alaska. The focus of this program was to visit traditional summer fish camps and contact as many children in those camps as possible. During the contacts Alaska State Troopers, U.S. Marshals, and VPSOs handed out reading books. The objective is to build positive relations and provide opportunities for rural children of Alaska to get to know law enforcement in a different light.

Photo: Chief Deputy Marshal Marc Otte, Capt. Steven Arlow, Trooper Perry Barr, Deputy Marshal Sonny Caudill (taking the Photo) with children from the village of Tuluksak, AK receiving badges-and-books gifts.

The patrol started in Bethel, AK and continued up the Kuskokwim river system and sloughs to Tuluksak, AK. Though fish camps were not heavily populated yet the program had some success in a few fish camps. A stop in Tuluksak provided for several children to visit the U.S. Marshal's patrol boat. Officers handed out books, snacks and other small law enforcement momentums.

The day's event was received well by the children and parents and will continue throughout the summer on both the Yukon/Kuskokwim Delta's.

Photo: Young boy from Kwethluk,AK at fish camp on the Kuskokwim reading after receiving a badges-and-books gift.

Books N Badges is a cooperative effort between Alaska State Troopers and the United States Marshals Service. The program would not be successful without the generous support of GCI and Northern Air Cargo.

APOA

ALASKA PEACE OFFICERS ASSOCIATION

Business Manager

Joseph Young
Anchorage

Board of Directors
Officers

John Lucking, Jr., President
Soldotna

Kris Sell, Vice President
Juneau

Angella Long, Past President
Wasilla

Marilyn Bailey, Secretary-Treasurer
Anchorage

Directors
John Waldron, President
Aleutian Islands Chapter
Unalaska

Michele Logan, President
Anchorage Chapter
Anchorage

Steve Hall, President
Capital City Chapter
Juneau

Brad Johnson, President
Farthest North Chapter
Fairbanks

James Kimura, President
First City Chapter
Ketchikan

Mark Pearson, President
Kenai Peninsula Chapter
Kenai

Bob Griffiths, President
Mat-Su Chapter
Wasilla

Thecla LaLonde, President
Wrangell Chapter
Wrangell

February 10, 2012

Senator Fred Dyson
Alaska State Senate
State Capitol
Juneau AK 99801-1182

Dear Senator Dyson:

On behalf of the Alaska Peace Officers Association (APOA), I would like to thank you for introducing Senate Concurrent Resolution 19, a resolution proclaiming September 24, 2012 to be United States Marshals Day.

The APOA State Board of Directors recently reviewed this resolution and unanimously supports this resolution.

We thank you for your recognition of this illustrious law enforcement organization and its members for their contribution to the State of Alaska. Please contact the APOA office in Anchorage at 277-0515, if there is anything our organization can do to assist you in your work for our State.

Sincerely,

John Lucking, Jr.
State President

PO Box 240106
Anchorage AK 99524

t 907 277 0515
f 907 272 5355

Making A Difference In The Last Frontier

SCR 20

<TARGET><BILL>SCR 20</BILL><SUBJECT>SCR 20</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 2/1/12

FURTHER: RULES

Date of 5-Day Notice: 2/2/12
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2-7-12

State Affairs Committee considered SENATE CONCURRENT RESOLUTION NO. 20

SCR 20-DECORATION OF HONOR

Relating to awarding the Alaska Decoration of Honor to certain members of the military.

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____ Letter of Intent

[ ] further referral to _____ Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
S.STA			✓	1

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
			-	

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Kookesh	Kookesh	X			
	PASKVAN	X			
	Meyer	X			
	Giessel	X			
CHAIR:	Wielechowski	X			

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SCR 20**
Fiscal Note Number: 1
(S) Publish Date: 2/8/12

Identifier (file name)
Title: SCR 20 DECORATION OF HONOR
Sponsor: Senator Wielechowski
Requester: (S) State Affairs

Dept. Affected
Appropriation
Allocation
OMB Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by: (S) State Affairs — Phone 465-2435
Division — Date/Time 2/7/12 12:00 AM
Approved by: /s/ Senator Wielechowski, Chair — Date 2/7/2012

(Revised 1/17/2012 OMB)

FISCAL NOTE # 1

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SCR 20

Analysis

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

SCR 20: Decoration of Honor
Sponsor Statement

This resolution awards the Alaska Decoration of Honor to twenty-five individuals who were killed in the line of duty while honorably serving our state and country in 2011.

The Alaska Decoration of Honor was established in 2007 to award military service members from Alaska, or those service members deployed while stationed in Alaska, who were killed in action or in support of combat action.

The Legislature must authorize the award by resolution so the decoration can be presented to the recipients' survivors. In 2008, the Legislature awarded the medal to 171 individuals dating back to statehood. From 2009 – 2010 we authorized the award for another thirty-six individuals.

Passage of SCR 20 will allow the families of these twenty-five individuals to receive the decoration in honor of their loved ones' sacrifice. While it is always our hope that all those in uniform will return home safely, the reality is a few will not and it is important we recognize and honor their service.

SJR

4

<TARGET><BILL>SJR 4</BILL><SUBJECT>SJR
4</SUBJECT><COMM>SSTA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

Senate District H
600 E. Railroad Avenue
Wasilla AK 99654
907-376-4866
907-373-4724 :Fax

State Capitol
Juneau AK 99801-1182
907-465-3878
Fax: 907-465-3265
800-862-3878

Charlie Huggins
Senator

January 26, 2011

The Honorable Bill Wielechowski, Chair
Senate Committee on State Affairs
State Capitol, Room 101
Juneau, Alaska 99811

Dear Senator Wielechowski:

Senate Joint Resolution 4 has been read and referred to your State Affairs Committee for your members' consideration. By way of this letter, I am requesting a hearing on the resolution as soon as possible. As indicated by the resolution's title and content – honoring Ronald Reagan on the occasion of his 100th birthday, which is this coming February 6 – an expedited hearing would be in order and would be much appreciated.

If you or your committee staff have any questions regarding SJR 4, please contact John Manly of my staff at 465-5369.

Thank you for your consideration of this request for an expedited hearing.

Sincerely,

Senator Charlie Huggins

SJR 10

<TARGET><BILL>SJR 10</BILL><SUBJECT>SJR 10</SUBJECT><COMM>SSTA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

Constitutional Amendment to Modify the Constitutional Budget Reserve
SPONSOR STATEMENT

"A penny saved is a penny earned." – Benjamin Franklin

For the past five years the state has experienced large oil revenue surpluses, which have put the State in the enviable position of having the largest amount of money in savings in the nation ($16 billion), not including the Permanent Fund. This constitutional amendment will ensure that we continue to save for our future when we have large surpluses.

The Constitutional Budget Reserve (CBR) was established in 1991 in order to serve as a "rainy day" fund to help balance the state budget in times of budget deficits. In addition to investment returns and one time legislative appropriations, the only additions to the CBR are through settlement payments through litigation involving natural resources. While the CBR worked as a rainy day fund during budget deficits and was replenished after a few years of high oil surpluses, the CBR does not require savings during years with high oil revenues, which we as a state are facing today.

SJR 10 would cap the amount of unrestricted oil revenue that can be spent in a given year at $6 billion adjusted for inflation, and put 2/3 of the money above the cap into the CBR. This would not only require that the legislature save more money in times of high oil revenues, but would also put pressure on the legislature to restrain the growth of government, and create a more stable fiscal system.

SJR 10 would bring this constitutional amendment before the people for a statewide vote, and I urge you to support this joint resolution in order to allow Alaskans decide how best we should plan for our children's future.

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

Explanation of Changes of SJR 10 From Version "I" to S STA CS Version "D"

- **Page 1, line 14**: Removed "in population" to keep the $6 billion threshold from increasing too quickly.
- **Page 1, line 15:** Removed "on July 1" to allow time for officials to calculate actual annual unrestricted oil revenue.
- **Page 2, lines 7-8:** Added "that is not deposited into the permanent fund created under Section 15 of this article" to ensure that the proposed amendment will not apply to Permanent Fund royalty payments.

27-LS1091\D
Kirsch
1/20/12

CS FOR SENATE JOINT RESOLUTION NO. 10(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATOR WIELECHOWSKI

A RESOLUTION

Proposing an amendment to the Constitution of the State of Alaska relating to deposits to the constitutional budget reserve fund from surplus oil revenue.

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

*** Section 1.** Article IX, sec. 17(a), Constitution of the State of Alaska, is amended to read:

(a) There is established as a separate fund in the State treasury the budget reserve fund. Except for money deposited into the permanent fund under Section 15 of this article, **the following shall be deposited in the budget reserve fund:** all money received by the State after July 1, 1990, as a result of the termination, through settlement or otherwise, of an administrative proceeding or of litigation in a State or federal court involving mineral lease bonuses, rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments or bonuses, or involving taxes imposed on mineral income, production, or property, **and two-thirds of the difference between $6,000,000,000 adjusted by the cumulative change, derived from federal indices as prescribed by law, in inflation since July 1, 2013, and the actual annual unrestricted oil revenue as determined each year for the previous fiscal year** [SHALL BE DEPOSITED IN THE BUDGET RESERVE FUND]. Money in the

budget reserve fund shall be invested so as to yield competitive market rates to the fund. Income of the fund shall be retained in the fund. Section 7 of this article does not apply to deposits made to the fund under this subsection. Money may be appropriated from the fund only as authorized under (b) or (c) of this section. **In this subsection, "unrestricted oil revenue" means the amount received from oil lease bonuses, rentals, royalties, royalty sale proceeds, federal oil revenue sharing payments or bonuses, and taxes imposed on oil income, production, or property that is not deposited into the permanent fund created under Section 15 of this article.**

*** Sec. 2.** The amendment proposed by this resolution shall be placed before the voters of the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the State of Alaska, and the election laws of the state.

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

SJR 10: Saving for our Future

Fact Sheet

- This legislation would enhance the capacity of the Constitutional Budget Reserve (CBR) to serve as a 'rainy day' fund to help Alaska weather future fiscal and economic turmoil.

- SJR 10 would cap the amount of unrestricted oil revenue that can be spent in a given year. 2/3 of unrestricted oil revenue above $6 billion (annually adjusted for inflation) would be added to the CBR.

- Currently, there is no mechanism to add money automatically into the CBR when there are budget surpluses. Creating this mechanism ensures that savings will occur, despite short term political pressures.

- Cutting off the peaks and filling in the valleys of our oil revenue will provide greater stability.

1/21/2012

FISCAL NOTE

STATE OF ALASKA cost ≠ codes
2012 LEGISLATIVE SESSION

Bill Version: **SJR10**
Fiscal Note Number:
Publish Date:

Identifier (file name): SJR010-OOG-DOE-1-22-12
Title: Constitutional amendment relating to deposits to the constitutional budget reserve fund...
Sponsor: Senator Wielechowski
Requester: Senate State Affairs

Dept. Affected: Office of the Governor
Appropriation: Elections
Allocation: Elections
OMB Component Number: 21

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services	1.5						
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**1.5**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF	1.5						
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**1.5**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial version

Prepared by: Gail Fenumiai, Director — Phone: 465-2644
Division: Division of Elections — Date/Time: 1/22/2012, 10:45am
Approved by: Guy Bell, Administrative Director — Date: 1/22/2012
Administrative Services

(Revised 8/17/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SJR10

Analysis

Passage of this resolution would require the constitutional amendment to appear on the 2012 general election ballot. The cost of providing information about the constitutional amendment in the Official Election Pamphlet, as required by AS 15.58, is $1.5. Should the addition of this resolution require printing an 8-1/2 by 18 inch ballot, the cost will increase to $22.0.

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 January 11, 2012

SUBJECT: Sectional Summary of SJR 10 (Work Order No. 27-LS1091\I)

TO: Senator Bill Wielechowski
Attn: Samuel Gottstein

FROM: Lisa Moritz Kirsch
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Amends the Alaska Constitution to increase deposits to the constitutional budget reserve to two-thirds of the difference between $6 billion (adjusted annually using federal indices of population and inflation) and the annual unrestricted oil revenue. Defines "unrestricted oil revenue" as oil lease bonuses, rentals, royalties, royalty sale proceeds, federal oil revenue sharing payments or bonuses, or taxes imposed on oil income, production, or property.

Section 2. Provides that this amendment will appear on the ballot for voter approval at the next general election.

LMK:plm
12-015.plm

Anchorage Daily News January 8, 2012

Our View: State savings? Good idea

Some lawmakers aim to fortify reserves while surpluses last

Sen. Bill Wielechowski wants a constitutional amendment to limit state spending of unrestricted oil revenue to $6 billion a year, with two-thirds of the rest deposited in the Constitutional Budget Reserve.

Sens. Johnny Ellis, Bettye Davis, Tom Wagoner and Wielechowski want to tap Alaska's surplus for a $2 billion deposit into the Permanent Fund -- over and above the constitutional deposit requirement -- and $2 billion more to help cover the state's pension obligations. By whatever means work best -- and in whatever amounts make the most sense -- Alaska should do all of the above: cap spending of oil revenues, keep reserves strong, build the Permanent Fund and cover retirement costs.

"I think we've got an obligation to put as much money as we can into savings," Wielechowski said. He argues that talk of providing for our children and children's children is just talk unless we back it up with real money.

He's right. All of these savings mechanisms -- CBR, Permanent Fund, a proposed Alaska pension trust -- can help keep Alaska on a sound financial basis.

We're blessed. We've said if before and it bears repeating. Other states have struggled to make ends meet, laid off police and teachers and cut programs. Alaska counts its surplus in double-digit billions, last fall sent a dividend check of $1,174 to every resident and just had its credit rating raised to AAA.

While other states struggle to deal with less, our challenge is to wisely manage more. If Department of Revenue projections pan out, we'll have more than $5 billion in surplus oil money from the current fiscal year and the next. Wise management means savings. There should be broad agreement about that. The question then is what's the most effective way to save.

Wielechowski's amendment would use the authority of the state constitution to force lawmakers to save.

One legislature cannot bind a future legislature -- but the constitution can. At $6 billion (with growth allowed for population and inflation) we should have plenty of money for operations and robust capital spending before we hit the cap.

Personally, Wielechowski said, he'd like to build the CBR into a $50 billion fund that could earn enough money to help cover future state spending, making it both a reserve and an endowment. Some would argue that was the purpose of the Permanenet Fund, but politically the Permanent Fund has become all but untouchable for anything but dividends. That could change. Whether it does or not, it's a good idea to deposit some of our billions in the Permanent Fund for two reasons.

One, the deposit will put more of Alaska's wealth aside for future Alaskans. We can't settle for them the debate over the best use of Permanent Fund earnings. Our job is to make sure there's plenty to argue about. Our job is to make good on the promise of "permanent,"

turning the nonrenewable resource of oil into a renewable endowment that spans generations.

Two, while saving for the future the deposit will enhance the present and near future by putting more of Alaska's oil wealth to work now, which is likely to boost dividends.

Eat our cake and have it too? Yes, we can -- if we're smart. It's not all blue sky ahead -- federal money will diminish, we have some challenges unlike those of our neighbors in the

Lower 48, and recent history reminds us how fast reserves can burn. But Alaska has the means to spend, invest and save -- all at the same time.
We can argue about how well Alaska has done with its wealth, but Alaska has proved it knows how to save -- and the upcoming legislative session will be a good time to prove it again.

BOTTOM LINE: Let's make sure our billions outlast us.

adn.com
Anchorage Daily News

[Print Page] [Close Window]

Lawmakers will debate how much to save

Two bills would stash billions into the Alaska Permanent Fund.

By BECKY BOHRER

(01/17/12 07:33:27)

JUNEAU -- One of the big issues facing lawmakers this session will be how much to spend on immediate wants and needs and how much to save for the future.

This isn't a new debate. In recent years, majorities in the House and Senate, as well as the governor, have each taken credit for socking away money while still passing robust spending plans. For some lawmakers, however, attempts at fiscal prudence haven't gone far enough.

At least two bills pending before the Legislature -- the 2012 session opens today -- would put billions of dollars into the Alaska Permanent Fund, which is far more difficult for lawmakers to get access to than other state savings accounts. Another bill proposes a constitutional amendment that would cap spending and compel future savings.

"There's plenty of money to go around if we manage it wisely," said Sen. Johnny Ellis, D-Anchorage.

Ellis is the lead sponsor of SB142, which would move $2 billion from the Constitutional Budget Reserve Fund into the Permanent Fund. The measure would put another $2 billion from the reserve fund into a special fund intended to help address the state's pension debt. Ellis is separately proposing the creation of a pension reserve fund.

Ellis said legislation like this, which has at least one Republican co-sponsor, helps focus the conversation on saving. It's not clear how much traction the measures will get.

House Speaker Mike Chenault, R-Nikiski, said the Legislature has been doing the right thing the last several years by putting money into savings and being "somewhat frugal." But he said he doesn't think lawmakers should be mandated to put a certain amount aside, noting uncertainties about future revenues.

He said if it makes sense to put more money toward addressing the unfunded pension liability then that's what should be done. But he said lawmakers also must be careful about tying up liquid assets, as that could leave the state in a precarious financial position in the future.

A spokeswoman for Gov. Sean Parnell, Sharon Leighow, said the administration had no specific comment on the proposed legislation, pending further review. But she said Parnell has already committed to saving surplus revenue and proposed additional savings to draw from in leaner years.

"His fiscal responsibility is also demonstrated by record vetoes he exercised across the last two years," she said.

Alaska is in an enviable position among states. It didn't feel the effects of the U.S. recession nearly as much as most other states and high oil prices have helped to keep its treasury flush. As of July 1, the start of this fiscal year, Alaska had $15.9 billion in undesignated savings, a category that

includes the constitutional and statutory budget reserve funds and Permanent Fund earnings reserve account. Total market value of the Permanent Fund currently stands at about $39 billion.

But challenges lie ahead. The state's economy relies heavily on oil production and federal funding. Oil production has been declining and federal funding is expected to diminish, as Congress faces a massive deficit. Then there's the pension issue. The state is facing an estimated $11 billion unfunded pension liability.

Parnell has proposed cutting oil production taxes as a way to boost exploration and production, but his plan faces a tough road in the Senate.

Ellis' bill would be a one-time deal, as would a proposal by Rep. Mike Doogan, D-Anchorage, which would take $10 billion from the constitutional budget reserve and put that money into the Permanent Fund. Adding to the principal of the Permanent Fund would likely boost over time the size of the dividend that Alaskans receive. The last time the Legislature made a transfer from outside the Permanent Fund was 1985 -- and it was $300 million.

The state constitution would have to be amended for lawmakers to access the Permanent Fund principal.

The proposed constitutional amendment, by Sen. Bill Wielechowski, D-Anchorage, would be perpetual, capping at $6 billion the amount of unrestricted oil revenue that could be spent in a year and requiring that at least two-thirds of the money above the cap be put into the constitutional budget reserve. (The cap would be adjusted for inflation and population growth.)

If the measure passes the Legislature, Alaskans will get a chance to vote on it.

"I think this will be a big point this year in the Legislature because we've got a lot of money and want to make sure we don't blow it all," Wielechowski said.

Ellis said that over the last five years, about $11 billion has been put into the constitutional and statutory budget reserve funds. He credits the Senate's bipartisan majority with leading the way, noting that several years ago, senators had buttons made declaring that they were on a "savings spree."

Doogan said there's been more talk about saving recently but he argues that neither the Legislature nor the governor is taking the issue more seriously, noting the continued growth in Alaska's operating budget. Parnell has blamed recent year increases in large part on formula-driven programs, like education and Medicaid.

Doogan laughed when asked if he thought his bill, which was introduced last year, would get a hearing.

"The impetus is to spend money, not to save money," he said. "Politicians talking about saving money is a good thing, but I don't see that happening."

[Print Page] [Close Window]

Copyright © Tue Jan 17 08:25:23 UTC-0900 20121900 The Anchorage Daily News (www.adn.com)

New constitutional proposal aimed at boosting savings

January 5, 2012

By Pat Forgey

JUNEAU EMPIRE
Alaska should be saving more for the future, a state senator says, and he's going to introduce legislation this year to try to force that to happen. At the same time, Gov. Sean Parnell wants to reduce how much Alaska makes from oil taxes, and is continuing to advocate for cuts.

Sen. Bill Wielechowski, D-Anchorage, said his proposed constitutional amendment is not a challenge to Parnell, who he praised for supporting more savings. Instead, he said, it is intended to highlight the fact that Alaska is consuming a limited oil resource.

Wielechowski said it is an idea that sounds difficult, but is getting some interest in the Legislature.

"I think there's a growing consensus among legislators that it is something we need to talk about," he said. "I know that it is something that I've thought a lot about."

Wielechowski proposed that state spending of unrestricted general fund revenue be capped at $6 billion, indexed for inflation and population growth.

Any leftover unspent money would then go into the voter-created Constitutional Budget Reserve (CBR). That's a hard-to-access state savings account that legislators can only dip into if they have overwhelming support.

"It forces savings into the CBR," Wielechowski said.

To do that, Wielechowski said, would take amending the Alaska Constitution. To start the process would take approval of two-thirds of the members of the Senate and House of Representatives, and then approval by voters in 2012.

Were his proposal in place this year it would likely force additional savings of $1.4 billion, he said.

Parnell spokeswoman Sharon Leighow didn't comment directly on Wielechowski's proposal, but said the governor has already committed to saving surplus revenue and holding down spending.

"The governor proposes to put billions in savings this year to draw from in more lean years. His fiscal responsibility is also demonstrated by record vetoes he exercised across the last two years," she said.

Wielechowski said he's asked the Legislative Finance Division to develop estimates of what the financial impact of such a measure would have been had it been in place over the last few years, and what impact it would have in the future.

"We've been good in recent years as far as savings go," he said.

In 2008, the Alaska Legislature, at the behest of then-Gov. Sarah Palin, added $1,200 to each Permanent Fund Dividend, both to share the state's oil proceeds with the public and defray the cost of the suddenly much higher gas and oil prices.

Wielechowski said he didn't know whether that extra payment would have been allowed under his proposal, and it would be up to the Legislative Finance Division to answer that question.

The Fiscal Year 2013 Budget:

Legislative Fiscal Analyst's Overview of the Governor's Request

Legislative Finance Division

www.legfin.state.ak.us

State of Alaska Fiscal Summary--FY12 and FY13

($ millions)

Part 2--Approximate Balances of Savings Accounts

	FY12				FY13			
	BoY Balance	In	Out	EoY Balance	BoY Balance	In	Out	EoY Balance
Permanent Fund (no appropriations allowed)	**33,044.0**	**1,767.0**	**0.0**	**34,811.0**	**34,811.0**	**1,756.0**	**0.0**	**36,567.0**
Undesignated Savings	**16,098.7**	**4,475.2**	**1,523.0**	**19,050.9**	**19,050.9**	**4,813.5**	**1,516.0**	**22,348.4**
Other Undesignated Savings	**13,790.6**	**2,324.2**	**0.0**	**16,114.8**	**16,114.8**	**2,450.5**	**29.0**	**18,536.3**
Constitutional Budget Reserve Fund (cash)	10,348.5	51.0	0.0	10,399.5	10,399.5	558.7	0.0	10,958.2
Statutory Budget Reserve Fund **(1)**	2,632.6	1,989.7	0.0	4,622.3	4,622.3	1,787.5	0.0	6,409.7
Alaska Housing Capital Corporation Fund	768.3	261.5	0.0	1,029.8	1,029.8	82.4	29.0	1,083.1
Alaska Capital Income Fund	41.3	22.0	0.0	63.3	63.3	22.0	0.0	85.3
Permanent Fund Earnings Reserve Account	**2,308.1**	**2,151.0**	**1,523.0**	**2,936.1**	**2,936.1**	**2,363.0**	**1,487.0**	**3,812.1**
Designated Savings	**2,199.0**	**1,275.4**	**1,336.0**	**2,138.5**	**2,138.5**	**1,263.9**	**1,222.8**	**2,179.5**
Public Education Fund	1,188.1	1,154.3	1,186.1	**1,156.3**	1,156.3	1,139.7	1,139.7	**1,156.3**
Revenue Sharing Fund	180.0	60.0	60.0	**180.0**	180.0	60.0	60.0	**180.0**
Railbelt Energy Fund	66.4	0.0	66.4	**(0.0)**	(0.0)	0.0	0.0	**(0.0)**
Power Cost Equalization Endowment	764.5	61.2	23.5	**802.1**	802.1	64.2	23.1	**843.2**
Reserves (Excluding Permanent Fund Principal)	**18,297.8**	**5,750.6**	**2,859.0**	**21,189.3**	**21,189.3**	**6,077.4**	**2,738.8**	**24,527.9**
Unrestricted General Fund Appropriations				7,041.8				6,435.2
Years of Reserves (Reserves/UGF Appropriations)				3.01				3.81

(1) FY12 & FY13 assume the Governor's proposed budget is adopted and surplus amounts are deposited in the Statutory Budget Reserve Fund.

Revenue Sources Book

Alaska Department of Revenue – Tax Division

FALL 2009

3. The Constitutional Budget Reserve Fund: Its Purpose, History and Use

Boom and Bust History of Natural Resource Revenues

For all of recorded history, Alaska has been a resource extraction state. From sea otter fur to timber, to gold, and finally to oil and natural gas, Alaskans have relied on natural resources as the major economic driver in the state. Because of its economic dependence on natural resources, Alaska has had a long history of boom and bust cycles.

As early as 1778, Captain Cook observed that traders would likely find a lucrative market for sea otter pelts or "sea-beaver" as they were called at the time. In fact, Captain Cook went so far as to call the sea otter pelts "soft gold."[1] Fur from sea otters and seals did indeed become a major source of revenue for Alaskan traders. Yet less than fifty years after Captain Cook correctly predicted the value of the sea otter trade in Alaska, a "fur boom" ensued and sea otters were hunted to virtual extinction.[2] This pattern of discovery of a resource in commercial quantities, followed by a subsequent rush to harvest the resource and ultimately the depletion of the resource, sadly played out again and again in Alaska over the next hundred years. Gold caused the next natural major resource boom for Alaska only to crash in the early 1940s. Fishing, specifically salmon, was a leading source of revenue for the Alaskan economy during World War II.

Another significant source of revenue in Alaska is federal spending, especially military spending. During World War II, over a billion dollars in federal money flowed into the state over a relatively short period of time, leading some to refer to the period as a "defense rush." Yet Alaska experienced a painful contraction within a few years of the end of World War II.

While federal revenues were flowing into the state at a record pace, tax revenues from the two leading sources of government revenue, fishing and mining, were dropping. Revenues from fishing and mining dropped so dramatically in the 1940s that by 1948, alcohol taxes had overtaken fishing and mining to become Alaska's main source of revenue.[3] At the same time, spending for state services skyrocketed, leaving Alaska with a multi-million dollar budget shortfall in 1947.

[1] Barnett, James K. *Captain Cook in Alaska and the North Pacific*, Todd Communications, Anchorage, Alaska, 2008.
[2] ibid.
[3] Cole, Terrance. *Blinded by Riches: The Permanent Funding Problem and the Prudhoe Bay Effect.* University of Alaska Institute of Social and Economic Research. Anchorage, Alaska, 2004.

Over the years there were numerous discussions of the need to stabilize revenues and protect Alaska from the boom and bust cycles associated with reliance on natural resources, but there never seemed to be enough of a surplus or a willingness to save until oil was discovered in Alaska in world-class quantities.

The Permanent Fund

By the late 1970s, numerous groups and individuals had pointed out the need for Alaska to establish a savings fund to protect against swings in commodity prices for natural resources. As early as 1941, then Territorial Governor Ernest Gruening called for a budget stabilization fund to guard against the revenue volatility experienced by a natural resources dependent economy.[4]

Gruening's dream of an "Alaska fund" came true in the form of the Alaska Permanent Fund. While one purpose of the Permanent Fund was arguably to create a "rainy day account" for government spending when oil revenues dwindled, it has not been used for that purpose. Former Governor Jay Hammond is credited with the idea of generating public support for protecting the Alaska Permanent Fund by paying out dividends to Alaskans. The idea has been quite effective.

While legislators may appropriate money from the earnings of the Alaska Permanent Fund for government projects, the dividend program has made any dipping into the Alaska Permanent Fund for purposes other than dividends extremely controversial.

The 1980s Bust and Impetus for CBR

In the mid-1980s, roughly a decade after the Alaska Permanent Fund was established, Alaska experienced another severe resource bust as the price of oil dropped to roughly $10 per barrel, bringing widespread foreclosures and bankruptcies to Alaska.

The 1980s bust was the same painful story Alaskans weathered through for over a century: resources flowed in and government spending grew, resources played out or values dropped and suddenly Alaskans were faced with a tremendous shortfall. As the individual income tax and several other state taxes were repealed in 1979-1980 as a result of soaring oil revenues, taxes paid by Alaskan residents plummeted. As Stephen Jackstadt and Dwight Lee noted, "real taxes paid to the state by individual Alaskans after 1980 were only 14 to 16 percent of the real taxes they paid during fiscal year 1976."[5]

Revenues were declining and state spending was expanding. Over the seven years from 1981 to 1988, state spending increased almost 2,000% with state spending representing approximately $70,000 per Alaskan.[6]

Statutory Budget Reserve

In 1986 as the Alaskan economy cratered under the pressure of $10 per barrel oil, the legislature created another "rainy day" account: the Statutory Budget Reserve. The Statutory Budget Reserve was created to cover General Fund shortfalls using "excess revenues" from more profitable years.

The Alaska Legislature seeded the Statutory Budget Reserve with the balance of the remaining General Funds at the end of fiscal year 1991, $696.3 million.[7] By fiscal year 1994, the legislature had appropriated all of the money in the Statutory Budget Reserve leaving it with a zero balance. However, in 2008 the Legislature deposited approximately $1 billion in the Statutory Budget Reserve, which remains in the account today.

The Statutory Budget Reserve served its purpose for a short period of time before lying empty for over a decade. There was concern among some state legislators that the problem with the Statutory Budget Reserve was that funds were available through a simple majority vote. Some felt the Statutory Budget Reserve was doomed to fail because the money in the fund was simply too easy to spend.

Constitutional Budget Reserve History and Passage

The statutory reserve fund alone was not sufficient to protect Alaska from declining oil production and volatile prices. In the late 1980s, Alaskan legislators began discussing the idea of creating another budget reserve to be enshrined in the Alaska Constitution. The concept of the Constitutional Budget Reserve (CBR) as we know it today (an account containing oil and

[4] Cole, Terrance. *Blinded by Riches: The Permanent Funding Problem and the Prudhoe Bay Effect.* University of Alaska Institute of Social and Economic Research. Anchorage, Alaska, 2004.
[5] Jackstadt, Stephen L., and Dwight R. Lee. "Economic Sustainability: The Sad Case of Alaska." *Society.* Vol. 32 Issue 3. 1995.
[6] ibid.
[7] State of Alaska, Department of Revenue, Treasury Division. *Investment Policies and Procedures.* Ver. 3.0. Juneau, Alaska. 2007.

gas settlements from which appropriations generally require a three-quarter majority vote) came about as the state was considering the possibility of a large windfall from an oil settlement. Currently, CBR funds consist of revenues from the settlement of litigation over mineral taxes and royalties and the interest earned on those funds.

The legislation that created the CBR was sponsored by Senator Jan Faiks. Senator Faiks was the Chair of the Senate Judiciary Committee at the time and had just finished two years as the first female president of the Alaska State Senate from 1987 to 1988. Although Senator Faiks was the prime sponsor of the bill that created the CBR, the legislature changed the bill, which was ultimately combined with elements of a House Finance bill shepherded by Representative Kay Brown.

Originally, Senator Faiks' bill contained a number of provisions related to budgeting, one of which was labeled the Budget Stabilization Fund. Several other major sections in Faiks' bill were removed through the committee process including a constitutional spending limit to accompany the budget stabilization fund.

Today, under most circumstances the legislature can appropriate funds from the CBR only with a three-quarters majority vote. However, it is possible to make appropriations from the CBR with a simple majority vote under certain circumstances as provided in section 17(b) of the Constitution, and the legislature did so in 2003. Withdrawals from the CBR are required to be repaid.

The CBR was established in 1991, and since that time more than a dozen pieces of legislation have been introduced that would amend or change the CBR. However, the only significant changes to the CBR have been the asset allocation and the establishment of the CBR sub-account, a separate fund invested and managed with a longer time horizon than the main fund.

The CBR has been used heavily since 1991 and its exhaustion date is regularly forecasted as part of the official fall revenue forecast each year. There have been warnings that the State of Alaska will face a "fiscal gap" when the CBR is exhausted.

CBR Legislative and Balance History

Mary Halloran of the Governor's Office of Management and Budget summed up the impetus for the legislation in her comments before the Senate Finance Committee, which ultimately authorized the Constitutional Budget Reserve: "In mentioning the outstanding oil and gas litigation, [Halloran] said that, though the timeline is uncertain, it looks like the State could have some 'windfalls' during the next five years. [Halloran] said the Legislature has taken some very strong steps over the last couple of years to try to stabilize the spending limit, but there are still a number of programs 'out of control.'"[8]

Former Senator Jan Faiks recalled the passage of Senate Joint Resolution 5 (SJR 5) and creation of the CBR reserve as a bipartisan effort: "The decision was contentious because hardly anyone wanted to change the terms and conditions of the original Permanent Fund without approval from the people. So most Senators... insisted on another statewide vote and I think most House members agreed; thus, it was a bipartisan decision to propose a constitutional amendment. The Governor [Cowper] gets credit for recognizing the state had a real financial problem and he wanted to find a permanent solution. We knew the current situation of relying on the ups and downs of oil revenues was not good for either state or local governments. A bipartisan solution had to be found."[9]

Originally, SJR 5 was an updated version of a bill that had passed the Senate nearly unanimously in 1987. The bill called for a 50-30-20 distribution of the income of the Permanent Fund. Fifty percent of the Permanent Fund's earnings would have gone to the payment of dividends, thirty percent to inflation proofing and twenty percent to a budget stabilization fund. The twenty percent of earnings in Senator Faiks' bill as originally introduced eventually became the CBR as we know it today. One major piece of Senator Faiks' bill that was removed in the process was an appropriation limit. Another was a sunset clause under which the constitutional amendment would have expired after five years.

Just getting the bill out of the Senate was a challenge, even for the former Senate President Faiks. After failing to pass once and being returned to the Rules Committee on a motion by Senator Arliss Sturgulewski, SJR 5 was reported out of the Rules Committee and brought to the Senate Floor under a supplemental calendar on April 18,

[8] Testimony of Mary Halloran. 16th Alaska State Legislature, Senate Finance Committee. February 2, 1990. Transcribed by Alaska Legislative Records Dept.

[9] Faiks, Jan. "CBR." Email to Department of Revenue. November 10, 2009.

1990. The bill passed the Senate by a vote of 15-5 with Senators John Binkley and Michael Szymanski switching their votes to support passage.

Meanwhile, in the State House of Representatives, a bill with similar intent was making progress. House Joint Resolution 66 (HJR 66), while nominally sponsored by the House Finance Committee, was heavily supported by Representative Kay Brown. In fact, the legislative record describes Representative Brown as the Prime Sponsor of HJR 66. Co-Chairman of the House Finance Committee Ron Larson explained that the bill, "...evolved from the House Finance Fiscal Policy Subcommittee, chaired by Representative Brown, and was modified by the House Judiciary Committee."[10] The two bills (SJR 5 and HJR 66) finally collided in May of 1990 in the House Finance Committee.

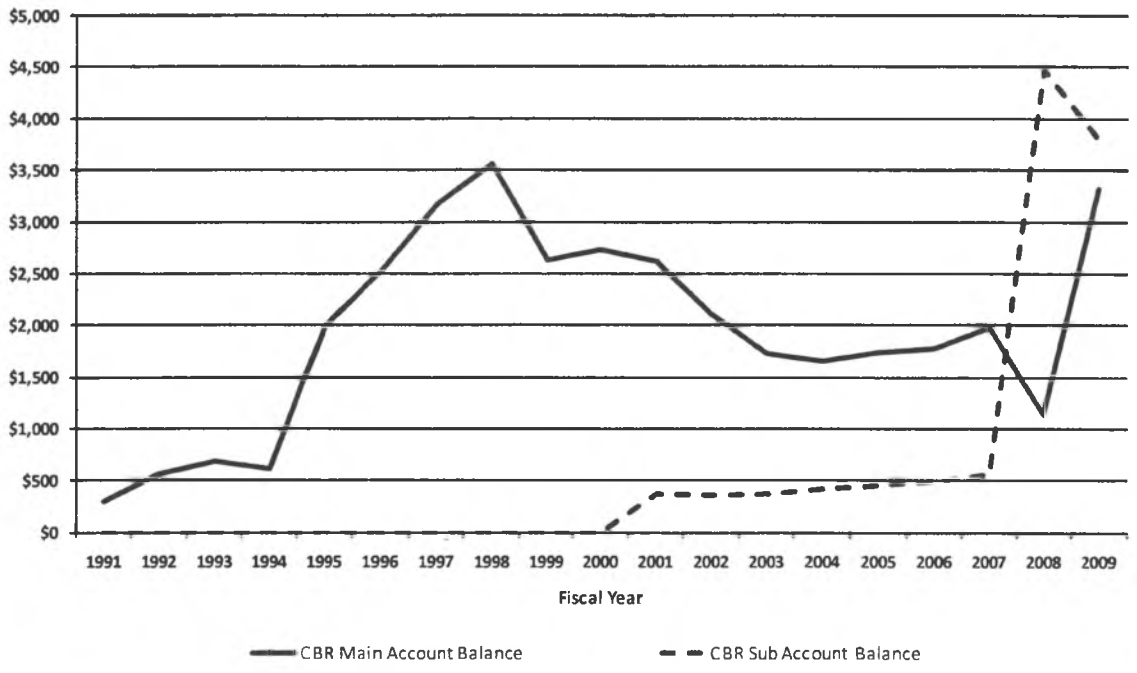
As is often the case with two pieces of similar legislation introduced separately in the House and Senate, the first bill to pass its respective house of origin typically becomes the "vehicle" or version to pass into law. In this case, SJR 5 by Senator Faiks had already passed the Senate and was assigned to the House Finance Committee for a hearing. HJR 66 never passed the House. However, the language from HJR 66 relating to the budget reserve, including the use of the term "budget reserve" rather than "budget stabilization fund" as it was referred to in SJR 5, was incorporated into SJR 5. Representative Brown testified before the House Finance Committee that the language in SJR 5 was nearly identical to the language in HJR 66 after the House Finance Committee had amended SJR 5.

In essence, SJR 5 was amended in the House to reflect the language of HJR 66. In the process, the spending limit in SJR 5 was eliminated. Numerous legislators and the Alaska Public Employees Association, a public employees union, opposed the constitutional spending limit.[11] Because the spending limit was deemed not politically viable, it was removed.

The Senate concurred with the House in a vote of 15-5 on May 8, 1990. The bill was sent to the governor on May 24, 1990, for signature. Governor Steve Cowper signed the bill almost exactly two months later on July 23, 1990.

Despite the passage of SJR 5 and the creation of the CBR, some question

Figure 3-1. Balance of the Constitutional Budget Reserve Main Account and Sub Account ($ million)



[10] Testimony of Ron Larson. 16th Alaska State Legislature, Senate Finance Committee. May 1, 1990. Transcribed by Alaska Legislative Records Dept.
[11] Testimony of Margaret Branson and Fran Ulmer. 16th Alaska State Legislature, Senate Finance Committee. May 1, 1990. Transcribed by Alaska Legislative Records Dept.

remained about which funds were to be deposited into the CBR. Former Governor Cowper and a number of legislators sued then Governor Wally Hickel, Department of Revenue Commissioner Darrel Rexwinkle and the State of Alaska in 1993 to dispute the State's interpretation of "administrative proceeding." Former Governor Cowper and the legislators argued that the State had been improperly depositing funds received during the informal conference stage of dispute[12] into the General Fund when they should have been deposited into the CBR. The Alaska Superior Court ruled in favor of former Governor Cowper and required the state to properly fund the CBR, with interest and foregone earnings, by the end of the regular session of the 18th Alaska Legislature in 1994.[13]

In another instance, nearly a billion dollars in funds which should have been deposited in the CBR were spent instead. When oil companies ARCO, Unocal, BP Exploration and Chevron agreed to pay the state $1.7 billion to settle long-running disputes over payments of back taxes and royalties in 1992 and 1993, the governor and legislature appropriated over half the amount. By spending this settlement rather than saving it, the state was able to maintain overall spending and more than double capital spending, from $300 million to $616 million.[14]

Historically, funds from the CBR were usually appropriated for general purposes. However, the CBR has also been used to fund specific programs in a number of instances. For example, a 2004 legislative research report listed the following expenditures from the CBR for specific programs: expenditures for oil and gas litigation and state title to oil and gas lands, capitalization of the Alaska Mental Health Trust, Y2K assessment, compliance, and remediation, and establishment of the Power Cost Equalization endowment fund.[15]

Figure 3-1 illustrates the history of the balances in the Constitutional Budget Reserve and the sub-account of the CBR from the first deposit through fiscal year 2009. Figures 3-2 and 3-3 illustrate the balance of each the Constitutional Budget Reserve and the Constitutional Budget Reserve sub-account with contributions and withdrawals by year. Figure 3-4 presents this information in tabular form.

CBR as a Stabilization Fund or Alternative to Hedging

The CBR as it exists today functions as a budget stabilization fund in the same manner as funds in many other states and oil producing nations. Like many resource producing states, the State of Alaska is exposed to tremendous commodity price risk. This is a difficult position for a government as expenses typically cannot be scaled back as quickly as revenues fall.

As a result of commodity price exposure, a number of resource producing states and nations from Texas to Mexico have actively hedged oil prices. The State of Alaska has studied hedging oil prices on a number of occasions with the most detailed discussion occurring in 2002 under the direction of Department of Revenue Commissioner Wilson Condon. In its hedging report, the Department of Revenue raised some concerns with using the CBR to protect the State from commodity price volatility, but also recognized the role the CBR plays in smoothing state revenues. However, because the CBR already insulates the state from the volatility of commodity prices, the report concluded that hedging oil prices was not ideal until the CBR was depleted or nearly depleted.[16]

"Alaska has not yet needed to pay the costs or take the risks of hedging its future oil revenues because our cushion against fluctuating oil prices for the past decade has been the Constitutional Budget Reserve Fund (CBRF). The fund was established a decade ago for exactly that purpose — to fill the gap between a fluctuating revenue source and a constant need for public services," wrote the Department in 2002.[17]

[12] The informal conference stage is the appeal to the regulatory agency.
[13] State of Alaska, Legislative Audit Division. Audit of Natural Resources and Department of Revenue: Constitutional Budget Reserve Fund. By Welker Randy. Juneau, Alaska. 1994.
[14] Jackstadt, Stephen L., and Dwight R. Lee. "Economic Sustainability: The Sad Case of Alaska." *Society*. Vol. 32, No. 3. March 1995.
[15] State of Alaska, Legislative Research Division. Appropriations from the Constitutional Budget Reserve Fund for Special Purposes. By Kathleen Wakefield. Juneau, Alaska. 2004.
[16] State of Alaska, Department of Revenue. *Hedging Oil Revenues: What Is It? When Should Alaska Do It, If At All? Why Should Alaska Consider It?* Juneau, Alaska. 2002.
[17] State of Alaska, Department of Revenue. *Oil Hedging Summary*. Juneau, Alaska. 2002.

Conclusion

Alaska's economy has always been at the mercy of commodity production and prices. After centuries of exhilarating resource booms followed all too regularly by severe busts, the State of Alaska created a budget stabilization fund in 1990: Alaska's Constitutional Budget Reserve. The CBR was created shortly after a time of economic crisis and with a view toward several large windfall settlements for the state.

Over nearly two decades, the CBR has almost single-handedly staved off massive budget shortfalls. In some years, withdrawals from the CBR reached a billion dollars in nominal terms. Yet the CBR remains vulnerable to prolonged overspending and the potential that oil prices may fall.

While the CBR is still vulnerable to overspending, and has at times appeared on the verge of exhaustion, the fund has acted as a buffer against commodity price volatility for almost two decades and can be expected to do so for the near future.

Figure 3-2. Constitutional Budget Reserve Main Account Contributions/Withdrawals and Balance ($ million)

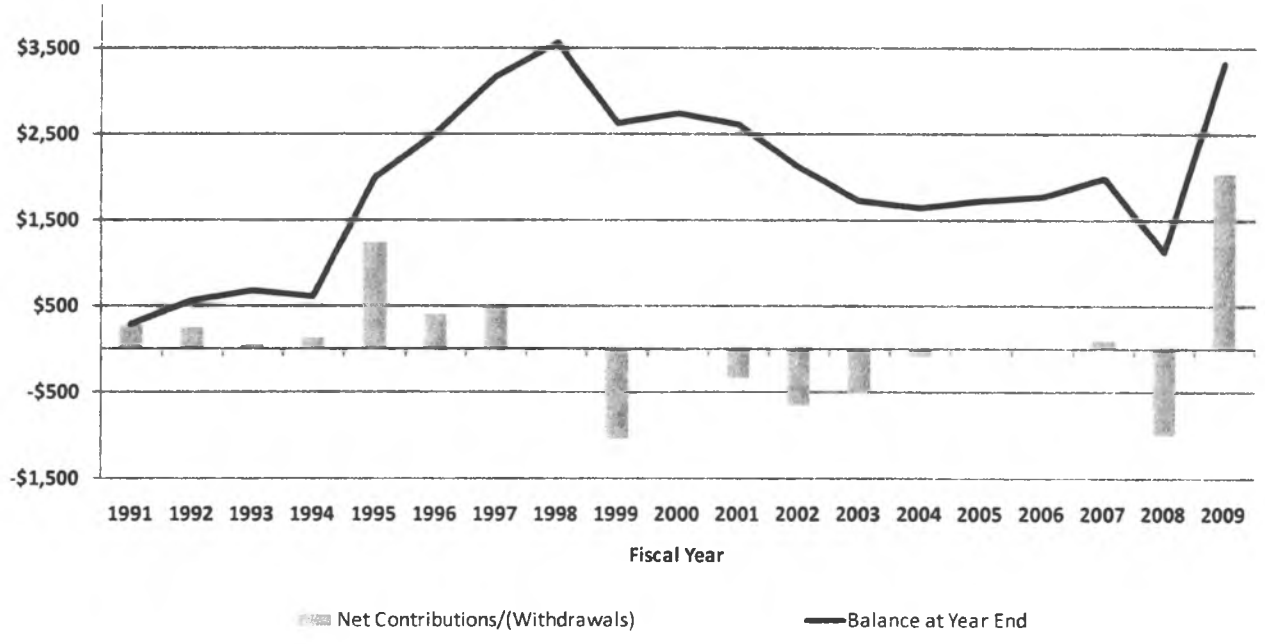


Figure 3-3. Constitutional Budget Reserve Sub-Account Contributions/Withdrawals and Balance ($ million)

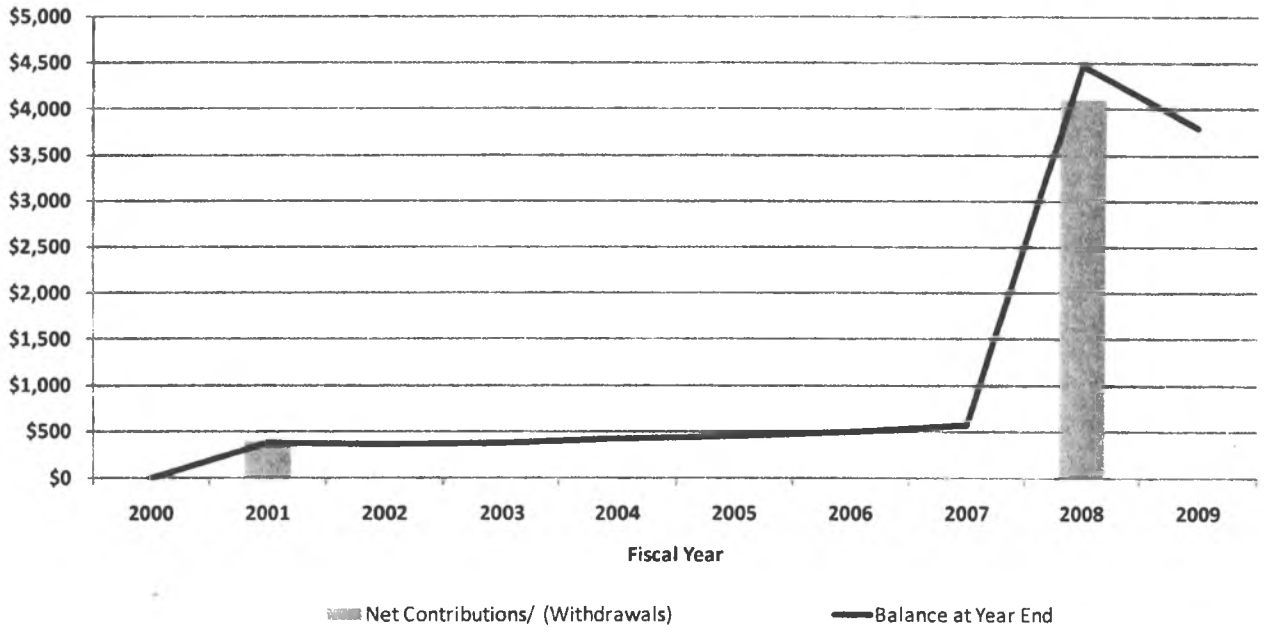


Figure 3-4. Constitutional Budget Reserve Main & Sub-Account Contributions/Withdrawals and Balance ($ million)

	MAIN ACCOUNT				SUB-ACCOUNT			
Fiscal Year	Beginning Balance	Net Contributions (Withdraws)	Investment Income	Ending Balance	Beginning Balance	Net Contributions (Withdraws)	Investment Income	Ending Balance
1991	0.0	291.0	6.0	297.0	0	0.0	0	0.0
1992	297.0	247.0	19.0	563.0	0.0	0.0	0	0.0
1993	563.0	65.0	57.0	685.0	0.0	0.0	0	0.0
1994	685.0	132.0	61.0	614.0	0.0	0.0	0	0.0
1995	614.0	1,258.0	122.0	1,994.0	0.0	0.0	0	0.0
1996	1,994.0	413.0	111.0	2,518.0	0.0	0.0	0	0.0
1997	2,518.0	487.0	167.0	3,172.0	0.0	0.0	0	0.0
1998	3,172.0	18.0	369.0	3,559.0	0.0	0.0	0	0.0
1999	3,559.0	(1,045.0)	114.0	2,628.0	0.0	0.0	0	0.0
2000	2,628.0	(9.0)	115.0	2,734.0	0.0	0.0	0	0.0
2001	2,734.0	(342.0)	227.0	2,619.0	0.0	400.0	(24)	376.0
2002	2,619.0	(648.0)	143.0	2,114.0	376.0	0.0	(21)	355.0
2003	2,114.0	(521.0)	127.0	1,720.0	355.0	0.0	18	373.0
2004	1,720.0	(81.0)	8.0	1,646.0	373.0	0.0	45	418.0
2005	1,646.0	23.0	62.0	1,731.0	418.0	0.0	36	454.0
2006	1,731.0	9.0	34.0	1,774.0	454.0	0.0	39	493.0
2007	1,774.0	101.0	106.0	1,981.0	493.0	0.0	75	568.0
2008	1,981.0	(987.0)	140.0	1,134.0	568.0	4,100.0	(200)	4,467.0
2009	1,134.0	2,040.0	144.0	3,317.0	4,467.0	0.0	(670)	3,797.0

High Oil Prices Give Alaskans a Second Chance: How Will We Use this Opportunity?

By Scott Goldsmith

Prepared for ISER 50th Anniversary Celebration
Institute of Social and Economic Research • University of Alaska Anchorage
September 2011

Think about this: 10 years ago, it looked as if Alaska was on the brink of a tough transition to a post-Prudhoe Bay economy. Oil production was half of what it had once been, the state's oil revenues were about $2 billion, financial reserves were falling, and employment in the oil industry was down. The price of Alaska oil, adjusted to today's buying power, was $27 a barrel—and that was high by historical standards.

Things have changed dramatically since then: a combination of much higher oil prices—about $115 a barrel as this paper is being written—and revisions in the way the state calculates production taxes have caused state oil revenues to skyrocket, even though oil production is down 40% since 2002. We now find ourselves in a second huge oil-revenue boom, comparable to the one in the early 1980s (Figure 1).

But Alaskans who lived through that first boom remember how fast it ended, and how the economy fell into recession overnight—which quickly focused our attention on just how important oil is to Alaska. We promised that if another boom ever came around, we'd do a better job of managing our oil resources.

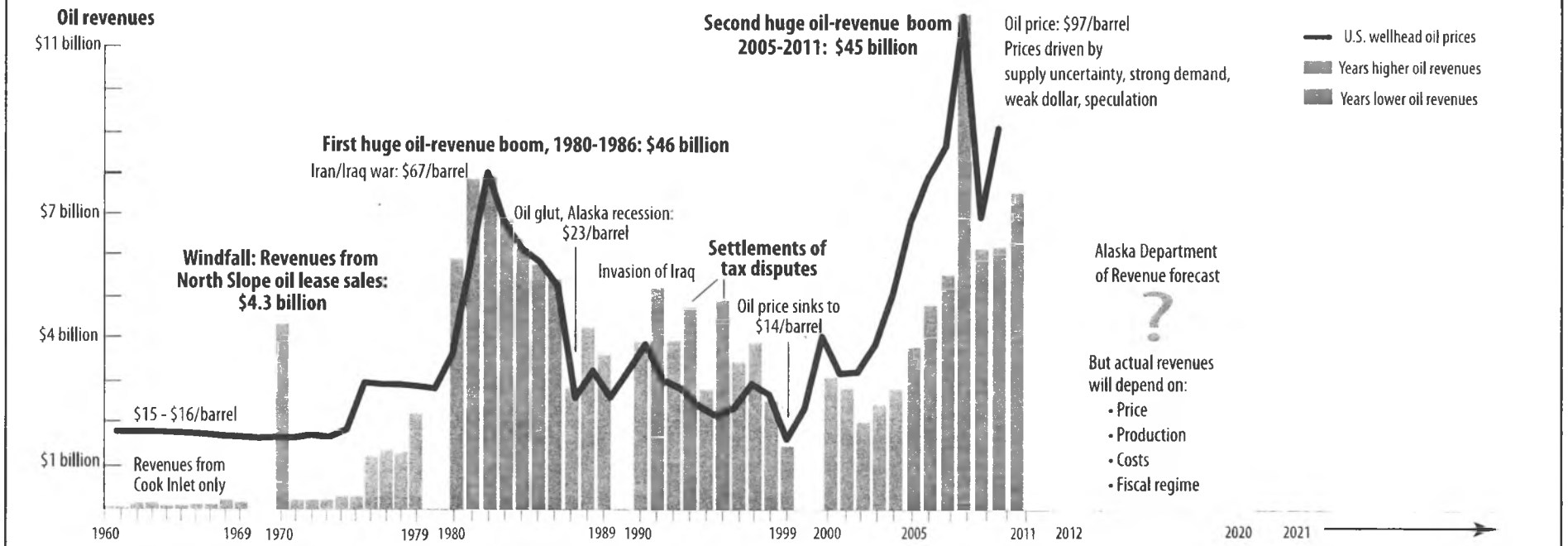
We now have that unexpected second chance, and the need to act is even more pressing. For decades, oil from huge, low-cost fields on state-owned land has supported much of the economy. But that oil is dwindling, and Alaska does face a difficult transition to a post-Prudhoe Bay economy.

Petroleum will still be the foundation of the economy, but developing new petroleum resources won't be as easy as previous development, and it won't be as profitable for the state. Other resource industries and the federal government will also still be important.

But no single resource will be able to match the enormous value of Prudhoe Bay oil. To keep Alaska prosperous, the state will need to take a more active role in managing its assets, particularly its petroleum assets. Alaska's people—and the institutions put in place since statehood—will shape decisions about how to move forward. This short paper summarizes the considerable assets Alaska will bring to the transition. We hope it will help Alaskans focus on the challenge of moving past Prudhoe Bay.

Figure 1. State Oil Revenues and Average U.S. Wellhead Oil Prices Per Barrel, 1960- 2011, In Today's Buying Power (2010 Dollars)

Revenues in state fiscal years (July-June) • Oil prices in calendar years



Sources: Alaska Department of Revenue; U.S. Energy Information Administration, crude oil first domestic purchase price

The Challenge

Two-thirds of the economic growth since statehood, as measured by jobs and income, can be traced to petroleum production, petroleum revenues, and petroleum spinoffs that have given a boost to other industries and households throughout the state.[1] Although these effects are most obvious in urban Alaska, they reach into every corner of the state—through generous public spending, low taxes, and the Permanent Fund dividend.

This prosperity has come from giant, low-cost fields—the largest being Prudhoe Bay—that the state owns on the North Slope. But now, those fields are in serious decline. As Figure 2 shows, we've used 80% of this high-revenue oil, with only about 20% of the identified 23 billion barrels of reserves remaining. Still, despite this situation, two things are currently creating a sense of complacency among Alaskans. There's a lot of petroleum employment right now, because more people are needed to squeeze the last reserves out of these fields. Also, high oil prices are bringing the state big revenues, even as production drops. Together, high employment and high prices have diverted our attention from the reality: when there is no oil left in the barrel, the associated jobs and revenues will also be gone.

And although it's impossible to predict how future events will unfold, Alaska's experience in the late 1980s—when a crash in oil prices ended the first huge oil-revenue boom—provides a glimpse of what could happen. Virtually all Alaskans were affected—by losing jobs, seeing the value of their houses plummet, or watching friends leave the state.

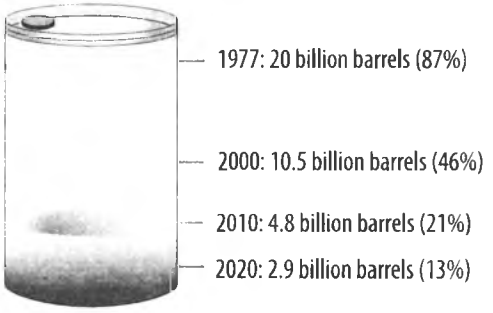
But luckily, the future doesn't have to be a repeat of the past. The state can play a significant role in shaping the transition to post-Prudhoe Alaska, by strategic use of all its assets. Alaskans need to keep in mind, however, that surprises—good and bad—will also continue to play a part in Alaska's future.

Petroleum Assets

Remaining Conventional Oil

• *The state might collect another $59 billion in revenues from existing production in the next decade, which could be used to cushion the transition—but those revenues aren't guaranteed.* The remaining 20% of the high-revenue oil from state lands is worth much more, per barrel, than the 80% already produced. That's because oil prices are so much higher today than in that past. The state revenues forecast depends on oil prices remaining high, but it also assumes that in the future production won't decline as fast, dropping just 2% a year through 2020, compared with 6% a year in the past.

Figure 2. How Much Conventional Oil Remains on State-Owned Land?



Source: Alaska Department of Natural Resources, historical production and projected future production

But the production rate on state lands—and the associated jobs and revenues—depends on investment decisions of petroleum companies. Those companies require a return on their investments consistent with opportunities elsewhere. Alaskans need to consider how to structure a tax policy that will not only bring in revenues in the short run, but encourage continued production at levels that keep the oil pipeline economically viable and future revenues flowing.

Natural Gas

• *A significant number of new jobs would be associated with finding and producing natural gas on state lands—but uncertainty in world gas markets means gas development isn't likely to happen as soon as many Alaskans hope.* There are known to be large reserves of natural gas on state lands on the North Slope. Some of that gas is already being put to use; it's reinjected into the ground to help boost production of high-value oil. The state has taken a number of steps to encourage construction of a gas pipeline, but the timeline is at least 10 years out—and today's market conditions can't be used as a basis for forecasting potential future state revenues from natural gas. It's likely gas will play a growing role in Alaska's future, but we can't rely on it as a centerpiece of a transition strategy.

Federal Lands and Non-Conventional Sources

• *Developing petroleum on federal lands onshore and offshore, as well as non-conventional sources on state lands, could produce thousands of jobs.* The potential of federal lands is huge, as are the estimated resources from unconventional sources like heavy oil. The timing of any development on federal lands is uncertain, and depends not only on economics and technology but also regulation, litigation, and legislation—over which the state has limited influence. Development of high-cost, non-conventional sources on state lands will also be affected by state tax policy. Whenever these resources are developed, they would generate employment that could match or exceed historical petroleum employment in Alaska. But potential state revenues from these resources are modest; they tend to be more remote and expensive to produce, and revenues would be shared with the federal government.

Money in the Bank

• *The state has big savings that can help pay for state government in the future, but it must continue to build those savings now.* The state currently has about $55 billion of financial assets in three accounts built on petroleum revenues—the Permanent Fund, the Constitutional Budget Reserve, and the General Fund (including but not limited to the Statutory Budget Reserve). These accounts represent the state's attempt to convert its non-sustainable oil reserves into a sustainable asset that can generate revenues long after the last drop of oil has been produced.

The size of these accounts is impressive—but even so their earnings aren't yet big enough to pay for much of state expenses—particularly since half the earnings of the largest account, the Permanent Fund, is dedicated to paying Permanent Fund dividends. But if we continue adding to those savings, they can eventually replace a substantial share of oil revenues from state lands.[2]

Other Natural Resources

• *Alaska's other natural resource industries will continue to support part of the economy—but their potential to grow is limited.* Minerals, seafood, timber, and our other natural resources, including the state's natural beauty, have always supported part of the economy.[3] With targeted public investments, appropriate regulatory policies, and other development strategies, these resource industries can continue to prosper. But their modest size, growth potential, and limited profitability mean that expecting these other natural resource industries to replace petroleum is not realistic.

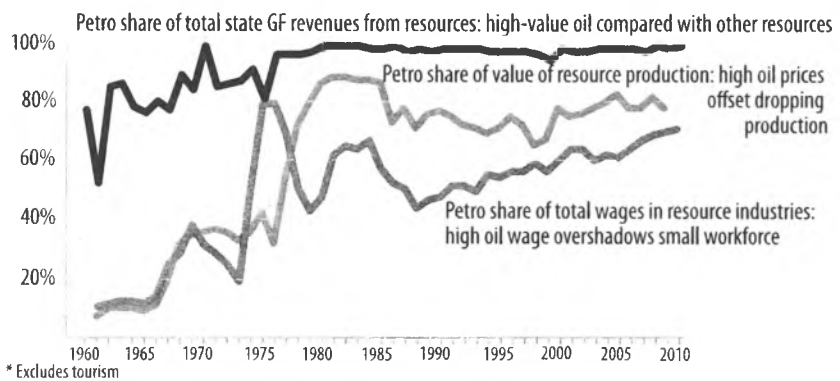
The dominance of petroleum among our natural resource industries is clear in the three measures shown in Figure 3.[4] Since 1977, petroleum has accounted for 60% of all wages paid in resource industries, 83% of the total value of resource production, and 98% of all state General Fund revenues from resource production. The figure also shows that despite continuing efforts to build on our resource base, nothing has changed petroleum's dominance since oil began flowing through the pipeline.

Many Alaskans find it hard to believe that other resources can't rival petroleum. Alaska is often described—correctly—as a storehouse of resources, waiting only for a key to unlock them. But there is no magic key. Alaska is an "island economy"—with high costs, distance from markets, and absence of scale economies. Only very valuable resources are economic to develop. Also, activities that Alaskans can readily see—like tourism—can seem more important than their dollar value indicates.

Federal Government

• *Federal spending supports an estimated one-third of jobs in Alaska, and it will continue to be important for the economy—but future federal spending won't grow as it did in the past.* A large share of Alaska's economic resilience, even as petroleum production was dropping, can be traced to growth in federal spending since the 1990s.[5] But given the federal government's budget woes, Alaska and other states are likely to see cuts—and even if new activities of the federal government were to bring new jobs, the state cannot directly tax the federal government and collect revenues, the way it does from petroleum and other private industries.

Figure 3. How Does Petroleum Contribute to Total Natural Resource Production?*



* Excludes tourism

Sources: Alaska Departments of Revenue, Labor, Natural Resources, Fish and Game, Commerce, Community, and Economic Development; U.S. Forest Service; U.S. Department of Agriculture

Shaping Alaska's First 50 Years: Unique Legislation and Institutions

In 1959, the federal government owned 99% of Alaska land and controlled the natural resources. Much of the first 50 years of statehood have been shaped by new laws and institutions governing ownership and use of the land and the resources that are the foundation of the economy.[6] These laws and institutions will also provide the context for the transition to the post-Prudhoe Bay era.

Alaska Constitution (1956)

• Established a framework for the new state, but left Alaskans broad flexibility to build government structures.[7] Voters must approve any amendments.

• Reflects the importance of natural resources for Alaska, in a unique resource clause that calls for "utilization, development, and conservation" of the state's resources for the "maximum benefit of its people" and reserving fish, wildlife, and waters "for the people for common use."[8]

Alaska Statehood Act (1959)

• Changed Alaska from territory with weak powers and undeveloped or non-existent institutions to a state with the same rights and powers as all other U.S. states.

• Awarded the state authority to select 103 million acres of federal land, to provide an economic base. Those selections turned out to include North Slope land that has provided the state's oil wealth for 40 years.

1971 Alaska Native Claims Settlement Act (ANCSA) and Alaska Native Corporations

• Awarded Alaska Natives $1 billion and rights to select 44 million acres of federal land. The law called for creation of unique new business corporations—owned by Alaska Native shareholders—to manage the land and money. Some of these corporations are still struggling to be profitable. But others now rank among Alaska's biggest businesses, and are the best example of Alaska-owned businesses benefiting from resource development.

• Included a provision authorizing the U.S. Department of the Interior to close large areas to state and Alaska Native land selections and decide how much to add to parks and other national conservation areas. That led to passage of ANILCA, in 1980 (see below).

Alaska Permanent Fund (1976)

• Established after Alaskans in 1976 approved a constitutional amendment requiring at least 25% of royalties from natural resource production to be saved in a fund the legislature couldn't spend—a "permanent" fund. Analysts say the fund may not have been unique at the time, but it was certainly rare.

• Could be opened to spending through a new constitutional amendment. But the fund has a very strong constituency among Alaskans, largely because of something that is probably unequaled anywhere: Permanent Fund dividends—which are annual payments to all Alaska residents from the *earnings* of the Permanent Fund. The legislature can't spend the fund principal, but it can spend the earnings.

1980 Alaska National Interest Lands Conservation Act (ANILCA)

• Added 104 million acres of federal land to national parks, wildlife refuges, and other conservation areas, bringing the total national conservation areas in Alaska to about 150 million acres. It passed after a decade-long fight between those who wanted more land left open for development and those who wanted more kept undeveloped.

• Requires that rural Alaskans have preference for subsistence hunting and fishing on federal lands. That provision has put the state at odds with the federal government, because the Alaska Supreme Court has ruled that the resource clause of the state constitution (see above) prohibits the state from allocating resources among Alaskans based on where they live. As a consequence, the federal government has taken over from the state management of subsistence activities on federal lands.

People

Many of us who will make decisions about how to move to a post-Prudhoe Bay era weren't here when oil started flowing through the pipeline, or when an earlier generation of Alaskans made decisions that created our unique Alaska institutions. Likewise, the next generation of Alaskans—those who grow up here and those who move here later—will bear the consequences of our decisions.

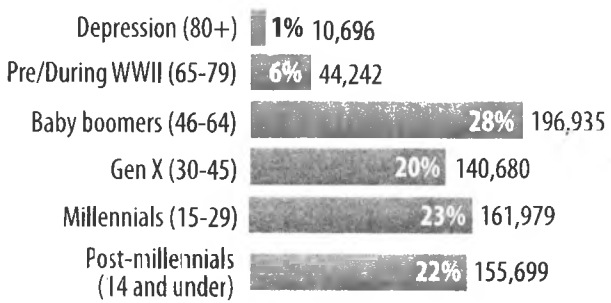
The U.S. census gives us some information about how succeeding generations of Alaskans have changed the composition of the population over time. We have become not only more numerous, but older, more urban, more stable, and more ethnically and culturally diverse, particularly among younger Alaskans.

But that snapshot tells us little about who we are, and nothing about what we think is most important for a post-Prudhoe Alaska. It is useful to think about the population divided into cohorts by age, as shown in Figure 4.

All generations are influenced by shared life experiences that shape their beliefs and behavior. Alaskans in the oldest cohorts remember the struggle for statehood and the tough times during the Great Depression and World War II that fostered self-reliance in the Last Frontier. Many of the baby-boom generation came here at the start of the Prudhoe Bay era and have seen the state move from modest means to unimaginable wealth. Many younger Alaskans have lived their entire lives as rentiers—people who live on income from property or investment—with the government providing public services paid for entirely from oil wealth they had no role in acquiring.

Decision-making today is largely in the hands of older Alaskans and will be influenced by their perceptions of what Alaska is and should be. But the Alaska of the future envisioned by the younger cohorts could be a very different place, and they should also have a voice in decisions. In deciding how to move into the future, we need to think not only about ourselves, but about keeping Alaska prosperous for those generations to come.

Figure 4. Alaskans by Generation, 2010
(Total Alaskans: 710, 231)



Source: U.S. Census, 2010

Conclusions

The transition to a post-Prudhoe economy is the biggest challenge Alaska will face in the next 10 years. Fortunately, Alaska has a lot of potential for developing and producing significant new petroleum resources. Also, if high oil prices and other factors hold, there's a possibility the state can collect many more billions in oil revenues before the conventional reserves on state lands are used up. Alaskans can come together and use these resources, against the background of our unique institutions, to forge a smooth and successful transition.

But any number of roadblocks could derail a smooth transition. We all have a natural tendency to avoid decisions that require sacrifice in the near term to achieve a longer term goal. Obvious challenges to planning for the future include not focusing on the problem, not believing it's urgent, not understanding the issues, and not trusting government to act in the interests of the average Alaskan. Also, wishful thinking could win out over analysis based on reality.

We hope this summary will be at least one step in the direction of overcoming these challenges and keeping Alaska on track for the coming decades.

Notes

1. For more on the economic role of oil in Alaska's economy, see Scott Goldsmith, "Oil Pumps Alaska's Economy to Twice the Size," *Understanding Alaska* Summary 17, Institute of Social and Economic Research, University of Alaska Anchorage, February 2011. For a detailed analysis of the historical relationship of the state and the oil industry, see Jerry McBeath, Matthew Berman, Jonathan Rosenberg, and Mary Ehrlander, *The Political Economy of Oil in Alaska*, Lynne Rienner Publishers, 2008.

2. For a discussion of the potential future role of financial assets in funding state government, see Scott Goldsmith, "How Much Should Alaska Save?" *Web Note* 7, Institute of Social and Economic Research, University of Alaska Anchorage, February 2011.

3. For an assessment of the economic importance of the state's scenic beauty and other parts of the ecosystem, see Steve Colt, "What's the Economic Importance of Alaska's Healthy Ecosystems?" *Research Summary* 61, Institute of Social and Economic Research, University of Alaska Anchorage, March 2001.

4. For perspective on the importance of Prudhoe Bay oil in Alaska's resource production history, see Terrence Cole and Pamela Cravez, "Blinded by Riches: the Prudhoe Bay Effect," *Understanding Alaska* Summary 3, Institute of Social and Economic Research, University of Alaska Anchorage, February 2004.

5. See Scott Goldsmith, "What Drives the Alaska Economy?" *Understanding Alaska* Summary 13, Institute of Social and Economic Research, University of Alaska Anchorage, December 2008.

6. For a description of how Alaska land ownership and management developed, see Teresa Hull and Linda Leask, "Dividing Alaska, 1867-2000," *Alaska Review of Social and Economic Conditions*, Institute of Social and Economic Research, University of Alaska Anchorage, November 2000.

7. To learn the history of Alaska's constitution, see Victor Fischer, *Alaska's Constitutional Convention*, University of Alaska Press, 1975.

8. For a detailed discussion of the resource clause and all other provisions of the state constitution, see Gordon Harrison, *Alaska's Constitution: A Citizen's Guide*, Fourth Edition, Alaska Legislative Affairs Agency, 2002.

The Author

Scott Goldsmith has studied the Alaska economy for more than 35 years; he is a professor of economics at ISER.

Who is ISER?

The Institute of Social and Economic Research is part of the College of Business and Public Policy at UAA. It was created through an act of the Alaska Legislature in 1961, and over the past 50 years ISER researchers have studied virtually all major public policy issues in Alaska. A central part of ISER's mission is helping Alaskans better understand their state and think about the issues it faces. Learn more about ISER at:

www.iser.uaa.alaska.edu

A grant from Northrim Bank helped make this paper possible.

Northrim Bank

Editor: Linda Leask • Graphics: Clemencia Merrill

Institute of Social and Economic Research
University of Alaska Anchorage
Web Notes

Revising the State Fiscal Plan to Account for Petroleum Wealth

by Scott Goldsmith

Web Note No. 9
May 2011

INTRODUCTION

In 2008 the Alaska Legislature passed and the governor signed into law a bill requiring the Office of Management and Budget (OMB) to prepare an annual state fiscal plan projecting state spending for 10 years and identifying the revenue sources to pay for that spending. One objective of the law was to get government and the general public thinking, discussing, and planning for the long-term fiscal health of the state in light of declining oil production.

These plans have not attracted the attention they deserve. In this Web Note we review the most recent fiscal year 2012 10-year plan and offer suggestions for improvement.

THE OMB FISCAL YEAR 2012 10-YEAR FISCAL PLAN

The fiscal plan consists of a number of scenarios, based on different assumptions about future petroleum revenues and the growth rate of General Fund spending. Each scenario tracks the BUDGET SURPLUS/SHORTFALL (difference between current revenues and expenditures) as well as TOTAL RESERVES (balance in the Constitutional and Statutory Budget Reserves). For example, "Scenario 3," depicted in the table and figure below, shows TOTAL RESERVES growing from $11.1 billion in FY11 to $19.6 billion in FY21, based on the Fall 2010 Alaska Department of Revenue forecast of General Fund revenues and a 6% growth rate in General Fund expenses.

Scenario 3: FY2012 Governor's Budget with 6% Annual Expenditure Growth

Oil Price & Production	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY20	FY21
Fall 2010 forecast ANS West Coast ($/bbl)	$77.96	$82.67	$87.86	$92.41	$97.34	$100.08	$102.90	$105.80	$108.78	$111.84	$114.99
Fall 2010 forecast production (million bbl/d)	0.616	0.622	0.642	0.629	0.608	0.623	0.607	0.582	0.551	0.520	0.496
Revenue vs. Spending ($millions)											
General Fund Revenues[1]	$5,452.2	$5,730.3	$6,207.7	$6,787.8	$7,233.1	$7,822.4	$7,992.7	$8,060.4	$7,945.7	$7,810.7	$7,424.1
General Fund Expenses	$5,403.6	$5,446.4	$5,773.2	$6,139.6	$6,486.7	$6,876.0	$7,288.6	$7,725.5	$8,189.4	$8,680.7	$9,201.6
Budget Surplus/Shortfall	**$48.6**	**$343.9**	**$434.5**	**$648.2**	**$746.4**	**$946.5**	**$704.2**	**$334.6**			
Reserve Balances ($millions)											
CBRF Main Account Balance End of Year	$5,126.1	$5,346.9	$5,576.3	$5,814.8	$6,062.3	$6,319.7	$6,587.1	$6,864.2	$7,153.7	$7,453.7	$7,765.4
CBRF Subaccount Balance End of Year	$4,890.7	$5,242.2	$5,618.9	$6,022.7	$6,455.5	$6,919.4	$7,416.7	$7,949.6	$8,520.9	$9,133.3	$9,789.8
CBRF Total	**$10,016.8**	**$10,589.0**	**$11,195.2**	**$11,837.5**	**$12,517.8**	**$13,239.1**	**$14,003.7**	**$14,813.8**	**$15,674.6**	**$16,587.0**	**$17,555.2**
Statutory Budget Reserve Balance	$1,048.6	$1,392.4	$1,827.0	$2,475.2	$3,221.5	$4,168.0	$4,872.2	$5,206.6	$4,963.1	$3,793.0	$2,015.5
TOTAL RESERVES	**$11,065.4**	**$11,981.5**	**$13,022.1**	**$14,312.5**	**$15,739.3**	**$17,407.1**	**$18,875.9**	**$20,021.4**	**$20,637.7**	**$20,380.0**	**$19,570.6**

1 FY 2011 and FY 2012 General Fund Revenue includes: Corporate Dividends, Reappropriations and Carry Forward

Appropriations projections in the plan do not represent a commitment by the Administration to propose spending or generate revenue at a particular level in FY2011, FY2012 or any future year. The 10 year forecast shows that unanticipated budget shortfalls during the 10-year period could be filled primarily through the use of reserve funds; however, other fiscal tools including spending reductions would likely be used in addition to, or in lieu of, reserve funds.

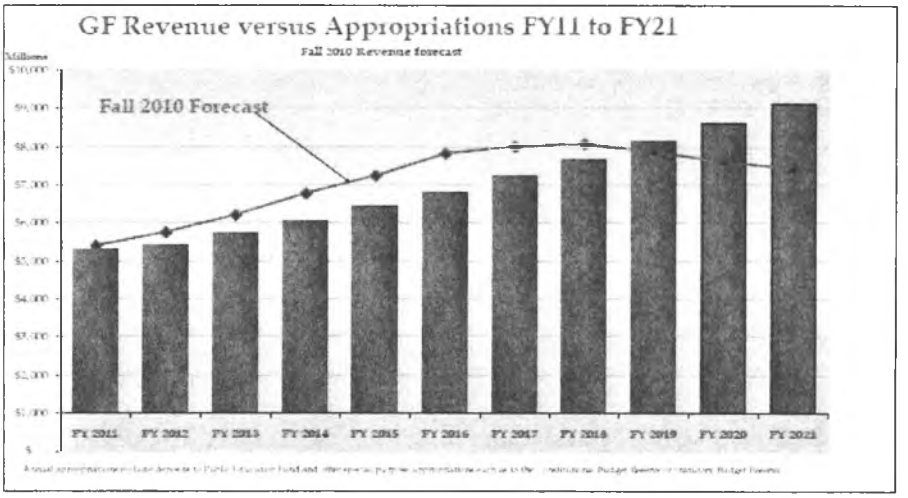
The plan will be revisited as conditions warrant.

This paper is part of ISER's *Investing for Alaska's Future* research initiative, funded by a grant from Northrim Bank.

Northrim Bank

Based on those assumptions, the state would enjoy a BUDGET SURPLUS through FY18, but growing annual expenses (the vertical bars below) would then begin to exceed revenues (solid line). An annual SHORTFALL would appear and start to grow.

Scenario 3: FY2012 Governor's Budget with 6% Annual Expenditure Growth



The BUDGET SHORTFALL occurs as soon as FY12 in the most pessimistic of the five fiscal plan scenarios but does not show up at all before FY21 in the two most optimistic of the scenarios (table below). The extreme sensitivity of state fiscal health to the growth rate of spending and future petroleum revenues is also illustrated by comparing TOTAL RESERVES in FY21 across the five scenarios. They vary from zero to $36.9 billion.

Table 1. Summary of 5 OMB Scenarios: BUDGET SHORTFALL and TOTAL RESERVES

Scenario	GF Revenues	GF Expenditure Growth Rate (Nominal $)[1]	Year of First BUDGET SHORTFALL	TOTAL RESERVES in 2021 (Billion$)
1	DOR Fall 2010	0%	-	$36.9
2	DOR Fall 2010	3%	-	$28.9
3	DOR Fall 2010	6%	2019	$19.6
4	$80 constant oil	3%	2013	$3.1
5	$70 constant oil	1%	2012	-

The state fiscal plan reflected in these scenarios is built on several elements:

- Contain growth in state spending
- Encourage oil and gas development to realize the projected revenue stream

[1] The fiscal plan is presented in nominal dollars and assumes inflation at 2.75% annually and population growth of 1% annually. So the General Fund expenditure growth rates in Scenarios 1 and 2 are negative or flat in inflation-adjusted dollars. This will be very difficult to achieve. For example, state Medicaid expenditures, one of the largest items in the budget, have been projected to grow at 8.9% annually. *See Long-Term Forecast of Medicaid Enrollment and Spending in Alaska: 2005-2025*, by the Lewin Group and ECONorthwest, 2006.

- Save all current account budget surpluses in the CBRF (Constitutional Budget Reserve) or other account
- Use accumulated surpluses to cover unanticipated revenue shortfalls or general fund expenses
- Continue Permanent Fund dividend appropriation using current formula[2]
- Reduce spending if accumulated surplus gets low or becomes depleted
- No new taxes

These plan elements are designed to ensure that public services can be provided, the economy can continue to prosper, and no fiscal burden will be passed on to the next generation of Alaskans in the form of new taxes or service cuts. But can it work?

If revenues are high and spending growth is slow, this plan should work for the next decade. And the higher than anticipated oil price in recent months has provided the state with an additional cushion to help ensure its success.

LOOKING BEYOND 10 YEARS

The problem with this approach is that petroleum revenues, which pay for at least 90% of General Fund spending, are non-sustainable. Eventually, even under the most optimistic assumptions, growing General Fund spending will overtake falling General Fund revenues from oil, the annual draw on reserves will increase, and TOTAL RESERVES will not only fall, they will disappear.

To avoid this problem, the fiscal plan suggests revenues from North Slope natural gas production after 2020 will be a "key element in providing for the future fiscal and economic stability of the state"[3] but there is no quantitative analysis to support that statement.

Let's extend OMB Scenario 3 for 10 years, out to FY32, and look at the results graphically. We assume General Fund spending (black line) continues to grow at 6% a year through FY32, nominal General Fund oil revenue after FY21 falls 5% annually (green area), and other revenues (red) grow 3% annually. The graph also shows spending from RESERVES (yellow). Gas revenues, based on an estimated wellhead value of $2 and the current tax structure, (blue) start in FY21. The projections are shown in inflation-adjusted dollars to allow comparisons of future and current values.[4]

We see that gas revenues reduce but are not large enough to eliminate the General Fund SHORTFALL. Gas revenues allow the size of the financial RESERVE to stay above $20 billion for several years, but eventually the force of growing expenditures and declining petroleum

[2] This element is not explicitly stated. Neither is the implied assumption that the Earnings Reserve of the Permanent Fund will not be available for appropriation for General Fund spending. In what follows we assume use of the Earnings Reserve to help fund the General Fund.

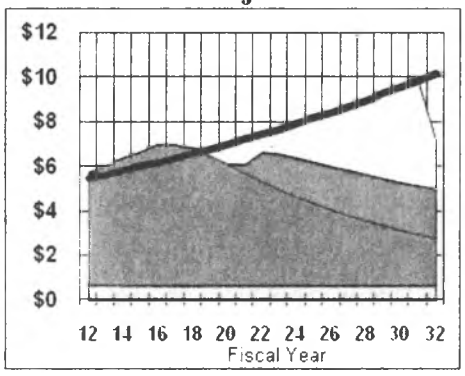
[3] OMB FY2012 10-Year Plan, Executive Summary, page 1.

[4] These projections are based on a simple spreadsheet model available from the author.

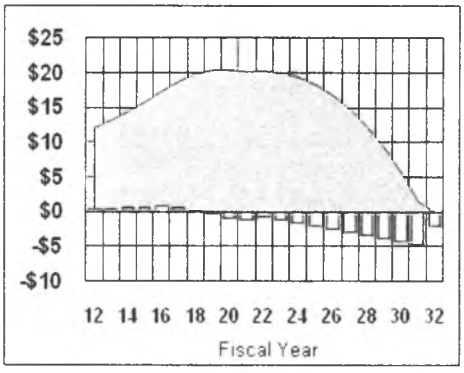
revenues leads to its rapid depletion through annual withdrawals (yellow). By FY32 the financial RESERVE is gone. By that time the annual SHORTFALL has grown to about $5 billion.

OMB FISCAL PLAN—EXTENDED (2012 Billion $)

GF Projection



Financial Reserve Balance



A SHORTFALL of $5 billion would not only devastate public spending—for education, health care, public safety, transportation, and other purposes—it would also have a ripple effect on the entire economy, resulting in a severe and long lasting recession. The prolonged recession of the mid-1980s demonstrated how sensitive the economy is to public spending and how every part of the economy suffers when government spending falls sharply.

The lesson from looking beyond this decade is that gas revenues could postpone depletion of petroleum revenues, but could not eliminate the underlying problem of non-sustainability and the fiscal gap.

DOWNSIDE RISK

What if the future does not look as the OMB Fiscal Plan describes?

The economic history of Alaska has been punctuated by pleasant surprises—like the discovery of oil at Prudhoe Bay, the oil price increase due to the Iran-Iraq war shortly after Prudhoe Bay production began, and the more recent positive oil price trend. But we need only remember the severe recession of the mid-1980s, brought about when Saudi Arabia increased oil production and drove down the price, to realize that unpleasant surprises also can and have happened.

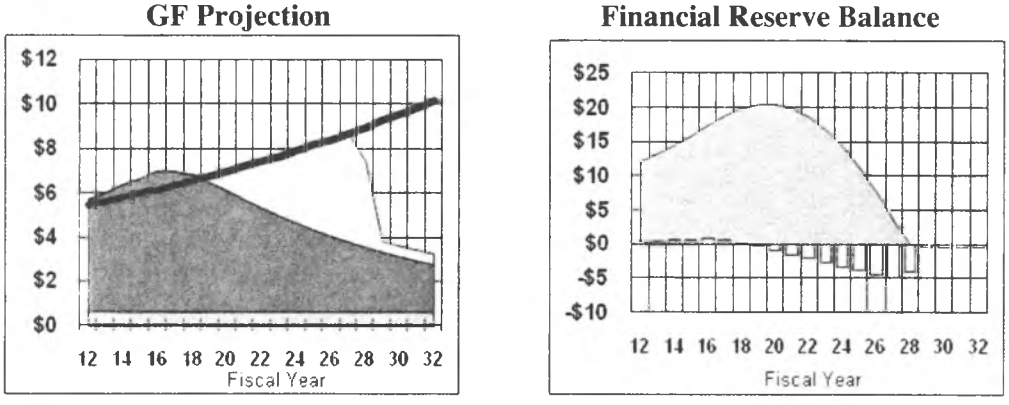
We should consider a broader range of different possible futures and how the fiscal plan would work under those conditions.

One possibility is that things will turn out better than anticipated in the OMB projection. Oil and gas revenues could end up higher than we expect. State spending could grow more slowly than projected. Under those circumstances, the reserve balance would grow more rapidly and we would be in the fortunate circumstance of having more money in the bank than expected. That outcome would be good in the near term, but with continued and growing dependence on a non-sustainable revenue source, the fiscal gap, when it appeared, could be even bigger than $5

billion. On the other hand, a delay or smaller revenues from gas commercialization; lower revenues from oil; or more rapid growth in General Fund expenditures could all have serious consequences for the fiscal future of the state within a few years.

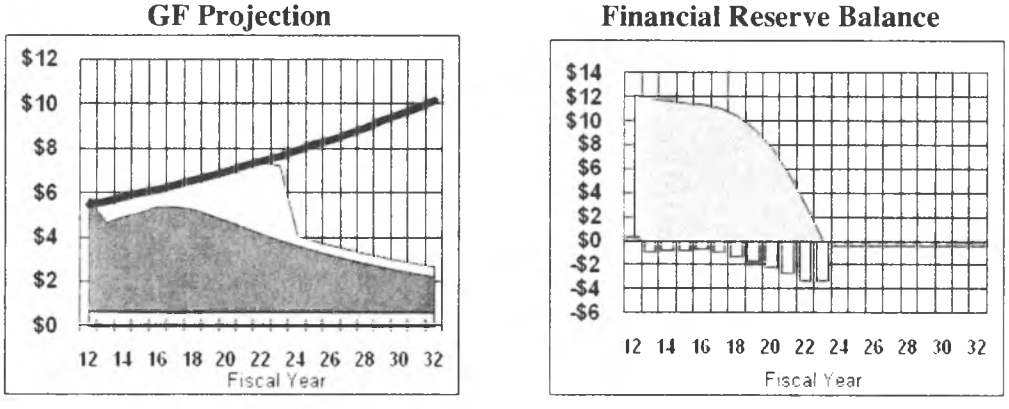
The next set of graphs shows what would happen if there were no revenues from gas. With declining General Fund oil revenues (green), the budget SHORTFALL that opens after FY18 grows and is filled using RESERVES (yellow) until they are gone in FY28. By that time the General Fund SHORTFALL has grown to more than $4 billion.[5]

OMB FISCAL PLAN—EXTENDED (2012 Billion $)
NO GASLINE



If oil revenues turn out to be 75% of the DOR Fall 2010 projection, the budget SHORTFALL begins immediately and the financial RESERVE is depleted in FY23.

OMB FISCAL PLAN—EXTENDED (2012 Billion $)
NO GASLINE
75% OF DOR OIL REVENUES



[5] Reserves used after FY28 shown in the graphs come from the portion of Permanent Fund earnings that are not used to pay the dividend or inflation proof the fund. That portion goes into the Earnings Reserve account of the Permanent Fund and is spent in the same year.

CLOSING THE FISCAL GAP

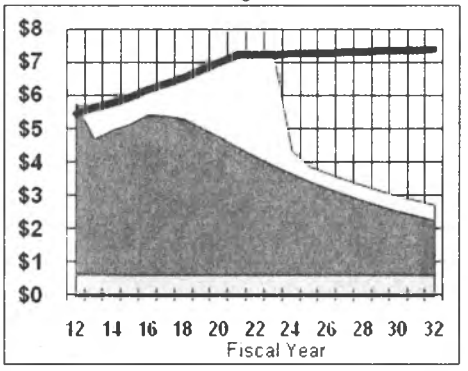
If commercialization of gas is delayed or oil revenues fall below current projections, we should be able to anticipate the need for corrective action to avoid huge budget SHORTFALLS. Three obvious possibilities are to cut spending, impose taxes, and divert the Permanent Fund dividend to the General Fund. Use of the Permanent Fund balance is a more drastic alternative.

a. Cut Spending

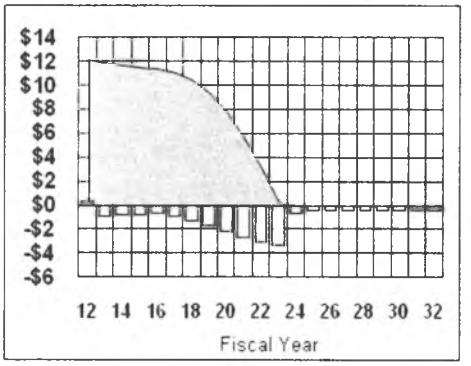
Holding General Fund spending (black line) constant in real terms after FY20 (3% annual growth) has little immediate effect, but it does marginally reduce the fiscal gap in later years.

OMB FISCAL PLAN—EXTENDED (2012 Billion $)
NO GASLINE
75% OF DOR OIL REVENUES
CUT SPENDING AFTER 2020

GF Projection



Financial Reserve Balance



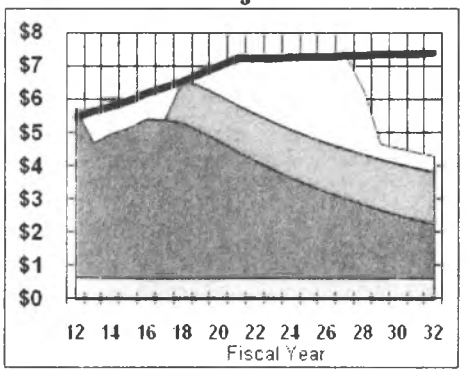
b. Personal Taxes

Alaska is the only state without either a state sales tax or personal income tax. Nationally, households contribute on average about 4% of their income to the operation of state government through a combination of these taxes. If Alaska households supported state government at the same rate as households in other states, personal tax collections would be about $1,800 per capita—4% of personal income. If these taxes were imposed (shown in purple on the graphs on the following page)[6] before the financial reserves were depleted, it would postpone the arrival of the fiscal gap and cut down its size. The political challenge with this strategy is to collect tax revenues at the same time that the RESERVE holds several billion dollars.

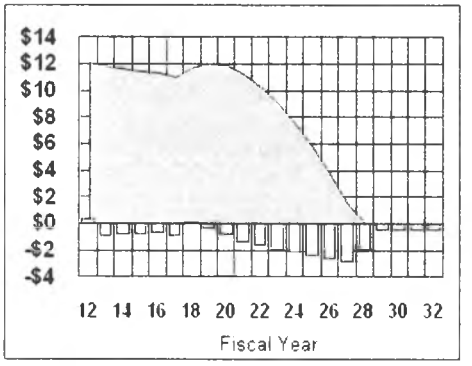
[6] The estimate is based on an analysis by the Urban Institute-Brookings Institution Tax Policy Center of data from the U.S. census. In 2007 tax revenue from state income and sales taxes averaged 4.25% of personal income for the U.S. as a whole. It ranged from a low of 2.33% in Texas to a high of 7.88% in Hawaii. Applying the U.S. average rate to 2008 Alaska personal income of $30 billion results in an estimate of about $1.3 billion in tax revenue. Sales tax revenue would be about $600 million, and the personal income tax revenue would be about $700 million.

OMB FISCAL PLAN—EXTENDED (2012 Billion $)
NO GASLINE
75% OF DOR OIL REVENUES
CUT SPENDING AFTER 2020
ADD PERSONAL TAXES IN 2018

GF Projection



Financial Reserve Balance

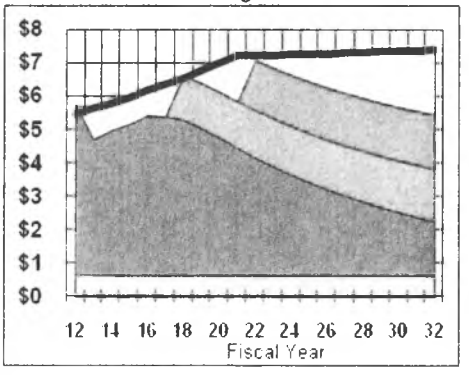


c. Divert the Permanent Fund Dividend to General Fund

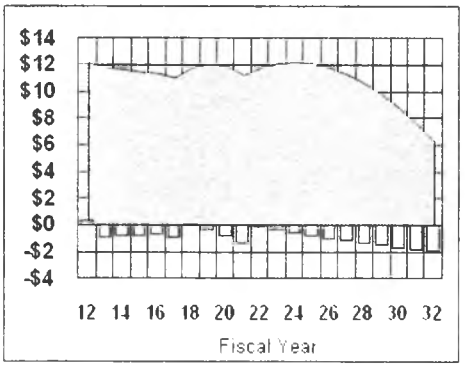
Diverting the entire dividend (red on the graph below) and adding personal tax revenues (purple) to cover General Fund spending would reduce the budget SHORTFALL and maintain the RESERVE (yellow) beyond FY32. But even in this case, after 20 years the RESERVE would soon be depleted because of the non-sustainability of the oil revenues.

OMB FISCAL PLAN—EXTENDED (2012 Billion $)
NO GASLINE
75% OF DOR OIL REVENUES
CUT SPENDING AFTER 2020
ADD PERSONAL TAXES IN 2018
DIVERT THE DIVIDEND TO THE GF IN 2022

GF Projection



Financial Reserve Balance



d. Cash Out the Permanent Fund
Using the Permanent Fund balance to fill the budget gap would work for a number of years, but like petroleum revenues, the fund is a non-sustainable revenue source and would not provide a permanent solution to the fiscal dilemma the state faces.

FISCAL BURDEN

Looking out 20 years forces us to confront the fiscal reality that the state continues to depend on non-renewable revenues to fund government and to support the state economy.

Sooner or later spending will outrun available revenues. When that happens Alaskans will have to make do with less and pay more for what they get. Either way Alaskans at that time will bear a FISCAL BURDEN compared to the current generation.

The only way to minimize that burden is to save more current revenues from non-renewable petroleum production, but how can we decide how much saving is enough?

WEALTH PRESERVATION: THE MAXIMUM SUSTAINABLE YIELD

If we are serious about being able to fund necessary public services in the future without imposing a FISCAL BURDEN on future generations, we should save enough out of current revenues from non-renewable sources to maintain the real per capita value of our wealth. But because current petroleum revenues fluctuate from year to year, it is easier to turn the question on its head and ask not how much we need to save, but rather how much we can afford to spend to maintain the per person value of our wealth.

To do that we need to know the size of our petroleum wealth, including both the financial assets derived from past petroleum revenues and the value of petroleum still in the ground—the present value of future petroleum revenues.

We estimate the state's petroleum wealth as of June 30, 2010 (the beginning of fiscal year 2011) to have a value of $126 billion[7]—$45 billion held as financial assets (Table 2) and $81 billion as the present value of revenues yet to be collected from future oil and gas production (Table 3). This estimate of future revenues relies primarily on the Fall 2010 Alaska Department of Revenue projection.

[7] See ISER Webnote No. 7, "*How Much Should Alaska Save*?" available at www.iser.uaa.alaska.edu for more detail on this method of determining petroleum wealth.

Table 2. State Financial Assets as of June 30, 2010 (Billion $)

TOTAL	$45	
Permanent Fund	$33.3	Alaska Permanent Fund Corporation, 2010 Annual Financial Report
Constitutional Budget Reserve	$8.7	Alaska Department of Revenue, Treasury Division, Combined Schedule of Invested Assets, June 30, 2010
Statutory Budget Reserve	$1	Alaska Department of Revenue, Tax Division, Revenue Sources, Fall 2009
General Fund	$2	Author estimate
Other	-	

Source: ISER Web Note 7, *How Much Should Alaska Save?*
Note: Cash in the General Fund is a rough measure of the share of the General Fund that is not in restricted accounts (of which the Statutory Budget Reserve is one) and is not necessary to meet the cash flow requirements of the state. For completeness we show an "Other" category, which would consist of other unrestricted financial assets that could be appropriated to support state spending.

Table 3. Present Value of State Petroleum Revenues Yet to be Collected (Billion $)

Total Petroleum	$81
Oil	$74
State Land—North Slope 2011-2020	$45
State Land—North Slope 2021+	$27
State Land—Other Locations	-
State Land—Heavy Oil	$1
Federal NPRA	-
Federal OCS	$1
Federal ANWR	-
Gas	$7

Source: ISER Web Note 7, *How Much Should Alaska Save?*
Author estimate, based largely on Alaska Department of Revenue projections. Future revenues discounted at 5% real. Includes royalties paid into Permanent Fund.

A wealth portfolio of $126 billion should be able to generate annual earnings, after inflation, of $6.3 billion if it can achieve a real rate of return of 5%—the target earnings for the Alaska Permanent Fund. With a stable state population, we could spend the entire earnings of $6.3 billion each year and still maintain the value of our wealth for future generations to share. But since the population is increasing about 1% annually, we would need to reinvest 1% of the earnings back into the portfolio in order to maintain per capita value. Then the wealth portfolio would be growing over time at the same rate as population.[8] After that reinvestment the MAXIMUM SUSTAINABLE YIELD from the portfolio would be $5.04 billion.[9] The calculation is shown in Table 4.

[8] This is a simple version of what is known to economists as the Hartwick rule.

[9] It could also be called the BENCHMARK DRAW.

Table 4. MAXIMUM SUSTAINABLE YIELD: FY 2011 (Billion $)

PETROLEUM WEALTH	$ 126
Real Earnings @ 5%	$ 6.30
Reinvest for Population Growth @ 1%	$ 1.26
MAXIMUM SUSTAINABLE YIELD	**$ 5.04**

Over time, the MAXIMUM SUSTAINABLE YIELD would need to grow with the population, keeping real per capita yield constant at the current level of $7,100, based on a population of 710 thousand.)

The MAXIMUM SUSTAINABLE YIELD is the annual amount that could be spent for all purposes—government programs and the Permanent Fund dividend—from the entire petroleum wealth portfolio, including current petroleum revenues and earnings on all financial assets.

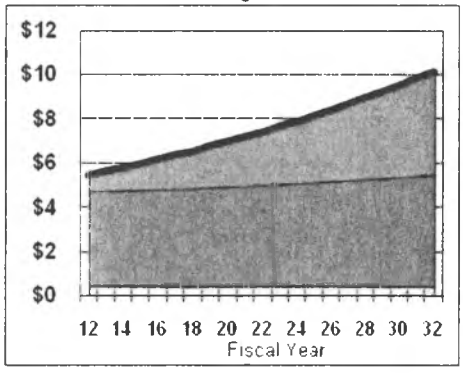
REVISING THE FISCAL PLAN TO TRACK WEALTH PRESERVATION

If we incorporated the objective of wealth preservation into the state fiscal plan, the sum of spending from three sources could not exceed the MAXIMUM SUSTAINABLE YIELD. These sources would be spending from the Permanent Fund, spending from other financial assets, and spending from current petroleum revenues. Revenues from recurring sources would fill any shortfall between total spending and the MAXIMUM SUSTAINABLE YIELD.

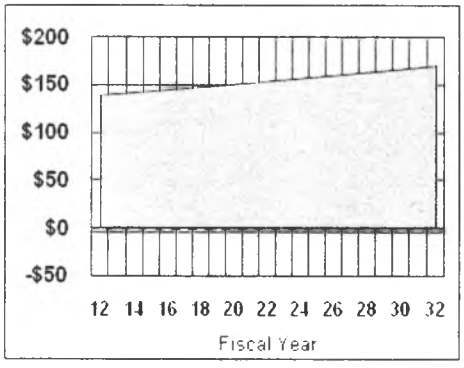
The fiscal plan would look like the next set of graphs, which assume 6% annual growth in General Fund spending (black line) and continuation of the current policies regarding the Permanent Fund and payment of the dividend. The MAXIMUM SUSTAINABLE YIELD remaining after paying the dividend becomes income to the General Fund, shown in green. The difference between current General Fund spending and revenue from the MAXIMUM SUSTAINABLE YIELD (blue area) must come from recurring revenue sources.[10]

REVISED OMB FISCAL PLAN (2012 Billion $)

GF Projection



Petroleum Wealth Balance



[10] The small red bar at the bottom is current non-petroleum General Fund revenue.

The entire petroleum wealth of the state is shown at the right; it includes all financial assets as well as the expected revenues from future petroleum production. The wealth grows over time through reinvestment of earnings at the same rate as population growth. The MAXIMUM SUSTAINABLE YIELD is the row of small yellow bars.

Adhering to this plan would ensure that petroleum wealth would be shared across generations and that the cost of spending on public programs above the MAXIMUM SUSTAINABLE YIELD level would be borne by those who benefit from that spending.[11]

MONITORING HOW WE'RE DOING

We can monitor how we're doing in meeting the objective of wealth preservation—without redoing the state fiscal plan—by comparing actual spending from wealth in the state fiscal plan to the MAXIMUM SUSTAINABLE YIELD level of spending. If we are spending more, then our wealth per capita is falling. If we are spending less, our wealth per capita is growing.

Table 5 shows estimated actual spending from petroleum wealth in FY12 to be about $6.1 billion. This consists of the General Fund oil revenues that will be spent, the General Fund investment earnings that will be spent, and the Permanent Fund Dividend.[12]

Table 5. FY2012 PROJECTED PETROLEUM WEALTH SPENDING (Billion $)

TOTAL	**$ 6.057**
GF Oil Revenues	$ 4.648
Minus: GF Oil Revenues Saved (Budget Surplus)	($ .094)
Plus: GF Investment Earnings	$ .183
General Fund	**$4.737**
Permanent Fund Dividend*	**$ 1.320**
Based on FY 2011 10-Year Fiscal Projection *Author Estimate for CY 2011 Distribution	

Estimated actual spending exceeds the MAXIMUM SUSTAINABLE YIELD by about $1.1 billion (Table 6). This is the amount by which our petroleum wealth is falling and also the amount of the FISCAL BURDEN passed on to future generations.

Table 6. Tracking FY2012 Wealth Preservation Performance (Billion $)

PROJECTED ACTUAL DRAW	$6.1
MAXIMUM SUSTAINABLE YIELD	$5.0
EROSION OF WEALTH	**$ 1.1**

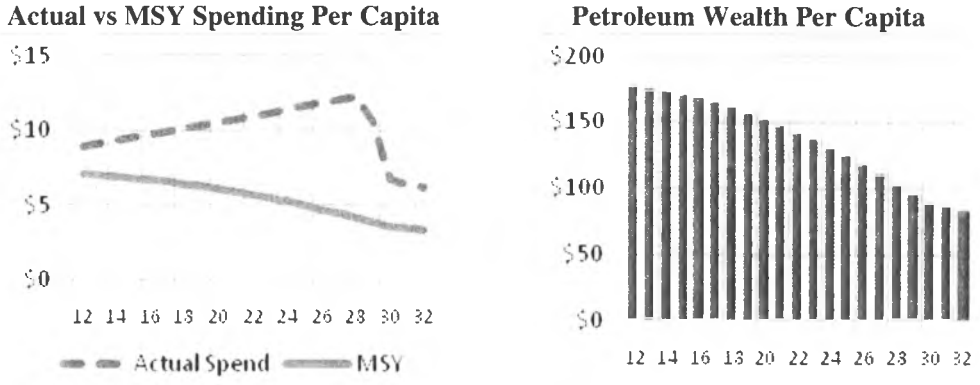
Because of the erosion of wealth, the MAXIMUM SUSTAINANABLE YIELD would be smaller next year. The decline would be small, but if the annual draws continued to exceed the

[11] In this way it is like the Norwegian fiscal model which consciously attempts to balance current and future generation needs.

[12] The actual draw will not be known until the end of the fiscal year.

MAXIMUM SUSTAINABLE YIELD the erosion of wealth would continue at an increasing rate. This can be seen in the next two graphs. The first shows the diverging paths of real per capita spending (rising)[13] and real per capita MAXIMUM SUSTAINABLE YIELD (falling). The gap each year (left-hand graph) is the growing FISCAL BURDEN. The second graph shows real per capita petroleum wealth, declining over time.

FY2011 OMB 10-YEAR FISCAL PROJECTION (2012$)
MONITORING WEALTH PRESERVATION (Thousand $)



FACTORING IN UNCERTAINTY AND CHANGING CONDITIONS

The MAXIMUM SUSTAINABLE YIELD can only be a general guideline for sustainability, because it will constantly change due to new forecasts of future petroleum revenues,[14] variations in the rate of population growth, or changes in the discount rate. But because we have some idea of the range within which these variables are likely to fall, the idea of MAXIMUM SUSTAINABLE YIELD can still help inform state fiscal policy. Based on this knowledge we can estimate that the current range for the MAXIMUM SUSTAINABLE YIELD is about $1 billion below and $1 billion above the point estimate of $5 billion.

The next figure shows that MAXIMUM SUSTAINABLE YIELD is not particularly sensitive to variations in the estimate of future petroleum revenues. The sloping lines indicate MAXIMUM SUSTAINABLE YIELD for different levels of estimated future petroleum revenues and rates of population growth. The lowest line, based on population growth of 1% annually, shows that if petroleum revenues have a value of $81 billion—our current estimate—the MAXIMUM SUSTAINABLE YIELD is $5 billion. The value of future petroleum revenues would need to be more than $105 billion before the MAXIMUM SUSTAINABLE YIELD increased to $6 billion. That would still be less than current spending from petroleum wealth.[15]

---

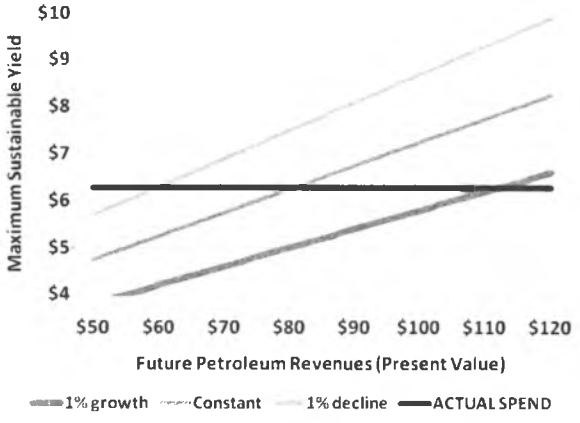
[13] The line drops off when the financial assets have all been spent.

[14] We know the exact value of petroleum wealth held as financial assets at any given time.

[15] For example, based on the current market value of the Permanent Fund and the Spring 2011 Department of Revenue forecast, our petroleum wealth portfolio would be about $136 billion, consisting of $50 billion in financial assets and $86 billion in petroleum revenues not yet collected. The MAXIMUM SUSTAINABLE YIELD from a portfolio with that value would be $5.4 billion. The large change in estimated value of the petroleum wealth portfolio has a small impact on the size of the MAXIMUM SUSTAINABLE YIELD.

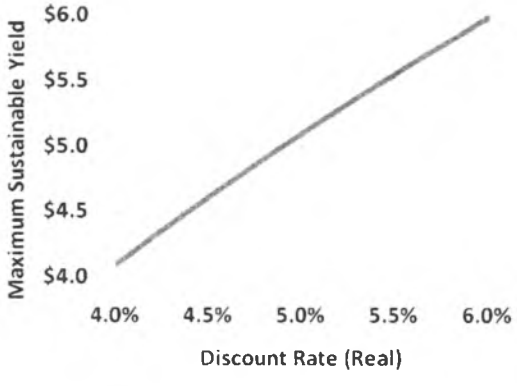
The other lines in the graph represent cases of zero population growth or negative population growth. MAXIMUM SUSTAINABLE YIELD would be significantly more if we think there will be fewer Alaskans in the future.

MAXIMUM SUSTAINABLE YIELD (2012) AS A FUNCTION OF PETROLEUM IN THE GROUND AND POPULATION GROWTH (BILLION $)



The next graph shows how the MAXIMUM SUSTAINABLE YIELD varies depending on the discount rate used to calculate the present value of future petroleum revenues and the rate of return on financial assets. At 5% the MAXIMUM SUSTAINABLE YIELD is $5 billion, but it is higher at higher discount rates and lower if the discount rate is lower.

MAXIMUM SUSTAINABLE YIELD (2012) AS A FUNCTION OF DISCOUNT RATE (REAL)



CONCLUSION

Alaska is blessed with tremendous public wealth—but because it comes from a non-sustainable source it creates special challenges for state fiscal policy. A successful plan requires that we recognize our obligation to future generations of Alaskans while at the same time providing for current needs. Although the future is sure to hold many surprises, we need to do our best to be prepared for them—both the bad and the good.

Institute of Social and Economic Research
University of Alaska Anchorage
Web Notes

How Much Should Alaska Save?

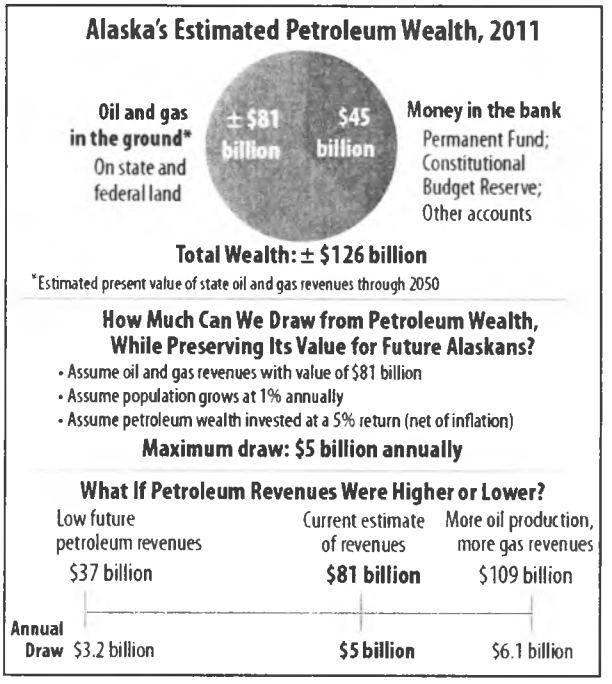
By Scott Goldsmith Web Note No. 7
February 2011

Summary

Alaska today is in the lucky position of having an estimated $126 billion in petroleum wealth—$45 billion in savings accounts derived from oil revenues, and $81 billion in future state revenues from oil and gas still in the ground--if current official state projections prove accurate.

Almost all state revenues come from oil, as they have for 30 years. But oil production is now only a third of what it once was, and analysts think that even with new discoveries and enhanced recovery, production from state lands will keep dropping. So Alaskans face a dilemma: how can we preserve this petroleum wealth for future generations, while still benefitting from it ourselves?

The answer is to limit how much we spend today from our petroleum wealth, and invest the savings in income generating assets. The income from those assets would grow over time and gradually replace declining petroleum revenues. We've already taken a major step, by depositing 24% of past oil revenues into savings accounts. Is that enough?



• *Alaska could draw up to $5.0 billion this year* and conserve its petroleum wealth at a constant value per resident. That assumes $81 billion in petroleum in the ground, state population growing at 1% a year, and annual income of 5% on state investments.

• *But the size of the wealth-preserving draw depends on actual future revenues*. It would be less if revenues projected by the Alaska Department of Revenue don't materialize, and more if production and prices are higher than currently expected. Because of this uncertainty, the level of the draw should take into account how much risk we feel comfortable with.

• *In the new fiscal year (FY2012), Alaska will draw about $5.5 billion* from petroleum wealth. The overdraw means we're eroding its value and putting a ***fiscal burden*** on future generations.

Keep in mind that how much Alaska can draw from its petroleum wealth (oil revenues and financial reserves) isn't the same as what the state can spend. But state spending above the draw from petroleum wealth should be funded by non-petroleum taxes and other revenues. Then the beneficiaries of that spending would be bearing the cost.

This research is part of ISER's *Investing for Alaska's Future* research initiative, funded by a grant from Northrim Bank.

Northrim Bank

I. Introduction

Virtually all of Alaska's state revenues come from oil, and since production is declining, we need to set some aside for future needs.[1]

The basic idea is simple. If some petroleum revenues are invested in productive assets like financial savings accounts, then income from those assets will grow over time and gradually replace declining petroleum revenues. In that way the non-sustainable petroleum tax base will be transformed into the sustainable tax base of a savings account. (See Appendix A for a simple arithmetic example of how this can work.)

Most Alaskans understand and support this idea, but it is hard to know HOW MUCH of current revenue to set aside. Future needs are unknown, and every dollar saved today means fewer dollars available to pay for the pressing needs we currently face.

Although Alaskans may never reach agreement about this tradeoff between current and future needs, we should not make the saving decision in a total vacuum and simply hope for the best. Rather, we should have some notion of a **target** —how much wealth we would like to have when we run out of petroleum, and a **rule** to guide our saving and spending decisions so that we can move towards that target.

II. The Target—Equal, Maximum, and Sustainable Benefits for All Alaskans

How much do we care about the well-being of future generations of Alaskans? As individuals many of us are likely to value our own current well-being over that of the next generation, for any number of personal reasons. We might expect to leave Alaska in the future, perhaps we have no children, or perhaps we feel the next generation should look out for themselves.

However, from the perspective of the state of Alaska, the next generation is important, and since future Alaskans are not yet here to speak for themselves, it falls to the state to look out for their interests. So when allocating public wealth, particularly from oil that belongs to all Alaskans, perhaps the state should show no favorites between current and future generations.

But equal treatment does not necessarily mean equal access to the oil wealth. For example, if we knew that the next generation of Alaskans would be twice as wealthy as we are, fairness might suggest that they should get a smaller share of the benefits of oil than we do. In that case we should use more of the oil revenues to meet current needs and save less.

But there is no guarantee than future generations of Alaskans will be better off than we are today. The current trend in the national economy suggests just the opposite might be the case. What is the likelihood that the next generation will be enjoying greater prosperity than us? No one can

[1] This is in addition to the need to set some aside for those "rainy days" when the oil price, and consequently revenues, takes a temporary dip. Unfortunately these price fluctuations have diverted our attention from the more fundamental problems discussed in this note.

answer that with confidence. But the neutral assumption seems to be that the next generation will be neither better nor worse off than we are.[2]

We also don't know how much wealth from our other natural resources will be available to the next generation. For example a dramatic increase in mining revenues could offset some of the fall in oil revenues, reducing the need to save.

But in the 50 years since Alaska became a state, revenues from our other natural resources have been insignificant compared to oil. It is safe to assume that the next generation will not be able to rely on state revenues from mining, seafood, timber, or tourism to replace those from petroleum in financing the state government. Since these other revenues are small compared with oil revenues, we can ignore them when deciding how much to save from oil revenues. (These other industries are of course important sources of jobs and income for Alaskans; we are referring here only to revenues the state derives from them.)

Because the Alaska population is growing, we need to decide whether equal treatment among generations means equal treatment for individuals. That seems reasonable, so the total benefit allotted to each generation would need to grow to maintain per capita equity across generations.

And finally, we need to decide how far into the future to look. Since the economic history of Alaska has always been based on resource development and there is little evidence that will change in the foreseeable future, we should conserve our wealth for all future generations of Alaskans.

If we value the well-being of individuals in future generations of Alaskans no more or no less than those in the current generation, if we have no strong reason to believe they will have higher incomes than current Alaskans, and if we think other natural resource wealth will remain about at its current level, then every Alaskan—current and future—should benefit equally from our petroleum wealth.[3]

That will happen, if our portfolio of petroleum wealth, no matter how it is held, grows at the same rate as population.[4] And that target gives us a rule: save enough each year so the portfolio of petroleum wealth grows at the same rate as the population.[5] Following this rule means that spending per person and petroleum wealth per person both remain constant over time, even after there are no more petroleum revenues to collect.

---

[2] We are assuming no significant growth in public sector needs per capita in the future—a strong assumption given past experience. But if there are new future needs they should be paid by the future beneficiaries.

[3] This is somewhat like the idea of "Generational Accounting", a method employed in Norway, to measure how different generations pay for and benefit from public services.

[4] This also obviously requires we do not dissipate some of our wealth before we begin to save. Equal sharing of nothing is not an attractive alternative.

[5] If wealth and spending per person are to remain constant while petroleum revenues fluctuate from year to year, the rule cannot be a constant savings RATE. The AMOUNT of saving each year must be set at the level that keeps wealth and spending per person constant.

There are many other possible targets that we could adopt, such as constant real wealth, maintenance of wealth for a fixed number of years, etc. and reasonable Alaskans can disagree on what target is the most appropriate.[6] But this target of equal and sustainable wealth for all generations of Alaskans is a clear BENCHMARK against which to measure our actual savings behavior. [7]

III. Alaska's Main Assets

The state petroleum wealth is held in two forms—money in the bank and petroleum in the ground—which together have a value of roughly $126 billon today.

III. a. Money in the Bank

The combined value of the largest financial assets—the Permanent Fund, the Constitutional Budget Reserve (CBR), the Statutory Budget Reserve, and the available balance in the General Fund—is about $45 billion (Table 1).[8]

Table 1. State Financial Assets as of June 30, 2010 (Billion $)

TOTAL	$45	
Permanent Fund	$33.3	Alaska Permanent Fund Corporation, 2010 Annual Financial Report
Constitutional Budget Reserve	$8.7	Alaska Department of Revenue, Treasury Division, Combined Schedule of Invested Assets, June 30, 2010
Statutory Budget Reserve	$1	Alaska Department of Revenue, Tax Division, Revenue Sources, Fall 2009
General Fund	$2	Author estimate
Other	-	
Note: The general fund estimate is a very rough measure of the share of the general fund not in restricted accounts (of which the Statutory Budget Reserve is one) and not necessary to meet the cash flow requirements of the state. For completeness we show an "Other" category which would consist of other unrestricted financial assets that could be appropriated to support state spending.		

III. b. Petroleum in the Ground

The value to the state treasury of our other large asset—petroleum in the ground—depends on how much is ultimately produced, at what price, and under what fiscal terms. These factors will determine future petroleum revenues collected by the state.

---

[6] It can be argued this is a "King Midas" approach to wealth management in that saving does not put petroleum wealth to work for the benefit of Alaskans, which usually means using savings to create jobs. However the sustainable flow of income generates a flow of benefits that is balanced between current and future generations whereas spending the wealth on job creation generally benefits only the current generation of Alaskans.

[7] An alternative strategy sometimes suggested is to save all petroleum revenues as they are received and spend only the earnings on the fund created from those revenues. This would result in growing spending over time which would favor future generations of Alaskans at the expense of current needs. This is essentially what has come to be known as the Cremo Plan.

[8] There are smaller unreserved balances in some other state accounts, which we exclude in order to keep the analysis simple.

The standard method for putting an economic value on a future stream of revenues is to calculate its present value. This is the amount someone would be willing to pay today for the right to receive those future revenues. For example, if revenues of $25 million, $20 million, $15 million, $10 million, and $5 million were expected in the next five years, and the discount rate was 5 percent, that revenue stream would have a present value of $67.05 million.

Present Value Example

End of Year	Annual Revenues	Discount Factor @ 5% Annually	Present Value of Revenues
Sum	**$ 75.00**		**$ 67.05**
1	$ 25.00	95.2%	$ 23.81
2	$ 20.00	90.7%	$ 18.14
3	$ 15.00	86.4%	$ 12.96
4	$ 10.00	82.3%	$ 8.23
5	$ 5.00	78.4%	$ 3.92

A person owning the asset that produces these annual revenues could hold onto it and collect the revenues as they are paid (Alternative 1) or sell the asset today (Alternative 2) for $67.05 million. The person would be indifferent between these two alternatives because in either case if the revenues were reinvested as received, the person would have $85.57 at the end of year 5.

Alternative 1. Invest Revenues as They Accrue

Year	Beginning Balance	Re-Investment Income	Annual Revenues	Ending Balance
1	$ -	$ -	$ 25.00	$ 25.00
2	$ 25.00	$ 1.25	$ 20.00	$ 46.25
3	$ 46.25	$ 2.31	$ 15.00	$ 63.56
4	$ 63.56	$ 3.18	$ 10.00	$ 76.74
5	$ 76.74	$ 3.84	$ 5.00	**$ 85.57**

Alternative 2. Take Net Present Value and Invest

Year	Beginning Balance	Re-Investment Income	Ending Balance
1	**$67.05**	$3.35	$70.40
2	$70.40	$3.52	$73.92
3	$73.92	$3.70	$77.62
4	$77.62	$3.88	$81.50
5	$81.50	$4.07	**$85.57**

Unfortunately, there is no long run comprehensive projection of future state petroleum revenues from which to calculate a net present value estimate of the value of petroleum in the ground.

The most widely used estimate of future oil revenues is the 10-year forecast the Alaska Department of Revenue (ADOR). Within the next decade almost all production will be oil from state-owned land on the North Slope between the Colville and Canning Rivers.[9] The most current projection forecasts nominal revenues for the period 2012 through 2020 to be $66 billion. Converted to net present value (using a 5% discount rate and a 2.75% inflation rate) this stream of future revenues has a value today of $45 billion (Appendix B.). In a world of perfect information and certainty, the state could sell this stream of future revenues today for that amount.

Looking further into the future, ADOR does estimate cumulative production of 5.3 billion barrels between FY2011 and FY2050.[10] Assuming a constant oil price and production decline rate of 5 % annually, we can estimate the revenue stream from North Slope state lands after 2020 and from it derive a $27 billion estimate of its present value (Appendix B). Thus the total net present value of oil revenues, primarily from state lands, is $72 billion ($45+$27).

Revenues from oil production from regions and reservoirs not included in the ADOR estimate (ANWR, some NPRA, OCS and heavy oil) cannot be easily forecast. Because production costs will generally be higher and the federal government will be taking a larger share of the revenues from most of this production, it is safe to assume that the per-barrel revenue from this oil will be less than current production on state land.

But in addition, because future revenues have a lower net present value than current revenues, estimates of the net present value of revenues from these regions will be small compared to those from state lands.[11] A rough estimate of the value of this oil in the ground is $2 billion, based on heavy oil production and modest OCS revenues (no sharing of federal royalties) with NPRA revenues included in the ADOR projection and no production from ANWR (Appendix C).

We assume commercialization of natural gas, but because of discounting, the net present value of gas revenues is also modest. Our estimate is based on the TransCanada AGIA application projection of revenues, but because it is several years old and the gas market has changed dramatically in the last few years, we adjust the net present value downward by 75%.

Adding these net present value amounts together, the total estimated value of state wealth in the form of petroleum in the ground is $81 billion with most of that wealth composed of near term production of oil on state lands.

---

[9] Alaska Department of Revenue, Fall 2010 Revenue Sources Book, page 38 states...."We do not include any estimates for undiscovered oil ... We exclude from our estimates production from most of the known heavy or viscous oil deposits; in fact we consider none of the approximately 20 billion barrels from the giant Ugnu deposit.... We exclude 97% of the viscous/heavy oil from the large West Sak field, projecting roughly 331 million barrels recovery out of the roughly 10 billion barrels in place. We also exclude 93% of the heavy oil at Schrader Bluff, projecting roughly 131 million barrels recovery out of over 2 billion barrels in place... We exclude these resources, both known and unknown, in order to avoid speculation and to reduce the uncertainty typically associated with the commercialization, timing and magnitude of resource development. Accordingly, we believe that our current estimates of ultimately recovery from the North Slope are reasonable."

[10] Alaska Department of Revenue, Fall 2009 Revenue Sources Book, page 37.

[11] For example, at a discount rate of 8% (5% real return plus inflation at 3%) a dollar of revenue available in 10 years has a net present value of only 46 cents and if available in 20 years its net present value is 21 cents.

Table 2. Value for State Petroleum Wealth in the Ground in 2010 (Billion $)

Total	**$81**	
Oil	$74	
State Land—North Slope 2011-2020	$45	Alaska Department of Revenue
State Land—North Slope 2021+	$27	Author estimate
State Land—Other Locations	-	
State Land—Heavy Oil	$1	Author estimate
Federal NPRA	-	Included in ADOR forecast
Federal OCS	$1	Author estimate
Federal ANWR	-	Author estimate
Gas	$7	TransCanada AGIA Application adjusted by author
Includes projected general fund and permanent fund revenues.		

Unlike the value of our financial assets, which we know with certainty, any estimate of the value of petroleum wealth in the ground could be off by 100% or more. If our estimate turns out to be too high, we might not save enough for the future. If it is too low, we could save more than necessary to maintain equity with future generations. We discuss how to deal with this uncertainty below.

IV. Establishing a BENCHMARK -- The Wealth Preserving Draw

A portfolio of assets worth $126 billion consisting of $45 billion in the bank and $81 billion in the ground could generate annual income of $6.3 billion in perpetuity (2010$), assuming a 5% real rate of return. [12] But for our wealth to grow with population increasing 1% each year, we would need to reinvest $1.25 billion of that income to maintain constant real per capita wealth. Consequently the current --BENCHMARK—or wealth preserving draw in FY2012 would be $5.0 billion (about $7,200 per person)—4% of our wealth, or the real rate of earnings minus the population growth rate (Table 3).

Table 3. FY2012 Wealth-Preserving Draw Calculation (Billion $)

Petroleum Wealth (Billion $)	Annual Sustainable Income (Billion $)	Population Growth Rate	BENCHMARK--Wealth Preserving Draw		
			Rate	Amount (Billion $)	Per Capita Amount
$126	$6.3	1 %	4 %	**$5.00**	**$7,180**

If we draw and spend more than this BENCHMARK, the value of our assets will not keep up with population growth and future generations will bear a **fiscal burden** (measured as the loss in per capita wealth of future generations due to overspending today).

[12] This is the target return on the Permanent Fund. If our other financial assets were similarly invested, they could earn a similar rate of return. Here we assume they are invested like the Permanent Fund.

If we draw less than the wealth preserving amount, our wealth will increase, future earnings will be higher, and with more wealth, future generations will be better off than us.

V. Implementation of the Rule—Are We Saving Enough Today?

The actual draw on our wealth in FY 2012 is yet to be determined, but is likely to be more than $5.5 billion, about $.5 billion more than the wealth preserving level of $5.0 billion.[13] This draw will reduce our per-capita wealth.

Spending from our wealth will consist of petroleum general fund revenues not saved ($4.6 billion), fund earnings spent (.2 billion) and Permanent Fund dividends paid ($.75 billion).

Table 4. FY2012 Estimated State Draw from Assets—FY2012 (Billion $)

General Fund Spending	$5.28	Office of Management and Budget, June 2010 Fiscal Summary—FY 2011 Enacted—This is increased by 3% by author assumption to estimate FY2012 spending
Minus: Non-Petroleum Revenues—Collected and Spent	$.49	Alaska Department of Revenue, Revenue Sources, Fall 2010
Equals: GF Petroleum Wealth Spending	$4.79	
Petroleum Revenues Spent	$4.60	
Earnings on Reserves Spent	$ .20	
Plus: Permanent Fund Dividend Distributed	$. 75	Permanent Fund Corporation, Fall 2010 adjusted by author to estimate CY 2011 spending
Equals: Total Asset Draw	**$5.54**	

Because the $5.54 billion draw from wealth will exceed the BENCHMARK or wealth-preserving amount--$5.0 billion, the value of state wealth (oil in the ground plus cash in the bank) will decline between the beginning and end of FY2012, as will the BENCHMARK moving forward into the next year.[14]

Table 5. State Wealth: Change in Value, FY2012 (Billion $)

Start of FY 2012	$126
Non-Sustainable Draw on Wealth	$.5
End of FY 2012	$125.5
% change	-.4%

Table 6. Sustainable Draw: Change in Value, FY2012 (Billion $)

Start of FY 2012	$5.04
Spend out of Assets	$.02
End of FY 2012	$5.02
% change	-.4%

[13] The FY 2012 budget level will be determined during the spring of 2011.

[14] Because we assume no inflation over the year, these changes are in real dollars.

These reductions are small, but in a year when there was much talk of "saving a portion of our windfall," they should give us pause. The amount of savings is not enough to maintain our wealth.

VI. How Sensitive is the Wealth-Preserving Draw Rate to Future Petroleum Revenues?

We can easily measure the value of our financial assets, but more than half of our wealth is petroleum in the ground. What if future petroleum revenues turn out to be more or less than we expect today? How would that change the calculation of the wealth preserving draw, and how should we deal with that uncertainty?

Table 7 shows a few cases to demonstrate that the range of estimates of our wealth is wide, and that the draw varies directly with the wealth estimate.[15] The known value of our financial assets puts a floor beneath the range, but because of the uncertainty about future petroleum revenues, the wealth preserving draw could easily range upwards of $6 billion.[16] [17]

Table 7. Sensitivity of 2012 BENCHMARK to Wealth Estimate

				Estimate in this Note			
WEALTH (billion $)	**$ 82**	**$ 97**	**$ 113**	**$ 126**	**$ 133**	**$ 147**	**$ 154**
FINANCIAL ASSETS	$ 45	$ 45	$ 45	**$ 45**	$ 45	$ 45	$ 45
PETROLEUM ASSETS	$ 37	$ 52	$ 68	**$ 81**	$ 88	$ 102	$ 109
State Land North Slope 2012-2020	$ 22-	$ 22	$ 45	**$ 45**	$ 45	$ 45	$45
State Land North Slope 2021-2050	$ 14	$ 27	$ 14	**$ 27**	$ 27	$ 27	$ 27
State Land Heavy Oil	0	$ 1	$ 1	**$ 1**	$ 1	$ 1	$ 1
NPRA	0	0	0	**0**	0	0	0
ANWR	0	0	0	**0**	0	0	$ 7
OCS	0	$-1	$ 1	**$ 1**	$ 1	$ 1	$ 1
Gas	0	0	$ 7	**$ 7**	$ 14	$ 28	$ 28
BENCHMARK @ 4%	**$ 3.26**	**$ 3.88**	**$ 4.50**	**$ 5.04**	**$5.32**	**$ 5.88**	**$ 6.16**

Given this uncertainty we need to consider what happens if the draw rate is set wrong. If we draw too much, we run down our wealth. If we draw too little, we end up with more wealth as time goes by. Either is unfair, if we're attempting to keep benefits equal between current and future Alaskans.

[15] The value of petroleum in the ground is also sensitive to the discount rate used to calculate present value.

[16] Limiting the time horizon—for example if our target were to cash out the asset in 50 years—would increase the draw.

[17] Increasing the population growth rate would reduce the draw for any given level of wealth.

The state should "hedge its bets" to increase the likelihood of not running out of its petroleum wealth too soon, by trying to draw somewhat less than the "best guess" amount. But just how much less is impossible to say.[18]

VII. Should Investment Count as Savings?

We have used the example of a financial account to illustrate the question of how much to save to preserve our wealth. But accumulating physical assets and human capital are also essential for a strong economy, and both generate benefits for Alaskans. Alaska is certainly richer today for the roads, airports, schools, and other public infrastructure that oil revenues have paid for. And spending on educational and health facilities have improved the quality of human capital.

We should count the spending of petroleum revenues on physical assets and human capital as investments that preserve wealth if they produce a sustainable flow of benefits valued as highly as the return on money in the bank. In fact this flow of money is the "opportunity cost" against which that spending should be compared (because that flow of money can be used directly to purchase benefits).

Unfortunately, public spending on physical assets or human capital is rarely subjected to a rigorous analysis of its benefits or comparison to its opportunity cost. If it were, much of it would come up short compared to its opportunity cost, and have to be classified as spending rather than investment.

Ideally, we should calculate how much wealth we have accumulated from investing in physical infrastructure and human capital development. This would provide a more complete picture of our current wealth when added to the value of oil in the ground and money in the bank.

But if we included physical infrastructure and human assets of the state in the wealth account, we would also need to allocate a share of the BENCHMARK spending each year to the preservation of those assets through expenditures on maintenance and replacement. This spending to maintain that part of our wealth portfolio would reduce the amount available for other purposes.

VIII. How Does Debt Influence the Calculation?

Debt financing of capital projects serves a useful function. It spreads payment for a project over its useful life. In that way, the direct beneficiaries of the project pay for it.

A portion of the BENCHMARK--wealth-preserving draw--could be used for debt service payments on capital projects financed by bonds, but borrowing would not change calculation of the size of the draw.

In some circumstances the interest rate on bonds might be less than the return on state financial investments, making it attractive to engage in "arbitrage"—borrowing at a low interest rate and investing the proceeds at a higher rate. If successful, this strategy would increase the total return on state wealth and therefore the size of the wealth-preserving draw.

---

[18] Using the "best guess" estimate of a wealth preserving draw means there is about a 50% chance of setting the draw too low, but also a 50% chance of setting it too high. "Hedging your bet" means setting it at a level that reduces below 50% the chance of it being too high.

IX. Have We Preserved our Wealth from North Slope Oil?

From FY1978 (when North Slope production began) through FY2010 the State of Alaska has collected $156 billion (in 2010 dollars) in oil revenues. That includes all taxes and royalties paid into the Permanent Fund, the Constitutional Budget Reserve, and the general fund (which includes the statutory budget reserve). Of that total, about $37 billion (24%) has been put into our various financial savings accounts—either through required or special contributions.

Has this saving been sufficient to preserve our wealth?

Based on actual revenues collected, expected revenues yet to be collected (Table 2), and a projected annual population growth rate of 1%, we appear to have done a pretty good job of preserving our wealth for both the current and future generations.

Prudhoe Bay wealth in 1978, in the form of future petroleum revenues (assuming the current projection of yet to be collected revenues is accurate), had a net present value of $88 billion (2010 $). Based on actual population growth, that could sustain a maximum annual draw of $7,180 per capita (2010$). If the state had adopted a BENCHMARK based on that amount, we would have accumulated $48 billion in financial assets today and our current portfolio would have a value of $127 billion. Since our estimate of actual wealth today is $126 billion, we appear to be on track (Appendix D.).

But in 1978 no one had put a dollar value on our petroleum wealth, and if they had, the estimate would have been much lower than $88 billion. No one expected the future price of oil to come anywhere close to $100, and ultimate production was not expected to exceed 10 billion barrels. (Cumulative North Slope oil production has recently passed the 16 billion barrel mark.)

So our apparent success at wealth preservation has been largely due to good luck. We appear to be on track today because prices, production, and oil revenues have all been higher than we anticipated. Of course if future revenues turn out to be less than we expect today, we will fall off the wealth preserving path.

X. Tracking Our Performance

As part of the annual state government budgeting process, we should keep track of our entire portfolio of wealth. If our goal is to preserve our wealth to share with future generations, we should then limit the annual draw from that wealth (use of current oil revenues and spending from financial reserves, including the Permanent Fund) to the BENCHMARK amount.

Spending above the BENCHMARK should be paid for with other taxes and revenues. In that way each generation would share equally in the benefits of our wealth and share equitably the responsibility of paying for the public services it enjoys.

Further Reading

Investing for Sustainability: The Management of Mineral Wealth, by Rognvaldur Hannesson (Norwegian School of Economics and Business Administration), Kluwer Academic Publishers, Boston, 2001.

"Living on Borrowed Time: Alberta at the Crossroads," by Ronald Kneebone et al., Institute for Advanced Policy Research at the University of Calgary, Policy Brief #0401, 2004.

"Resource Revenues and Fiscal Sustainability in Alberta," by Leslie Shiell and Colin Busby, University of Ottawa, Department of Economics #0807E, 2008.

Appendix A: The Mechanics of Wealth Preservation: A Simple Example

Table A. shows how a stream of petroleum revenues can be converted into a permanent financial asset that grows in value with the population. Initially the only asset is the future stream of petroleum revenues with a net present value of $227.8 million, using a 5% discount rate. At a 5% real rate of return an asset of that size can generate income of $11.4 million. If population (starting at 100 thousand) grows at 1% per year, $9.1 million of that income could be spent (with $2.1 million reinvested) and total wealth would increase at the same 1% rate as population. This would keep wealth per capita constant at $2,278. Each year both the asset and its income would grow 1% so the draw can also grow by 1%. The draw per capita would stay constant at $90.20 (Figure A.1). (Inflation is assumed to be zero to keep the example simple.)

In the first year, the state collects revenues of $50 million, which it allocates 82% ($40.9 million) to savings in a fund of financial assets and the remainder—$9.1 million—to the draw which it spends . At the start of the second year the net present value of the remaining stream of petroleum revenues has fallen to $189.2 million, but the decline has been offset by the $40.9 million in the financial account. Total assets have increased in value by 1%, to $230.1 million (Figure A.2).

In the second year, $45 million in revenue is collected, the draw is now $9.2 million, and the rest of the revenue, $35.8 million, is added to the $40.9 million in the financial account. This generates earnings at 5%, so at the end of the year the state has assets of $232.4 million—consisting of $153.7 million worth of oil in the ground and $78.7 million in the financial account.

In the early years, the draw for spending comes from a portion of petroleum revenues. Saving consists of the remainder of petroleum revenues, deposited into the fund, and all the earnings of the fund, which are reinvested. Over time the savings rate (share of petroleum revenues deposited in the fund) falls as a larger portion is required for the draw.[19]

Starting in year 10, funding the draw begins to transition to the earnings of the fund, and in year 11, the entire draw comes from the earnings of the fund, which has an ending balance of $251.7 million when the flow of petroleum revenues ends.

From that time forward the draw comes entirely from fund earnings. The fund and earnings continue to grow to maintain constant per capita levels.

[19] If during this time part of the draw comes from the financial assets, then saving from current petroleum revenues must be greater by an equal amount. Column D in the table is actually the net savings that must occur, regardless of its source.

Table A. Transforming Petroleum Revenues into a Permanent Asset: Example (Million 2010$)

End of Year	Petroleum Revenues (A)	Present Value of Future Petroleum Revenues (B)	Actual Draw = BENCHMARK (C)	Petroleum Revenue Savings* (D=A-C)	Financial Fund Balance (E)	Sum of Assets (B+E)	Saving Ratio (D/A)	Pop (Thou)	Assets per Person (dollars)	Draw per Person (dollars)
		$227.8			**$0.0**	$227.8		100.0		
1	$50.0	$189.2	**$9.1**	$40.9	$40.9	$230.1	82%	101.0	$ 2,278	$ 90.2
2	$45.0	$153.7	$9.2	$35.8	$78.7	$232.4	80%	102.0	$ 2,278	$ 90.2
3	$40.0	$121.4	$9.3	$30.7	$113.4	$234.7	77%	103.0	$ 2,278	$ 90.2
4	$35.0	$92.4	$9.4	$25.6	$144.6	$237.1	73%	104.1	$ 2,278	$ 90.2
5	$30.0	$67.1	$9.5	$20.5	$172.4	$239.4	68%	105.1	$ 2,278	$ 90.2
6	$25.0	$45.4	$9.6	$15.4	$196.4	$241.8	62%	106.2	$ 2,278	$ 90.2
7	$20.0	$27.7	$9.7	$10.3	$216.6	$244.3	52%	107.2	$ 2,278	$ 90.2
8	$15.0	$14.1	$9.8	$5.2	$232.6	$246.7	35%	108.3	$ 2,278	$ 90.2
9	$10.0	$4.8	$9.9	$0.1	$244.4	$249.2		109.4	$ 2,278	$ 90.2
10	$5.0		$10.0		**$251.7**	$251.7		110.5	$ 2,278	$ 90.2
11	$0.0		$10.1		$254.2	$254.2		111.6	$ 2,278	$ 90.2
12	$0.0		$10.2		$256.7	$256.7		112.7	$ 2,278	$ 90.2
13	$0.0		$10.3		$259.3	$259.3		113.8	$ 2,278	$ 90.2
Sum	$275.0			$184.5						

5% Discount rate

1% Population Growth Rate

* Petroleum revenue savings is deposited into Fund.

Figure A.1. Draw Per Person (Thousand 2010$)

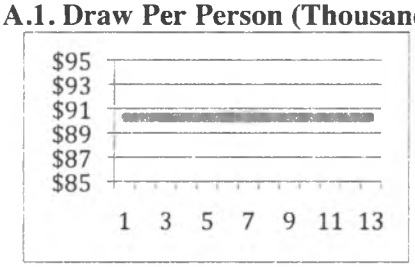
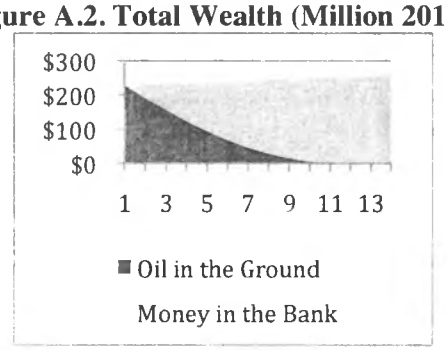


Figure A.2. Total Wealth (Million 2010$)



Appendix B. Present Value of North Slope Petroleum Revenues from State Lands (Million 2010 $)

Fiscal Yr	Wellhead Oil Price (WTI Nominal)	NS Production in Barrels per day (000)	NS Production in Barrels per year (million)	Revenues ($ million nominal) Unrestricted	Restricted	Total	Revenues per barrel	Inflation Discount Factor to 2010 $	Revenues (2010 $)
2010	$ 69	644	235	$ 4,915	$ 1,281	$ 6,196	$ 26	1.000	$ 6,196
2011	$ 72	616	225	$ 4,674	$ 689	$ 5,363	$ 24	0.973	$ 5,219
2012	$ 76	622	227	$ 5,061	$ 775	$ 5,836	$ 26	0.947	$ 5,528
2013	$ 82	642	234	$ 5,513	$ 815	$ 6,328	$ 27	0.922	$ 5,833
2014	$ 86	629	230	$ 6,068	$ 846	$ 6,914	$ 30	0.897	$ 6,203
2015	$ 91	608	222	$ 6,520	$ 855	$ 7,375	$ 33	0.873	$ 6,440
2016	$ 93	623	227	$ 7,092	$ 845	$ 7,937	$ 35	0.850	$ 6,745
2017	$ 96	607	222	$ 7,251	$ 820	$ 8,071	$ 36	0.827	$ 6,675
2018	$ 98	582	212	$ 7,308	$ 798	$ 8,106	$ 38	0.805	$ 6,525
2019	$ 101	551	201	$ 7,044	$ 769	$ 7,813	$ 39	0.783	$ 6,120
2020	$ 104	520	190	$ 6,798	$ 740	$ 7,373	$ 39	0.762	$ 5,621
2021		*494*	180		$ -	$ *7,005*		0.742	$ 5,197
2022		*469*	171		$ -	$ *6,655*		0.722	$ 4,805
2023		*446*	163		$ -	$ *6,322*		0.703	$ 4,443
2024		*424*	155		$ -	$ *6,006*		0.684	$ 4,108
2025		*402*	147		$ -	$ *5,705*		0.666	$ 3,798
2026		*382*	140		$ -	$ *5,420*		0.648	$ 3,512
2027		*363*	133		$ -	$ *5,149*		0.631	$ 3,247
2028		*345*	126		$ -	$ *4,892*		0.614	$ 3,002
2029		*328*	120		$ -	$ *4,647*		0.597	$ 2,775
2030		*311*	114		$ -	$ *4,415*		0.581	$ 2,566
2031		*296*	108		$ -	$ *4,194*		0.566	$ 2,373
2032		*281*	103		$ -	$ *3,984*		0.551	$ 2,194
2033		*267*	97		$ -	$ *3,785*		0.536	$ 2,028
2034		*254*	93		$ -	$ *3,596*		0.521	$ 1,875
2035		*241*	88		$ -	$ *3,416*		0.508	$ 1,734
2036		*229*	84		$ -	$ *3,245*		0.494	$ 1,603
2037		*217*	79		$ -	$ *3,083*		0.481	$ 1,482
2038		*207*	75		$ -	$ *2,929*		0.468	$ 1,370
2039		*196*	72		$ -	$ *2,782*		0.455	$ 1,267
2040		*186*	68		$ -	$ *2,643*		0.443	$ 1,171
2041		*177*	65		$ -	$ *2,511*		0.431	$ 1,083
2042		*168*	61		$ -	$ *2,386*		0.420	$ 1,001
2043		*160*	58		$ -	$ *2,266*		0.409	$ 926
2044		*152*	55		$ -	$ *2,153*		0.398	$ 856
2045		*144*	53		$ -	$ *2,045*		0.387	$ 791
2046		*137*	50		$ -	$ *1,943*		0.377	$ 732
2047		*130*	48		$ -	$ *1,846*		0.366	$ 677
2048		*124*	45		$ -	$ *1,754*		0.357	$ 625
2049		*117*	43		$ -	$ *1,666*		0.347	$ 578
2050		*112*	41		$ -	$ *1,583*		0.338	$ 535
TOTAL 2012 + (Million)		**4,797**				**$ *175,779***			**$118,044**
TOTAL 2012-2020 (Million)		**1,965**		**$ 58,655**	**$ 7,263**	**$ 65,753**			**$ 55,690**
TOTAL 2021-2050 (Million)						**$ 110,025**			**$ 62,354**
NPV 2012+ (Billion)						**$73**			
NPV 2012-2020 (Billion)						**$45**			
NPV 2021+ (Billion)						**$27**			

5% production decline rate from 2020
5% real discount rate
2.75% inflation rate

Source: Alaska Department of Revenue, Revenue Sources, Fall 2010, and ISER.

Appendix C. Present Value of Revenues from New Petroleum (Million 2010 $)

BASE CASE used in this paper includes gasline (25% of TransCanada), OCS, and Heavy Oil.

Fiscal Yr	Gas-Line	OCS	Heavy Oil	ANWR	NPRA	Total Other Revenues (2010 Million $)	BASE CASE Total Other Revenues (2010 Million $)
2010							
2011	$ -	$ -	$ -	$ -	$ -	$ 0	$ 0
2012	$ -	$ -	$ -	$ -	$ -	$ 0	$ 0
2013	$ -	$ -	$ -	$ -	$ -	$ 0	$ 0
2014	$ -	$ -	$ -	$ -	$ -	$ 0	$ 0
2015	$ -	$ -	$ 87	$ -	$ 87	$ 175	$ 87
2016	$ -	$ -	$ 87	$ -	$ 87	$ 175	$ 87
2017	$ -	$ -	$ 87	$ -	$ 87	$ 175	$ 87
2018	$ -	$ -	$ 87	$ -	$ 87	$ 175	$ 87
2019	$ -	$ -	$ 87	$ -	$ 87	$ 175	$ 87
2020	$ 1,997	$ -	$ 87	$ -	$ 87	$ 2,171	$ 586
2021	$ 1,980	$ -	$ 87	$ -	$ 87	$ 2,155	$ 582
2022	$ 2,095	$ -	$ 87	$ 1,444	$ 87	$ 3,714	$ 611
2023	$ 2,134	$ -	$ 87	$ 1,444	$ 87	$ 3,753	$ 621
2024	$ 2,286	$ -	$ 87	$ 1,444	$ 87	$ 3,905	$ 659
2025	$ 2,436	$ 166	$ 87	$ 1,444	$ 87	$ 4,221	$ 863
2026	$ 2,608	$ 166	$ 87	$ 1,444	$ 87	$ 4,393	$ 906
2027	$ 2,644	$ 166	$ 87	$ 1,444	$ 87	$ 4,430	$ 915
2028	$ 2,709	$ 166	$ 87	$ 1,444	$ 87	$ 4,494	$ 931
2029	$ 2,823	$ 166	$ 87	$ 1,444	$ 87	$ 4,608	$ 959
2030	$ 2,975	$ 166	$ 87	$ 1,444	$ 87	$ 4,760	$ 997
2031	$ 3,093	$ 166	$ 87	$ 1,444	$ 87	$ 4,879	$ 1,027
2032	$ 3,167	$ 166	$ 87	$ 1,444	$ 87	$ 4,953	$ 1,046
2033	$ 3,154	$ 166	$ 87	$ 1,444	$ 87	$ 4,940	$ 1,042
2034	$ 3,139	$ 166	$ 87	$ 1,444	$ 87	$ 4,924	$ 1,038
2035	$ 3,121	$ 166	$ 87	$ 1,444	$ 87	$ 4,907	$ 1,034
2036	$ 3,102	$ 166	$ 87	$ 1,444	$ 87	$ 4,887	$ 1,029
2037	$ 3,080	$ 166	$ 87	$ 1,444	$ 87	$ 4,866	$ 1,024
2038	$ 3,056	$ 166	$ 87	$ 1,444	$ 87	$ 4,842	$ 1,018
2039	$ 3,031	$ 166	$ 87	$ 1,444	$ 87	$ 4,816	$ 1,011
2040	$ 3,002	$ 166	$ 87	$ 1,444	$ 87	$ 4,788	$ 1,004
2041	$ 2,971	$ 166	$ 87	$ 1,444	$ 87	$ 4,756	$ 997
2042	$ 2,937	$ 166	$ 87	$ 1,444	$ 87	$ 4,723	$ 988
2043	$ 2,900	$ 166	$ 87	$ 1,444	$ 87	$ 4,685	$ 979
2044	$ 2,859	$ 166	$ 87	$ 1,444	$ 87	$ 4,645	$ 969
2045	$ 2,819	$ 166	$ 87	$ 1,444	$ 87	$ 4,605	$ 959
2046	$ 2,780	$ 166	$ 87	$ 1,444	$ 87	$ 4,565	$ 949
2047	$ 2,741	$ 166	$ 87	$ 1,444	$ 87	$ 4,526	$ 939
2048	$ 2,702	$ 166	$ 87	$ 1,444	$ 87	$ 4,488	$ 929
2049	$ 2,665	$ 166	$ 87	$ 1,444	$ 87	$ 4,450	$ 920
2050	$ 2,627	$ 166	$ 87	$ 1,444	$ 87	$ 4,413	$ 911
SUM	**$ 85,634**	**$ 4,327**	**$ 3,143**	**$ 41,884**	**$ 3,143**	**$ 138,132**	**$ 28,879**
NPV (Billion)	**$28**	**$1**	**$1**	**$13**	**$1**	**$45**	**$10**

Initial nominal value for estimates are $250 million for OCS, $100 million for heavy oil, $2,000 million for ANWR, and $100 million for NPRA.

Appendix D. Saving History and Future Potential

This table shows that in 1978 the wealth preserving draw was $7,180 per person (2010$), based on actual historical oil revenues and population combined with projected oil revenues (Table 2 in the text) and population growth of 1% annually.

At that level of draw each year we would have financial savings of $48 billion today (assuming a 5% real rate of return on investment), slightly more than actual financial savings of $45 billion.

End of Year	Petroleum Revenues (A)	Present Value of Future Petroleum Revenues (B)	BENCHMARK DRAW RATE = Actual Draw (C)	Petroleum Revenue Savings* (D=A-C)	Financial Fund Balance (E)	Sum of Assets (B+E)	Saving Ratio (D/A)	Pop	Assets/Pop (Thousand 2009$)	Real Per Capita Draw
		$87.7			**$0.0**	**$87.7**				
1978	$1.3	$90.8	**$2.96**			$89.1	-126%	412	$ 216	$ 7.18
1979	$2.2	$93.1	$3.0			$90.6	-35%	414	$ 219	$ 7.18
1980	$5.8	$92.0	$3.0	$2.8	$0.1	$92.1	48%	420	$ 219	$ 7.18
1981	$7.6	$88.9	$3.1	$4.5	$4.6	$93.6	59%	435	$ 215	$ 7.18
1982	$7.8	$85.6	$3.3	$4.4	$9.3	$94.9	57%	465	$ 204	$ 7.18
1983	$6.7	$83.2	$3.6	$3.1	$12.9	$96.1	46%	500	$ 192	$ 7.18
1984	$6.0	$81.3	$3.8	$2.3	$15.8	$97.1	37%	525	$ 185	$ 7.18
1985	$5.6	$79.8	$3.9	$1.7	$18.3	$98.1	31%	544	$ 180	$ 7.18
1986	$5.3	$78.4	$4.0	$1.4	$20.6	$99.0	25%	551	$ 180	$ 7.18
1987	$2.8	$79.6	$3.9		$20.5	$100.1	-40%	542	$ 185	$ 7.18
1988	$4.2	$79.4	$3.8	$0.3	$21.9	$101.2	8%	536	$ 189	$ 7.18
1989	$3.6	$79.8	$3.9		$22.6	$102.4	-9%	539	$ 190	$ 7.18
1990	$3.9	$79.9	$4.0		$23.7	$103.5	-3%	554	$ 187	$ 7.18
1991	$5.1	$78.7	$4.1	$1.0	$25.9	$104.6	20%	570	$ 184	$ 7.18
1992	$3.9	$78.8	$4.2		$26.8	$105.6	-9%	587	$ 180	$ 7.18
1993	$4.7	$78.1	$4.3	$0.4	$28.5	$106.6	8%	597	$ 178	$ 7.18
1994	$2.8	$79.2	$4.3		$28.4	$107.6	-56%	601	$ 179	$ 7.18
1995	$4.8	$78.4	$4.3	$0.5	$30.3	$108.7	10%	602	$ 180	$ 7.18
1996	$3.4	$78.9	$4.4		$30.9	$109.8	-28%	606	$ 181	$ 7.18
1997	$3.8	$79.0	$4.4		$31.9	$110.9	-14%	610	$ 182	$ 7.18
1998	$2.5	$80.4	$4.4		$31.5	$112.0	-77%	618	$ 181	$ 7.18
1999	$1.5	$83.0	$4.5		$30.1	$113.1	-208%	623	$ 182	$ 7.18
2000	$3.1	$84.1	$4.5		$30.1	$114.3	-48%	628	$ 182	$ 7.18
2001	$2.8	$85.5	$4.5		$29.9	$115.4	-62%	633	$ 182	$ 7.18
2002	$2.0	$87.8	$4.6		$28.8	$116.6	-128%	641	$ 182	$ 7.18
2003	$2.4	$89.7	$4.7		$28.0	$117.8	-93%	649	$ 182	$ 7.18
2004	$2.8	$91.4	$4.7		$27.5	$118.9	-70%	658	$ 181	$ 7.18
2005	$3.7	$92.3	$4.8		$27.8	$120.1	-28%	665	$ 181	$ 7.18
2006	$4.7	$92.2	$4.8		$29.1	$121.3	-3%	672	$ 180	$ 7.18
2007	$5.4	$91.4	$4.9	$0.6	$31.1	$122.5	10%	677	$ 181	$ 7.18
2008	$11.4	$84.5	$4.9	$6.5	$39.2	$123.7	57%	683	$ 181	$ 7.18
2009	$6.0	$82.8	$5.0	$1.0	$42.1	$124.9	16%	693	$ 180	$ 7.18
2010	$6.2	$80.7	$5.0	$1.2	$45.4	$126.1	19%	700	$ 180	$ 7.18
2011	**$5.2**	**$79.5**	$5.1	**$0.1**	**$47.8**	**$127.3**	**3%**	**707.0**	**$180.1**	**$7.2**

2011	$5.2	$79.5	$5.1	$0.1	$47.8	$127.3	3%	707.0	$180.1	$7.2
2012	$5.5	$78.0	$5.1	$0.4	$50.6	$128.6	7%	714.1	$ 180	$ 7.18
2013	$5.8	$76.1	$5.2	$0.7	$53.7	$129.8	11%	721.2	$ 180	$ 7.18
2014	$6.2	$73.7	$5.2	$1.0	$57.4	$131.1	16%	728.4	$ 180	$ 7.18
2015	$6.5	$70.8	$5.3	$1.2	$61.5	$132.3	19%	735.7	$ 180	$ 7.18
2016	$6.8	$67.5	$5.3	$1.5	$66.1	$133.6	22%	743.1	$ 180	$ 7.18
2017	$6.8	$64.1	$5.4	$1.4	$70.8	$134.9	20%	750.5	$ 180	$ 7.18
2018	$6.6	$60.7	$5.4	$1.2	$75.5	$136.2	18%	758.0	$ 180	$ 7.18
2019	$6.2	$57.6	$5.5	$0.7	$79.9	$137.5	11%	765.6	$ 180	$ 7.18
2020	$6.2	$54.2	$5.6	$0.7	$84.6	$138.8	11%	773.2	$ 180	$ 7.18
2021	$5.8	$51.2	$5.6	$0.2	$89.0	$140.2	3%	781.0	$ 179	$ 7.18
2022	$5.4	$48.3	$5.7	($0.2)	$93.2	$141.5	-5%	788.8	$ 179	$ 7.18
2023	$5.1	$45.7	$5.7	($0.7)	$97.2	$142.9	-13%	796.7	$ 179	$ 7.18
2024	$4.8	$43.2	$5.8	($1.0)	$101.0	$144.2	-21%	804.6	$ 179	$ 7.18
2025	$4.7	$40.7	$5.8	($1.2)	$104.9	$145.6	-25%	812.7	$ 179	$ 7.18
2026	$4.4	$38.3	$5.9	($1.5)	$108.7	$147.0	-33%	820.8	$ 179	$ 7.18
2027	$4.2	$36.1	$6.0	($1.8)	$112.3	$148.4	-43%	829.0	$ 179	$ 7.18
2028	$3.9	$33.9	$6.0	($2.1)	$115.8	$149.8	-53%	837.3	$ 179	$ 7.18
2029	$3.7	$31.9	$6.1	($2.3)	$119.3	$151.2	-63%	845.7	$ 179	$ 7.18
2030	$3.6	$29.9	$6.1	($2.6)	$122.7	$152.6	-72%	854.1	$ 179	$ 7.18
2031	$3.4	$28.0	$6.2	($2.8)	$126.0	$154.0	-82%	862.7	$ 179	$ 7.18
2032	$3.2	$26.2	$6.3	($3.0)	$129.3	$155.5	-93%	871.3	$ 178	$ 7.18
2033	$3.1	$24.4	$6.3	($3.3)	$132.5	$156.9	-106%	880.0	$ 178	$ 7.18
2034	$2.9	$22.7	$6.4	($3.5)	$135.7	$158.4	-119%	888.8	$ 178	$ 7.18
2035	$2.8	$21.1	$6.4	($3.7)	$138.8	$159.9	-133%	897.7	$ 178	$ 7.18
2036	$2.6	$19.5	$6.5	($3.9)	$141.8	$161.3	-147%	906.7	$ 178	$ 7.18
2037	$2.5	$18.0	$6.6	($4.1)	$144.9	$162.8	-163%	915.7	$ 178	$ 7.18
2038	$2.4	$16.5	$6.6	($4.3)	$147.8	$164.3	-178%	924.9	$ 178	$ 7.18
2039	$2.3	$15.0	$6.7	($4.4)	$150.8	$165.8	-195%	934.2	$ 178	$ 7.18
2040	$2.2	$13.6	$6.8	($4.5)	$153.7	$167.4	-212%	943.5	$ 177	$ 7.18
2041	$2.1	$12.2	$6.8	($4.8)	$156.7	$168.9	-229%	952.9	$ 177	$ 7.18
2042	$2.0	$10.8	$6.9	($4.9)	$159.6	$170.4	-248%	962.5	$ 177	$ 7.18
2043	$1.9	$9.5	$7.0	($5.1)	$162.5	$171.9	-267%	972.1	$ 177	$ 7.18
2044	$1.8	$8.1	$7.1	($5.2)	$165.4	$173.5	-287%	981.8	$ 177	$ 7.18
2045	$1.7	$6.8	$7.1	($5.4)	$168.3	$175.0	-307%	991.6	$ 177	$ 7.18
2046	$1.7	$5.4	$7.2	($5.5)	$171.2	$176.6	-328%	1,001.5	$ 176	$ 7.18
2047	$1.6	$4.1	$7.3	($5.7)	$174.1	$178.2	-350%	1,011.6	$ 176	$ 7.18
2048	$1.6	$2.7	$7.3	($5.8)	$177.0	$179.7	-372%	1,021.7	$ 176	$ 7.18
2049	$1.5	$1.4	$7.4	($5.9)	$179.9	$181.3	-395%	1,031.9	$ 176	$ 7.18
2050	$1.4	$1.4	$7.5	($6.1)	$182.9	$184.3	-418%	1,042.2	$ 177	$ 7.18

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/17/12

FURTHER: (Finance)

Date of 5-Day Notice: 1/10/12
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2/2/12

State Affairs Committee considered SENATE JOINT RESOLUTION NO. 10

SJR 10-CONT. AM.: BUDGET RESERVE FUND

Proposing an amendment to the Constitution of the State of Alaska relating to deposits to the constitutional budget reserve fund from surplus oil revenue.

and recommends:

[✓] be **replaced** with **CS** SJR 10 (STA) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ SCS/CS- Forthcoming _____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____ Letter of Intent

[ ] further referral to _____ Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
Gov	✓			1

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Kookesh	✓			
	Pasker	✓			
	Meyer			X	
	Giessel			X	
CHAIR:	Wielechowski	X			

SJR 11

<TARGET><BILL>SJR 11</BILL><SUBJECT>SJR 11</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 1/17/12

FURTHER: RULES

Date of 5-Day Notice: 2/2/12
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2-7-12

State Affairs Committee considered SENATE JOINT RESOLUTION NO. 11

SJR 11-NATIONAL WOMEN'S HISTORY MUSEUM

Urging members of the Alaska delegation in Congress to support efforts by the National Women's History Museum to secure property in Washington, D.C., near the National Mall, as a permanent location for the National Women's History Museum.

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____ Letter of Intent

[ ] further referral to _____ Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
S-STA			✓	1

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Kookesh	Kookesh	X			
Paskvan	PASKVAN	X			
Meyer	Meyer	X			
Giessel	Giessel	X			
CHAIR:	Wielechowski	X			

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SJR 11**
Fiscal Note Number: 1
(S) Publish Date: 2/8/12

Identifier (file name)
Title: SJR 11 NATIONAL WOMEN'S HISTORY MUSEUM
Dept. Affected
Appropriation
Allocation
Sponsor: Senator Davis
Requester: (S) State Affairs
OMB Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by: (S) State Affairs — Phone 465-2435
Division — Date/Time 2/7/12 12:00 AM
Approved by: /s/ Senator Wielechowski, Chair — Date 2/7/2012

(Revised 1/17/2012 OMB)

FISCAL NOTE # 1

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SJR 11

Analysis

Alaska State Legislature

Senate
Health & Social
Committee
Chair
•
Senate
Education Committee
Vice-Chair

Legislative Council
Vice-Chair
•
Senate
Transportation
Committee
•
Senate
Labor & Commerce
Committee

Senator_Bettye_Davis@legis.state.ak.us
http://www.aksenate.org/

Senator Bettye Davis

Date: February 1, 2012

To: Senator Bill Wielechowski
Chair, State Affairs

From: Senator Bettye Davis

RE: **Request for SJR11 "National Women's History Museum location acquisition" to be heard in the State Affairs Committee**

Senator Wielechowski,

You currently have in your possession SJR11 – **"Urging members of the Alaska delegation in Congress to support efforts by the National Women's History Museum to secure property in Washington, D.C., near the National Mall, as a permanent location for the National Women's History Museum."** I am requesting that SJR11 be heard in the State Affairs Committee as soon as possible and have included the resolution packet.

SJR11 urges Alaska's Congressional delegation to support legislation pending in Congress that allows a parcel of property near Washington D.C.'s National Mall to be purchased by the National Women's History Museum Institution for the permanent site of the National Women's History Museum building. Since its founding in 1996, the National Women's History Museum Institution has been working toward obtaining a permanent site near the National Mall for its building. Too often women were unsung heroes and their contributions went unnoticed. The displacement of women's history from the consciousness of the general public is indicated by the absence of women's history from K-12 curriculum. The achievements, leadership, courage, strength and love of the women who built America was and is as vital as that of the men whose names we know so well. The construction of a National Women's History Museum building among those on the National Mall would help bring to light an integral and transformative aspect of our nation's history that has for too long been obscured.

Thanks in advance for your consideration. If you have any questions, please contact Celeste Hodge at 465-5194.

Session: (January – April)
State Capitol, Room #30, Juneau, AK 99801-1182 Phone: (907) 465-3822 · Fax: (907) 465-3756 · Toll Free: (800) 770-3822
Interim: (April – December)
716 West 4th Avenue, Anchorage, AK 99501-2133 · Phone: (907) 269-0144 · Fax: (907) 269-0148

Alaska State Legislature

Interim: (May - Dec.)
716 W. 4th Ave
Anchorage, AK 99501
Phone: (907) 269-0144
Fax: (907) 269-0148

Session: (Jan. - May)
State Capitol, Suite 7
Juneau, AK 99801-1182
Phone: (907) 465-3822
Fax: (907) 465-3756
Toll free: (800) 770-3822

Senator_Bettye_Davis@legis.state.ak.us
http://www.akdemocrats.org

Senator Bettye Davis

SJR 11 **"Urging members of the Alaska delegation in Congress to support efforts by the National Women's History Museum to secure property in Washington, D.C., near the National Mall, as a permanent location for the National Women's History Museum."**

Sponsor Statement

Senate Joint Resolution No. 11 urges members of the Alaska delegation in Congress to support efforts by the National Women's History Museum to secure property in Washington DC near the National Mall as a permanent location for the National Women's History Museum.

Women played and continue to play essential roles in many movements that helped shape the society we value so highly today. Such movements include the Labor Movement, the Women's Suffrage Movement, the Civil Rights Movement, the Women's Rights Movement, and the Environmental Movement. Women have long struggled to gain ground in a society largely dominated by men. Unfortunately, women achievements were marginalized and credit for their work and discoveries went to their male colleagues. Too often women were unsung heroes and their contributions went unnoticed. The displacement of women's history from the consciousness of the general public is indicated by the absence of women's history from K-12 curriculum. The achievements, leadership, courage, strength and love of the women who built America was and is as vital as that of the men whose names we know so well.

In the 1970's, that began to change as a movement to celebrate women's history gained momentum – a momentum we now feel each March during Women's History Month as we pay tribute to the millions of women who sacrificed so much to help create a better society and world.

Since its founding in 1996, the National Women's History Museum Institution, with the support of the National Foundation for women legislators, has been working toward obtaining a permanent site near the National Mall for its building. The construction of a museum that exhibits the rich history of women and their many contributions to society is long overdue. Furthermore, a location among the prestigious museums in and around the National Mall is fitting for an institution that would depict such an integral and transformative aspect of our nation's history which has for too long been obscured.

SJR11 urges Alaska's Congressional delegation to support legislation pending in Congress that allows a parcel of property near Washington D.C.'s National Mall to be purchased by the National Women's History Museum Institution for the permanent site of the National Women's History Museum building. SJR urges our congressional delegation to support the acquisition of property by the National Women's History Museum, which would constitute an enormous step forward in the effort of bringing to light a missing piece of our nation's history.

NWHM | NATIONAL WOMEN'S HISTORY MUSEUM

About NWHM

From Our Founder

A better world awaits the generation that absorbs what women and men have to share about life from a joint perspective. We have much to work toward...If we - and future generations - are to learn all the lessons of the past upon which to build the future, we must be aware of the true experiences and contributions of women. Clearly, men cannot get there alone. Together, all things are possible.

Karen Staser
Founder, National Women's History Museum

What is the National Women's History Museum?

The National Women's History Museum (NWHM), founded in 1996, is a nonpartisan, nonprofit educational institution dedicated to preserving, interpreting, and celebrating the diverse historic contributions of women, and integrating this rich heritage fully into our nation's history. NWHM is a 501(c)(3) organization.

Although women constitute a majority of the population, their lives, achievements, and contributions are underrepresented in museums. Recognition of the achievements made by American women will promote a better understanding of our history and culture for all who visit Washington, D.C. In 1999, *The President's Commission on the Celebration of Women in American History* called for a women's history museum on the Mall in Washington, DC, and specifically cited the NWHM in that role.

Obtaining a Permanent Site

From its founding, NWHM has worked hard towards obtaining a permanent museum site in the nation's capital on or near the National Mall. Such prestigious space requires Congressional approval. Click here to learn about the latest effort to secure a permanent home.

Supporters

The NWHM has the support of a strong and diverse network of national organizations representing citizens throughout the country:

- The NWHM Honorary Board of Directors comprises over 200 members of the U.S. Congress and past and present members of the Cabinet.
- The NWHM has organized a National Coalition, currently numbering 38, of leading national women's service and professional organizations. Together these organizations reach over 8.5 million members.
- Dr. Sally Ride, the first American woman in space, spearheaded the NWHM national outreach campaign beginning in September 2001. In more recent years, actress Meryl Streep, who is also the national spokesperson for the Site Campaign, authored a membership appeal, and actress Laura Dern authored one. NWHM's national membership has grown rapidly and approximately 36,000 people have become Charter Members.
- Newsletter – The NWHM newsletter, *A Different Point of View*, is published quarterly and mailed to current Museum members and supporters. The newsletter provides information on past and future educational events and programs sponsored by the Museum. The publication features seasonal stories about topics in women's history and notable American women, as well as updates on the progress of the museum.

NWHM | NATIONAL WOMEN'S HISTORY MUSEUM

About NWHM

Our Mission

The National Women's History Museum affirms the value of knowing Women's History, illuminates the role of women in transforming society and encourages all people, women and men, to participate in democratic dialogue about our future.

Our First Success

The Museum is in its infancy, but our founders have already accomplished a great deal. **NWHM** was the driving force behind the raising of the Woman Suffrage Statue, a monument to Susan B. Anthony, Elizabeth Cady Stanton, and Lucretia Mott, from the U.S. Capitol Crypt to the U.S. Capitol Rotunda. For the first time in our nation's history, our foremothers are honored with our forefathers!

NWHM NATIONAL WOMEN'S HISTORY MUSEUM

Faqs - General Questions

What is the mission of the National Women's History Museum?

The National Women's History Museum affirms the value of knowing Women's History, illuminates the role of women in transforming society and encourages all people, women and men, to participate in democratic dialogue about our future.

To do this, the Museum will research, collect and exhibit the contributions of women to the social, cultural, economic and political life of our nation in a context of world history. The museum will use innovative and engaging means including permanent and traveling exhibits, its CyberMuseum, educational programs, and outreach efforts to communicate the breath of women's experiences and accomplishments to the widest possible audience. The sharing of this knowledge will illuminate and encourage women and men, people of all classes, races and cultures to move into the future with respect, equal confidence, greater partnership, and opportunity.

Why "women's history" - isn't it all just "history?"

Women's contributions and accomplishments for the most part have been overlooked and consequently omitted from mainstream culture. The National Women's History Museum will help fill that void. Rather than rewriting current exhibitions at other history museums or having to decide what to omit elsewhere to "fit in" women's history, the NWHM will serve to place women's history along side current historical exhibitions.

Women's history is half of our national story. The objective is to promote scholarship and expand our knowledge of American history.

There's a great women's museum in Dallas, Texas. Do we need another? Why not just partner with the Susan B. Anthony House or another women's history site?

There's a great art museum in Philadelphia, but we still have the National Gallery of Art in DC!

Women's history is a lot more diverse than most people realize. Our museum is the only museum with the mission to reclaim women's history and create an accurate historical record which is appropriate for a national museum. Other organizations have different missions.

There is some confusion in the Washington area because there is a National Museum of Women in the Arts. Their focus is women artists; ours is women's history. It's an education process.

Think of it this way: If you went to an American history museum, you wouldn't just learn about the Revolutionary War, you'd learn all sorts of things from before and after the Declaration of Independence. It's the same thing with women's history - there's more than suffrage and the 19th Amendment.

When was the NWHM founded?

The National Women's History Museum was founded in 1996 by Karen Staser. Click here for a letter from our founder.

Where are you located?

The National Women's History Museum currently has administrative offices in Alexandria, VA while it works towards the goal of a permanent museum site. Staff will continue to work from this office until the museum opens.

How can I contact you?

You can call the Museum at 703-461-1920 Monday through Friday, 9 a.m - 5 p.m. If you call outside those hours (or all our lines are busy) leave a voicemail message, and someone will return your call as soon as possible.

If you prefer, you can email us at info@nwhm.org.

Or write to us - our mailing address is:
National Women's History Museum
Administrative Offices
205 S. Whiting Street Suite 254
Alexandria, VA 22304

NWHM | NATIONAL WOMEN'S HISTORY MUSEUM

Faqs - Permanent Site

If you don't have a building, what exactly do you do?

Even though the NWHM is still in the process of getting a permanent physical site, we've done quite a bit.

Our first success: NWHM raised $85,000 and generated public support to move this monument of Lucretia Mott, Elizabeth Cady Stanton, and Susan B. Anthony from the U.S. Capitol Crypt to the U.S. Capitol Rotunda.

NWHM created a traveling exhibit, **Rights for Women**, in honor of the 150th anniversary of the Women's Rights Convention held in Seneca Falls, New York. The exhibit was curated by Edith P. Mayo, Curator Emeritus, Smithsonian National Museum of American History, and displayed at the World Financial Center.

"Clandestine Women; the Untold Stories of Women in Espionage" opened in March 2002. This exhibition at the Women in Military Service For America Memorial honors all women intelligence officers who have served this country.

"Partners in Winning the War; American Women in World War II" opened in May 2004. The exhibition is a photographic tribute of posters, photographs, articles and documents that demonstrate the contributions and sacrifices of women in the effort to win the war.

On July 29th, 2005, the U.S. Senate passed S.501, the National Women's History Museum Act of 2005, by unanimous consent. Senator Susan Collins introduced the bill with 20 cosponsors, including all of the female Senators. The Senate previously passed a similar bill, S.1741, unanimously in 2003. Both of these bills identified the Annex of the Old Post Office Building as a permanent home for the museum. Both times the bill was referred to the House of Representatives where it never came up for a vote.

On a regular basis, NWHM adds CyberExhibits to its CyberMuseum. As of April 2009, there are 15 exhibits on various aspects of women's history and four in planning and research stages.

On March 25, 2009, Representative Carolyn Maloney introduced HR 6548 that identifies a different site at 12th Street and Independence Avenue as the museum's home.

Once we have a permanent site, we will continue to create online exhibits and programming that will be accessible from our website.

Is the National Women's History Museum a Smithsonian museum?

We are privately funded and just happen to be in the same town as most of the Smithsonian museums. Once a physical site is established, we will apply to the Smithsonian for an affiliation. This will allow us to borrow objects from the Smithsonian's collections for use in exhibitions.

NWHM | NATIONAL WOMEN'S HISTORY MUSEUM

« NWHM Celebrates Labor Day
NWHM President & CEO, Joan Wages, Shares Comments on "The Deep Black Hole of Women's History" »

NWHM Legislation Passes Out of House Committee

September 8th, 2011

NWHM is pleased to announce passage today of the National Women's History Museum bill in the House of Representatives Committee on Transportation and Infrastructure. Next stop, the House floor.

The NWHM bill was attached to other legislation supported by Committee Chairman John Mica (R-FL) and re-introduced as HR 2844, the National Women's History Museum and Federal Facilities Consolidation and Efficiency Act of 2011. Representative Carolyn Maloney (D-NY) is a cosponsor of the bill.

The legislative language in the new bill revises and further clarifies the boundaries of the site that NWHM will be allowed to purchase at 12th Street and Independence Avenue, SW., adjacent to the National Mall. This change eliminates any questions as to Congressional intent and will be helpful in site negotiations with the General Services Administration (GSA), the nation's landlord.

NWHM urges support for the passage of HR 2844. Please contact your Member of Congress to encourage their support for this bill. For more information on NWHM and legislation go to www.nwhm.org.

Posted in All News, Building the Museum News, Get Involved News | 2 Comments »

2 Responses to "NWHM Legislation Passes Out of House Committee"

1. *myra bahme* says:
September 8, 2011 at 1:16 pm

   Why not have a sample letter of support and a link from the NWHA web site to the Congressional members' e-mails? This would make it much easier for your membership to respond to your request that we contact our members of Congress in support of the bill.

2. *Jane Prugh* says:
September 29, 2011 at 10:01 am

   What wonderful news! Let's hope we succeed this time!

Leave a Reply

Name (required)

Mail (will not be published) (required)

Website

Submit Comment

- Search for: Search

Pamela Marsch

From: Pamela Marsch
Sent: Wednesday, October 05, 2011 8:30 AM
To: Sen. Bettye Davis
Subject: Invitation - DC event with Meryl Streep

From: Jennifer Rosen [mailto:jennifer_rosen@womenlegislators.org]
Sent: Wednesday, October 05, 2011 5:58 AM
To: Pamela Marsch
Subject: RE: Invitation - DC event with Meryl Streep

Thank you! I will confirm Senator Davis on our list, we are so glad she will be able to attend! I will furnish additional details closer to the event, so please feel free to move forward in making her travel arrangements to DC, she is confirmed!

-----Original Message-----
From: Pamela Marsch [mailto:Pamela_Marsch@legis.state.ak.us]
Sent: Wednesday, October 05, 2011 8:34 AM
To: Jennifer Rosen
Subject: Re: Invitation - DC event with Meryl Streep

Jennifer,

Senator Davis would like to request one complementary ticket for the National Women's History Museum's gala.

Thank so much for putting this together.

Pamela Marsch
Staff for Senator Davis

On Oct 4, 2011, at 12:11 PM, "Jennifer Rosen" <jennifer_rosen@womenlegislators.org> wrote:

> NOTE: this invitation is currently only being shared with select group of elected women who have been active within NFWL's leadership or education initiatives (limited number of tickets available).
>
>
> National Women's History Museum Gala
> "The de Pizan Honors"
> November 16, 2011
> Washington, DC
>
> October 4, 2011
>
> Dear NFWL Leader,
>
> The National Foundation for Women Legislators (NFWL) and the National Women's History Museum (NWHM) are hoping you will join us for the National Women's History Museum's 1052708

> This event is named for Christine de Pizan who lived in Italy in the early 1400s and was the first Western woman to write about women's impact on society and show how they were being left out of history. Now 600 years later, no country has succeeded in fulfilling her goal.

> The Museum's mission is to educate the public about women – primarily American — who have significantly shaped our world; the de Pizan Honors gala will honor female history-makers to ensure that their legacy remains alive. This year, we are paying tribute posthumously to three selected women with an award in their name presented to a contemporary counterpart.
>
> The contributions and life stories of the honorees will be part of a permanent exhibition within the soon-to-be-built, world-class National Women's History Museum. Legislation is pending in Congress that will provide a permanent site for the building at the National Mall alongside our nation's most iconic museums.
>
> NFWL has been an integral member of the National Women's History Museum's Coalition since its inception, and now Congress is on the verge of passing legislation that will provide a permanent home for the NWHM in Washington, DC, thanks to the support of our elected women nationwide who have advocated for the legislation. Over the past decade, NWHM has relied on online exhibits, temporary and special traveling exhibitions, newsletters, and speeches to accomplish its mission and communicate its message.
>
> Within a few short years NFWL will embark on its 75th Anniversary (originally founded in Connecticut in 1938). A large part of recognizing this milestone is seeing this process through and supporting the establishment and growth of the National Women's History Museum. In preparation, we would like you to serve as a key elected woman leader in your state to help us raise awareness about the Museum and the importance of educating our youth about ground-breaking women and their achievements. This will serve as a good issue for you to connect with your constituents, business leaders, and campaign donors on as you head into a busy election season and throughout the year.
>
> You make history everyday as a legislator. You connect with your constituents, respond to their needs, take on ground breaking issues, and move our country forward. It is actions like these that the NWHM honors. By attending the de Pizan Honors you will be at the forefront of this historical event. What you learn and the glass-breaking women you will meet will inspire you to carry the Museum's message back to your state.
>
> Though NFWL does not have funds to assist with travel expenses, we hope that you will consider coming to this powerful event to represent the women leaders in your state. We have a LIMITED number of complementary tickets for our elected women leaders, so we will need to hear from you right away if you would like to attend.
>
> This is an exciting time for women leaders. We hold a multitude of offices at all levels of government. Young women are attending college and earning advanced degrees at the highest rate in history and the future only looks bright for the girls and young women of tomorrow. While celebrating our current achievements and future hopes, it is important to acknowledge the accomplishments of our past. As a legislator you are at the heart of our nation's democracy. As a woman you are at the heart of our nation's society.
>
> I would be grateful if you would respond to Jennifer Rosen, NFWL's Director of Policy and Communications, as soon as possible to let us know if you would like to attend. Jennifer can be reached by email at Jennifer_Rosen@womenlegislators.org and by phone at 202-293-3040 ext. 1008. Thank you for your continued leadership, and I hope to see you in November in Washington, DC, with Meryl Streep!
>
> Sincerely,
>
> Robin Read
> President & CEO, NFWL
>
>

>
> Jennifer Rosen
> Director, Policy & Communications
> National Foundation for Women Legislators (NFWL)
> 910 16th Street NW, Suite 100
> Washington, DC 20006
> Tel: (202) 293-3040 ext.1008 or ext.0
> Fax: (202) 293-5430
> Cell: (845) 430-7335
>
> www.womenlegislators.org<http://www.womenlegislators.org>
>
> NFWL has gone SOCIAL - Follow us on Linkedin<http://www.linkedin.com/company/732523>, Facebook<http://www.facebook.com/electedwomen>, and Twitter<http://twitter.com/#!/electedwomen>!
>
> <NWHM Gala Invite 11.16.11.pdf>

The National Women's History Project

WOMEN'S HISTORY MONTH

2012 Theme
2011 Partners
Past Women's History Months
2011 Gazette (may load slowly)
History of NWHM
NWHM Brochure
Get Ready
1st Presidential Message, 1980
Sample Proclamation
Presidential Proclamation
Press Release
Press Kit
Q&A about NWH Month
In Their Honor
Performers
Authors & Presenters
Test Your Knowledge

web store

History of National Women's History Month

By Molly Murphy MacGregor, Executive Director and Cofounder
National Women's History Project

Local Celebrations
As recently as the 1970's, women's history was virtually an unknown topic in the K-12 curriculum or in general public consciousness. To address this situation, the Education Task Force of the Sonoma County (California) Commission on the Status of Women initiated a "Women's History Week" celebration for 1978.

The week March 8th, International Women's Day, was chosen as the focal point of the observance. The local Women's History Week activities met with enthusiastic response, and dozens of schools planned special programs for Women's History Week. Over one-hundred community women participated by doing special presentations in classrooms throughout the country and an annual "Real Woman" Essay Contest drew hundreds of entries. The finale for the week was a celebratory parade and program held in the center of downtown Santa Rosa, California.

Mobilizing a Movement
In 1979, Molly Murphy MacGregor, a member of our group, was invited to participate in The Women's History Institute at Sarah Lawrence College, which was chaired by noted historian, Gerda Lerner and attended by the national leaders of organizations for women and girls. When the participants learned about the success of the Sonoma County's Women's History Week celebration, they decided to initiate similar celebrations within their own organizations, communities, and school districts. They also agreed to support an effort to secure a "National Women's History Week."

Presidential and Congressional Support
The first steps toward success came in February 1980 when President Carter issued the first Presidential Proclamation declaring the Week of March 8th 1980 as National Women's History Week. In the same year, Representative Barbara Mikulski, who at the time was in the House of Representatives, and Senator Orrin Hatch co-sponsored a Congressional Resolution for National Women's History Week 1981. This co-sponsorship demonstrated the wide-ranging political support for recognizing, honoring, and celebrating the achievements of American women.

A National Lobbying Effort
As word spread rapidly across the nation, state departments of education encouraged celebrations of National Women's History Week as an effective means to achieving equity goals within classrooms. Maryland, Pennsylvania, New York, Oregon, Alaska, and other states developed and distributed curriculum materials for all of their public schools. Organizations sponsored essay contests and other special programs in their local areas. Within a few years, thousands of schools and communities were celebrating National Women's History Week, supported and encouraged by resolutions from governors, city councils, school boards, and the U.S. Congress.

Each year, the dates of National Women's History Week, (the week of March 8th) changed and every year a new lobbying effort was needed. Yearly, a national effort that included thousands of individuals and hundreds of educational and women's organizations was spearheaded by the National Women's History Project.

National Women's History Month
By 1986, 14 states had already declared March as Women's History Month. This momentum and state-by-state action was used as the rational to lobby Congress to declare the entire month of March 1987 as National Women's History Month. In 1987, Congress declared March as National Women's History Month in perpetuity. A special Presidential Proclamation is issued every year which honors the extraordinary achievements of American women.

Presidential Message 1980
President Jimmy Carter's Message to the nation designating March 2-8, 1980 as National Women's History Week.

"From the first settlers who came to our shores, from the first American Indian families who befriended them, men and women have worked together to build this nation. Too often the women were unsung and sometimes their contributions went unnoticed. But the achievements, leadership, courage, strength and love of the women who built America was as vital as that of the men whose names we know so well.

As Dr. Gerda Lerner has noted, "Women's History is Women's Right." – It is an essential and indispensable heritage from which we can draw pride, comfort, courage, and long-range vision."

I ask my fellow Americans to recognize this heritage with appropriate activities during National Women's History Week, March 2-8, 1980.

I urge libraries, schools, and community organizations to focus their observances on the leaders who struggled for equality - - Susan B. Anthony, Sojourner Truth, Lucy Stone, Lucretia Mott, Elizabeth Cady Stanton, Harriet Tubman, and Alice Paul. Understanding the true history of our country will help us to comprehend the need for full equality under the law for all our people.

This goal can be achieved by ratifying the 27th Amendment to the United States Constitution, which states that "Equality of Rights under the Law shall not be denied or abridged by the United States or by any state on account of sex."

The National Women's History Project

WOMEN'S HISTORY MONTH

2012 Theme
2011 Partners
Past Women's History Months
2011 Gazette (may load slowly)
History of NWHM
NWHM Brochure
Get Ready
1st Presidential Message, 1980
Sample Proclamation
Presidential Proclamation
Press Release
Press Kit
Q&A about NWH Month
In Their Honor
Performers
Authors & Presenters
Test Your Knowledge

web store

2011 Press Release

For More Information:
Contact the National Women's History Project **WWW.NWHP.ORG** or call 707-636-2888.

March is National Women's History Month.

This celebration, designated by Joint Resolutions of the House and Senate and Proclamations by five American Presidents, is an opportunity to honor and celebrate women's historic achievements.

Each year National Women's History Month employs a unifying theme and recognizes national honorees whose work and lives testify to that theme. For 2011, the theme is Our HISTORY is Our Strength. This year, instead of recognizing national honorees, local communities, organizations and institutions throughout the country are asked to honor women within their own communities or organizations.

Our HISTORY is Our Strength pays tribute to the millions of women who helped create a better world for the times in which they lived as well as for future generations. Knowing the challenges these women faced, grappled with, and overcame can be an enormous source of strength to all of us. During today's difficult times, Our HISTORY is Our Strength can serve as an important reminder to our nation that adversity can be overcome.

The stories of women's achievements are integral to the fabric of our history. Learning about women's tenacity, courage, and creativity throughout the centuries is a tremendous
source of strength. Until relatively recently, this sphere of women's history was overlooked and undervalued. Women's achievements were often distorted, disdained, and denied. But, knowing women's stories provides essential role models for everyone. And role models are genuinely needed to face the extraordinary changes and unrelenting challenges of the 21st century.

Discovering the remarkable achievements of women helps diminish the tendency of some modern-day pundits to dismiss and trivialize who women are and what they accomplish. In celebrating women's historic achievements, we present an authentic view of history. The knowledge of women's history provides a more expansive vision of what a woman can do. This perspective can encourage girls and women to think larger and bolder, and can give boys and men a fuller understanding of the female experience.

What is your school, community or organization doing to celebrate National Women's History Month this March? For more information and resources to commemorate multicultural women's history and to celebrate Our HISTORY is Our Strength, visit

WWW.NWHP.ORG

Test Your Women's History IQ

1. Who was the U.S. Secretary of Labor who worked to secure legislation for unemployment relief, public works, Social Security, minimum wage, maximum hours and the prohibition of child labor?

2. Who organized the first pickets at the White House in 1916 and 1917 and was imprisoned and force fed?

3. Who was only 16 years old when she became one of the Little Rock Nine who integrated Central High School in 1957?

4. Who was the U.S. Congresswoman who presided over the first government sponsored National Women's Conference in Houston in 1977?

5. Who published "Silent Spring," which documented the dangers of air pollutants and pesticides on animals, people, and land?

Answers to Women's History IQ Test:

1. Francis Perkins
2. Alice Paul
3. Minnijean Brown Trickey
4. Congresswoman Bella Abzug
5. Rachel Carson

Our HISTORY is Our Strength

Learn More

Learn more about women's history

The National Women's History Project (NWHP) web site at **WWW.NWHP.ORG** provides information about women's history, Women's History Month in March, Women's Equality Day in August, and related women's history resources and materials.

Our online **Women's History Resource Catalog** features multicultural posters, books, videos, and educational materials for all ages. You will find information about women from all walks of life who have helped shape our nation.

We invite you to join the **NWHP Network** which gives you a 5% discount in our Webstore and supports our work to expand the recognition and celebration of women's accomplishments.

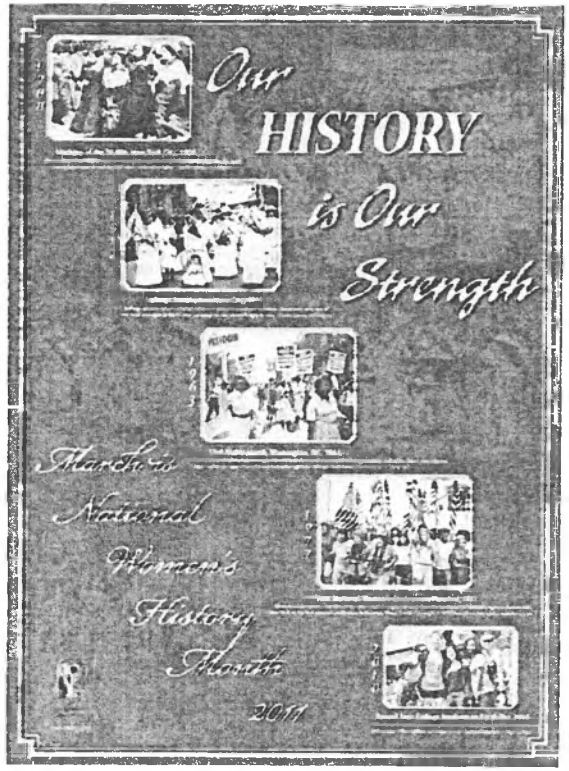
WWW.NWHP.ORG

National Women's History Project
3440 Airway Drive., Suite F
Santa Rosa, CA 95403
(707) 636-2888

National Women's History Project

The National Women's History Project is a nonprofit, nonpartisan, educational organization committed to recognizing and celebrating the diverse and historic accomplishments of women by providing information and educational materials.

National Women's History Month 2011



The stories of women's achievements are integral to the fabric of our history. Learning about women's tenacity, courage, and creativity throughout the centuries is a tremendous source of strength.

Our HISTORY is Our Strength

March is celebrated as **National Women's History Month** in thousands of schools, communities and workplaces across the nation as well as on military bases throughout the world.

This celebration, designated by Joint Resolutions of the House and Senate and Proclamations by six American Presidents, is an opportunity to honor and celebrate women's historic achievements.

Each year **National Women's History Month** employs a unifying theme and honors women around the country whose work and lives testify to that theme.

For 2011, the theme is ***Our History is Our Strength.*** To date, we have recognized National Honorees, but this year local communities, organizations and institutions are invited to honor women within their own communities or organizations.

Our History is Our Strength pays tribute to the millions of women who helped create a better world for the times in which they lived as well as for future generations. Knowing the challenges these women faced, grappled with, and overcame can be an enormous source of strength to all of us. During today's difficult times, ***Our History is Our Strength*** can serve as an important reminder to our nation that adversity can be overcome.

Women have played and continue to play a crucial role in several important movements throughout U.S. history:

* **The Labor Movement** which began as early as 1765 when women formed the first society of working women.
* **The Women's Suffrage Movement** which was launched in 1848 at the first women's right conference held at Seneca Falls, NY.
* **The Civil Rights Movement** in which women held a variety of roles from leadership to organizers to participants.
* **The Women's Rights Movement** which was re-energized in the 20th Century with what is called the Second Wave.
* **The Environmental Movement** in which women played a key role from the early 19th century and which was officially launched on Earth Day, April 22, 1970

Here are some women who participated in these movements:

Frances Perkins, U.S. Secretary of Labor, began her advocacy for the labor movement when she witnessed the Triangle Shirtwaist Factory Fire in 1911. Appointed to the Cabinet in 1933, **Perkins** worked hard to secure legislation to enact unemployment relief, public works, Social Security, minimum wage, and the prohibition of child labor.

Alice Paul, represented the last generation of suffrage leaders, and brought fearlessness and tenacity to the fight for women's right to vote. She organized the first pickets at the White House in 1916 and 1917. Along with dozens of women, **Paul** was imprisoned, went on a hunger strike, and was force fed. After winning the vote, she worked to enact the Equal Rights Amendment.

Minnijean Brown Trickey was only 16 years old when she became one of the Little Rock Nine who integrated Central High School in 1957. Along with eight other African-American teenagers, she defied death threats, hostile white demonstrators, and even the Arkansas National Guard, to attend the all-white high school. **Brown-Trickey's** courage helped change the lives and education of all students throughout the country.

Bella Abzug, one of the most recognized and bold leaders of the 20th Century's Women's Movement, was elected to the U.S. Congress at the age of 50. She presided over the first government sponsored National Women's Conference at Houston in 1977. With great joy, **Abzug** took part in the last leg of the relay which had carried a torch from Seneca Falls, site of the first women's rights convention, into the stadium at Houston.

Rachel Carson is known as the founder of the contemporary environmental movement. In 1962, **Carson** published "Silent Spring," which documented the dangers of air pollutants and pesticides on animals, people, and land. Her writing boldly challenged the practices of agricultural scientists and even the government. **Carson** called for a change in the way humankind viewed the natural world.

Our HISTORY is Our Strength

CONGRESSIONAL LEADERS SUPPORT NATIONAL WOMEN'S HISTOR MUSEUM INITIATIVE

April 1, 2011

(WASHINGTON, DC) - The National Foundation for Women Legislators (NFWL) was pleased to join a bi-partisan coalition of elected women this week in the nation's capital to support the establishment of the National Women's History Museum (NWHM).

U.S. **Rep.Carolyn B. Maloney (D-NY)** and **U.S. Rep. Judy Biggert (R-IL)** hosted a press event on Capitol H to announce the reintroduction Aof the National Women's History Act and show their support for the establishment of a National Women's History Museum in a prominent location near The Mall in Washington, D Maloney and Biggert were also joined by their colleagues, **U.S. Rep. Marcy Kaptur (D-OH)** and **U.S. Rep. J: Schakowsky (D-IL)** for the announcement.

Maloney and U.S. Senator Susan Collins (R-ME) reintroduced The National Women's History Museum Act in both Chambers - the House Bill is **HR 1269** and the Senate Bill is **S. 680**.

This Bill provides a permanent site for NWHM where it will house its collections and further its educational services. The location at 12th Street S.W. and Independence Avenue S.W. is across the street from several of th nation's most iconic museums, such as the National Air and Space Museum, the National American History Museum and the National Gallery of Art. It's the right place for a comprehensive museum on women's

accomplishments. The bill provides that NWHM will pay fair market value for the vacant site and will fund the construction with private funds.

"Of the 210 statues in the Capitol building, only nine are of women; of the 2400 national historic landmarks in the country, only five percent document women's accomplishments," stated Maloney. "There are museums dedicated to airplanes and buildings and postage stamps-but no single location dedicated to celebrating the accomplishments of women, who are over half our country's population. We need to explain to our sons and daughters the roles that women have played in the life of our nation."

"This will be the first national museum dedicated to celebrating the unique and courageous contributions that women have made in American history," stated Biggert. "Thanks to the generous support of private contributor all across the country, this dream will come true at no cost to the American taxpayers. In fact, the Museum Foundation will pay the taxpayers fair market value for the current property - a small parking lot. They say women are more responsible when it comes to handling the household check book, and I think this project just proves that the same might be true for the national budget."

NWHM President & CEO Joan Wages said, "Washington, DC is a city of symbols and a beacon to the world. The National Women's History Museum will show that our nation honors our women. Women deserve this recognition for the many contributions they have made to the building of our country. "

HR 1269 was introduced with 22 cosponsors: Representatives Sandy Adams (R-FL), Tammy Baldwin (D-WI), Karen Bass (D-CA), Judy Biggert (R-IL), Marsha Blackburn (R-TN), Madeleine Z. Bordallo (D-GU), Susan A. Davis (D-CA), Barney Frank (D-MA), Raul M. Grijalva (D-AZ), Alcee L. Hastings (D-FL), Jaime Herrera Beutler (R-WA), Jesse L. Jackson Jr. (D-IL), Barbara Lee (D-CA), Cynthia M. Lummis (R-WY), Doris O. Matsui (D-CA), Gwen Moore (D-WI), James P. Moran (D-VA), Eleanor Holmes Norton (D-DC), Janice D. Schakowsky (D-IL), Jean Schmidt (R-OH), Jackie Speier (D-CA), and Fortney Pete Stark (D-CA).

S 680 was introduced with 19 cosponsors: Senators Daniel K. Akaka (D-HI), Kelly Ayotte (R-NH), Mark Begi (D-AK), Barbara Boxer (D-CA), Maria Cantwell (D-WA), Dianne Feinstein (D-CA), Kirsten Gillibrand (D-NY Kay Hagan (D-NC), Kay Bailey Hutchinson (R-TX), Mary Landrieu (D-LA), Joe Lieberman (I-CT), Jeff Merkley (D-OR), Barbara Mikulski (D-MD), Lisa Murkowski (R-AK), Patty Murray (D-WA), Mark Pryor (D-AR), Jeanne Shaheen (D-NH), Olympia Snowe (R-ME), and Debbie Stabenow (D-MI).

Press Conference Remarks Available for Download:

Robin Read, President & CEO, NFWL
Rep. Carolyn Maloney (D-NY)
Rep. Judy Biggert (R-IL)

Full News Center Archives
Home
Contribute
About NFWL
Mission Statement
The Order
Board Members
Partners
News Center
Press Releases
Opinion-Editorials
Elected Officials in the News
Photo Gallery
Events
Calendar
Annual Conference
Scholarship Program
Sponsorship Opportunities
Policy Committees
About the Committees
Business, Housing & Economic Development
Crime, Justice, Terrorism, & Substance Abuse
Education & Training
Energy, Natural Resources & Agriculture
Health & Empowerment
International Affairs
Intertribal
Veterans Affairs
Committee Resolutions

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

112TH CONGRESS
1ST SESSION

S. 680

To authorize the Administrator of General Services to convey a parcel of real property in the District of Columbia to provide for the establishment of a National Women's History Museum.

IN THE SENATE OF THE UNITED STATES

MARCH 30, 2011

Ms. COLLINS (for herself, Ms. MIKULSKI, Mrs. BOXER, Mrs. HUTCHISON, Mrs. MURRAY, Ms. SNOWE, Ms. LANDRIEU, Ms. STABENOW, Ms. CANTWELL, Ms. MURKOWSKI, Mrs. SHAHEEN, Mrs. GILLIBRAND, Mr. LIEBERMAN, Mr. AKAKA, Mr. PRYOR, Mr. MERKLEY, Mr. BEGICH, Mrs. FEINSTEIN, and Ms. AYOTTE) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

---

A BILL

To authorize the Administrator of General Services to convey a parcel of real property in the District of Columbia to provide for the establishment of a National Women's History Museum.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Women's History Museum Act of 2011".

SEC. 2. DEFINITIONS.

In this Act, the following definitions apply:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of General Services.

(2) CERCLA.—The term "CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(3) COMMITTEES.—The term "Committees" means the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(4) MUSEUM.—The term "Museum" means the National Women's History Museum, Inc., a District of Columbia nonprofit corporation exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986.

(5) PROPERTY.—The term "Property" means the property located in the District of Columbia, subject to survey and as determined by the Administrator, generally consisting of Squares 325 and 326. The Property is generally bounded by 12th Street, Independence Avenue, C Street, and the James Forrestal Building, all in Southwest Washington, Dis-

trict of Columbia, and shall include all associated air rights, improvements thereon, and appurtenances thereto.

SEC. 3. CONVEYANCE OF PROPERTY.

(a) AUTHORITY TO CONVEY.—

(1) IN GENERAL.—Subject to the requirements of this Act, the Administrator shall convey the Property to the Museum, on such terms and conditions as the Administrator considers reasonable and appropriate to protect the interests of the United States and further the purposes of this Act.

(2) AGREEMENT.—As soon as practicable, but not later than 180 days after the date of enactment of this Act, the Administrator shall enter into an agreement with the Museum for the conveyance.

(3) TERMS AND CONDITIONS.—The terms and conditions of the agreement shall address, among other things, mitigation of developmental impacts to existing Federal buildings and structures, security concerns, and operational protocols for development and use of the property.

(b) PURCHASE PRICE.—

(1) IN GENERAL.—The purchase price for the Property shall be its fair market value based on its highest and best use as determined by an inde-

pendent appraisal commissioned by the Administrator and paid for by the Museum.

(2) SELECTION OF APPRAISER.—The appraisal shall be performed by an appraiser mutually acceptable to the Administrator and the Museum.

(3) TERMS AND CONDITIONS FOR APPRAISAL.—

(A) IN GENERAL.—Except as provided by subparagraph (B), the assumptions, scope of work, and other terms and conditions related to the appraisal assignment shall be mutually acceptable to the Administrator and the Museum.

(B) REQUIRED TERMS.—The appraisal shall assume that the Property does not contain hazardous substances (as defined in section 101 of CERCLA (42 U.S.C. 9601)) which require response action (as defined in such section).

(c) APPLICATION OF PROCEEDS.—The purchase price shall be paid into the Federal Buildings Fund established under section 592 of title 40, United States Code. Upon deposit, the Administrator may expend, in amounts specified in authorizations and appropriations Acts, the proceeds from the conveyance for any lawful purpose consistent with existing authorities granted to the Administrator.

(d) QUIT CLAIM DEED.—The Property shall be conveyed pursuant to a quit claim deed.

(e) USE RESTRICTION.—The Property shall be dedicated for use as a site for a national women's history museum for the 99-year period beginning on the date of conveyance to the Museum.

(f) FUNDING RESTRICTION.—No Federal funds shall be made available to the Museum for the purchase of the Property or the design and construction of any facility on the Property.

(g) REVERSION.—

(1) BASES FOR REVERSION.—The Property shall revert to the United States, at the option of the United States, without any obligation for repayment by the United States of any amount of the purchase price for the property, if—

(A) the Property is not used as a site for a national women's history museum at any time during the 99-year period referred to in subsection (e); or

(B) the Museum has not commenced construction of a museum facility on the Property in the 5-year period beginning on the date of enactment of this Act, other than for reasons

beyond the control of the Museum as reasonably determined by the Administrator.

(2) ENFORCEMENT.—The Administrator may perform any acts necessary to enforce the reversionary rights provided in this section.

(3) CUSTODY OF PROPERTY UPON REVERSION.—If the Property reverts to the United States pursuant to this section, such property shall be under the custody and control of the Administrator.

(h) CLOSING.—The conveyance pursuant to this Act shall occur not later than 3 years after the date of enactment of this Act. The Administrator may extend that period for such time as is reasonably necessary for the Museum to perform its obligations under section 4(a).

SEC. 4. ENVIRONMENTAL MATTERS.

(a) AUTHORIZATION TO CONTRACT FOR ENVIRONMENTAL RESPONSE ACTIONS.—The Administrator is authorized to contract with the Museum or an affiliate thereof for the performance (on behalf of the Administrator) of response actions on the Property.

(b) CREDITING OF RESPONSE COSTS.—Any costs incurred by the Museum or an affiliate thereof pursuant to subsection (a) shall be credited to the purchase price for the Property.

(c) NO EFFECT ON COMPLIANCE WITH ENVIRONMENTAL LAWS.—Nothing in this Act, or any amendment made by this Act, affects or limits the application of or obligation to comply with any environmental law, including section 120(h) of CERCLA (42 U.S.C. 9620(h)).

SEC. 5. INCIDENTAL COSTS.

Subject to section 4, the Museum shall bear any and all costs associated with complying with the provisions of this Act, including studies and reports, surveys, relocating tenants, and mitigating impacts to existing Federal buildings and structures resulting directly from the development of the property by the Museum.

SEC. 6. LAND USE APPROVALS.

(a) EXISTING AUTHORITIES.—Nothing in this Act shall be construed as limiting or affecting the authority or responsibilities of the National Capital Planning Commission or the Commission of Fine Arts.

(b) COOPERATION.—

(1) ZONING AND LAND USE.—Subject to paragraph (2), the Administrator shall reasonably cooperate with the Museum with respect to any zoning or other land use matter relating to development of the Property in accordance with this Act. Such cooperation shall include consenting to applications by

the Museum for applicable zoning and permitting with respect to the property.

(2) LIMITATIONS.—The Administrator shall not be required to incur any costs with respect to cooperation under this subsection and any consent provided under this subsection shall be premised on the property being developed and operated in accordance with this Act.

SEC. 7. REPORTS.

Not later than 1 year after the date of enactment of this Act, and annually thereafter until the end of the 5-year period following conveyance of the Property or until substantial completion of the museum facility (whichever is later), the Museum shall submit annual reports to the Administrator and the Committees detailing the development and construction activities of the Museum with respect to this Act.

○

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

I

112TH CONGRESS
1ST SESSION

H. R. 1269

To authorize the Administrator of General Services to convey a parcel of real property in the District of Columbia to provide for the establishment of a National Women's History Museum.

IN THE HOUSE OF REPRESENTATIVES

MARCH 30, 2011

Mrs. MALONEY (for herself, Ms. MOORE, Mrs. DAVIS of California, Ms. LEE of California, Ms. BALDWIN, Ms. SCHAKOWSKY, Ms. MATSUI, Mr. GRIJALVA, Ms. BASS of California, Mr. STARK, Ms. HERRERA BEUTLER, Mrs. SCHMIDT, Ms. SPEIER, Mrs. LUMMIS, Mrs. ADAMS, Ms. NORTON, Mrs. BLACKBURN, Ms. BORDALLO, Mr. FRANK of Massachusetts, Mrs. BIGGERT, Mr. HASTINGS of Florida, and Mr. MORAN) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

---

A BILL

To authorize the Administrator of General Services to convey a parcel of real property in the District of Columbia to provide for the establishment of a National Women's History Museum.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Women's History Museum Act of 2011".

SEC. 2. DEFINITIONS.

In this Act, the following definitions apply:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of General Services.

(2) CERCLA.—The term "CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(3) COMMITTEES.—The term "Committees" means the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(4) MUSEUM.—The term "Museum" means the National Women's History Museum, Inc., a District of Columbia nonprofit corporation exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986.

(5) PROPERTY.—The term "Property" means the property located in the District of Columbia, subject to survey and as determined by the Administrator, generally consisting of Squares 325 and 326. The Property is generally bounded by 12th Street, Independence Avenue, C Street, and the James Forrestal Building, all in Southwest Washington, Dis-

trict of Columbia, and shall include all associated air rights, improvements thereon, and appurtenances thereto.

SEC. 3. CONVEYANCE OF PROPERTY.

(a) AUTHORITY TO CONVEY.—

(1) IN GENERAL.—Subject to the requirements of this Act, the Administrator shall convey the Property to the Museum, on such terms and conditions as the Administrator considers reasonable and appropriate to protect the interests of the United States and further the purposes of this Act.

(2) AGREEMENT.—As soon as practicable, but not later than 180 days after the date of enactment of this Act, the Administrator shall enter into an agreement with the Museum for the conveyance.

(3) TERMS AND CONDITIONS.—The terms and conditions of the agreement shall address, among other things, mitigation of developmental impacts to existing Federal buildings and structures, security concerns, and operational protocols for development and use of the property.

(b) PURCHASE PRICE.—

(1) IN GENERAL.—The purchase price for the Property shall be its fair market value based on its highest and best use as determined by an inde-

pendent appraisal commissioned by the Administrator and paid for by the Museum.

(2) SELECTION OF APPRAISER.—The appraisal shall be performed by an appraiser mutually acceptable to the Administrator and the Museum.

(3) TERMS AND CONDITIONS FOR APPRAISAL.—

(A) IN GENERAL.—Except as provided by subparagraph (B), the assumptions, scope of work, and other terms and conditions related to the appraisal assignment shall be mutually acceptable to the Administrator and the Museum.

(B) REQUIRED TERMS.—The appraisal shall assume that the Property does not contain hazardous substances (as defined in section 101 of CERCLA (42 U.S.C. 9601)) which require response action (as defined in such section).

(c) APPLICATION OF PROCEEDS.—The purchase price shall be paid into the Federal Buildings Fund established under section 592 of title 40, United States Code. Upon deposit, the Administrator may expend, in amounts specified in authorizations and appropriations acts, the proceeds from the conveyance for any lawful purpose consistent with existing authorities granted to the Administrator.

(d) QUIT CLAIM DEED.—The Property shall be conveyed pursuant to a quit claim deed.

(e) USE RESTRICTION.—The Property shall be dedicated for use as a site for a national women's history museum for the 99-year period beginning on the date of conveyance to the Museum.

(f) FUNDING RESTRICTION.—No Federal funds shall be made available to the Museum for the purchase of the Property or the design and construction of any facility on the Property.

(g) REVERSION.—

(1) BASES FOR REVERSION.—The Property shall revert to the United States, at the option of the United States, without any obligation for repayment by the United States of any amount of the purchase price for the property, if—

(A) the Property is not used as a site for a national women's history museum at any time during the 99-year period referred to in subsection (e); or

(B) the Museum has not commenced construction of a museum facility on the Property in the 5-year period beginning on the date of enactment of this Act, other than for reasons

beyond the control of the Museum as reasonably determined by the Administrator.

(2) ENFORCEMENT.—The Administrator may perform any acts necessary to enforce the reversionary rights provided in this section.

(3) CUSTODY OF PROPERTY UPON REVERSION.—If the Property reverts to the United States pursuant to this section, such property shall be under the custody and control of the Administrator.

(h) CLOSING.—The conveyance pursuant to this Act shall occur not later than 3 years after the date of enactment of this Act. The Administrator may extend that period for such time as is reasonably necessary for the Museum to perform its obligations under section 4(a).

SEC. 4. ENVIRONMENTAL MATTERS.

(a) AUTHORIZATION TO CONTRACT FOR ENVIRONMENTAL RESPONSE ACTIONS.—The Administrator is authorized to contract with the Museum or an affiliate thereof for the performance (on behalf of the Administrator) of response actions on the Property.

(b) CREDITING OF RESPONSE COSTS.—Any costs incurred by the Museum or an affiliate thereof pursuant to subsection (a) shall be credited to the purchase price for the Property.

(c) NO EFFECT ON COMPLIANCE WITH ENVIRONMENTAL LAWS.—Nothing in this Act, or any amendment made by this Act, affects or limits the application of or obligation to comply with any environmental law, including section 120(h) of CERCLA (42 U.S.C. 9620(h)).

SEC. 5. INCIDENTAL COSTS.

Subject to section 4, the Museum shall bear any and all costs associated with complying with the provisions of this Act, including studies and reports, surveys, relocating tenants, and mitigating impacts to existing Federal buildings and structures resulting directly from the development of the property by the Museum.

SEC. 6. LAND USE APPROVALS.

(a) EXISTING AUTHORITIES.—Nothing in this Act shall be construed as limiting or affecting the authority or responsibilities of the National Capital Planning Commission or the Commission of Fine Arts.

(b) COOPERATION.—

(1) ZONING AND LAND USE.—Subject to paragraph (2), the Administrator shall reasonably cooperate with the Museum with respect to any zoning or other land use matter relating to development of the Property in accordance with this Act. Such cooperation shall include consenting to applications by

the Museum for applicable zoning and permitting with respect to the property.

(2) LIMITATIONS.—The Administrator shall not be required to incur any costs with respect to cooperation under this subsection and any consent provided under this subsection shall be premised on the property being developed and operated in accordance with this Act.

SEC. 7. REPORTS.

Not later than 1 year after the date of enactment of this Act, and annually thereafter until the end of the 5-year period following conveyance of the Property or until substantial completion of the museum facility (whichever is later), the Museum shall submit annual reports to the Administrator and the Committees detailing the development and construction activities of the Museum with respect to this Act.

○

2012 SESSION

INTRODUCED

12102316D

HOUSE JOINT RESOLUTION NO. 91

Offered January 11, 2012
Prefiled January 10, 2012

Memorializing the Congress of the United States to support the establishment of a National Women's History Museum in Washington, D.C.

Patron—Comstock

Committee Referral Pending

WHEREAS, in 1987, Congress declared March to serve as "Women's History Month" to acknowledge the important role women have played in shaping America; and

WHEREAS, although women constitute a majority of the nation's population, their achievements and contributions are underrepresented in museums and memorials; and

WHEREAS, only 10 percent of the people identified in a recent survey of 18 history textbooks were women; and

WHEREAS, in 1999, The President's Commission on the Celebration of Women in American History called for a women's history museum to be established on the National Mall in Washington, D.C.; and

WHEREAS, the National Women's History Museum (NWHM), founded in 1996, is a nonpartisan, nonprofit, educational institution dedicated to preserving, interpreting, and celebrating the diverse historic contributions of women, and integrating the heritage of women fully into this nation's history; and

WHEREAS, the NWHM seeks a site on or close to the National Mall and in close proximity to the White House and U.S. Capitol Building; and

WHEREAS, the NWHM has identified federally owned property for sale near the National Mall; and

WHEREAS, legislation is currently pending in Congress seeking authorization for the NWHM to be able to purchase this property at fair market value with privately raised funds and no federal funds are being requested for the purchase of this land; and

WHEREAS, there are museums dedicated to flight, postage stamps, buildings, and many other important people and issues of interest but not to women, and yet women comprise 51 percent of the nation's population; and

WHEREAS, the NWHM will showcase the full history of women in the United States and the contributions they have made and continue to make in the marketplace, arts and sciences, government, entertainment, education, home, and community; and

WHEREAS, a coalition of 43 women's organizations representing eight million women, which includes the National Foundation for Women Legislators, supports the efforts of the NWHM to establish a permanent residence near the National Mall, the most prominent location for museums to be situated in the nation's capital; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Congress of the United States be urged to support the establishment of a National Women's History Museum in Washington, D.C.; and, be it

RESOLVED FURTHER, That the Clerk of the House of Delegates transmit copies of this resolution to the Speaker of the United States House of Representatives, the President of the United States Senate, and the members of the Virginia Congressional Delegation so that they may be apprised of the sense of the General Assembly of Virginia in this matter.

INTRODUCED

1/10/12 19:22

In bill text the following have special meaning:
green underline denotes added text
~~dark red struck out text denotes deleted text~~
red text denotes vetoed text
The symbol, , indicates a link to an affected code section

2011 SC H 4183	AUTHOR:	Brady
	VERSION:	Adopted
	VERSION DATE:	05/05/2011

South Carolina General Assembly
119th Session, 2011-2012
H. 4183

House Resolution
Adopted by the House on May 5, 2011

A HOUSE RESOLUTION
TO SUPPORT THE ESTABLISHMENT OF A NATIONAL WOMEN'S HISTORY MUSEUM IN WASHINGTON, D. C., IN ORDER TO SECURE A PERMANENT HOME IN THE NATION'S CAPITAL THAT WILL HIGHLIGHT THE IMPORTANT ROLE WOMEN HAVE PLAYED IN SHAPING THIS GREAT NATION.

Whereas, in 1987, Congress declared March to serve as "Women's History Month" to acknowledge the important role women have played in shaping the United States of America; and

Whereas, although women constitute a majority of the nation's population, their achievements and contributions are underrepresented in museums and memorials; and

Whereas, only ten percent of the people identified in a recent survey of eighteen history textbooks were women; and

Whereas, in 1999, The President's Commission on the Celebration of Women in American History called for a women's history museum to be established on "The National Mall" in Washington, D. C.; and

Whereas, the National Women's History Museum (NWHM), founded in 1996, is a non-partisan, non-profit, educational institution dedicated to preserving, interpreting, and celebrating the diverse historic contributions of women, and integrating the heritage of women fully into the nation's history; and

Whereas, the NWHM seeks a site on or close to the National Mall and in close proximity to the White House and the United States Capitol Building; and

Whereas, the NWHM has identified a vacant lot that is a federally owned property for sale near the National Mall, located at 12th Street and Independence Avenue S. W.; and

Whereas, legislation is currently pending in Congress seeking authorization for the NWHM to be able to purchase this property at fair market value with privately raised funds, and no federal funds are being requested for the purchase of this land; and

Whereas, there are museums dedicated to flight, postage stamps, buildings, and many other important people and issues of interest but not to women, yet women comprise fifty-three percent of the nation's population; and

Whereas, the NWHM will showcase the full history of women in the United States and the contributions they have made and continue to make in the marketplace, arts and sciences, government, entertainment, education, home, and community; and

Whereas, representing eight million women, a coalition of forty women's organizations which includes the National Foundation for Women Legislators supports the efforts of the NWHM to establish a permanent residence near the National Mall, the most prominent location for museums to be situated in the nation's capital. Now, therefore,

Be it resolved by the House of Representatives:

That the members of the South Carolina House of Representatives, by this resolution, support the establishment of a National Women's History Museum in Washington, D. C., in order to secure a permanent home in the nation's capital that will highlight the important role women have played in shaping this great nation.

Be it further resolved that a copy of this resolution be forwarded to the members of the South Carolina Congressional Delegation.

Copyright 2012 State Net. All Rights Reserved.

2012 -- S 2065

LC00411

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

SENATE RESOLUTION

SUPPORTING THE ESTABLISHMENT OF A NATIONAL WOMEN'S HISTORY MUSEUM IN WASHINGTON, D.C.

Introduced By: Senators Lanzi, Paiva Weed, Lynch, Crowley, and Sosnowski

Date Introduced: January 17, 2012

Referred To: Recommended for Immediate Consideration

WHEREAS, In 1987, Congress declared March as "Women's History Month" to acknowledge the important role women have played in shaping America; and

WHEREAS, Although women constitute a majority of the nation's population, their achievements and contributions are underrepresented in museums and memorials; and

WHEREAS, In a recent survey of eighteen history books, only 10 percent of the people identified were women; and

WHEREAS, In 1999, the President's Commission on the Celebration of Women in American History called for a women's history museum to be established on the National Mall in Washington, D.C.; and

WHEREAS, The National Women's History Museum (NWHM), founded in 1996, is a nonpartisan, nonprofit, educational institution dedicated to preserving, interpreting, and celebrating the diverse historic contributions of women and fully integrating the heritage of women into this nation's history; and

WHEREAS, The NWHM seeks a site on or close to the National Mall and in close proximity to the White House and United States Capitol; and

WHEREAS, The NWHM has identified federally-owned property for sale near the National Mall; and

WHEREAS, Legislation is currently pending in Congress seeking authorization for the NWHM to be able to purchase this property at fair market value with privately raised funds. No

federal funds are being requested for the purchase of this land; and

WHEREAS, There are museums dedicated to flight, postage stamps, buildings, and many other important people and issues, but not to women, and yet women comprise 51 percent of the nation's population; and

WHEREAS, The NWHM will showcase the full history of women in the United States and the contributions they have made and continue to make in the marketplace, arts and sciences, government, entertainment, education, home, and community; and

WHEREAS, A coalition of 43 women's organizations representing 8 million women, which includes the National Foundation for Women Legislators (NFWL), supports the efforts of the NWHM to establish a permanent residence on the National Mall, the most prominent location for museums to be situated in the nation's capital; now, therefore, be it

RESOLVED, That this Senate of the State of Rhode Island and Providence Plantations hereby respectfully urges the esteemed members of the United States House of Representatives and the United States Senate to support the NWHM's efforts to secure a permanent home on or close to the National Mall for a museum that will highlight the important role women have played in shaping this great nation; and be further

RESOLVED, That the Secretary of State be and he hereby is authorized and directed to transmit duly certified copies of this resolution to the National Foundation for Women Legislators and the entire Rhode Island Congressional Delegation.

LC00411

SJR 14

<TARGET><BILL>SJR 14</BILL><SUBJECT>SJR 14</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 2/1/12

FURTHER: RULES

Date of 5-Day Notice: 2/2/12
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2-7-12

State Affairs Committee considered SENATE JOINT RESOLUTION NO. 14

SJR 14-MILITARY PERSONNEL CUTS & BASE CLOSURES

Urging the United States Department of Defense to protect military bases and military personnel in the state.

and recommends:

[V] be **replaced** with **CS** SJR 14 (STA) *[ ] Same Title [V] New Title*

[ ] adopt **previous CS** _____ SCS/CS- Forthcoming _____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
S. STA			V	1

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Gillett Kookesh	Kookesh	X			
Joe Hackbarth	Paskvan	X			
K Meyer	Meyer	X			
W Giessel	Giessel	X			
CHAIR:	Wielechowski	X			

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **CSSJR 14(STA)**
Fiscal Note Number: 1
(S) Publish Date: 2/8/12

Identifier (file name)
Title: SJR 14 MILITARY PERSONNEL CUTS & BASE CLOSURES
Sponsor: Senator Wielechowski
Requester: (S) State Affairs

Dept. Affected
Appropriation
Allocation
OMB Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by: (S) State Affairs — Phone: 465-2435
Division: — Date/Time: 2/7/12 12:00 AM
Approved by: /s/ Senator Wielechowski, Chair — Date: 2/7/2012

(Revised 1/17/2012 OMB)

FISCAL NOTE # 1

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. CSSJR 14(STA)

Analysis

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

SJR 14: Protecting Military Personnel Cuts and Base Closures
Sponsor Statement

"I believe that in the future, whoever holds Alaska will hold the world. I think it is the most important strategic place in the world."
- U.S. General Billy Mitchell to the U.S. Congress in 1935

Our primary concern must always be national defense and the security of the United States and Alaska. Alaska's geographic location is of vital strategic advantage for current and future missions, force mobilization, and offensive and defensive operations, and is of strategic importance on polar air routes.

Defense Secretary Panetta recently announced that the Pentagon will seek new rounds of military base closures as part of the budget-cutting process. Over the next five years, the Army will drop from 562,000 to 490,000 soldiers and the Marine Corps from 202,000 to 182,000 marines in an effort to cut $487 billion over the next decade. These cuts could have a devastating impact on Alaska's and our nation's security.

Alaska's military force is of great importance to our economy with 32 military installations, more than 23,000 active duty service members and more than 37,000 active family members, contributing approximately 13 percent to Alaska's economy.

During the 2005 Base Closure and Realignment Commission (BRAC), Eielson Air Force Base was originally designated for realignment. A strong community and state effort opposed the Department of Defense recommendation by pointing out the critical strategic importance of Eielson, the loss of training opportunities, and the fact that its realignment would not have produced the estimated savings DoD anticipated.

It is imperative the Alaska Legislature officially show our support for Alaska's military bases and personnel. Passage of SJR14 will send a message to the United States Department of Defense, U.S. Congress and the President that Alaska's military bases and service members are of strategic importance to the defense of our nation.

27-LS1299\M
Bannister
2/6/12

CS FOR SENATE JOINT RESOLUTION NO. 14(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS WIELECHOWSKI, McGuire

A RESOLUTION

Urging the United States Department of Defense to protect military bases and military personnel in the state for the defense and protection of the state and the nation.

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

WHEREAS United States Secretary of Defense Leon E. Panetta recently announced that the Pentagon will seek new rounds of military base closures as part of the budget cutting process; and

WHEREAS United States Secretary of Defense Leon E. Panetta stated that, in an effort to cut $487,000,000,000 over the next decade, the number of soldiers in the United States Army will drop over the next five years from 562,000 to 490,000, and the number of marines in the United States Marine Corps will drop over the next five years from 202,000 to 182,000; and

WHEREAS the nation's primary concern must always be national defense and the security of the United States, including Alaska; and

WHEREAS the geographic location of Alaska provides a vital strategic advantage for current and future missions, force mobilization, and offensive and defensive operations, including the state's strategic importance for polar air routes; and

WHEREAS the state's strategic global position has been recognized since World War II and is very important to the United States, providing a prime location to defend the United States against the potential aggression of hostile nations; and

WHEREAS, from bases in Alaska, the United States Air Force can gain quick access to the Pacific and European theaters and can transition across the Arctic to arrive in Europe faster than if flying from the East Coast of the United States; and

WHEREAS, with 32 military installations, more than 23,000 active duty service members, and more than 37,000 family members of active duty service members, the military force in Alaska is economically important; and

WHEREAS the 63,000 square mile range of the military complex in the state provides a unique training and readiness compound unlike any other in the world; and

WHEREAS Alaska serves as a site activation command for the United States Missile Defense Agency; and

WHEREAS the United States Department of Defense recognizes Alaska as an important strategic location, recently increasing and upgrading the missile defense capability in the state; and

BE IT RESOLVED that the Alaska State Legislature strongly urges the United States Department of Defense to protect Alaska's military bases and to keep the number of military personnel in the state intact for the defense and protection of the state and the United States.

COPIES of this resolution shall be sent to the Honorable Barack Obama, President of the United States; the Honorable Joseph R. Biden, Jr., Vice-President of the United States and President of the U.S. Senate; the Honorable Leon E. Panetta, United States Secretary of Defense; the Honorable Harry Reid, Majority Leader of the U.S. Senate; the Honorable John Boehner, Speaker of the U.S. House of Representatives; and the Honorable Lisa Murkowski and the Honorable Mark Begich, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.

adn.com
Anchorage Daily News

[Print Page] [Close Window]

Alaska politicians pledge to oppose military base cutbacks

By DAN JOLING
(01/27/12 16:24:34)

Defense Secretary Leon Panetta's announcement that the Pentagon will seek new rounds of military base closures drew a swift response from Alaskans who watched a similar process nearly gut Eielson Air Force Base in Fairbanks in 2005.

Alaska's congressional delegation and Gov. Sean Parnell issued a joint statement saying they will stand together to resist attempts to close or shrink Alaska bases.

"Alaska's military bases provide essential defense for the nation," Sen. Mark Begich, D-Alaska, said in the statement. "They are even more important with the administration's new focus on security concerns in the Pacific and with international attention on the changing Arctic."

Panetta at a news conference Thursday said the Army by will be cut by 80,000 soldiers, from 570,000 to 490,000, by 2017. He also called for additional rounds of base closures and realignment.

Under the closure process, defense officials submit a list of bases to a Base Closure and Realignment Commission. The commission analyzes the recommendations and sends its own list to the president, who can ask for more evaluation. The president eventually sends the report to Congress, which can pass a joint resolution to reject the full report. If Congress does not pass the joint resolution, the report becomes law.

The military in May 2005 recommended closure of 33 major bases and substantial reductions at 29 more. That included the recommended partial shutdown of Eielson Air Force Base, the sprawling air field in the Fairbanks North Star Borough, which housed a squadron of F-16 fighters and A-10 Thunderbolts. The Defense Department recommended Eielson for "warm" status, a part-time base where squadrons from other bases could use for training.

Begich, Parnell, U.S. Sen. Lisa Murkowski and Rep. Don Young on Thursday stressed Alaska's strategic importance to the nation, but an underlying issue is the role the military plays in the state's economy — 32 installations, more than 23,000 active duty service members, more than 37,000 active family members. It adds up to more than 13 percent of the state economy.

The Pentagon in 2005 projected Eielson's loss at 2,821 military jobs and 319 civilian jobs — just under 4 percent of the Fairbank North Star Borough population without counting 3,300 dependents. The military estimated a savings of $2.7 billion over 20 years at Eielson.

When the BRAC commission visited Fairbanks a month after the announcement, the community responded with fervor. More than 3,000 residents filled a civic center for the hearing. The late U.S. Sen. Ted Stevens, retired Air Force General Pat Gamble and retired Army Maj. Gen. Mark Hamilton, the current and former presidents of the University of Alaska, made impassioned statements in opposition to Eielson changes, noting its strategic importance on polar air routes and its location at the mid-way point of the trans-Alaska pipeline.

The testimony and show of community support worked. The base lost its A-10 warthogs but kept the F-16s and most permanent employees.

Young called Panetta's announcement unwelcome and not surprising, but said it's only the beginning of a long process that will include opportunities to support Alaska's military installations.

Begich said he supports saving money in nearly every area of the federal budget, including the cutting of overseas military bases, which are more expensive to operate and maintain.

"But requesting congressional approval to begin another domestic BRAC process in 2013, shortly after spending billions to complete the most recent BRAC round just doesn't make sense," he said.

Murkowski, who was serving her first term in 2005, said the military's increased commitment to Asia and the Pacific underscores the importance of Alaska bases.

"If the Defense Department is true to its strategy, contribution to the military mission should grow in the coming years," she said in the statement.

[Print Page] [Close Window]

Copyright © Sun Feb 5 14:16:19 UTC-0900 20121900 The Anchorage Daily News (www.adn.com)

Government Contracts Advisory

FEBRUARY 1, 2012

CONTACTS

For further information regarding the topic discussed in this update, please contact one of the professionals below, or the attorney or public policy advisor with whom you regularly work.

Robert E. Tritt
404.527.8130

Henry J. "Jim" Schweiter
202.496.7511

Stephen M. Sorett
202.496.7260

Department of Defense to Request Additional Base Closures and Realignments: Implications for Contractors and Communities

On January 26, 2012, Secretary of Defense Leon Panetta unveiled key features of the Obama Administration's defense budget request for fiscal year 2013. Among the key features of the Department of Defense's (DOD's) spending priorities for fiscal year 2013 will be a request that Congress authorize at least one more round of domestic military base realignments and closures (BRAC rounds). If approved by Congress, new rounds of base closures could have both positive and negative implications for government contractors. The actual fiscal year 2013 budget request will not be transmitted to Congress until February 13.

Base realignment and closure refers to a process designed to save costs and increase operational efficiency by closing excess military installations and realigning and redistributing the asset inventory among remaining defense bases. More than 350 installations have been closed in five previous BRAC rounds: 1989, 1991, 1993, 1995 and 2005.

New legislation would be required to implement another BRAC round. If the legislation followed the process in the most recent 2005 round, then DOD would submit recommendations for closure/realignment to an independent commission (the BRAC Commission), which may accept, reject or amend the DOD recommendations. The revised list is then submitted to the President for approval. In the 2005 BRAC Round, DOD recommended 190 closures and realignments, and the BRAC Commission approved 119 with no changes and accepted 45 others with modest amendments. The Commission rejected 13 DOD recommendations and significantly modified 13 others.

Because base closures are so politically charged, recent rounds have been structured to insulate base closure recommendations from the normal political aspect of lawmaking. Under these procedures, the President certifies the recommendations of the BRAC Commission and transmits them to Congress. Fast track parliamentary procedures have been established so that the entire package of recommended base closures automatically goes into effect unless Congress adopts a joint resolution of disapproval rejecting the package within 45 days of the President's submission or the adjournment *sine die* of the session of Congress, whichever occurs earlier.

Experience with past BRAC rounds has shown that base closures and realignments can save the government money, although the savings have proved more modest than many initial forecasts.[1] There are also significant fiscal, economic and environmental consequences that flow from base closures at the state and local level, including the loss of jobs and challenges

with developing and implementing a viable base reuse plan. There are also strategic and operational considerations associated with BRAC for DOD.

For affected communities and contractors alike, the ability to ensure potential candidates for closure or realignment survive can often depend on making a case that such action would be inconsistent with evaluation and closure criteria. It is not too early for state and local governments whose installations will be under scrutiny to begin developing a national security and business case to resist closure or realignment.

For contractors with business operations at military installations subject to potential closure or realignment, particularly companies in the construction and service industries, the prospect of another BRAC round can have significant financial consequences. At this stage, it is important to assess which bases with company operations are the most likely candidates for closure or realignment. Ultimately, business judgments will have to be made about whether and in connection with which bases a company should wage a campaign (because that is what it will take) to shape the perceptions and decisions of DOD and a future BRAC Commission.

Given the political environment, it seems unlikely Congress will authorize another round of base closures and realignments in an election year. Nevertheless, given the size of the federal deficit and debt ceiling, the weak economy and the imperative for DOD to achieve real long term savings required by the Budget Control Act of 2011[2] (not to mention the threat of sequestration), one or more future rounds of base closure seem inevitable. As Deputy Secretary of Defense Ashton Carter recently said, "If we have ... unneeded basing structure in our armed forces in a time when we're trying to deal with the deficit reduction, national security imperative that we face, how can we not put on the table unneeded basing structure?"[3] Businesses and communities that stand to be affected by another BRAC round should anticipate this eventuality and begin preparing now to protect their interests and be meaningful participants in the process.

[1] See, e.g., U.S. General Accounting Office, GAO/NSIAD 96-67, Military Bases: Closure and Realignment Savings Are Significant, but Not Easily Quantified, (Apr. 1996); U.S. Government Accountability Office, GAO-08-315, Military Base Realignment and Closures: Higher Costs and Lower Savings Projected for Implementing Two Key Supply-Related BRAC Recommendations, (Mar. 2008).

[2] Pub. L. 112-25.

[3] Interview of Deputy Secretary of Defense Ashton Carter, PBS News Hour, Jan. 26, 2012, at **http://video.pbs.org/video/2190617039/#**.

February 2012

USAF Force Structure Changes: Sustaining Readiness and Modernizing the Total Force

New Strategic Guidance

For the last decade, the United States has undertaken extended operations in Iraq and Afghanistan. As we responsibly draw down from these operations, take steps to protect our Nation's economic vitality, and protect our interests in a world of accelerating change, we face an inflection point. The changing geopolitical environment and our changing fiscal circumstances merited a reassessment of U.S. defense strategy. Out of this assessment, the Department of Defense (DoD) developed a strategy that transitions our defense enterprise from an emphasis on today's wars to preparing for future challenges, protects the broad range of U.S. national security interests, advances the Department's efforts to rebalance and reform, and supports the national security imperative of deficit reduction by reducing defense spending. The resulting strategic guidance provided a set of precepts to guide decisions regarding the size and shape of the force over subsequent budget cycles.

To implement the new strategic guidance, the Joint Force will need to recalibrate its capabilities and make selective additional investments to succeed in the following missions: countering terrorism and irregular warfare, deterring and defeating aggression, projecting power despite anti-access/area denial challenges, countering weapons of mass destruction, operating effectively in cyberspace and space, maintaining a safe, secure, and effective nuclear deterrent, defending the homeland and providing support to civil authorities, providing a stabilizing presence, conducting stability and counterinsurgency operations, and conducting humanitarian, disaster relief, and other operations.

These missions will determine and shape the capabilities required by the future Joint Force, and the Air Force must continue to provide key capabilities in all 10 mission areas. However, the overall capacity, or size of the force, will be based on the requirements that the following missions demand: countering terrorism and irregular warfare, deterring and defeating aggression, maintaining a safe, secure, and effective nuclear deterrent, and defending the homeland and supporting civil authorities. U.S. forces will no longer be sized to conduct large-scale, prolonged stability operations.

The new guidance requires U.S. forces to remain capable of deterring and defeating aggression by any potential adversary. Credible deterrence results from maintaining both the capabilities required to deny an aggressor the prospect of achieving his objectives and from the complementary capability to impose unacceptable costs on the aggressor. Our planning envisages forces that are able to fully deny a capable state's aggressive objectives in one region by conducting a combined arms campaign across all domains – land, air, maritime, space, and cyberspace. Even when U.S. forces are committed to a large scale operation in one region, they

will be capable of denying the objectives of – or imposing unacceptable costs on – an opportunistic aggressor in a second region.

The Air Force employed this guidance to prepare an FY13 budget request that ensures the Air Force meets the capability and force-sizing requirements directed by the new strategic guidance, and is:

- Adaptable and capable of deterring aggression and providing a stabilizing presence, especially in the highest priority areas and missions in the Asia-Pacific region and the Middle East, while still ensuring our ability to maintain our defense commitments to Europe and other allies and partners;
- Ready, rapidly deployable, and expeditionary such that it can project power on arrival;
- Capable of conducting homeland defense and providing support to civil authorities;
- Armed with cutting edge capabilities that exploit our technological, joint, and networked advantage;
- Able to reconstitute quickly or grow capabilities as needed; and
- Manned and led by the highest quality professionals.

To deliver the capabilities required by the new strategic guidance and remain within funding constraints, the Air Force made difficult choices in all core functions, including the decision to divest portions of combat and combat enabler forces. The guiding principle was balance. To retain critical core capabilities and maintain our ability to rapidly respond to mission demands, the Air Force balanced risk to force structure and modernization, while maintaining readiness and people programs across all mission areas. We will provide more details about our FY13 decisions on modernization, readiness, and people programs in the coming weeks.

This paper will focus on the decisions we made to divest aircraft and re-mission units, with a particular emphasis on how these choices affect the Air National Guard (ANG) and Air Force Reserve. Our programmed reductions follow detailed assessments of future conflict scenarios and enduring rotational deployment requirements and were chosen to maintain capable and lethal forces while preserving ready and sustainable Active and Reserve Components. The Air Force will be smaller, but will remain highly capable, lethal, ready, agile, and deployable.

Air Force Aircraft Reductions

The Air Force FY 13 Budget Request achieves $8.7 billion in savings across the Active and Reserve Components by retiring over 200 aircraft in FY 13 and nearly 300 aircraft over the FYDP, consistent with the new strategic guidance. Our programmed force reductions are wide ranging and affect over 60 installations. Without the Total Force re-missioning actions described later in the paper, they would have significantly affected 24 units and left eight installations without an Air Force presence. They will have direct impact in 33 states, but in order to support Total Force re-missioning, the manpower realignment plan built by the Reserve Components will significantly

affect additional units in all 54 states and territories. We will be able to provide manpower adjustments by installation and state in the coming weeks.

Our analysis of requirements driven by the new strategy shaped all of our decisions. Our force sizing analysis answered two complementary questions: what is the maximum, or surge, requirement posed by the force sizing model of the new strategy; and what is the steady state, or post-surge, requirement for deployed rotational forces? Because the new guidance requires the Joint Force to be capable of fighting one large scale, combined arms campaign with sufficient combat power to also deny a second adversary, and deemphasized large-scale, prolonged stability operations, our FY13 budget request accepts risk by retiring fighter, mobility, and intelligence, surveillance, and reconnaissance (ISR) aircraft excess to the surge requirements of the new force sizing construct. Although the U.S. has removed all combat forces from Iraq and the new strategic guidance reduces the steady state requirement for ground forces, we expect Air Force steady state rotational requirements to remain nearly constant, or perhaps increase, under the new strategy. This continuing rotational post-surge requirement is a key factor in determining the required mix between Active and Reserve Component forces due to differences in sustainable deployment rates and operations tempo.

Where possible, we attempted to retire all aircraft of a specific type, allowing us to also divest the unique training and logistic support structure for that aircraft. Where that was not possible, we worked to retire the oldest aircraft first, and redistributed aircraft into effective and economical units, eliminating other units when that was most efficient. Where we retained older aircraft, we are taking steps to ensure they will remain viable into the future.

Combat Air Forces

As directed by the new strategic guidance, we accepted risk in our Combat Air Forces by retiring or reclassifying aircraft from seven squadrons: five A-10 squadrons, one F-16 squadron, and one training/support coded F-15 Aggressor squadron. Because of the Department's evolving posture, one of the retiring squadrons is an overseas squadron. We chose to retire more A-10s as a result of guidance to size our forces for one large scale combined arms campaign with sufficient combat power to also deny a second adversary, without conducting a large scale, prolonged stability operation. The A-10 remains essential for combined arms and stability operations and we retain enough A-10s to meet the requirements of the new strategic guidance, but multi-role platforms provide more utility across the range of the potential missions for which we are directed to prepare.

After reductions, we retain 54 combat-coded fighter squadrons and maintain the capabilities and capacity required to meet the requirements of new strategic guidance at increased risk while providing a bridge to the Fifth Generation F-35. Although we transfer five F-15 Aggressor aircraft to attrition reserve status and eliminate one Aggressor squadron flag, we maintain a robust Aggressor training capability. We will relocate our F-16 Aggressor squadron in Alaska from Eielson AFB to Elmendorf AFB, allowing us to achieve savings in base support at Eielson beginning in FY15.

Mobility Air Forces

We also reduced our mobility capacity in line with the requirements of the new strategic guidance and the parallel reductions in land forces, retiring all 27 C-5As, retiring or canceling procurement of all 38 planned C-27Js, and retiring the 65 oldest C-130s. We chose to retire C-5As because of historically lower mission capable rates relative to the C-17 and C-5M. Retiring the entire C-5A fleet provides additional savings in training and logistics support that could not have been achieved by spreading retirements over multiple aircraft types. Divesting the entire C-27J fleet also achieves savings by substituting the lower life cycle costs of the more capable C-130 for the niche C-27J capability. As part of our C-130 retirement strategy, we streamline operations and maintenance by realigning some additional C-130 aircraft to ensure Reserve Component units operate only one C-130 type at any location.

After retirements, we will maintain a fleet of 275 strategic airlifters (52 C-5Ms and 223 C-17s) and 318 C-130s (134 C-130Js and 184 C-130Hs) and our analysis shows that the remaining aircraft are sufficient to meet the airlift requirements of the new strategy, including our commitment for direct support of the Army. We appreciate Congress' support in adjusting the legislated mandatory number of strategic airlifters. Given the changes in strategy and force sizing, we will be seeking a new minimum of 275 aircraft.

We also retire 20 KC-135s and maintain a fleet of 453 air refueling aircraft, sufficient to meet refined requirements. KC-46 development remains on track for initial deliveries in FY16.

Intelligence, Surveillance, and Reconnaissance

Intelligence, surveillance, and reconnaissance reductions divest all 18 Block 30 RQ-4s, generating $2.5 billion in Future Years Defense Program (FYDP) savings by choosing to rely on the proven capability of the mature U-2S aircraft and sensors. The U-2 has superior sensor capabilities now, meets the new Joint Requirements Oversight Council (JROC) force structure requirement, and is viable through 2040. We generate additional savings by eliminating funding for all 11 RC-26s while transferring the more capable MC-12 fleet from the Active Component to the Air National Guard in FY14. We also retire one E-8C aircraft that is damaged beyond economical repair.

Reserve Component Aircraft Reductions and Re-Missioning

The Air Force has enjoyed great success in leveraging our Total Force Enterprise to present our enduring capabilities to the Joint warfighter, and we have successfully met the demand of increased operations tempo over the last two decades through a combination of volunteerism, selective mobilization, and the creation of Active, Reserve, and Guard Associations. The Air National Guard and Air Force Reserve are integrated into all major Air Force mission areas, train to the same high standards as the Active Component, and are invaluable partners in meeting our many and varied commitments. Over the years, we have adjusted the mix between Active and Reserve Components to ensure we maintained a ready and sustainable force and could meet our

surge and rotational requirements. However, two decades of military end strength and force structure reductions have shifted the ratio of Active to Reserve Component forces. In 1990, the Reserve Component represented 25 percent of the Total Force end strength; that percentage has increased to 35 percent today. Reserve Component aircraft ownership also increased from approximately 23 percent to 28 percent over the same period.

Our Reserve Components have proven to be a superb investment -- providing critical Air Force capabilities through a very challenging time. However, our analysis tells us we have reduced the Active Component to the point that further reductions would limit our ability to respond quickly to multiple crises or sustain long duration commitments without asking our Airmen – Active and Reserve Component – to deploy at rates that cannot be sustained by our Total Force Airmen and their families. We also know that the entire Total Force – Active Component, Air National Guard, and Air Force Reserve – depends on the Active Component to recruit, train, and equip the Airmen of the future. Further Active Component aircraft reductions would require detailed analysis to ensure we do not make the Active Component too small to provide the skilled aircrew, maintenance, and support personnel required to sustain the Total Force. Maintaining the appropriate Active/Reserve mix will remain critical to sustaining Air Force capabilities for forward presence and rapid response, meeting overseas rotational demands with a smaller force, and taking care of our most precious resource, our people.

As we were driven to consider reductions in FY13, we carefully considered the ratio between the Active and Reserve Components and made choices that:

1) Ensured the Total Force could fulfill the Air Force's surge requirements as directed by the force sizing construct of the new strategic guidance;
2) Maintained the balance between Active and Reserve Components required to fulfill continuing rotational requirements at deployment rates and personnel tempos that are sustainable for both the Active and Reserve Components;
3) Made sure the Active Component retained the recruiting, training, and operational seasoning base required to sustain the Active Air Force, Air National Guard, and Air Force Reserve into the future; and
4) Ensured the Reserve Component remains relevant and engaged in both enduring and evolving missions.

The Air National Guard and Air Force Reserve were involved in all analysis and decisions, and employed the following principles and strategies to build Reserve Component aircraft reduction and re-missioning plans.

The Air National Guard's Capstone Principles informed Air Force decisions involving the ANG:

1) Allocate at least one flying unit with ANG equipment to each state;
2) Recapitalize concurrently and in balance with the regular component;
3) Manage Air National Guard resources with Air National Guard people;

4) Adopt missions that fit the militia construct; and
5) Build dual-use capabilities.

The Air Force Reserve employed the following realignment strategies in selecting specific locations for aircraft reductions:

1) Ensure aircraft reductions do not negatively impact operational support to the Combatant Commands;
2) Ensure force structure movements do not create any new Air Force bills;
3) Ensure risk is minimized by optimizing crew ratios to exploit expected increase in mission capability rates; and
4) Considered locations that continued to have an Air Force mission due to the presence of another Air Force Component.

Total Force Aircraft Reductions by Fiscal Year

FY 13 Actions: Divests all C-27J aircraft, eliminating aircraft based at or planned for Warfield AGS (Martin State), MD (4), Kellogg AGS (Battle Creek), MI (4), Fargo AGS (Hector), ND (4), Mansfield Lahm AGS, OH (4), Great Falls, MT (4), Bradley , CT (4), and Key Field AGS (Meridian), MS (6). Removes A-10s from Barksdale AFB, LA (retires 21 and transfers three), Selfridge ANGB, MI (21), Ft Smith, AR (20), Ft Wayne, IN (20), and an Active Component overseas location (20). Removes F-16s from Des Moines, IA (21) and transfers Active Component F-16 Aggressors from Eielson AFB, AK (19) to Joint Base (JB) Elmendorf-Richardson, AK (19). Aircraft retirements and transfers result in net reductions of C-130Hs at JB Elmendorf-Richardson, AK (4 H2) (eliminating an Active association), Niagara, NY (3 H2) (eliminating a Reserve association), Rosecrans AGS (St Joseph), MO (10 H2.5), Youngstown-Warren, OH (6 H2), Louisville, KY (1 H2.5), Charleston, WV (1 H3), Cheyenne, WY (1 H2.5), Stratton AGS (Schenectady), NY (4 H2), Dobbins ARB, GA (7 H2), and Pittsburgh, PA (7 H2). The Pittsburgh actions result in the closure of the associated Air Reserve Station at Pittsburgh, PA (closure does not exceed Base Realignment and Closure (BRAC) threshold in accordance with 10 U.S.C. § 2687). Retires KC-135s from Rickenbacker, OH (6), Pittsburgh ANGB, PA (4), Tinker AFB, OK (4), and Altus AFB, OK (three Active Component) as well as three Backup Aircraft Inventory (BAI) aircraft from Sky Harbor (Phoenix), AZ (1), Sioux City AGS, IA (1), and March ARB, CA (1). Reduces KC-135s at McGhee-Tyson, TN (2) and Gen Mitchell, WI (2). Begins retirement of the C-5A fleet at JB San Antonio (Lackland AFB), TX (5) and eliminates an E-8C damaged beyond economical repair from Robins ARB, GA (1). Retires Active Component Block 30 RQ-4s from Beale AFB, CA (18).

Proposed FY 14 Actions: Removes C-130Hs from Maxwell AFB, AL (7 H2), Naval Air Station (NAS) Joint Reserve Base (JRB) Ft Worth (Carswell), TX (8 H2) and Minneapolis-St Paul (8 H3), and removes C-130Js from Keesler AFB, MS (10). Continues to retire C-5As at JB San Antonio (Lackland AFB), TX (3) and Shepherd Field AGS (Martinsburg), WV (5). Converts Active Component F-15Cs at Nellis AFB, NV (5) from Primary Aircraft Inventory (PAI) to BAI status. Transfers 42 Active Component MC-12s from Beale AFB to the Air National Guard.

Proposed FY 15 Actions: Retires remaining Air National Guard C-5As based at Shepherd Field (Martinsburg), WV (6), and additional Air Force Reserve C-5As at JB San Antonio (Lackland AFB) (2). Eliminates funding for all 11 RC-26 aircraft, retiring aircraft based at Ellington Field (Houston), TX (1), Kirtland AFB, NM (1), Tucson, AZ (1), Fresno, CA (1), Fairchild AFB, WA (1), Key Field (Meridian), MS (1), Dannelly Field, AL (1), Truax AGS (Madison), WI (1), Hancock Field AGS (Syracuse), NY (1), Charleston, WV (1), and Jacksonville, FL (1).

Proposed FY 16 Action: Completes retirement of the Air Force Reserve C-5A fleet by divesting the remaining aircraft at JB San Antonio (Lackland AFB), TX (6). Removes C-130H from Savannah, GA (8 H2) and Little Rock, AR (eight Active Component H3). Removes C5Ms from Westover, MA (8).

Proposed FY 17 Actions: Removes C-130Hs from Niagara, NY (8 H2), Little Rock, AR (three Reserve Component H2), Charlotte, NC (2 H3), and Little Rock AR (six Active Component H3).

Total Force Re-Missioning by Fiscal Year

As a Total Force – Active Air Force, Air National Guard, and Air Force Reserve -- we have developed a detailed re-missioning plan that realigns continuing missions to preserve 14 of 24 units, maintains an Air Force presence on seven of the eight affected installations, expands Reserve Component participation in our growing ISR mission, and preserves an appropriate Active and Reserve Component force mix. The Air Force FY13 budget request commits approximately $600 million over the FYDP to execute and sustain re-missioning actions that establish new MQ-1/9 Remote Split Operations Squadrons, transfer the MC-12 fleet to the Air National Guard, thicken Reserve Component ISR and cyber participation, and transfer Active Component C-17s to the Reserve Component.

FY 12 Actions: Transfers six WC-130 aircraft from Nashville, TN to Luis Munoz, Puerto Rico, replacing retiring C-130Es. Establishes an MQ-1/9 Remote Split Operations (RSO) squadron at Nashville. Enlarges Nashville's Intelligence Squadron into a Targeting Group and creates a new Cyber/ISR Group.

FY 13 Actions: Completing a FY12 PB action, transfers eight C-17s from the Active Component to the Air National Guard at Memphis, TN (replacing C-5As). Adds C-130Hs at Youngstown-Warren, OH (4 H2.5) and Cheyenne, WY (1 H3). Establishes an ISR Group and expands the Net Warfare Sq at Warfield AGS (Martin State), MD to replace divested C-27s; establishes an Intelligence Targeting Group at Fargo AGS (Hector), ND; creates four additional MQ-1/9 RSO elements at Ft Smith, AR (replacing A-10s), Des Moines, IA (replacing F-16s), Kellogg AGS (Battle Creek), MI (replacing C-27s), and Willow Grove, PA; adds KC-135s to Selfridge ANGB, MI (4). Adds A-10s at Whiteman AFB, MO (3).

Proposed FY 14 Actions: Transfers 42 Active Component MC-12s to the Air National Guard by assigning between nine and eleven aircraft to each of four Air National Guard locations -- Ft Wayne, IN (replacing A-10s), Bradley, CT (replacing C-27s), Key Field AGS (Meridian), MS (replacing C-27s), and NAS Ft Worth JRB (Carswell), TX (replacing C-130s). Creates an Active Association at Beale AFB, CA to conduct MC-12 training and provides an additional deployed Combat Air Patrol

forward using up to six Air National Guard aircraft. Final aircraft assignments for the four Air National Guard locations and the Active association at Beale will be determined as part of the Air Force's FY14 budget submission after completion of a program plan and operational concept. Transfers C-130Js to Dobbins ARB, GA (10) (replacing C-130Hs) and C-130Hs to Rosecrans AGS (St Joseph), MO (8 H3) and Great Falls, MT (8 H2) (replacing C-27s).

Proposed FY 15 Action: Transfers eight Active Component C-17s to the Air National Guard at Shepherd Field AGS (Martinsburg), WV (replacing C-5As).

Proposed FY 16 Action: Within the Air Force Reserve, transfers eight C-5Ms from Westover ARB, MA to JB San Antonio (Lackland AFB), TX, (replacing C-5As). Replaces C-130H2s at Savannah, GA (8) with C-130H3s. Replaces Active Component C-130H3s (8) at Little Rock AFB, AR with C-130H1 (7).

Proposed FY 17 Action: Dobbins ARB, GA receives two additional C-130Js for a total of 12. Replaces C-130H2s at Niagara, NY (8) with C-130H3s. Replaces Active Component C-130H3s (6) at Little Rock AFB, AR with C-130H1s (7).

After proposed reductions and re-missioning, Reserve Component end strength will make up 33 percent of Total Force military personnel, a reduction of two percent from the FY12 President's Budget (PB) position. The Reserve Component will own 24 percent of Total Force aircraft, two percent less than their FY12 PB share. Within the Combat Air Forces, the percentage of total aircraft in the Reserve Component will be 38 percent, four percent less than in FY12. For the Mobility Air Forces, the Reserve Component share shifts from 51 percent to 46 percent.

Additional Actions

In addition to specific re-missioning actions, the Air Force has also taken a variety of steps to secure the future of the Air National Guard and Air Force Reserve in a balanced Total Force.

Future Aircraft Flow Down

We remain committed to acquiring the F-35A as our future multi-role fighter. Although delivery of the F-35 has been delayed, it is still the future of both Active and Reserve multi-role squadrons. The Air Force has acquired 12 F-35s to date and plans to acquire over 160 more through FY17. The full-rate production plan is yet to be determined.

We have decided to pursue a scalable Service Life Extension Program (SLEP) for approximately 350 F-16s. Although our oldest F-16s will remain viable through the end of this decade, we plan to begin fielding aircraft with SLEP structural improvements in 2017. The program will ensure the F-16 remains viable and relevant for future Active and Reserve Component multi-role fighter squadrons until the F-35 arrives in greater numbers. We will also upgrade combat avionics for a substantial portion of the SLEP-ed aircraft with aircraft delivery beginning in FY18.

We are committed to developing a detailed aircraft flow down plan that describes how the F-35 and modernized and SLEP-ed F-16s will be integrated into the Total Force and replace aging aircraft. We will build a detailed plan after we have a clearer view of F-35 delivery schedules and

have completed Force Composition Analysis studies to determine the optimum Active and Reserve Component unit size and force mix for our remaining multi-role fighter force. As always, the leadership of the Air National Guard and Air Force Reserve will be active partners in determining this mix.

We are also committed to making sure our 184 remaining C-130H variants remain viable and relevant. We developed the C-130 Avionics Modernization Program (AMP) to ensure our C-130H fleet met basic communication, navigation, surveillance, and air traffic management (CNS/ATM) requirements. We later determined that there are less technically complex approaches to meet these requirements and resolve select obsolescence issues. Therefore, our FY13 budget submission terminates the C-130 AMP. However, we have funded an FY13 new start CNS/ATM program to ensure our C-130H fleet will remain viable and relevant, while generating more than $2.2 billion in savings over the FYDP.

Strategic Basing Process

The Air Force Strategic Basing Process was established by the Secretary of the Air Force in August 2009 to create an open, transparent, and consistent process for selecting preferred Total Force basing options. We will employ the Strategic Basing Process to identify preferred Active and Reserve Component basing locations for new aircraft as they become available as part of our recapitalization and modernization efforts.

BRAC 2005 established Eglin AFB as the Initial Joint Training Site for the F-35A. In July 2010, the Air Force announced preferred alternatives for further basing of the initial 250-300 F-35As, identifying Hill AFB and Burlington ANGB as the initial operational locations and Luke AFB as the next training location after Eglin, accommodating all F-35As currently scheduled for delivery through FY19. The Air Force will announce future preferred and reasonable alternatives approximately three years prior to delivery of aircraft to the next round of bases. Given current F-35 production estimates, the next set of F-35 basing decisions will include domestic and overseas bases and will not be required prior to FY17. Over the next two years, we will determine the optimum size of Active and Reserve Component F-35 units and the total number of required F-35 operating locations.

The Air Force is currently developing requirements for the first two KC-46 bases, and expects to approve basing criteria in March 2012, identify candidate installations in June 2012, select preferred and reasonable alternatives in December 2012, and make final decisions in December 2013. These first two bases will begin receiving aircraft in FY16. We will announce future preferred and reasonable alternatives approximately three years prior to delivery of aircraft to the next round of bases. Given current production estimates, the next KC-46 basing decisions will not be required prior to FY14. We are committed to creating associations at all KC-46 operating locations in the continental United States.

Potential Legislative Changes

In coordination with the Air National Guard and Air Force Reserve, the Air Force and the Department of Defense are reviewing the authorities that might be needed to address the impact

of programmed force reduction and re-missioning actions on the affected members of the Air National Guard, Air Force Reserve, and their families.

Air Force Total Force Enterprise and Associations

The Air Force Total Force Enterprise (TFE) management approach provides an inclusive, fact-based, and iterative process designed to maximize combat capability and optimize force structure through a range of innovative organizational constructs and personnel policies that optimize and integrate the capabilities of all Air Force components.

Associations are an integral part of balancing the Total Force to meet the current and future air, space and cyber requirements of the Joint warfighter. Total Force Integration (TFI) associations pair two units, (host and associate) representing two Air Force components, operating together. The host unit is assigned the physical resources for mission accomplishment (aircraft, equipment, facilities) and the associate unit shares those resources. Currently, there are three types of TFI associations: Classic, Active and Air Reserve Component (ARC).

Classic Associations pair units as an Active Component host with a Reserve Component associate which can improve operational synergies and add capacity during surge operations at reduced cost. Active Associations pair a Reserve Component host and an Active Component associate to improve access to aircraft and total rotational capacity by assigning Active Component Airmen in Reserve Component units, allowing the highly experienced Reserve Component to help develop and season maturing Active Component Airmen. ARC Associations pair a Reserve Component host and a Reserve Component associate to deliver operational and organizational efficiencies.

There are currently 100 TFI associations across a variety of weapons systems/functional areas and Air Force Major Commands. The Air Force is planning to add Active Associations at all ARC fighter locations, and Air Mobility Command intends to establish Active or Classic Associations at all continental U.S. KC-46 locations. The Air Force will continue to explore additional opportunities for associations in order to create efficiencies, encourage retention of valuable human capital, and above all, increase Air Force combat capabilities.

New Associations

The Air Force has decided to maintain 18 assigned F-16 aircraft at Air National Guard fighter squadrons to support new F-16 Active Associations at Truax AGS (Madison), WI, Buckley, CO, Joe Foss Field, SD, and Duluth, MN, in addition to the Associations already programmed at Burlington, VT, and Dannelly Field, AL. Although the previously programmed Active Association at Barksdale AFB, LA, is eliminated with the Air Force Reserve Command A-10 retirement, the Active Associations at Whiteman AFB, MO, NAS Ft Worth JRB (Carswell), TX and Homestead ARB, FL will continue as planned. The Chief of Staff of the Air Force has directed the Air Force to develop additional Active Associations at all ARC fighter locations to ensure that the Total Force is able to absorb and season enough young pilots and maintainers to meet future Total Force requirements.

The AF FY13 budget request also establishes C-130J Active Associations at Dobbins ARB, GA starting in FY14, Quonset Point Airport, RI in FY16, and Channel Islands, CA in FY17, as well as an

Active Association with a C-130H unit in FY13 at a location still to be determined. Additionally, Classic Associations will be established in intelligence at Fort Meade, MD, Offutt AFB, NE and Hurlburt Field, FL, and in program analysis at Wright-Patterson AFB, OH. We have also established a new association with the MC-12W mission transfer to the Air National Guard in FY 14. An Active Association will be stood up to operate the MC-12W Flying Training Unit at Beale AFB, using up to six Air National Guard aircraft. The Active Association will also provide one Combat Air Patrol (CAP) of deployed capability.

The Air Force previously funded a RED HORSE Active Association at Beale AFB, CA, as well as Classic Associations in cyber at JB San Antonio (Lackland AFB), TX; Aviation Foreign Internal Defense at a location to be determined; Security Forces at Davis-Monthan AFB, NM; and intelligence at Wright-Patterson AFB, OH, and JB Langley-Eustis, VA. In all, 15 new Associations are programmed, and the Air Force will explore additional opportunities for associations in our FY14 budget submission.

Military Personnel Appropriation Budget Activity Code

We are normalizing our approach to how we program ARC Military Personnel Appropriation (MPA) man day funding by improving the way we forecast, plan, program, and fund MPA man day accounts in our budget build process. These inputs will ensure adequate and predictable funding to support the required level of Reserve Component participation. Our normalization efforts include introducing MPA requirements into our corporate planning process earlier and working with the Office of the Secretary of Defense to create a distinct budget activity with a sub-account dedicated to facilitating more flexible Reserve Component operations, increasing opportunities for Reserve Component participation, and tracking MPA within the Air Force Military Personnel Account. If approved, we would expect to include this account in our FY14 budget submission.

Improving Strategic Planning Transparency and Processes

We have embarked on an effort to examine Active Air Force, Air National Guard, and Air Force Reserve composition across all the Air Force's major functions through the Total Force Enterprise Review Process and System Force Composition Analyses. The Total Force Enterprise Evaluation Group reviews and provides oversight of all Total Force Associations and ensures they have met the requirements for effective operations. Force Composition Analyses examine individual weapons systems or processes and make recommendations for an appropriate Active/Reserve Component mix based on analysis of combat requirements, Total Force capacity, and system and manpower costs.

Most importantly, we have strengthened and refined our corporate processes to ensure that the Air National Guard and Air Force Reserve are involved at every step of our analysis and decision making. Air Force senior leaders have directed that the Air Force Reserve and Air National Guard will continue to be fully represented during system Force Composition Analyses and will participate fully in development of the Core Function Master Plans that guide actions to organize, train and equip the Total Force in each core function.

Air Force Reserve Component 2020 Study

We believe the Air Force Reserve Components set the DoD standard for Total Force integration and operational effectiveness, but we must ensure that we continue to improve our performance and processes to maximize our contribution to the Joint Force of 2020 and beyond. The Chief of Staff of the Air Force and Reserve Component leadership are developing terms of reference to guide an independent study that will evaluate our on-going efforts to optimize the Total Force and make recommendations to guide and shape our future efforts. The study team will likely be led by a former Chief of Staff of the Air Force and will include a former Director of the Air National Guard and Chief of the Air Force Reserve.

Conclusion

We remain fully committed to the essential contributions of the Total Force and have taken proactive steps to:

- Address the impact of force structure reductions in our Reserve Components by re-missioning units with enduring missions and assigning aircraft with extended life spans and improved capabilities;
- Plan for robust use of associations as we field F-35 and KC-46 units;
- Increase the number of associations between existing Active and Reserve units;
- Normalize our management of Reserve Component man days; and
- Improve the transparency of Total Force planning and develop our Total Force vision for the future.

The future of the Air Force depends on sustaining strong and ready Reserve Components, and we believe the Air Force Total Force sets the standard for integrating Active and Reserve Components to improve efficiency and effectiveness in peace and war. The force reductions proposed in the Air Force FY13 budget request were developed in response to new DoD strategic guidance, informed by reduced funding, and shaped by analysis to ensure that the Total Force will continue to fulfill the Air Force's surge requirements and meet continuing rotational demand. We will ensure that the Reserve Component remains engaged and relevant as the Active Component maintains the recruiting, training, and operational seasoning base required to sustain the Total Force into the future.

HB

64

<TARGET><BILL>HB 64</BILL><SUBJECT>HB
64</SUBJECT><COMM>SSTA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

Co-Chair:
House Finance Committee

Chair:
House Finance Subcommittees for;
Department of Public Safety
Department of Law
Alaska Court System

Member:
Legislative Council
Committee on Committees
Legislative Budget & Audit (alt)
House Finance Sub-Committees for:
Governor's Office
Legislature
University of Alaska

BILL STOLTZE
STATE REPRESENTATIVE
Representative_Bill_Stoltze@legis.state.ak.us

Session:
Alaska State Capitol, Rm 515
Juneau, AK 99801-1182
Phone: (907) 465-4958
Fax: (907) 465-4928

District:
600 E. Railroad Ave.
Wasilla, AK 99654
Phone: (907) 376-4958
Fax: (907) 376-4928

Toll Free: 1-866-465-4958

Memorandum

TO: Senator Bill Wielechowski
Senate State Affair Committee Chair

FROM: Rep. Bill Stoltze

DATE: April 6, 2012

RE: Calendar Request for CS HB64 (FIN) "An Act relating to permanent motor vehicle registration; and providing for an effective date."

Mr. Chair,

I request that CS HB64(FIN) be calendared for a hearing before the Senate State Affairs Committee at the earliest possible time. My staff member Darrell Breese will be carrying the bill.

Attached is a sponsor statement, supporting material and a copy of the legislation for consideration.

Co-Chair:
House Finance Committee

Chair:
House Finance Subcommittees for;
Department of Public Safety
Department of Law

Member:
Legislative Council
Legislative Budget & Audit

ALASKA STATE LEGISLATURE

Session:
Alaska State Capitol, Rm 515
Juneau, AK 99801-1182
Phone: (907) 465-4958
Fax: (907) 465-4928

District:
600 E. Railroad Ave.
Wasilla, AK 99654

BILL STOLTZE
STATE REPRESENTATIVE
Representative_Bill_Stoltze@legis.state.ak.us

Sponsor Statement
CS HB 64 (FIN)

"An Act relating to permanent motor vehicle registration; and providing for an effective date."

The purpose of CS HB64 (FIN) is to offer the choice of permanent registration for personal-use, non-commercial trailers and certain motor vehicles when applied for at the Division of Motor Vehicles.

Permanent Motor Vehicle Registration

- Would be available to motor vehicles that are eight years or older
- Would cost $25, in addition to the regular biennial registration fee
- Provide the owner with the option of selecting the regular two-year, biennial, registration
- Is not transferable when ownership of the vehicle changes

Permanent Trailer Registration

- Would allow the owners of non-commercial trailers the same access to permanent registration that the 20th Legislature (HB404) extended to the owners of commercial trailers in 1998
- Provide the owner with the option of selecting the regular two-year, biennial, registration
- Would cost $25, in addition to the regular biennial registration fee
- Is not transferable when ownership of the vehicle changes

If passed, CS House Bill 64 (FIN) will result in a savings of nearly $19 million annually for Alaskan consumers.

Please join me in supporting this important legislation.

27-LS0327\S
Luckhaupt
3/26/12

CS FOR HOUSE BILL NO. 64(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES STOLTZE AND KELLER, Costello, Neuman, Lynn

A BILL

FOR AN ACT ENTITLED

"An Act relating to permanent motor vehicle registration; relating to the registration fee for noncommercial trailers and to the motor vehicle tax for trailers; and providing for an effective date."

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

*** Section 1.** AS 28.10.108(a) is amended to read:

(a) Except for a vehicle registered under AS 28.10.152 **or 28.10.155**, a vehicle required to be registered under this chapter shall be registered under the procedures set out in this section.

*** Sec. 2.** AS 28.10 is amended by adding a new section to read:

Sec. 28.10.155. Permanent motor vehicle registration. (a) The owner of a motor vehicle, other than a commercial motor vehicle, that is required to be registered under this chapter may elect to permanently register the motor vehicle in lieu of registration under AS 28.10.108 if the vehicle is at least eight years old. The permanent registration expires when the owner transfers or assigns the owner's title or

interest in the vehicle. A permanent registration may not be renewed. On receiving the proper application and fees, the department shall issue to the registered owner registration plates, tabs, and a permanent registration form.

(b) The fees for permanent registration must equal the fees that would be applicable if the motor vehicle were registered under AS 28.10.108, plus a permanent registration fee of $25. The motor vehicle registration tax for a permanently registered vehicle is the rate established for permanent motor vehicle registration under AS 28.10.431(j)(2). If a municipality has not established a tax for a permanently registered motor vehicle, the biennial rate established in AS 28.10.431(b) or (j)(1), if any, is levied upon the vehicle and is payable only once at the time a motor vehicle is permanently registered. Except as provided in AS 28.10.423(b), the owner of a permanently registered motor vehicle is not required to pay other registration fees or taxes under this chapter.

*** Sec. 3.** AS 28.10.411(f) is amended to read:

(f) A resident 65 years of age or older on January 1 of the year the vehicle is registered or a resident with a disability that limits or impairs the ability to walk and who provides proof of that disability as provided in 23 C.F.R. 1235.2 is entitled to an exemption from the registration fee required under this section for one vehicle subject to registration under AS 28.10.421(b)(1), (2), **or** (5), or **(i)** [(6)]. An exemption may not be granted except upon written application for the exemption on a form prescribed by the department.

*** Sec. 4.** AS 28.10.421 is amended by adding a new subsection to read:

(j) When a person registers a trailer not used or maintained for the transportation of persons or property for hire or for other commercial use, including a boat trailer, baggage trailer, box trailer, utility trailer, house trailer, travel trailer, or trailer rented or offered for rent, the person may choose to pay a biennial registration fee of $30 or to permanently register the trailer. If the person permanently registers the trailer, the person shall pay the biennial registration fee plus a permanent registration fee of $25. If the person permanently registers the trailer, no additional registration fees are required if the same person who initially registered the trailer continues to own the trailer. A new owner of a trailer previously registered under this subsection

shall register and pay the biennial registration fee or the permanent registration fee as provided in this subsection. The motor vehicle registration tax for a permanently registered trailer is the rate established for permanent trailer registration under AS 28.10.431(j)(3). If a municipality has not established a tax for a permanently registered trailer, the biennial rate established in AS 28.10.431(b) or (j)(1), if any, is levied upon the trailer and is payable only once at the time a trailer is permanently registered. If the person pays the registration tax as required by this subsection and AS 28.10.431, no additional registration taxes are required if the same person who initially registered the trailer continues to own the trailer.

*** Sec. 5.** AS 28.10.423 is amended by adding a new subsection to read:

(b) In addition to the permanent registration fee established in AS 28.10.155, a $2 fee is imposed on the owner of each permanently registered motor vehicle required to be inspected under an emission control program established in AS 46.14.400 or 46.14.510. That fee shall be collected biennially.

*** Sec. 6.** AS 28.10.431(b) is amended to read:

(b) The biennial tax is levied upon motor vehicles subject to the registration fee under AS 28.10.411 and 28.10.421 and is based upon the age of vehicles as determined by model year in the first year of the biennial period, according to the following schedule:

	Tax According to Age of Vehicle Since Model Year:							
	1st	2nd	3rd	4th	5th	6th	7th	8th or over
Motor Vehicle								
(1) motorcycle	$ 17	$ 15	$ 13	$ 10	$ 7	$ 5	$ 4	$ 4
(2) vehicles specified in AS 28.10.421(b)(1)	21	99	77	55	39	28	19	16
(3) vehicles specified in AS 28.10.421(b)(3)	121	99	77	55	39	28	19	16
(4) vehicles specified								

in AS 28.10.421(c)(1)-(4)								
5,000 pounds or less	121	99	77	55	39	28	19	16
5,001-12,000 pounds	198	154	121	99	77	55	33	22
12,001-18,000 pounds	447	392	348	304	260	227	205	194
18,001 pounds or over	546	469	403	348	304	260	216	194
(5) vehicles specified in AS 28.10.421(b)(4)	198	154	121	99	77	55	33	22
(6) vehicles specified in **AS 28.10.421(i)** [AS 28.10.421(b)(6)]	17	15	13	10	7	5	4	4
(7) vehicles specified in AS 28.10.421(d)(8)	121	99	77	55	39	28	19	16
(8) vehicles specified in AS 28.10.421(b)(2)	121	99	77	55	39	28	19	16
(9) vehicles eligible for dealer plates under AS 28.10.421(d)(9).	88							

* **Sec. 7.** AS 28.10.431(c) is amended to read:

(c) **Except as provided in (m) of this section, the** [THE] registration tax shall be levied, collected, enforced and otherwise administered in the same manner as provided for the registration fee in this chapter. Only one registration tax may be collected with respect to the same motor vehicle in the year for which the tax is paid.

* **Sec. 8.** AS 28.10.431(j) is amended to read:

(j) A municipality that imposes a motor vehicle registration tax as described under (a) of this section may also**, by passage of an appropriate ordinance, (1)** increase the scheduled amount of tax described under (b) or (*l*) of this section**, (2) establish a tax for a motor vehicle that is permanently registered under AS 28.10.155, or (3) establish a tax for a trailer that is permanently registered under AS 28.10.421(i)** [BY PASSAGE OF AN APPROPRIATE ORDINANCE]. A municipality that chooses to change the tax imposed under (b) or (*l*) of this section **or**

establishes a tax for permanently registered motor vehicles or trailers shall file a written notice of the change with the department by January 1 of the year preceding the year in which the change in tax is to take effect. A municipality may not change the amount of the tax imposed under this section more than once every two years. The department may charge a municipality a one-time fee to cover the cost to the department of implementing a change under this subsection.

* **Sec. 9.** AS 28.10.431 is amended by adding a new subsection to read:

(m) The department may not collect a registration tax established by a municipality under (j)(2) or (3) of this section for a permanently registered motor vehicle or trailer if the amount of the tax is greater than $100 unless the tax is for a motor vehicle subject to registration under AS 28.10.421(c)(3) and (4).

* **Sec. 10.** AS 28.10.421(b)(6) is repealed.

* **Sec. 11.** This Act takes effect January 1, 2015.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **HB064**
Fiscal Note Number:
() Publish Date:

Identifier (file name): HB064CS(FIN)-DOA-DMV-2-10-2012
Title: Permanent motor vehicle registration
Sponsor: Representatives Stoltze, Keller
Requester: House Finance

Dept. Affected: Administration
Appropriation: Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services			57.2				
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**57.2**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)			57.2				
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**57.2**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES			**3,694.0**	**4,190.0**	**(1,351.0)**	**(1,599.0)**	**(1,599.0)**

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

1) Updated the changes in revenue due to updated vehicle counts.
2) Eliminated reference to the I/M fee, since the I/M program in Alaska will no longer be in effect.

Prepared by: Whitney Brewster, Director — Phone: 907-269-5559
Division: Division of Motor Vehicles — Date/Time: 2/10/12 4:45 PM
Approved by: John Cramer, Deputy Commissioner — Date: 2/10/2012
Department of Admininstration

(Revised 11/18/2011 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** HB064
2012 LEGISLATIVE SESSION

Analysis

The effective date for this bill is January 1, 2014.

Expenditures
The database for Division of Motor Vehicles (DMV) will need programming to allow for permanent registration of non-commercial vehicles.
Estimated hours: 400
Cost per hour: $143
Total programming cost: 400 x $143 = $57,200.

Revenues
Motor Vehicle Registration Tax (MVRT): The DMV collects MVRT for 16 communities: Anchorage, Bethel, Bristol Bay Borough, Cordova, Dillingham, Juneau, Kenai Peninsula Borough, Ketchikan Gateway Borough, Kodiak Island Borough, Matanuska Susitna Borough, Nenana, Nome, Petersburg, Sitka, Unalaksa, and Whittier.

Eight percent of the MVRT collected is retained by the state as collection costs. Although the increase or decrease in revenues from the collection costs are indeterminate, the revenues will change proportionately with the registration fees.

Registration Fees:
Assumptions:
1) 369,500 vehicles will be eligible for permanent registration in 2014 (based on currently-registered vehicles). Half (184.7) will renew in 2014 and half will renew in 2015.

2) Approximately 24,800 vehicles will become eligible each year. This is an average of the number of currently registered vehicles with model years 2007-2011.

3) Only 10% of owners will elect for permanent registration, based on the following:
a) The biennial registration fee established in AS 28.10.421 is $100 for most of the vehicles eligible for permanent registration, making the fee for permanent registration $300.
b) The largest quantity of vehicles in the state are in areas with the highest MVRT. Three times the MVRT for vehicles in Municipality of Anchorage or the Matanuska Susitna Borough would be $210.
c) An owner of an eligible vehicle would have to decide whether a vehicle that's already at least 8 years old will last another 6+ years to justify the additional payment for permanent registration, which would be as high as $340: permanent ($300 reg + $210 MVRT = $510) versus biennial ($100 reg + $70 MVRT = $170).
d) Many owners of older vehicles are likely in the middle to lower income brackets; these owners are less likely to have the extra funds available to opt for permanent registration.
e) It's very likely that a vehicle that is at least 8 years old will have a major component fail within the next six years. An owner who has the financial resources to pay the additional $340 for permanent registration would likely opt to replace the vehicle rather than repair it; consequently, DMV assumes few of those owners would opt for permanent registration.
f) The owners of eligible vehicles who do not opt for permanent registration the first year it's available won't opt for it in subsequent years.

4) All permanently registered vehicles will stay in service for the next 6 years and will not change ownership. Although some vehicles may go out of service, the assumption is that an owner won't opt to pay the extra fees for permanent registration if their vehicle is not in good mechanical shape.

Analysis Continued

Calculations

	2014	2015	2016	2017	2018
2014: 184.7 current vehicles eligible for perm reg					
18.47 opt for perm reg (184.7 x 10%)					
Increase from perm reg (18.47 x $300)	5,541.0				
Loss in biennial fees (18.47 x $100)	(1,847.0)		(1,847.0)		(1,847.0)
2015: 209.5 vehicles eligible for perm reg					
including 24.8 newly eligible					
20.95 opt for perm reg (209.5 x 10%)					
Increase from perm reg (20.95 x $300)		6,285.0			
Loss in biennial fees (20.95 x $100)		(2,095.0)		(2,095.0)	
2016: 24.8 newly eligible for perm reg					
2.48 opt for perm reg (24.8 x 10%)					
Increase from perm reg (2.48 x $300)			744.0		
Loss in biennial fees (2.48 x $100)			(248.0)		(248.0)
2017: 24.8 newly eligible for perm reg					
2.48 opt for perm reg (28.4 x 10%)					
Increase from perm reg (28.4 x $300)				744.0	
Loss in biennial fees (2.48 x $100)				(248.0)	
2018: 24.8 newly eligible for perm reg					
2.48 opt for perm reg (24.8 x 10%)					
Increase from perm reg (2.48 x $300)					744.0
Loss in biennial fees (2.48 x $100)					(248.0)
Total Estimated Revenue Increase/(Decrease)	3,694.0	4,190.0	(1,351.0)	(1,599.0)	(1,599.0)

Performance Measures

The DMV expects this bill will have very little impact on its performance measures.

1) Only about 11% of registration renewals are processed at a DMV office.
2) DMV estimates a maximum of 2,480 newly-eligible vehicles will be placed under permanent registration each year. This would result in a work load reduction of approximately one-tenth of one percent.

Economic Impact

Once the initial vehicles with permanent registration go out of service, there would be an annual increase of revenues of approximately $496 .0 ($744.0 - $248.0), assuming that 10% of owners opt for permanent registration. Since this won't happen until some time after 2018, this can't be reflected on the fiscal note.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **27-LS0327/D**
() Publish Date

Identifier (file name) HB064CS(TRA)-DEC-AQ-03-18-11
Title Permanent Motor Vehicle Registration
Sponsor Representatives Stoltze, Keller
Requester House Finance

Dept. Affected Environmental Conserv
Appropriation Environmental Health
Allocation Air Quality
OMB Component Number 2061

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services	0.0	0.0	0.0	0.0	0.0	60.4	60.4
Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Services	0.0	0.0	113.6	8.0	8.0	28.7	28.7
Commodities	0.0	0.0	0.0	0.0	0.0	7.5	0.0
Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	**0.0**	**0.0**	**113.6**	**8.0**	**8.0**	**96.6**	**89.1**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES 1005 GF/Program Rec	**0.0**	**0.0**	**0.0**	**8.0**	**8.0**	**96.6**	**89.1**

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	113.6	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	8.0	8.0	96.6	89.1
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other (please identify)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**0.0**	**0.0**	**113.6**	**8.0**	**8.0**	**96.6**	**89.1**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time	0.0	0.0	0.0	0.0	0.0	1.0	1.0
Part-time	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Temporary	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Why this fiscal note differs from previous version (if initial version, please note as such)

This fiscal note differs because the new committee substitute of the bill changed the effective date.

Prepared by Alice Edwards, Director
Division Air Quality
Approved by Dan Easton
Deputy Commissioner

Phone (907) 465-5109
Date/Time 3/18/11 4:12pm
Date 3/18/2011

(Revised 1/27/2011 OMB)

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB 64

Analysis

Currently, the local vehicle inspection and maintenance (I/M) programs rely on the vehicle registraion process to notify vehicle owners of I/M testing requirements and to make sure those requirements are met. Elimination of that registration process will require the department to develop a stand-alone system to replace what is being done now as part of the vehicle registration system. Additionally, the department will need to update the State's air quality plan to reflect this change to how the I/M programs operate.

The first-year costs are for contractual services to develop the stand-alone computer programs to generate notifications and to track compliance, and to amend the state air quality plan. This effort is funded with General Funds. FY13 is the latest date these activities can occur and be ready for a January 2014 effective date for permanent vehicle registration. The $8.0 in contractual expenses in FY14 and FY15 will cover off-cycle registration renewals.

Starting in FY16, one new administrative position, and associated one-time start-up costs, is added to implement the revised I/M notification system for permanently registered vehicles. This position will be responsible for notifying over 4,000 vehicle owners monthly of their inspection requirements, checking to see inspections are done and referring violations to the local government and will be funded with General Fund Program Receipts generated through this fee program.

Summary of version
CSHB64 – 27-LS0327\S

Section 2 – Establishes a new fee for Permanent Motor Vehicle Registration
– Establishes that permanent registration is available for non-commercial motor vehicles for vehicles eight years old or older and that transfer of permanent registration is not allowed.
– Sets the fee for permanent registration for eligible vehicles at the biennial fee (currently $100) plus $25 for permanent registration.

- Also establishes that the Motor Vehicle Registration Tax established by municipalities, boroughs or cities is only payable at the time of registration.

Section 3 – Makes reference to the addition of a Motor Vehicle Registration Tax for vehicles permanently registered (Section 8 of the legislation)

Section 4 - Establishes a new fee for Permanent Motor Vehicle Registration
– Establishes that permanent registration is available for non-commercial trailers and that transfer of permanent registration is not allowed.
– Sets the fee for permanent registration for eligible trailers at the biennial fee (currently $30) plus $25 for permanent registration.

- Also establishes that the Motor Vehicle Registration Tax established by municipalities, boroughs or cities is only payable at the time of registration.

Section 5 – Adds permanently registered vehicles and trailers to the list of vehicles required to pay a $2 if they are under an emission control inspection program. (Currently there is nowhere in the state with an I/M program.)

Section 6 – References Section 8 of the legislation (Page 4, line 9) with regards to the base rate for Motor Vehicle Registration Tax set by the state.

Section 7 – References Section 9 of the legislation as it relates to the collection of the Motor Vehicle Registration Tax.

Section 8 – Allows municipalities, boroughs and cities to set a Motor Vehicle Registration Tax rate for vehicles and Trailers that are registered permanently.

- This must be done by the passage of an ordinance by the local governing body and can only be done once every two years.
- The state (Division of Motor Vehicles must be notified of such changes by January 1 of the previous year in which the change takes effect.

Section 9 – Establishes that the State (DMV) may not collect a motor vehicle registration tax, for permanently registered vehicles or trailers, if the rate established by a municipality, borough or city is greater than $100.

Prepared by Rep. Bill Stoltze's Office

ALASKA MUNICIPAL LEAGUE
Alaska Conference of Mayors

217 Second Street, Suite 200 • Juneau, Alaska 99801
Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

March 21, 2011

House Finance Committee
Juneau, Alaska

RE: HB 64 and HB 10

Dear Committee Members,

The Alaska Municipal League originally came out strongly against HB64 and HB10, as they both repealed the authority of municipalities to levy vehicle registration taxes. AML and the municipalities addressed those concerns during hearings in House Transportation committee meetings.

Thanks to the work of the bill's sponsor, this issue has been corrected. Our main issue has been alleviated to a large degree, in that municipalities, under the new CS, would be allowed to adjust rates to compensate for potential losses due to permanent registration. We have received a spread sheet from Mr. Breese, in Rep. Stoltze's office that enables each municipality to get a fairly accurate idea of what that loss might be.

We are not in disagreement that the reduction of time spent in line with DMV could better be spent elsewhere.

While individual municipalities may still have some concerns, AML will attempt to make this legislation work.

Thank you,

Kathie Wasserman

Kathie Wasserman
Executive Director

ALASKA MUNICIPAL LEAGUE
Alaska Conference of Mayors

217 Second Street, Suite 200 • Juneau, Alaska 99801
Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

February 22, 2011

Representative Peggy Wilson
House Transportation Committee
Juneau, Alaska 99811

RE: HB64: An Act relating to Permanent Motor Vehicle Registration and providing for an Effective Date.

Dear Representative Wilson,

The Alaska Municipal League would like to go on record as opposing HB64. While the intent of the bill may be a positive one, the implementation will negatively affect both the State and the municipalities of the State of Alaska that currently realize a tax revenue from vehicle registration fees.

The main purpose stated in the Sponsor Statement is to make the "DMV re-registration process more user-friendly to the owners of qualifying vehicles and lighten the work load for DMV employees."

This fee of $100 (or 5 times the regular registration fee, whichever is less) MAY realize increased revenues during the first year of implementation. However, each year after that, the State of Alaska and the participating municipalities will see revenue losses. It seems amazing to us that legislation would be introduced that would purposely decrease revenue to the State to improve a more "user-friendly process." To stand in line every two years or send in re-registration papers by mail is hardly one of those things that come up on most people's list of "things-most-dreaded." However, to continue to erode the tax base of municipalities, resulting in decreases in basic services, can negatively impact health and safety. This legislation affects approximately 63% of the cars currently on Alaska's roads. It is nearly impossible, however, to estimate the decrease, as each municipality does not necessarily have records that can easily be compiled.

One of the suggestions from the sponsor of the bill is that municipalities could bill for annual taxes. This would add an entirely new database and increased employees to municipal offices.

As supporters of HB 30 and SB37, we also feel that this loss of revenue to the State will severely impact the ability of the proposed Transportation Infrastructure Fund, as registration fees will be used as a potential funding source.

Again, we would request that HB64 not move beyond this committee due to the decreased revenues that will be realized by the State of Alaska and 16 of Alaska's largest communities.

Sincerely,

Kathie Wasserman

Kathie Wasserman
Executive Director

Montana Code pertaining to permanent motor vehicle registration

61-3-562. Permanent registration -- transfer of light vehicle ownership -- rules. (1) (a) The owner of a light vehicle 11 years old or older subject to the registration fee, as provided in 61-3-321(2), may permanently register the light vehicle upon payment of a $87.50 registration fee, the applicable registration and license fees under 61-3-412, if applicable, the administrative fee and the annual one-time-only donation fee for a generic specialty license plate under 61-3-480, and an amount equal to five times the local option motor vehicle tax or flat fee on vehicles under 61-3-537 and, as applicable, either:

(i) (A) the original fee and four times the renewal fee for personalized plates; or

(B) five times the renewal fees for personalized plates; or

(ii) if a new set of license plates is not being issued, an insurance verification fee of $5, which must be deposited in the account established under 61-6-158.

(b) The following series of license plates may not be used for purposes of permanent registration of a light vehicle:

(i) Montana national guard license plates issued under 61-3-458(2)(b);

(ii) reserve armed forces license plates issued under 61-3-458(2)(c);

(iii) amateur radio operator license plates issued under 61-3-422; and

(iv) collegiate license plates issued under 61-3-465.

(2) In addition to the fees described in subsection (1), an owner of a truck with a manufacturer's rated capacity of 1 ton or less that is permanently registered shall pay five times the applicable fees imposed under 61-10-201.

(3) The owner of a motor vehicle that is permanently registered under this section is not subject to additional registration fees or to other motor vehicle registration fees described in this section for as long as the owner owns the vehicle.

(4) The county treasurer shall once each month remit to the state the amounts collected under this section, other than the local option motor vehicle tax or flat fee, for the purposes of 61-3-321(2) and 61-10-201. The county treasurer shall retain the local option motor vehicle tax or flat fee.

(5) (a) The permanent registration of a light vehicle allowed by this section may not be transferred to a new owner. If the light vehicle is transferred to a new owner, the department shall cancel the light vehicle's permanent registration.

(b) Upon transfer of a light vehicle registered under this section to a new owner, the new owner shall apply for a certificate of title under 61-3-201 and 61-3-216 and register the light vehicle under 61-3-303.

History: En. Sec. 3, Ch. 515, L. 1999; amd. Sec. 18, Ch. 191, L. 2001; amd. Sec. 47, Ch. 257, L. 2001; amd. Sec. 7, Ch. 337, L. 2001; amd. Sec. 20, Ch. 13, Sp. L. August 2002; amd. Sec. 3, Ch. 143, L. 2003; amd. Sec. 16, Ch. 280, L. 2003; amd. Sec. 70, Ch. 477, L. 2003; amd. Sec. 9, Ch. 464, L. 2005; amd. Sec. 121, Ch. 542, L. 2005; amd. Sec. 98, Ch. 596, L. 2005; amd. Sec. 33, Ch. 329, L. 2007; amd. Sec. 4, Ch. 392, L. 2007; amd. Sec. 19, Ch. 413, L. 2009.

Tax Office	2010 Total
Anchorage	$ 5,334,694.20
Bethel	$ 61,928.00
Bristol Bay	$ 63,989.00
Cordova	$ 38,076.00
Dillingham	$ 28,637.00
Juneau	$ 517,145.00
Kenai	$ 1,478,524.00
Ketchikan	$ 221,384.00
Kodiak	$ 283,412.00
Mat-Su	$ 4,010,668.00
Nenana	$ 10,520.00
Nome	$ 42,236.00
Petersburg	$ 39,877.00
Sitka	$ 108,543.00
Unalaska	$ 48,723.00
Whittier	$ 4,045.00
Total	**$ 12,292,401.20**

Column B	**Total Motor Vehicle Registration Tax Collected**
Column C	**MVRT paid by vehicle under HB64 at time of registration**
Column D	**MVRT paid by vehicles not eligible under HB64**
Column E	**DMV's estimate of 28350 new vehicles eligible annually for HB64**
Column F	**Net Annual Gain of Loss of MVRT revenue**

HB 10 Change in Registration Fee for Trailers.

			Notes
Current Registered Trailers in Anchorage			
Total Anchorage trailers	34,746		Total registered non commercial trailers in Anchorage in 2010 from DMV web site
One to Three Years Old			
Percent of trailers 1-3 years old	14%		From Fiscal note for HB 10
Total Trailers 1-3 years old	4,695		total trailers 1-3 years old = percent of trailers statewide that are 1-3 years old * total number of registered trailers in Anchorage.. Registrations on half will expire in 2012 and half in 2013
Percent electing permanent registration	50%		From Fiscal note for HB 10
Percent of trailers that leave state or no longer register each year	5%		Assumed. Percent of Trailers that are decommissioned each year and would no longer pay any type of registration fee, either because they no longer function or because they left the state
More than Three Years Old			
Total Trailers more than 3 years old	30,051		total trailers older than 3 years = total registered trailers in Anchorage minus number of registered trailers 1-3 years old. Registrations on half will expire in 2012 and half in 2013.
Percent electing permanent registration	20%		From Fiscal note for HB 10
Percent of trailers that leave state or no longer register each year	10%		Percent of Trailers that are decommissioned each year and would no longer pay any type of registration fee, either because they no longer function or because they left the state
New Trailers in Anchorage			
Number of new trailers each year in state	5000		From Fiscal note for HB 10
Anchorage Share of Trailers in state	31%		From DMV web site
New trailers registered in Anchorage each year	1,529		Total new trailers in state * Anchorage Share
Percent electing permanent registration	75%		From Fiscal note for HB 10
Percent of trailers that leave state or no longer register each year	2%		Percent of Trailers that are decommissioned each year and would no longer pay any type of registration fee, either because they no longer function or because they left the state
Biennial trailer registration fee effective in 2012 in Anchorage	20		Biennial registration fee effective in Anchorage starting in 2012 from Section 16 of AO 2010-81(S)
Permanent registration fee	100		New optional permanent fee starting in 2012 from HB 10

		2012	2013	2014	2015	2016	2017	
Current: Trailers 1-3 years old in Anchorage								
Total Number of trailers 1-3 years old that switch to permanent	1,174							Number of trailers one to three years old opting for permanent registration each year = number of trailers 1 to 3 years old / 2 * percentage electing permanent registration
Revenues received from permanent registrations		117,385	111,516					Gain from permanent registrations = number of trailers opting for permanent registration * permanent registration fee.
Revenues lost from trailers that no longer pay biennial registration		(23,477)	(22,303)	(21,188)	(20,129)	(19,122)	(18,166)	Loss of Biennial Fees = - number opting for permanent registration * biennial fee.
Current Trailers : older than 3 years old in Anchorage								
Total Number of trailers over 3 years old that switch to permanent	3,005							Number of trailers older than three years old opting for permanent registration each year = number of trailers older than three years / 2 * percentage electing permanent registration
Revenues received from permanent registrations		300,506	270,455					Gain from permanent registrations = number of trailers opting for permanent registration * permanent registration fee.
Revenues lost from trailers that no longer pay biennial registration		(60,101)	(54,091)	(48,682)	(43,814)	(39,432)	(35,489)	Loss of Biennial Fees = - number opting for permanent registration * biennial fee.
New Trailers in Anchorage								
Number of New Trailers each year that switch to permanent	1,147							Number of new trailers opting for permanent registration each year = number of new trailers registered each year * percentage electing permanent registration
Revenues received from permanent registrations		114,692	112,399	110,151	107,948	105,789	103,673	Gain from permanent registrations = number of new trailers opting for permanent registration * permanent registration fee.
Revenues lost from trailers that no longer pay biennial registration		(22,938)	(22,480)	(22,030)	(21,590)	(21,158)	(20,735)	Loss of Biennial Fees = - number opting for permanent registration * biennial fee.
Total Change in Revenues		**426,067**	**395,496**	**18,251**	**22,416**	**26,076**	**29,283**	**Sum of all revenue gains and losses for all trailers.**

HB 64 Change in Registration Fee for Old Cars

Currently Registered Old Cars in Anchorage

Total passenger cars in Anchorage of all ages	190768	Total Number of registered passenger cars in 2010 from DMV website
Percent of passenger cars in Anchorage older than 8 years	63%	Percent older than 8 years from Feb 14 email from Alaska Municipal League (Leslie Peters)
Number of cars in Anchorage older than 8 years	120,184	Number of Vehicles in Anchorage currently older than 8 years = percentage over eight years * total number of registered passenger cars.. Half of these currently registered cars would renew their registration in 2012 and half in 2013.
Percent electing permanent registration	40%	Assumed. Change as necessary to investigate alternative scenarios
Percent of old cars that leave state or no longer register each year	10%	Assumed. Change as necessary to investigate alternative scenarios. Percent of current registered old cars that would no longer pay any type of registration fee each year either because they break down or leave the state.

Cars that age to more than 8 years each year in Anchorage

Number of cars that age from seven years old to eight years old each year.	8,823	This is the number of currently registered cars that become eligible for permanent registration each year because they age from seven years to eight years old = (Total number of registered passenger cars minus number of passenger cars more than eight years old) / 8. This assumes that the total cars that are less than eight years old are distributed evenly across each age class. In other words, 1/8 of the cars less than eight years old are one year old, 1/8 are two years old, 1/8 are three years old, and so on.
Percent electing permanent registration	40%	Assumed, Change as necessary for alternative scenarios.
Percent of old cars that leave state or no longer register each year	10%	Percent of current registered old cars that would no longer pay any type of registration fee each year either because they break down or leave the state.
Biennial fee for cars older than 8 years	70	Biennial registration fee effective in Anchorage starting in 2012 from Section 16 of AO 2010-81(S)
Permanent registration fee	100	Optional new permanent fee specified by HB 64. The permanent fee would be the minimum of either $100 or 5 times the biennial fee. Since $100 is less than $350 (=5*$70), the old cars would have the option of paying $100 as the permanent fee in Anchorage.

		2012	2013	2014	2015	2016	2017	
Current: Passenger Cars older than 8 years								
Number of cars that are currently 8 years or older and opt for permanent registration and change each year	24,037							Number of cars opting for permanent registration each year = number of cars older than eight years / 2 * percentage electing permanent registration
Revenues received from permanent registration		2,403,677	2,163,309					Gain of Permanent fees = number that opting for permanent registration * permanent registration fee.
Revenues lost from old cars that no longer pay biennial fee.		(1,682,574)	(1,514,316)	(1,362,885)	(1,226,596)	(1,103,937)	(993,543)	Loss of Biennial Fees = number of cars opting for permanent registration * biennial registration fee.
Additional Passenger Cars that age to more than 8 years								
Number of cars that are currently 8 years or less and age each year to over 8 years and opt for permanent registration	3,529							Number of additional cars that age to more than eight years and opt for permanent registration each year = number of cars that age to more than eight years * percentage electing permanent registration
Revenues received from permanent registration		352,921	317,629	285,866	257,279	231,551	208,396	Gain of Permanent fees = number of cars that age to more than eight years and opt for permanent registration * permanent registration fee.
Revenues lost from old cars that no longer pay biennial fee.		(247,045)	(222,340)	(200,106)	(180,095)	(162,086)	(145,877)	Loss of Biennial Fees = number of cars that age to eight years and opt for permanent registration * biennial registration fee.
Total Change in Revenues		**826,979**	**744,281**	**(1,277,125)**	**(1,149,412)**	**(1,034,471)**	**(931,024)**	**Sum of all revenue losses and gains for all old cars.**

HB 64 Class Codes

Class Code	Fee	HB 64?	Description
AA	$100	Y	UAA Passenger
AB	$100	Y	UAA Pickup
DC	$100	Y	Disabled Veteran Passenger (2nd Set)
DP	$100	Y	Disabled Veteran Pickup & Van (2nd Set)
D1	$100	Y	Disabled Veteran Passenger (No HCP Logo)(2nd Set)
D2	$100	Y	Disabled Veteran Pickup (No HCP Logo)(2nd Set)
FA	$100	Y	UAF Passenger
FB	$100	Y	UAF Pickup
HC	$100	Y	Handicapped Passenger (2nd Set)
HN	$60	Y	Handicapped Motorcycle (2nd Set)
HP	$100	Y	Handicapped Pickup & Van (2nd Set)
JA	$100	Y	UAS Passenger
JB	$100	Y	UAS Pickup
KA	$100	Y	Children's Trust - Passenger
KB	$100	Y	Children's Trust - Truck or Cargo Van
PA	$100	Y	PWS Passenger
PB	$100	Y	PWS Pickup
S1	$100	Y	Support our Troops - Passenger
S2	$100	Y	Support our Troops - Truck or Cargo Van
S3	$60	Y	Support our Troops - Motorcycle
S4	$30	Y	Support our Troops - Trailer
1A	$100	Y	Army Passenger
1B	$100	Y	Army Pickup
1C	$100	Y	Custom Collector Passenger
1D	$100	Y	Alaska Veteran Commemorative - Passenger (See Note)
10	$100	Y	Passenger Personalized
11	$100	Y	Passenger
16	$100	Y	Call Letter Passenger
2A	$100	Y	Navy Passenger
2B	$100	Y	Navy Pickup
2C	$60	Y	Custom Collector Motorcycle
2D	$100	Y	Alaska Veteran Commemorative - Truck / Van (See Note)
2J	$60	Y	Motorcycle - Vet Plates - Army
2K	$60	Y	Motorcycle - Vet Plates - Navy
2M	$60	Y	Motorcycle - Vet Plates - Marines
2N	$60	Y	Motorcycle - Vet Plates - Air Force
2Q	$60	Y	Motorcycle - Vet Plates - Coast Guard
20	$60	Y	Motorcycle Personalized
21	$60	Y	Motorcycle
3A	$100	Y	Marines Passenger
3B	$100	Y	Marines Pickup
4A	$100	Y	Air Force Passenger
4B	$100	Y	Air Force Pickup
4C	$100	Y	Custom Collector Pickup/Truck
40	$100	Y	Non-Commercial Pickup Personalized

HB 64 Class Codes

Class Code	Fee	HB 64?	Description
45	$100	Y	Non-Commercial Pickup and Van (Under 10,000)
46	$100	Y	Call Letter Pickup (No Equipment)
5A	$100	Y	Coast Guard Passenger
5B	$100	Y	Coast Guard Pickup
6A	$100	Y	National Guard Passenger
6B	$100	Y	National Guard Pickup
63	$100	Y	Historic Passenger Vehicle - Normal Use
64	$100	Y	Historic Truck or Cargo Van - Normal Use
65	$60	Y	Historic Motorcycle - Normal Use
7A	$100	Y	Purple Heart Passenger
7B	$100	Y	Purple Heart Pickup

Not included in vehicle counts

28	$88	N	Dealer Motorcycle (1st Set)
29	$50	N	Dealer Motorcycle (2nd Set)
17	$88	N	Dealer Plate (1st Set)
19	$50	N	Dealer Plate (2nd & Subsequent Sets)
2P	$10	N	Exempt Motorcycle (Charitable)
3P	$10	N	Exempt Non-Commercial Trailer (Charitable)
1P	$10	N	Exempt Passenger (Charitable)
4P	$10	N	Exempt Pickup/Truck (Charitable)
61	$68	N	Farm Plates
2G	$10	N	Government Exempt Motorcycle
1G	$10	N	Government Exempt Passenger
4G	$10	N	Government Exempt Pickup/Truck
1M	$10	N	Government Personalized Passenger
4M	$10	N	Government Personalized Pickup
38	$88	N	Transporter (1st Set) (this is a type of Dealer plate)
39	$50	N	Transporter (2nd & Subsequent Sets)

DMV Vehicle Counts - 02/09/2012

Excluding those with exemptions (senior, disabled, government, charitable, etc.)

Model Year	Count	Total Registered 1900-2012	> 8 years old 1900-2004	>11 years old 1900-2001	>15 years old 1900-1997	>18 years old 1900-1994
2012	3,978	563,515	369,452	274,962	169,608	115,544
2011	20,161		65.55%	48.79%	30.09%	20.43%
2010	21,027					
2009	19,845					
2008	31,684					
2007	31,070					
2006	33,563					
2005	32,735					
2004	32,502					
2003	30,946					
2002	31,042					
2001	28,740					
2000	28,928					
1999	25,748					
1998	21,938					
1997	20,570					
1996	16,200					
1995	17,294					
1994	16,556					
1993	12,169					
1992	11,056					
1991	9,962					
1990	11,032					
1989	7,564					
1988	6,107					
1987	4,324					
1986	4,656					
1985	4,036					
1984	3,836					
1983	2,457					
1982	2,023					
1981	1,653					
1980	1,139					
1979	1,742					
1978	1,822					
1977	1,456					
1976	1,261					
1975	882					
1974	873					
1973	833					
1972	1,011					

In it's Fiscal Note the DMV estimates that only 10% of the owners of eligible vehicles will opt to the Premanent registration or 36,945 vehicles will take advantage of the permanent registration in the first year

1971	664
1970	769
1969	779
1968	660
1967	609
1966	606
1965	554
1964	286
1963	240
1962	138
1961	92
1960	103
1959	112
1958	85
1957	187
1956	141
1955	154
1954	76
1953	81
1952	77
1951	87
1950	55
1949	54
1948	53
1947	39
1946	35
1945	4
1944	3
1943	7
1942	15
1941	23
1940	25
1939	15
1938	15
1937	29
1936	19
1935	7
1934	21
1933	15
1932	29
1931	30
1930	34
1929	21
1928	11
1927	9
1926	3
1925	6

1924	1
1923	9
1922	1
1920	1
1919	1
1916	1
1915	2
1914	1
	563,515

DMV Count of trailers registered as of Feb. 1, 2012

Model Year	Count	Total 99,771		
2012	645		1973	441
2011	3520		1972	436
2010	4239		1971	325
2009	3675		1970	375
2008	4993		1969	240
2007	5162		1968	220
2006	5516		1967	167
2005	5198		1966	156
2004	5066		1965	143
2003	4401		1964	122
2002	4318		1963	73
2001	3493		1962	56
2000	3624		1961	61
1999	3374		1960	82
1998	3535		1959	56
1997	2866		1958	39
1996	3015		1957	23
1995	3260		1956	24
1994	2720		1955	17
1993	2343		1954	14
1992	2001		1953	19
1991	1993		1952	23
1990	2226		1951	13
1989	1779		1950	15
1988	1705		1949	6
1987	1288		1948	6
1986	1161		1947	14
1985	1303		1946	9
1984	1150		1945	5
1983	974		1944	3
1982	899		1943	4
1981	775		1942	9
1980	676		1941	5
1979	686		1940	3
1978	789		1939	1
1977	640		1935	1
1976	571		1930	1
1975	530		1900	15
1974	440			

ALASKA STATE LEGISLATURE

Co-Chair:
House Finance Committee

Chair:
House Finance Subcommittees for;
Department of Public Safety
Department of Law
Alaska Court System

Member:
Legislative Council
Committee on Committees
Legislative Budget & Audit (alt)
House Finance Sub-Committees for:
Governor's Office
Legislature
University of Alaska

BILL STOLTZE
STATE REPRESENTATIVE
Representative_Bill_Stoltze@legis.state.ak.us

Session:
Alaska State Capitol, Rm 515
Juneau, AK 99801-1182
Phone: (907) 465-4958
Fax: (907) 465-4928

District:
600 E. Railroad Ave.
Wasilla, AK 99654
Phone: (907) 376-4958
Fax: (907) 376-4928

Toll Free: 1-866-465-4958

Memorandum

TO: Senator Bill Wielechowski
Senate State Affair Committee Chair

FROM: Rep. Bill Stoltze

DATE: April 6, 2012

RE: Calendar Request for CS HB64 (FIN) "An Act relating to permanent motor vehicle registration; and providing for an effective date."

Mr. Chair,

I request that CS HB64(FIN) be calendared for a hearing before the Senate State Affairs Committee at the earliest possible time. My staff member Darrell Breese will be carrying the bill.

Attached is a sponsor statement, supporting material and a copy of the legislation for consideration.

SJR 15

<TARGET><BILL>SJR 15</BILL><SUBJECT>SJR 15</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 2/3/12

FURTHER:

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2/28/12

State Affairs Committee considered SENATE JOINT RESOLUTION NO. 15

SJR 15 COAST GUARD ICEBREAKERS & ARCTIC BASE

Urging the United States Congress to fund all the facilities and vessels necessary for the United States Coast Guard to fulfill its Arctic missions, including icebreakers and an Arctic Coast Guard base.

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
S.STA			✓	

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Gilliat Kookesh	Kookesh	✓			
Joe Paskvan	PASKVAN	X			
K. Meyer	Meyer	X			
D. Giessel	Giessel	X			
CHAIR:	Wielechowski	X			

27-LS1302\B
Martin
2/24/12

CS FOR SENATE JOINT RESOLUTION NO. 15( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS OLSON, McGuire, Giessel, Dyson, Huggins, Wagoner, Wielechowski, Meyer, Menard, Egan, Davis, Thomas, Stedman, Stevens

A RESOLUTION

Urging the United States Congress to fund all the facilities and vessels necessary for the United States Coast Guard to fulfill its Arctic missions, including icebreakers and an Arctic Coast Guard base.

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

WHEREAS the purchase of Alaska in 1867 made America an Arctic nation; and

WHEREAS Alaska was admitted to statehood in 1959; and

WHEREAS Alaska deserves full recognition and assistance from the federal government like any other state; and

WHEREAS art. IV, sec. 4, of the Constitution of the United States, requires the United States to protect each of the states against invasion and does not specify a preference for protection of one state over any other; and

WHEREAS the United States Arctic Region Policy revised in 2009 calls for the protection of commerce, the protection of the environment, and improved safety, security, and reliability of transportation in the Arctic region; and

WHEREAS ice cover in the Arctic is at historic lows, and multiyear ice is decreasing;

and

WHEREAS the entire Arctic region, including the Arctic region of the United States, is experiencing increased human activity related to shipping, oil and gas development, commercial fishing, tourism, and other activities; and

WHEREAS the increased activity in the Arctic underscores a commensurate need for immediate investment in the Arctic region of the United States to enable the responsible development of resources, foster maritime commerce, safeguard the well-being of Arctic residents and ecosystems, facilitate emergency and disaster preparedness and response, and protect United States sovereignty; and

WHEREAS the Alaska Northern Waters Task Force, established in 2010, recommends that the Alaska State Legislature encourage the federal government to establish a United States Coast Guard base in the Arctic and to fund the construction of additional icebreakers and ice-capable vessels for the United States fleet; and

WHEREAS, as Northern sea routes open and foreign shippers set their sights on Asian markets, international shipping of oil and gas and other potentially hazardous cargo through the Bering Strait is rapidly increasing; and

WHEREAS the United States and its trading partners could reap economic benefits from accessing Northern sea routes with the help of modern, fully equipped icebreakers; and

WHEREAS the United States Coast Guard has 11 statutory missions, including search and rescue, marine safety, ports, waterways, and coastal security, drug interdiction, migrant interdiction, defense readiness, living marine resources, marine environmental protection, aids to navigation, ice operations, and other law enforcement; and

WHEREAS the United States Coast Guard's missions relate to protecting the public, the environment, and United States economic interests in the nation's ports and waterways, along the coast, on international waters, and in any maritime region, as required for national security; and

WHEREAS the National Contingency Plan further requires the United States Coast Guard to oversee oil spill planning and preparedness in coastal waters and to supervise oil spill response; and

WHEREAS the United States Congress and the Administration are mandated by numerous laws and policies to maintain icebreaking operations; and

WHEREAS those mandates include President Franklin D. Roosevelt's 1936 Executive Order 7521, which requires the United States Coast Guard to keep channels and harbors open to navigation by means of icebreaking operations; the Arctic Research Policy Act of 1984, which directs the United States Office of Management and Budget to build and deploy icebreakers and allocate funds necessary to support icebreaking operations; the Coast Guard Authorization Act of 2010, which requires the United States Coast Guard to promote safe maritime navigation by means of icebreaking where necessary, feasible, and effective; and the 2011 Unified Command Plan, which sets new boundaries and responsibilities for the United States combatant commands, and directed the United States Northern Command to take the lead in advocating for new resources in the Arctic; and

WHEREAS the binding Arctic Search and Rescue Agreement signed by the eight Arctic nations at the Arctic Council in May 2011 commits the United States to search and rescue response within the Arctic sector of the United States, including waters north of Alaska, Bristol Bay, and the Bering Sea; and

WHEREAS the promise to provide search and rescue operations in the Arctic sector of the United States is compromised without sufficient icebreakers and other United States Coast Guard assets; and

WHEREAS the January 2012 delivery of fuel to Nome, Alaska, by the Russian fuel tanker Renda, escorted by the United States Coast Guard's only polar class icebreaker, Healy, emphasized the need for increased United States icebreaker presence in the Arctic; and

WHEREAS, at present, the United States has only one polar class icebreaker in service, the United States Coast Guard Cutter Healy, a vessel designed for scientific research and response operations; and

WHEREAS a second polar class icebreaker, the United States Coast Guard Cutter Polar Star, is undergoing extensive repairs in Seattle, Washington, and is scheduled to return to service in 2013, at which time it is predicted it should function effectively for only another seven to 10 years; and

WHEREAS the United States Coast Guard Cutter Polar Star's sister ship, the United States Coast Guard Cutter Polar Sea, was taken out of service in 2011; and

WHEREAS Russia has a fleet of eight nuclear-powered icebreakers; China has one large icebreaking research ship supporting science in both polar regions and is building a

second, smaller but more powerful icebreaking research ship that is scheduled to be ready in 2013; Canada has committed $38,000,000,000 to a 30-year plan to build additional icebreakers and other ice-strengthened ships; and Sweden, Finland, South Korea, and Japan have added icebreakers to their fleets; and

WHEREAS the United States Coast Guard estimates that designing and constructing a new polar class ice breaker will take seven to 10 years; and

WHEREAS having a sufficient number of ice-capable vessels, including shallow-draft vessels with icebreaking capability, is vital for the United States Coast Guard to fulfill its expanding mission in the Arctic; and

WHEREAS the United States Coast Guard has very limited Arctic emergency response capabilities and no permanent bases near the Bering Strait chokepoint or on Alaska's North Slope to support the United States Coast Guard operations; and

WHEREAS the most northern United States Coast Guard base in the United States in Kodiak, Alaska, is more than 1,000 miles from possible Chukchi Sea drilling sites and nearly as far from existing Arctic shipping lanes in the Bering Strait, and that distance causes untenable logistical problems that negatively affect response times and capabilities; and

WHEREAS the United States Coast Guard should have a greater overall presence in the Arctic, with the ability to stage assets closer to future shipping, oil and gas drilling, and commercial fishing activities;

BE IT RESOLVED that the Alaska State Legislature urges the United States Congress and the Administration to fund all facilities and vessels necessary to enable the United States Coast Guard to fulfill its Arctic missions, including icebreakers and an Arctic Coast Guard base; and be it

FURTHER RESOLVED that the Alaska State Legislature urges the United States Congress and the Administration to consider all options to finance the refurbishment of our current polar class icebreakers, the acquisition of new icebreakers, and the long-term maintenance funding of the United States Coast Guard icebreaker fleet and Arctic facilities.

COPIES of this resolution shall be sent to the Honorable Barack Obama, President of the United States; the Honorable Hillary Rodham Clinton, United States Secretary of State; the Honorable Sergey Viktorovich Lavrov, Minister of Foreign Affairs of the Russian Federation; the Honorable Erkki Tuomioja, Minister for Foreign Affairs of Finland; the

Honorable Carl Bildt, Minister for Foreign Affairs of Sweden; the Honorable Jonas Gahr Støre, Minister of Foreign Affairs of Norway; the Honorable John Baird, Minister of Foreign Affairs of Canada; the Honorable Össur Skarphéðinsson, Minister for Foreign Affairs and External Trade of Iceland; the Honorable Villy Søvndal, Minister for Foreign Affairs of Denmark; the Honorable Admiral Robert J. Papp, Commandant, United States Coast Guard; Ambassador David A. Balton, Deputy Assistant Secretary for Oceans and Fisheries, United States Department of State; Rear Admiral Thomas F. Ostebo, Commander, United States Seventeenth Coast Guard District; the Honorable Sean Parnell, Governor of Alaska; the Honorable Mead Treadwell, Lieutenant Governor of Alaska; the Honorable Lisa Murkowski and the Honorable Mark Begich, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress; and all other members of the 112th United States Congress.

ALASKA STATE LEGISLATURE

SENATOR DONALD C. OLSON

Session
Alaska State Capitol, Rm. 508
Juneau, AK 99801
(907) 465-3707
Fax: (907) 465-4821

Interim
716 W. 4th Ave. Ste 530
Anchorage, AK 99501
(907) 269-0254
Fax:(907)269-2031

Senator_Donny_Olson@legis.state.ak.us

Chair
Community & Regional Affairs
Member
Senate Finance Committee
Ethics Committee
Legislative Council
Northern Waters Task Force
Education Funding District Cost Factor
Finance Subcommittee Chair
Fish & Game
Health & Social Services
Public Safety
Finance Subcommittee Member
Environmental Conservation

SJR 15 – Coast Guard Icebreakers & Arctic Base

SPONSOR STATEMENT

The Alaska Northern Waters Task Force's Final Report was released January 30, 2012. SJR 15 formalizes two of the Task Force's recommendations and calls for the United States to:

1. Forward base the US Coast Guard in the Arctic, and
2. Fund icebreakers and other ice capable vessels.

The entire Arctic region is experiencing increased human activity related to shipping, oil and gas development, commercial fishing, and tourism and this increased activity leads to a commensurate need for immediate investment in the United States Arctic to enable the responsible development of resources; foster maritime commerce, safeguard the well-being of Arctic residents and ecosystems; facilitate emergency and disaster preparedness and response; and protect United States sovereignty.

The Coast Guard's mission in the Arctic is broad and it's becoming increasingly clear that the Coast Guard lacks the necessary assets to adequately complete its mission – without a corresponding increase in Arctic investment by the United States, this deficiency will only worsen over time. Having a sufficient number of ice-capable vessels (including shallow-draft vessels with icebreaking capability) is vital for the Coast Guard to fulfill its expanding mission in the Arctic.

Congress and the Administration are mandated by multiple laws and policies to maintain icebreaking operations, including:

- A 1936 Executive Order from President Franklin Roosevelt

- The Arctic Research Policy Act of 1984
- The Coast Guard Authorization Act of 2010, and
- The 2011 Arctic Search & Rescue (SAR) Agreement

Should a tragedy – such as the recent wreck of the cruise ship Costa Concordia in Italy – occur in the Arctic, the Coast Guard would be hard pressed to respond with sufficient assets in a timely fashion given their single Polar Class Icebreaker and their nearest base being in Kodiak, over 900 miles away from Alaska's Arctic coast.

Other countries fully understand the need for more Icebreakers in the Arctic:

- Russia has a fleet of eight nuclear powered icebreakers;
- Canada has committed $38 billion to a 30-year plan to build additional icebreakers and other ice-strengthened ships;
- Sweden, Finland, South Korea, and Japan have recently added icebreakers to their fleets; and
- China has a large icebreaking research ship and will have a second vessel operational in 2013

Considering it will take from seven to ten years to design and construct just one new Polar Class icebreaker, it is time critical that the U.S. fund & construct additional Icebreakers. Delay on this action will inevitably lead to undesirable consequences for the United States in the Arctic.

The Coast Guard must have a greater overall presence in the Arctic, with the ability to stage assets closer to future shipping, oil and gas drilling, and commercial fishing activities. I urge your support for this resolution.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **CS SJR 15 Version B**
Fiscal Note Number: 1
(S) Publish Date: 2/27/2012

Identifier (file name)
Title: SJR 15 Cost Guard Icebreakers and Arctic Base
Sponsor: Senator Olson
Requester: (S) State Affairs

Dept. Affected
Appropriation
Allocation
OMB Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
[illegible]37	GF/MH (UGF)							
[illegible]178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by: (S) State Affairs — Phone: 465-2435
Division: — Date/Time: 2/27/12 2:31 PM
Approved by: — Date: 2/27/2012
/s/ Senator Wielechowski, Chair

(Revised 1/17/2012 OMB)

Statement for the Record
The Honorable Mead Treadwell
Lieutenant Governor
State of Alaska
Before the
United States House of Representatives
Committee Transportation on Transportation and Infrastructure
Subcommittee on Coast Guard and Maritime Transportation

"America is Missing the Boat"
December 1, 2011
Washington, D.C.

Introduction

Mr. Chairman, members of the Committee, Congressman Young, for the record, I am Mead Treadwell, the lieutenant governor of the State of Alaska. Thank you for inviting me to offer some views from Alaska about the future of Arctic shipping and maritime activities, and the need to ensure we are prepared to embrace those challenges and opportunities safely.

We've said it before – in my appearance before this Subcommittee in 2006 and in Governor Sean Parnell's Senate testimony in 2009,[1] and we'll say it again, because not much has changed: it is time for the nation to act – and act now – to add new polar class icebreakers to the United States Coast Guard's fleet. With so much happening in the North today, the need is more urgent and apparent than ever. We would like to ask this Committee, and by extension Congress and the Executive Branch, to look with us at the bigger picture – the historic changes happening in the Arctic and what they portend for world commerce and Alaska's shores – and recognize three imminent needs:

First, the United States must commission new heavy icebreakers to operate in the Arctic.

Second, we need legal measures in addition to icebreakers to protect our shores from the dangers of unregulated itinerant vessels carrying hazardous cargoes near our coasts.

And third, Congress and the Administration must fulfill the legal mandates that are already in place regarding icebreakers. These mandates reflect needs in commerce, science, and protection of Americans' sovereignty, safety, and security. The State of Alaska is responding to opportunities and risks associated with the historic changes in global shipping patterns resulting from changes in the Arctic Ocean. We are eager to continue in cooperation with the nation.

I. Congress needs to act now on icebreakers.
A. Other nations have already seen the big picture.

[1] Governor Sean Parnell made the case for icebreakers in the Arctic in his 2009 testimony before the Senate Subcommittee on Homeland Security Appropriations, stating, "The Coast Guard needs to move north and improve its capability – our heavy class icebreakers are on their last legs."

The purchase of Alaska in 1867 made America an Arctic nation, yet after 150 years, the myth of Seward's Folly still lingers. It's time to quit arguing whether investment in the North is worth it and recognize the valuable people, resources and location we gained as a nation.

Arctic resources include globally significant quantities of commercial fisheries, minerals, renewable energy sources, and world-class amounts of oil and gas. A 2008 U.S. Geological Survey estimates 13% of the world's undiscovered oil, and 23% of undiscovered gas lies in the Arctic. Six of the Arctic nations are already pursuing oil and gas development offshore, and energy may soon be the primary cargo transiting the Bering Strait.

America is one of only eight Arctic nations, and one of two with territory adjoining the Bering Strait – really a "Bering Gate," the only route from the Pacific to the Arctic.

Changes in the Arctic are creating opportunities in a once remote and harsh region. Ice cover is at historic minimums, and multi-year ice is decreasing. Icebreaking technology has advanced, bringing significant new efficiencies. Northern sea routes, sought by explorers for hundreds of years, are opening up.

Several sources report that international shipping of crude oil, refined products, and other potentially hazardous cargoes through the Bering Strait is growing rapidly as European and Asian shippers see the advantages of the Arctic route. Other Arctic – and even non-Arctic – nations have seen the potential, but America is missing the boat.

Most traffic occurs under arrangements for icebreaker escort by vessels working with Russia's Northern Sea Route Administration. We understand that last year, for the first time, Norway's Tschudi Shipping Company worked a partnership with Russian maritime authorities to bring 41,000 tons of iron ore from Kirkenes, Norway to China.

Again this year, Russian ships, and ships of other nations escorted by Russia's Northern Sea Route Administration, are coming in force. Hazardous cargoes are making the backhaul as well – at least one tanker bringing gas condensate to Asia this year is reported to have returned to Europe with aviation fuel.

In August of this year, Norway's *MV Nordic Barents* was the first non-Russian bulk cargo ship to transit the Northern Sea Route in Russian waters.

Other records are being set along the Northern Sea Route, from the *STI Heritage's* fastest-ever voyage from Murmansk to Thailand, transiting in just eight days, to the *Perseverance's* latest-ever northern voyage, which ended just two weeks ago on November 18. Altogether, the Northern Sea Route saw nine tankers carrying 600,000 tons of gas condensate pass by this year.

I joined an Arctic conference in Arkhangelsk, Russia in September, where Russia's Prime Minister Vladimir Putin told the Russian Geographical Society that his country sees the opportunities in the Arctic, and they are ready to pounce. Speaking of the Northern Sea Route at the Russian Geographical Society conference, Putin told us, "We are planning to turn it into a

key commercial route of global importance. … We see its future as an international transport artery capable of competing with traditional sea routes in cost of services, safety, and quality."[2] President Medvedev, dedicating a new northern rail project in Yakutsk – headed for the Bering Strait – indicated as much last month.

Russia intends to make the Northern Sea Route as important to global shipping and commerce as the Suez Canal.

And Russia is putting its money where its mouth is, building nine new icebreakers in the next decade, and discounting tariffs on icebreaker escorts to make sure that shippers find the Northern Sea Route for distance savings of up to 40 percent. Russia's claim to new extended continental shelf resources in the Arctic Ocean under the United Nations Convention on the Law of the Sea could give Russia greater control of Arctic shipping. Cargo moving through the Bering Strait this year – from Russian and American sources – is worth well over $1 billion. Add to that a Bering Sea fishery owned by both nations worth billions each year and the situation is clear: in monetary terms, there's billions to be made and billions to protect.

At the same Arkhangelsk conference, Russia's Academy of Sciences Vice President Nikolai Laverov showed a slide of Alaska's declining throughput in the Trans-Alaska Pipeline System (or TAPS) and Russia's competitive success in attracting Arctic investment. All Arctic energy production depends on access, and Russia has it. Russia is now in the lead in Arctic oil production – and they're keen to stay there.

Meanwhile, other Arctic and circumpolar nations are investing in fleets of icebreakers. The report of exactly how many ships are being operated by other countries varies (some count polar, medium and light icebreakers, as well as ice 'strengthened' or 'capable' vessels), but all the tallies make one thing clear: other nations have seen the writing on the wall and are investing in infrastructure. Sweden has at least four vessels; Finland, at least six; and Russia over two dozen (and counting). Canada has about eight, and even the European Union is constructing an icebreaker – a heavy, polar class icebreaker.[3]

Our Arctic neighbors are leaps and bounds ahead of our position, and non-Arctic nations are in hot pursuit.

A Chinese researcher, Mr. Li Zhenfu of Dalian Maritime University, writes that, "Whoever has control of the Arctic route will control the new passage of world economics and international strategies."[4] The prospect of commercial and strategic opportunities presented by receding sea ice cover and accessibility of Arctic resources has moved the Chinese government to allocate more resources for Arctic research, and they have asked to join the Arctic Council as an observer. China's Rear Admiral Yin Zhuo has asserted that no nation has sovereignty over the

---

[2] Putin, Vladimir (2011, September). Remarks presented at the second International Arctic Forum, "The Arctic – Territory of Dialogue", Arkhangelsk, Russia. Available online: http://premier.gov.ru/eng/events/news/16536/.

[3] "The World Icebreaker, Ice Breaking Supply and Research Vessel Fleet." A report commissioned by the Finnish Maritime Administration on behalf of the Baltic Icebreaker Management. Released by the Finnish Transport Agency, Helsinki, February 2011.
"Polar Icebreakers of the World." A list developed and maintained by Mobility and Ice Operations. July 25, 2011.

[4] Li, Zhenfu. *Zhonggua Hanghai*, vol. 32, no. 2 (June 2009).

Arctic, and said that China must plan to have an indispensable role in Arctic exploration as they have one-fifth of the world's population.[5]

Japan has stepped up its research in global environment, climate and marine science in the Arctic. And with China and Korea, Japan has applied for permanent observer status on the Arctic Council.

Polar air routes have characterized the jet age since the late 1950s, and Arctic air transport is now key to air cargo bound between North America or Europe and Asia. Governments and industries in Russia, Europe and Asia see the same potential for shipping. Why don't we?

B. Our national mandates are not being met.

The irony of America's present situation is painful: a staggering national debt weighs on the future of our children, while the contributions of a promising and abundant region go largely unnoticed. When we ask you for icebreakers, it's for safety, security, and American jobs. It's to serve American shipping, American exports. It's to help lower costs for Americans in regions like Western Alaska, which has a higher cost of living than anyplace in the nation. Americans lack jobs, our industries struggle with the cost of doing business, and rural Alaskans suffer the staggering cost of energy, while huge amounts of foreign energy are beginning to pass by our front door in tankers, taking advantage of game-changing shipping opportunities.

The United States is falling behind in maintaining an Arctic presence and in helping to set best practices as this region sees increasing international resource development and shipping. But more importantly, we are failing in our own national mandates, goals and policy.

In 1936, President Franklin Roosevelt issued Executive Order 7521, directing the Coast Guard, under the direction of the Secretary of the Treasury and with the cooperation of the Secretaries of War (Army), the Navy, and Commerce, to keep channels and harbors open to navigation by means of icebreaking operations. That order has never been implemented in the Arctic.

The Arctic Research and Policy Act of 1984 recognized that the United States was lagging behind other circumpolar nations even then, and it directs the Office of Management and Budget to "seek to facilitate planning for the design, procurement, maintenance, deployment and operations of icebreakers needed to provide a platform for Arctic research by allocating all funds necessary to support icebreaking operations, except for recurring incremental costs associated with specific projects, to the Coast Guard."

Last year's Coast Guard Authorization Act of 2010, section 307, implements the Arctic Marine Shipping Assessment (AMSA), mandating that the Coast Guard "shall promote safe maritime navigation by means of icebreaking where necessary, feasible, and effective..." That makes

---

[5] Qtd. in Wright, David Curtis. *The Dragon Eyes the Top of the World: Arctic Policy Debate and Discussion in China.* China Maritime Study No. 8. Newport, RI: U.S. Naval War College (Aug. 2011). Page 2. Available online: http://www.usnwc.edu/Research---Gaming/China-Maritime-Studies-Institute/Publications/documents/China-Maritime-Study-8_The-Dragon-Eyes-the-Top-of-.pdf.

President Roosevelt's order the law of the land for the entire nation. We welcome this mandate as Alaska has half the nation's coastline, and likely over half of America's ice.

That act also required that a report on the comparative cost-benefit analyses of icebreaker renovation or construction be delivered no later than October 15 of this year to the Senate Committee on Commerce, Science and Transportation, and the House Committee on Transportation and Infrastructure. It moreover required a report from the Commandant of the Coast Guard on the High-Latitude Study assessing the polar icebreaking requirements for Coast Guard missions, including search and rescue, marine pollution response and prevention, fisheries enforcement, and maritime commerce. We understand that full report is embargoed still by President Obama's administration.

This past spring, the President updated the United States military's Unified Command Plan to give U.S. Northern Command advocacy responsibility for Arctic capabilities. Accompanying shifts of UCP geographic boundaries mark the military's awareness of the vital and ever-growing importance of the Arctic. Then Commander of the Northern Command, U.S. Navy Admiral James Winnefeld, Jr., recognized the implications of the changing Arctic, and noted the gaps faced by the military, including infrastructure and mobility, and search and rescue capabilities.[6] General Charles Jacoby, his successor, formerly ran the U.S. Army in Alaska. He, too, knows our challenges.

Around the same time as this spring's announcement, a report by the National Research Council on the implications of climate change on national security cited major gaps in U.S. naval forces' ability to perform their missions in the Arctic.[7] That report advised that the U.S. Navy, Marine Corps and Coast Guard take action to ready themselves for Arctic conditions. The protection of our domestic security is the fundamental mandate of the U.S. Armed Forces, and it is threatened if we remain unprepared.

This year, in response to the recommendations of AMSA, the eight Arctic Council nations signed a binding Search and Rescue Agreement. Alaska supported this, and sent experts to the first multinational exercise conducted under this agreement in October in Whitehorse, Yukon Territory. Without icebreakers and other Arctic USCG assets, major deficiencies in the region's life safety response capabilities exist – and our promise to provide search and rescue in our sector of the Arctic is compromised.

Finally, the United States Congress, in the 2010 Coast Guard Authorization Act, charged the Committee on Marine Transportation Services (CMTS) to develop an integrated Arctic shipping regime, and to coordinate the establishment of domestic transportation policy to realize the goal set by President George W. Bush of safe, secure and reliable shipping in the Arctic. The AMSA Implementation Act, additionally, encourages the Coast Guard to negotiate agreements with

---

[6] Winnefeld, Jr., Admiral James A., U.S. Navy Commander, United States Northern Command and North American Aerospace Defense Command. Statement before the House Armed Services Committee, 30 Mar. 2011. Available online:
http://www.northcom.mil/Docs/2011%20NORAD%20and%20USNORTHCOM%20Posture%20Statement%20(HASC%20Final).pdf.

[7] *National Security Implications of Climate Change for U.S. Naval Forces*. Committee on National Security Implications of Climate Change for U.S. Naval Forces. Washington, D.C.: The National Academies Press, 2011.

other Arctic nations through the International Maritime Organization. Those agreements would focus on aids to navigation; marine safety, tug, and salvage capabilities; oil spill prevention and response capability; maritime domain awareness (including long-range vessel tracking); and search and rescue.

The United States has been protecting our sovereign airspace along Alaska's shores for over 50 years. The United States Coast Guard has been protecting America's coast for over 200 years. Why don't we protect our sovereign waters along Alaska's Arctic coast with the same vigor?

America has a duty to protect its citizens in coastal communities and to safeguard their way of life. Coastal Alaskans have spent thousands of years relying on the sea for their food and clothing, for the heat they create from whale oil and the shelter they derive from driftwood. The majority of Alaska Natives in the North get more than half of their meat and fish from wild, local harvests. Sixty percent of those wild harvests are from marine mammals. It is imperative we ensure that the increasing foreign ship traffic off our shores does not jeopardize the freedom of Americans to maintain a subsistence lifestyle.

Mr. Chairman, the United States has a long history of national mandates and policy that require our action. And yet we fail to act on them. Moreover, the recent decision of the U.S. House of Representatives to retire the nation's only heavy icebreaking ships without replacements is a disappointment. But to the extent that the all-or-nothing approach forces a legitimate conversation about the need for icebreakers and an opportunity to spotlight the conversation – I applaud the decision.

We should, however, be cautious about the risky "game of chicken." If it fails, it fails Americans – and Alaskans most of all.

C. The savings and benefits outweigh the costs.

We understand that the action we are asking Congress to take will require significant funds. We understand the costs, but we cannot ignore our obligations or the major opportunities we face.

In a conference recently in Juneau, University of Alaska Professor Dr. Lawson Brigham, a former USCG icebreaker captain, noted that the U.S. Navy is building 47 Littoral Combat Ships at a price of $400-500 million each. He asked, why not consider building 45 of these ships, and allocating that other $800 million to $1 billion in the budget for the Coast Guard to build one major polar icebreaker?

Some have argued we should charge for icebreaker escort services as other nations do. Ship owners pay for services in the Panama and Suez Canals. U.S. vessels pay for oil spill preparedness and insurance. A bill pending in this Congress would have the U.S. lease, rather than own, icebreakers it needs in the Arctic. Long term charter agreements are in place in the Antarctic, and it has been argued that private contractors are able to build icebreakers more quickly and less expensively, operate them more efficiently in terms of cost and maintenance, and would bear the expense of decommissioning. This is worthy of consideration if it moves us forward faster in the Arctic.

However we work out our finances, America and its trading partners could reap huge economic benefits from accessing northern sea routes. Former U.S. Coast Guard Lieutenant Commander Scott Borgerson wrote nearly four years ago about the financial advantages available to world commerce through Arctic shipping.[8] He told us how plying the Northern Sea Route from Rotterdam to Yokohama instead of traveling via the Suez Canal would yield distance savings of more than 40 percent. He told us that one container ship voyage from Seattle to Rotterdam via the Northwest Passage instead of the Panama Canal could save about 20 percent of its costs – then about $3.5 million dollars.

Borgerson envisioned a future of global Arctic shipping where "a marine highway directly over the North Pole will materialize. Such a route," he wrote, "which would most likely run between Iceland and Alaska's Dutch Harbor, would connect shipping megaports in the North Atlantic with those in the North Pacific and radiate outward to other ports in a hub-and-spoke system."

As the Arctic Marine Shipping Assessment predicted, most Arctic shipping traffic today is destinational, carrying resources out from or products in to Arctic regions. But we need to envision a time, coming soon, when products travelling to and from non-Arctic ports traverse our Arctic Ocean and Bering Sea – and we need to be ready.

II. Our lack of legal protection.

I want to make sure Congress understands there are now two classes of ships operating in the Bering Strait region – those that are under contingency planning requirements for oil spills, and those that are not. U.S. vessels are highly regulated: by NOAA, by EPA air quality controls, by the Interior Department's BOEM and BSEE oversight of exploration – in fact, over 120 federal laws regulate the use of the coastal zone and offshore areas. But ships originating outside the U.S. – such as those traveling between Russia or Europe and Asia, are not even required to have a spill contingency plan, even though they pass by hundreds of miles of U.S. coastline. We face the prospect of increasing international ship traffic through the Bering Strait – carrying anything from crude oil to aviation fuel – with minimal requirements to prepare for oil spills, maintain air quality, or care for wildlife and subsistence needs.[9]

Icebreakers can help us reduce the risks brought about by that disparity. If we are to achieve our policy of advancing safe, secure and reliable shipping as the Arctic Ocean becomes more accessible, the U.S. must operate new polar class icebreakers. Without them, little or no appropriate government capability exists to enforce prevention measures or to respond to a spill in this region. It is folly to rely on aircraft and submarines alone to protect U.S. interests. We learned that tragic lesson when we lost six lives as a helicopter crashed trying to evacuate crew from the shipwrecked *Selendang Ayu* in 2004.

---

[8] Borgerson, Scott G. "Arctic Meltdown: the Economic and Security Implications of Global Warming." *Foreign Affairs*, vol. 87, no. 2.

[9] The State of Alaska has sought remedies to this situation in its comments on the USCG Port Access Route Study for the Bering Strait.

There are a range of legal ways and international agreements we might pursue to require safety measures from itinerant vessels transiting the Bering Strait. (None are quick or easy solutions, but measures that protect our national security rarely are.)

- Working on a vessel routing system to prevent collisions and groundings from increased shipping, following protocols of the International Maritime Organization, and coordinating with the Russian Federation. The State of Alaska provided comments to the USCG's Port Access Route Study for the Bering Strait regarding this approach.

- Having all Arctic nations seek ship owners' participation in an Oil Spill Response Organization with a contingency plan, perhaps as part of the upcoming Arctic Council Oil Spill Preparedness and Response Agreement. Alaska has joined U.S. delegations negotiating this agreement.

- Resolving the debate on Law of the Sea, and ratifying the Law of the Sea Treaty, which with Article 234 authorizes the extension of environmental law in traditionally ice-covered areas. As the debate on ratification continues, the State has asked for clarification of U.S. intent in implementing Article 234.

- Using existing authority in the Oil Pollution Act of 1990 to cover nontank vessels and working a reciprocal deal with Russia and Canada. The Final Rule on Nontank Vessel Response Plans and Other Vessel Response Plan Requirements Regulations is still under development within the Coast Guard and the Department of Homeland Security. Section 701 of the Coast Guard Authorization Act of 2010 directs that this final rule be issued no later than April 15, 2012.

- Forming an agreement with Canada and/or Russia similar to the 1817 Rush-Bagot Agreement, creating a mechanism like that of the St. Lawrence Seaway Development Corporation, whereby Arctic nations establish a shipping authority that administers the route, provides compliance, icebreaking, and other aids to navigation, including spill preparedness and response. (Borgerson also suggested this in his 2008 article, "Arctic Meltdown".)

III. How Alaska is helping America live up to the promise of the Arctic.

Mr. Chairman, Congress spoke last year in the Coast Guard Authorization Act of 2010 and AMSA Implementation, and charged the Committee on Marine Transportation System with this mission: to coordinate the establishment of domestic transportation policy to ensure safe and secure maritime shipping in the Arctic. I would like to say for the record now that as these processes get underway, we need to be ambitious, creative, and determined. The United States must acknowledge its responsibilities and embrace new possibilities. The Arctic needs resources, not just rules. What's happening in the Arctic Ocean and along northern sea routes has global, historic and exciting significance, and we need to take an active role. We must plan for an Arctic shipping future that could be like a new Suez Canal.

In a visit to D.C. last month, I briefed the leaders of CMTS in some activities the State of Alaska is conducting to help America move toward the new world of Arctic shipping, and how we are bringing resources to the table to help to achieve safety, create jobs, and spur exports of goods and services. We are hopeful the CMTS will mesh with the outcome of our current work with the Arctic Council, the International Maritime Organization, and the U.S. Coast Guard and Army Corps of Engineers, and Alaska's Northern Waters Task Force.

Below is a non-comprehensive list of these activities:

- **Arctic Council:** The State of Alaska actively supports the United States' work within the Arctic Council, and I serve as our state's liaison on Council issues. As we support the Council's work to implement recommendations of the 2009 AMSA, the State is active in implementing the Arctic Council's aforementioned Search and Rescue Agreement, signed at the Ministerial in Greenland this past May. We are likewise a participant in the Council's oil spill response instrument negotiations. In addition, through the Pacific Northwest Economic Region (PNWER), Alaska is bringing resources and support for the Arctic Council Sustainable Development Working Group's proposed aviation and maritime infrastructure project, which will survey the region's infrastructure needs.

- **USARC/Research programs:** Alaska is also deeply involved in Arctic research. I work closely with the U.S. Arctic Research Commission (USARC), which I chaired under Presidents Bush and Obama from 2006-2010, and served on from 2001-2010 as a Commissioner, and which is currently chaired by Ms. Fran Ulmer, former lieutenant governor of Alaska and former chancellor of the University of Alaska Anchorage. Our University is currently working hard to launch the newest ice-strengthened research vessel, the Sikuliaq (see KOO lee auk), in the nation's NSF-sponsored UNOLS fleet. Moreover, with the University vice president, I co-chair a State Committee on Research which is writing a research and development plan that assesses Alaska's research and development needs for our economy, health, safety, environment, and culture. Alaska researchers play a major role in our understanding of Arctic change and Arctic resources, Arctic engineering and methods of spill response in ice-covered waters.

- **USCG forward basing:** In Alaska we are supporting the U.S. Coast Guard's efforts to bring forward basing to Alaska's North Coast, and we're examining ways we can help provide hangars for fixed and rotary wing aircraft in Barrow and Nome. The Alaska National Guard air-refuelable helicopters and aircraft, as well as helicopters of the North Slope Borough, are America's front-line for search and rescue in the Arctic Ocean today – Coast Guard response is based much further away.

- **New and improved ports:** The State of Alaska has also joined with the U.S. Army Corps of Engineers to conduct a port study for western and northern Alaska. Our intent after the study is to foster investment to establish a deep water port in Western Alaska to serve as a port of refuge for Coast Guard vessels and itinerant traffic. The port would also meet the needs of large vessels, including fishing fleets, and resource export vessels. At the same time, we see a need to upgrade the minimal port facilities which now exist for cargo import and export in a range of Western Alaska communities.

- **Shuttle container shipping:** In 2006, the State of Alaska committed $50,000 for the first pre-feasibility study on transarctic container shipping, looking at the economics and logistics of trans-shipping containers from North America and Asia between Aleutian and Icelandic ports, thus tying North Atlantic and North Pacific shipping together through the Arctic. The results of the study are promising.[10] Recently, we have heard interest to look at this again from Aleutian, Asian and European ports that would send and receive cargo in such a system. One option to consider as we proceed would be to include this work under the Arctic Council's proposed Arctic Maritime and Aviation Transportation Infrastructure Initiative.

- **Early warning system:** The State is a major financial sponsor of the Automatic Identification System receiver network established by the Marine Exchange of Alaska, which now covers all traffic operating in the Arctic region, approaching or leaving the Bering Strait and the Aleutian Archipelago. The network provides location data and advanced warning to the U.S. Coast Guard and state emergency responders of all ships approaching state waters, and gives us – and communities – a heads-up on traffic, including stalled itinerant vessels that might be headed for a shipwreck.

- **Review of new regimes for shipping administration:** Last year, Alaska's State Legislature created the Northern Waters Task Force (NWTF).[11] This task force is charged with examining the effects of changes in the Arctic on shipping, energy and local industry and making recommendations on infrastructure and regulatory needs, mitigation strategies, and ways for the State to be involved in governance of Arctic shipping. NWTF will present their report to the Legislature in January of 2012. Early discussions indicate that international cooperation and investment in oil spill response capabilities will be among the measures recommended.

Conclusion

Mr. Chairman, members of the Committee, Alaska has and will continue to work hard on Arctic policy because we are America's Arctic – it's our home, our history, our heritage and our future. And we work hard with high hopes for outcomes.

But we ask for the U.S. to work hard with us. To reiterate, Mr. Chairman, we ask for three things.

First, we need icebreakers. Without action on this, America is putting its national security on the line, and we are going to miss the opportunities of the Arctic while watching other nations advance. Good policy only goes so far without the infrastructure to act upon it. We have mandated icebreakers more than once. We're missing the boat. Let's build them.

---

[10] Niini, M., M. Arpiainen, and R. Kiili. *Arctic shuttle container link from Alaska, US to Europe.* Report AARC K-63. Aker Arctic Technology Inc., Mar. 2006.

[11] Alaska State Legislature, HCR 22, Legislative Resolve No. 54 (2010), Establishing and relating to the Alaska Northern Waters Task Force. Available online: http://housemajority.org/coms/anw/pdfs/26/Scan001.pdf.

Second, while we wait for new icebreakers, we need to take legal action to protect our coasts and prevent spills in the Arctic and Aleutians. We made this clear in our comments to the U.S. Coast Guard's Port Access Route study, and we urge the U.S. to step up the pace.

And third, the federal and state governments need to continue working together through the CMTS and Arctic Council processes to ensure that America does not miss out on the historic, game-changing opportunities in Arctic shipping. Arctic shipping presents safety challenges for sure. But for America, it is an opportunity, and one that could pass us by.

Alaska encourages America's new shipping policy to be ambitious. It should keep us safe, create jobs, help improve the quality of life in Western Alaska, and generate goods and service exports, as polar aviation does today. We need to grasp the historic opportunities of the changing Arctic. America has been an Arctic nation for 150 years. It's time we started acting like it.

Thank you.

FROM USCG AUTH. ACT OF 2010

SEC. 307. ARCTIC MARINE SHIPPING ASSESSMENT IMPLEMENTATION.

(a) Purpose- The purpose of this section is to ensure safe and secure maritime shipping in the Arctic including the availability of aids to navigation, vessel escorts, spill response capability, and maritime search and rescue in the Arctic.

(b) International Maritime Organization Agreements- To carry out the purpose of this section, the Secretary of the department in which the Coast Guard is operating is encouraged to enter into negotiations through the International Maritime Organization to conclude and execute agreements to promote coordinated action among the United States, Russia, Canada, Iceland, Norway, and Denmark and other seafaring and Arctic nations to ensure, in the Arctic--

(1) placement and maintenance of aids to navigation;
(2) appropriate marine safety, tug, and salvage capabilities;
(3) oil spill prevention and response capability;
(4) maritime domain awareness, including long-range vessel tracking; and
(5) search and rescue.

(c) Coordination by Committee on the Maritime Transportation System- The Committee on the Maritime Transportation System established under a directive of the President in the Ocean Action Plan, issued December 17, 2004, shall coordinate the establishment of domestic transportation policies in the Arctic necessary to carry out the purpose of this section.

(d) Agreements and Contracts- The Secretary of the department in which the Coast Guard is operating may, subject to the availability of appropriations, enter into cooperative agreements, contracts, or other agreements with, or make grants to individuals and governments to carry out the purpose of this section or any agreements established under subsection (b).

(e) Icebreaking- The Secretary of the department in which the Coast Guard is operating shall promote safe maritime navigation by means of icebreaking where necessary, feasible, and effective to carry out the purposes of this section.

(f) Independent Ice Breaker Analyses-

(1) IN GENERAL- Not later than 90 days after the date of enactment of this Act, the Secretary of the department in which the Coast Guard is operating shall require a nongovernmental, independent third party (other than the National Academy of Sciences) that has extensive experience in the analysis of military procurements, to--

(A) conduct a comparative cost-benefit analysis, taking into account future Coast Guard budget projections (which assume Coast Guard budget growth of no more than inflation) and other recapitalization needs, of--

(i) rebuilding, renovating, or improving the existing fleet of polar icebreakers for operation by the Coast Guard;

(ii) constructing new polar icebreakers for operation by the Coast Guard;

(iii) construction of new polar icebreakers by the National Science Foundation for operation by the Foundation;

(iv) rebuilding, renovating, or improving the existing fleet of polar icebreakers by the National Science Foundation for operation by the Foundation; and

(v) any combination of the activities described in clause (i), (ii), (iii), or (iv) to carry out the missions of the Coast Guard and the National Science Foundation; and

(B) conduct a comprehensive analysis of the impact on all Coast Guard activities, including operations, maintenance, procurements, and end strength, of the acquisition of polar icebreakers described in subparagraph (A) by the Coast Guard or the National Science Foundation assuming that total Coast Guard funding will not increase more than the annual rate of inflation.

(2) REPORT- Not later than 1 year after the date of enactment of this Act, the Secretary of the department in which the Coast Guard is operating shall submit a report containing the results of the analyses required under paragraph (1), together with recommendations the Commandant considers appropriate under section 93(a)(24) of title 14, United States Code, to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

(g) High-Latitude Study- Not later than 90 days after the date of enactment of this Act or the date of completion of the ongoing High-Latitude Study to assess polar icebreaking mission requirements for all Coast Guard missions including search and rescue, marine pollution response and prevention, fisheries enforcement, and maritime commerce, whichever occurs later, the Commandant of the Coast Guard shall submit a report containing the results of the study, together with recommendations the Commandant considers appropriate under section 93(a)(24) of title 14, United States Code, to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

(h) Arctic Definition- In this section the term 'Arctic' has the same meaning as in section 112 of the Arctic Research and Policy Act of 1984 (15 U.S.C. 4111).

Marine Transportation

Introduction

Within the next ten to twenty years, the loss of perennial sea ice is expected to open Arctic waters for a part of each year to new shipping routes. Maritime powers have been searching for a shorter route from the Atlantic to Asia for centuries. The melting Arctic raises the possibility of two such routes:

- The Northern Sea Route runs along Russia's northern border from Murmansk to Providenya and could be used for trade between northeast Asia and northern Europe.
- The Northwest Passage runs through the Canadian Arctic Islands and the Alaskan Arctic Ocean and could be used for trade between northeast Asia and North America.

Source: Hugo AhleniUS, UNEP/GRID- Arendol

The economic benefits of these new routes could be significant. Of the two sea lanes, the Northern Sea Route holds particular promise due to superior depth, summers freer of ice, and comparatively direct routing. Therefore, it is anticipated that this will be the preferred Arctic sea lane in the near future. Ships sailing between East Asia and Western Europe could save more than 40% in transportation time and fuel costs by navigating this route instead of the Suez Canal.

Currently, most Arctic marine traffic is destinational, delivering goods and supplies to the Arctic or transporting minerals out of the region. In 2006, it was estimated that some 6,000 vessels operated in or transited the Arctic in tourism, minerals mining, oil and gas exploration, military operations, and other activities. Today this number has reached more than 7,000, and many nations are actively building more ships designed to operate in Arctic waters. Notably, traffic related to eco-tourism is expanding rapidly in the region. In 2004, an estimated 1.2 million passengers visited the Arctic; by 2007 this number had doubled.

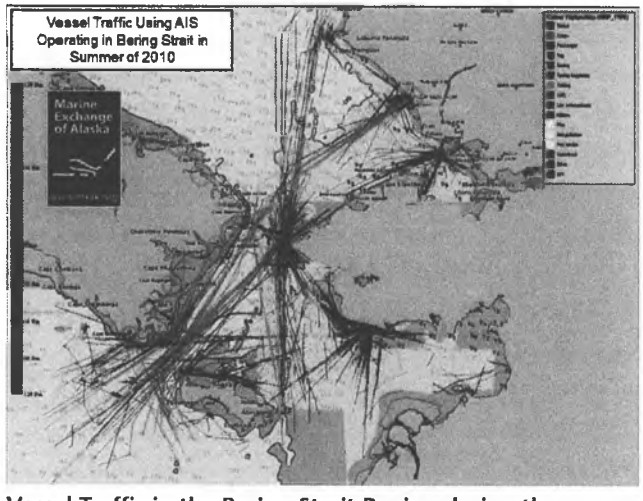
With increased shipping and marine traffic comes increased risk of vessel groundings, spills, collisions, pollutants, noise disturbances, and invasive species. This risk is particularly high due to the lack of detailed navigational charts, reliable weather forecasting, vessel traffic separation protocols, search and rescue infrastructure, and overall maritime domain awareness throughout the Arctic.

Based on these factors the ANWTF makes the following recommendations:

1. The ANWTF Recommends that the United States Work with the International Community to Finalize the Polar Code and Establish a Bering Strait Vessel Traffic Separation Scheme.

Maritime shipping is regulated through international treaties that establish standards for the safety and security of maritime operations. These standards are agreed upon through the International Maritime Organization (IMO), an agency of the United Nations.

Currently, ships navigating the Arctic are governed by the same requirements as any other open water ships. The IMO



Vessel Traffic in the Bering Strait Region during the summer of 2010 as depicted by the Marine Exchange of Alaska.

needs to finalize the Polar Code to supplement international maritime and environmental conventions that already apply in the Arctic. The Polar Code can provide additional requirements regarding rescue equipment, passenger safety, firefighting, ice navigation, and navigation in uninhabited areas. Additionally, the code can include requirements for ship construction, design, equipment, crew training, and operations. The IMO should also consider measures or regulatory frameworks to provide safety mechanisms for the regions of the central Arctic Ocean beyond coastal state jurisdiction.

The Polar Code is currently being drafted, and the rules are expected to be in force by 2014. The United States and Alaska should be actively involved in discussions with the IMO to ensure that Alaska's unique needs are met.

The United States and Russia need to begin a process with the IMO of establishing Bering Strait routing measures.

Clearly, all transient traffic in the future, regardless of the route taken, must transit the Bering Strait. This remote, narrow, and hazardous international strait is located in an environmentally sensitive area with little to no search and rescue or maritime disaster-response capability within 800 miles. Increased vessel traffic in the future will make this area particularly vulnerable to maritime disasters. It is only prudent that basic routing measures and vessel monitoring systems be put in place to reduce the risk of calamity in the Bering Strait.

2. The ANWTF Recommends the Establishment of Non-Tank Vessel Rules and Standards for Arctic Transit.

Today the most likely environmental threat to the Arctic is an incident involving a non-tank vessel. These are typically large commercial vessels with fuel tanks in excess of one million gallons of fuel and related hazardous cargos. These vessels make up the greatest percentage of transits, and they have proven over time to be the vessels most likely to experience an accident that puts them in jeopardy of sinking or running aground. Non-tank Vessel rules will require these vessels to meet more stringent standards of responsible-party requirements and allow government agencies to provide greater oversight.

Immediate implementation of the USCG Non-tank Vessel Response Plan (NTVRP) rules would advance development of a response capability as well as marine firefighting and salvage capacity in the Aleutians. This is critical in an area of the state that supports the largest commercial fishery in the country. This rule would require vessel response plans for non-tank vessels calling in U.S. ports. In combination with the tank vessel rule already in place, this rule would place the burden of providing sufficient salvage, firefighting, and response capabilities on all vessels passing through the Aleutians that call on U.S. ports. The requirement to comply with these rules would provide the necessary incentives for vessel owners/operators to fund increased salvage and spill response capabilities in the Aleutians. It may also be the means for financing an appropriate rescue tug for this economically and biologically important resource area.

3.The ANWTF Recommends that Navigational Charts and Other Aids to Navigation be Updated and Improved along with Vessel Tracking and Automatic Identification Systems (AIS).

For safe shipping, existing nautical charts for the Arctic need to be updated. In an effort to reduce the likelihood of accidents, an assessment of navigational needs should be undertaken to identify priority actions and target locations most likely to present hazards. Short and long range navigation aids will be needed, including buoys, iceberg and other sea-condition warning systems, high-risk-area vessel-traffic management systems, and improved communication technology.

Alaska currently has over 70 automatic identification stations that track vessels in Alaskan waters. The existing Automatic Identification System should be expanded across Alaskan northern waters beyond the Canadian border to Tuktoyuktuk. This should be a high priority. The current system—an international government/industry partnership—serves vital governmental and private sector needs by aiding safe, secure, efficient, and environmentally sound maritime operations. Expanding AIS will provide a clear record of transport across the U.S. Arctic waters, particularly for vessels servicing Canadian western Arctic communities or bound for transit through the Northwest Passage. AIS also provides emergency contact information, port data, locations of other vessels, and navigational information via the internet. Expanding the AIS network across the western Arctic will also allow for compliance under the International Maritime Organization Guidelines for Ships Operating in Polar Waters (Resolution A.1024(26)).

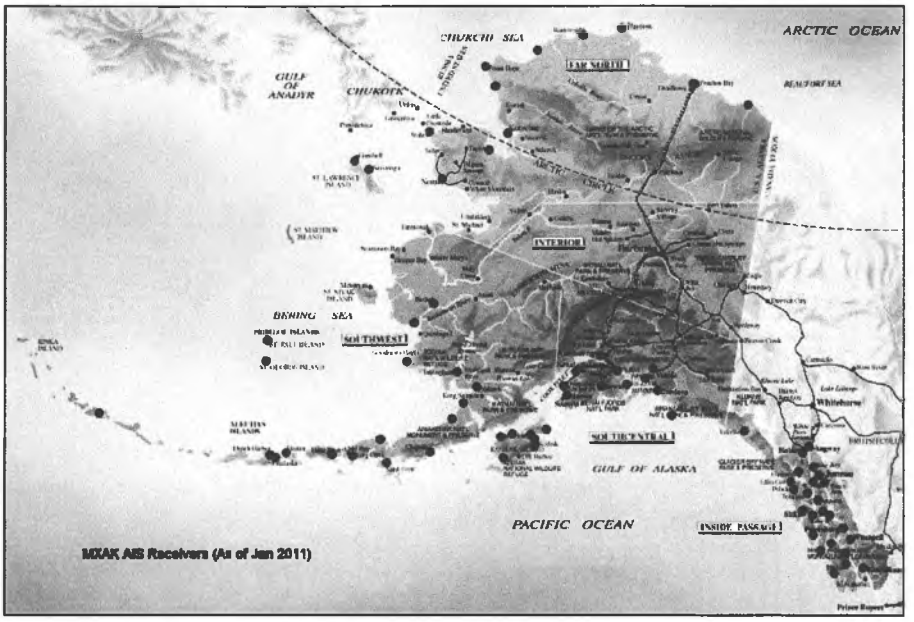
The Alaska State Legislature and the state of Alaska should continue to support the expansion of vessel tracking in the Arctic. The task force encourages the organizations and agencies involved in vessel tracking to pursue all channels of funding to increase their vessel tracking range.

4. Alaska Northern Waters Task Force Supports the National Oceanic and Atmospheric Administration's (NOAA) Hydrographic Arctic Mapping and Recommends that NOAA Also Include Detailed Near-Shore Bathymetric Mapping.

The ANWTF supports increased funding to expedite the mapping of the Arctic regions of Alaska, with particular support for updated mapping of coastal navigation routes and entrance routes to coastal villages.

The ANWTF concurs with the 2011 National Hydrographic Survey Priorities for Alaska. However, NOAA priorities for Alaska in the Bering Strait should be moved from priority two to priority one. The Bering Strait is the shipping choke point in Alaska's northern waters. It is imperative that up-to-date bathymetric information be provided for safe navigation. The ANWTF encourages the exchange of this information with the Russian government so that both governments have complete mapping of the entire strait.

The task force also supports NOAA's efforts to fund additional tidal observations to close the tidal data gap in accordance with the 2008 NOAA Network Gap Analysis for the National Water Level Observation Network. These increased observations will allow the joining of the digital mapping initiative vertical data with the Mean High Water and Mean Lower Low Water data that determine own-



Locations of the Marine Exchange of Alaska's AIS Receivers as of Jan 2011.

ership and jurisdiction of state, federal, Native, and private lands.

The ANWTF also encourages public release of bathymetric data collected by the U.S. Navy that would not threaten our national security, as well as public release of bathymetric data collected by private industry that would not threaten their proprietary economic interests.

5. The ANWTF Recommends that the Alaska State Legislature and the State of Alaska Continue to Support Maritime Training Centers in Alaska.

The need for trained and experienced mariners to operate in the Arctic is clear. The task force highly recommends the development of training programs throughout Alaska that can produce competent seafarers for safe operations in the Arctic. Specialized training—such as a USCG approved Ice Navigator curriculum that would implement the recommendations of the Arctic Marine Shipping Assessment and be consistent with the future requirements of the IMO Polar Code—is essential. In addition, qualifications, training, and experience standards for operation of icebreakers, arctic lightering operations, and high latitude navigation should be considered to ensure that increased maritime commerce in the Arctic is developed safely.

The ANWTF sees a real opportunity for Alaska to become the U.S. center of excellence in Arctic maritime training and seafarer development. Building on the state's strong university system, institutions such as the AVTEC Maritime Training Center, and practical training opportunities in Alaska's ice covered waters, this state is uniquely positioned to become an international leader in high latitude navigation safety training.

6. The ANWTF Supports Completion of the Aleutian Islands Risk Assessment; State of Alaska Participation in the U.S. Coast Guard Port Access Route Study; and Development of a Bering Strait Vessel Traffic Separation Scheme.

Aleutian Islands Risk Assessment

The Aleutian Islands Risk Assessment is a joint venture between the National Fish & Wildlife Foundation, the USCG, and the Alaska Department of Environmental Conservation. The project was organized in response to the grounding of the M/V Selendang Ayu in 2004 and the oil spill it caused. It is a multi-phase risk assessment of maritime transportation in the Bering Sea and the Aleutian Archipelago. Phase A of the Aleutian Island Risk Assessment has been completed.[1]

The study mainly focused on traffic following the great circle route through the Aleutian Islands and Bering Sea. The guiding principles applied to the analysis of risk reduction options were that prevention measures take priority over response measures and all measures should be realistic and practical.

The advisory panel assembled for the project developed recommendations for risk reduction options in two categories: those recommended for immediate implementation and those recommended for further study in Phase B of the assessment.

Options for immediate implementation include:

- Develop an enhanced vessel monitoring and reporting program;
- Enhance towing capabilities on USCG cutters, and increase cutter presence in the Aleutians;
- Stage additional emergency towing systems in the Aleutians.

1. The findings of the Aleutian Islands Risk Assessment can be found at http://aleutiansriskassessment.com/.

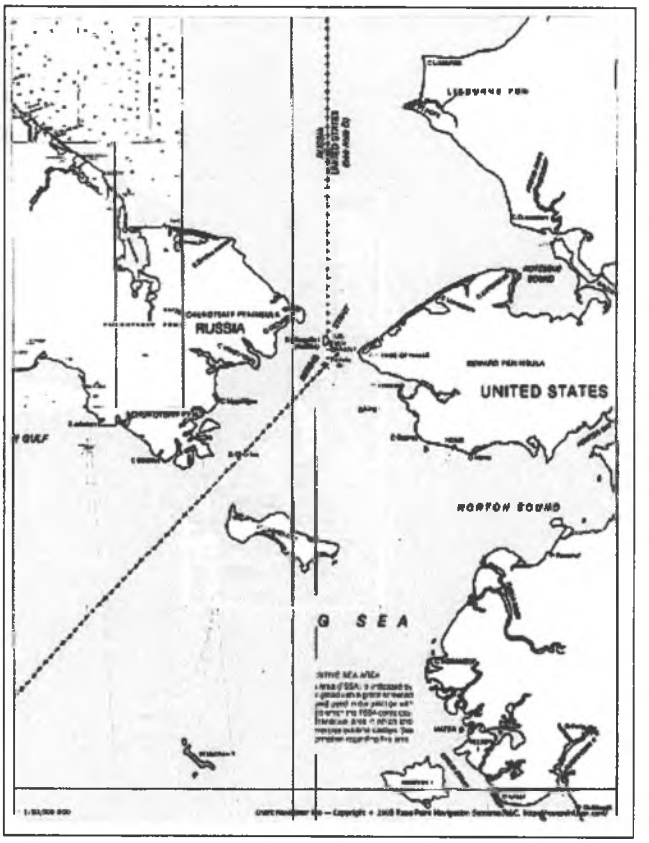
Options recommended for additional development or study in Phase B, prior to full implementation, include:

- Increase rescue tug capability in the Aleutians;
- Increase salvage and spill response capability in the Aleutians;
- Determine the boundaries of IMO Particularly Sensitive Sea Areas, and develop recommendations for associated protective measures;
- Strengthen the Aleutians Subarea Contingency Plan.

The ANWTF recommends that the risk assessment move forward with those risk reduction options that were identified by the advisory panel for immediate implementation. In addition, it is recommended that an additional risk reduction option be evaluated in Phase B of the project. A key consideration for reducing the risk of groundings and spills is offshore vessel routing for circumpolar traffic to provide timeframes for responding to disabled vessels. Offshore vessel routing has been successfully employed along the Pacific west coast and is a primary, cost-effective tool for reducing risk.

Bering Strait Port Access Route Study and Vessel Traffic Separation Scheme

The ANWTF recommends that the state of Alaska participate in and support the efforts of the USCG Port Access Route Study of the Bering Strait. Alaska should work with the USCG and Russia to bilaterally assess the risk of increased shipping through the Bering Strait and analyze the options for staging international assets to respond to that risk. The location of staging areas in Nome or other Alaska coastal locations should be considered for U.S. assets. Provideniya or other Russian coastal areas should be considered for Russian assets. This effort would contribute greatly to the development of any future IMO-led effort to establish internationally binding ship routing measures, such as a Bering Strait Vessel Traffic Separation Scheme.



The shaded region represents the Study Area for the USCG's Bering Strait Port Access Route Study as described in 75 FR 68568.

Planning and Infrastructure Investment

Introduction

A number of state initiatives are underway to look at the potential needs and feasibility of infrastructure projects in Alaska's Arctic region. These include the Alaska Department of Transportation and Public Facilities' (ADOTPF) Industrial Use Roads Study, several Arctic Ports studies, and similar work relating to possible land transportation links to Nome, Ambler, and the Umiat region.

Changes in temperature and precipitation are likely to hold enormous implications for both existing and future construction of all sorts. The ability to better predict and understand the effects of phenomena such as widespread thawing of permafrost will help Alaska prepare for considerable maintenance issues on existing roads, airports, buildings, and pipelines. Just as importantly, it will aid engineers when it comes to properly siting, designing, and constructing new infrastructure capable of withstanding future changes in their specific environments. These important concerns have also been examined in ADOTPF's "Impact of Climate Change on Alaska's Transportation Infrastructure."

These changes also pose significant challenges to some communities in Arctic coastal and riverine areas, most notably those located along the Bering and Chukchi Seas. A number of communities are threatened with increased rates of coastal erosion and flooding as a result of storm activity and battered shorelines once protected by shore-fast ice. These problems could become chronic as the climate warms, seasonal sea ice retreats, and destructive coastal storms become more frequent. These important concerns have been recognized in reports issued by the state of Alaska's Climate Change Subcabinet Immediate Action and Adaptation work groups.

Immediate investment in Arctic infrastructure is a foremost priority for Alaska and the entire United States. Alaska will need to explore ways to attract substantial sources of capital investment in addition to state and federal funding. Action is needed to enable the responsible development of resources; facilitate, secure, and benefit from new global transportation routes; and safeguard Arctic residents and ecosystems.

This investment will improve the safety, security, and reliability of transportation in the region—a goal established by the U.S. Arctic Policy signed by President Bush in 2009. As interest and activity in the Arctic continues to rise, America's preparedness in the region becomes ever more important to national security.

Increased human activity related to shipping, oil and gas development, commercial fishing, and tourism will require, at a minimum, new ports and safe harbors, equipment and facilities for oil spill response, additional Polar Class icebreakers for the U.S. fleet, and improved charting and mapping.

The U. S. Coast Guard's needs in these areas well illustrate the magnitude of infrastructure investment necessary in the Arctic. The Search & Rescue (SAR) agreement recently negotiated by the eight Arctic Nations through the Arctic Council commits the United States to search and rescue response in regions of the Arctic. Domestically, the National Contingency Plan requires the U.S. Coast Guard to oversee oil spill planning and preparedness in coastal waters and to supervise any oil spill response. Additionally, the U.S. Coast Guard's mission is to protect the public, the environment, and U.S. economic interests in the nation's ports and waterways, along the coast, on international waters, or in any maritime region as required for national security.[1]

At present, the Coast Guard has very limited Arctic emergency response capabilities and no permanent bases on Alaska's North Slope to support its operations. Basic needs there include communications, housing, and support facilities. It is especially notable that the Coast Guard has only one operational Polar Class icebreaker, the USCG Cutter Healy. Clearly, the Coast Guard does not have the assets required to carry out its expanding mission in the Arctic.

With transformation in the Arctic calling for a broad spectrum of new facilities on such a large scale, the state of Alaska must take an active role in regional planning efforts with communities and their stakeholders. This will help communities develop local strategies and ensure that the state is getting the most return on investment for local projects. Some communities may not have the resources to adequately prepare for the future, and the state should take this opportunity to help increase local capacity for the benefit of all Alaskans.

1. The ANWTF Recommends that the Alaska State Legislature Urge the United States to Forward Base the U.S. Coast Guard in the Arctic.

As human activity increases in Alaska's northernmost waters, the need to establish a Coast Guard base in the Arctic grows. The most northern Coast Guard base in the United States is in Kodiak, Alaska, more than 1,000 miles from pos-

1. The Coast Guard has 11 Statutory (non-discretionary) missions: Search and Rescue, Maritime Safety, Ports & Waterways Security, Drug Interdiction, Migrant Interdiction, National Defense, Living Marine Resources, Marine Environmental Protection, Aids to Navigation, Ice Operations, and Law Enforcement.

sible Chukchi Sea drilling sites and nearly as far from existing Arctic shipping lanes in the Bering Strait.[1] This distance causes untenable logistical problems that negatively impact response times and capabilities. The Coast Guard must have a greater overall presence in the Arctic, with the ability to stage assets closer to future shipping, oil and gas drilling, and commercial fishing activities.

The federal government should begin planning immediately to establish an Arctic base, and it must also move forward on interim measures for search and rescue and oil spill response in the region. The latter include working with communities to site required equipment at strategic locations, upgrading regional airports and associated storage facilities to enable efficient airlifting of assets, and increasing communications infrastructure.

2. The ANWTF Recommends that the Alaska State Legislature Urge the United States to Fund Icebreakers and Other Ice-capable Vessels.

At present, the United States has only one Polar Class icebreaker in service, the Coast Guard's Healy. A second Polar Class icebreaker, the Polar Star, is undergoing extensive repairs in Seattle and is not expected to return to service until 2013. Its sister ship, the Polar Sea, was decommissioned in 2011.

Meanwhile, Russia has a fleet of eight service-ready nuclear powered icebreakers, including an ice-breaking container ship. A ninth is under construction and will join their fleet in 2015. China owns the world's largest non-nuclear icebreaker and plans to launch a second by 2013. Canada has committed $38 billion to a 30-year plan to build additional icebreakers and other ice-strengthened ships suitable for Arctic service. Sweden, Finland, South Korea, and Japan are adding icebreakers to their fleets.[2]

The United States Coast Guard Cutter Healy is a medium strength vessel used most recently as a platform for scientific research. Its design is less suited to military missions. Congress has appropriated $60 million for repairs to the Polar Star. At this level of funding, its overhaul is estimated to provide for seven to ten years of additional service—the same length of time the Coast Guard estimates is required to design and construct a new Polar Class icebreaker, at a cost of about $860 million.

This limited number of icebreakers presents a major challenge to the Coast Guard mission in Alaska. Having ice-capable vessels is vital to maintain sovereignty, continue scientific research, and provide emergency and oil spill response. Overreliance on the Healy, which was not designed to meet all these challenges, poses risks for the United States and Alaska.

The ANWTF urges the state of Alaska to prevail upon the U.S. government to fund the construction of new heavy icebreakers and additional cutters for the U.S. Coast Guard. The Coast Guard is developing a long term vessel asset plan, but so far it has been unable to secure funding. It is expected that additional vessels will be required in support of oil spill response; these vessels must be capable of year-round Arctic operations. Immediate steps should be taken to begin construction of these assets.

Further, the ANWTF supports planning for other necessary facilities for search and rescue responsibilities, spill clean-up equipment and response vessels, and research. The Coast Guard needs this infrastructure to fulfill its mission.

3. The ANWTF Recommends that the Alaska State Legislature Support Search and Rescue Coordination Centers along the Coast to Assist Federal and State Responders.

The ANWTF supports search and rescue efforts at all levels—federal, state, and local. Because the USCG doesn't have an Arctic presence, local communities are often the first responders to an emergency.

The state of Alaska should coordinate planning with the USCG and local communities to develop strategies for increased search and rescue capabilities in the Arctic. Strategies may include purchase of equipment, training, and increased communications capability at the community level.

Other countries are already moving ahead with similar initiatives. Russia is currently in the process of building ten search and rescue centers along its Arctic coast line. Given the size of the Alaskan Arctic, effective local response will be critical. State planning should begin immediately.

4. The ANWTF Recommends Supporting the University of Alaska Fairbanks Scenarios Network for Alaska and Arctic Planning.

Scientists reviewing weather data for Alaska believe the state has been experiencing a warming trend with drier conditions in parts of the state. The ANWTF heard presentations on impacts this could have on Arctic communities and businesses. They include, among others, drier conditions in Interior Alaska resulting in more frequent and severe forest fires; species moving outside their historical ranges and perhaps displacing other species; changes in the active layer and permafrost in areas of the state resulting in loss of structural support and other adverse effects on roads and infrastructure; increase in the rate of coastal erosion in areas of

1. To put this distance into perspective, the distance between Kodiak and Barrow is about the distance between Los Angeles and Seattle.
2. For a list of ice breaker assets around the world go to: http://www.globalsecurity.org/military/world/icebreakers-list.htm

the state; and changes in hydrology including loss of surface ponds used for drinking water. It is important for state and local governments and industry to have a better understanding of possible future climatic conditions in the state when planning long-term infrastructure and critical services.

The University of Alaska Fairbanks formed the Scenarios Network for Alaska and Arctic Planning (SNAAP) to help decision makers understand possible future climate scenarios and their impacts in the state. SNAAP has developed data-driven models and scenarios for specific areas of the state that describe possible effects from longer-term changes in air temperature and precipitation. SNAAP has been working with other researchers to integrate down-scaled climatic models with terrestrial models to make predictions of landscape changes and the implications of such changes (melting permafrost, shifting and intensity of fire regimes, etc.) on the state's roads, airports, ports, pipelines, and rural communities. Both marine and terrestrial models should include predictions of impacts on resource development and related infrastructure. Such models would inform future infrastructure development and management.

The ANWTF recommends the state of Alaska support the work being done by SNAAP and encourages making this information, along with any important caveats on the limitations on such climatic predictions, available to state agencies, local governments, and the public to assist them in their long-term planning. The ANWTF believes this information could also be useful to agencies and organizations involved in setting standards for construction around the state.

5. The ANWTF Recommends Continuing the Analysis and Development of Ports and Safe Harbors in the Arctic Region.

Studies by the U.S. Coast Guard, the U.S. Navy, the Arctic Council, the U.S. Army Corps of Engineers, and the Alaska Department of Transportation and Public Facilities all identify the need to develop ports and harbors in Arctic Alaska. Given the long lead times for such construction, ports should be among the highest priorities for Arctic infrastructure.

Building on the findings of the 2008 and 2011 state/federal Alaska Regional Ports Workshops and the 2011 Arctic Ports Charette, the state of Alaska and the U.S. Army Corps of Engineers should continue analyzing options for deep- and medium-draft port and safe harbor construction in the Alaskan Arctic. The state should convene an industry-focused Alaska Arctic Ports Workshop to assess the pros and cons of alternative locations and types of ports, address environmental conditions and engineering approaches, and explore funding alternatives.

Locations to consider include:

- St. Paul Island in the Pribilof Islands. Here there is an existing harbor for the Central Bering Sea fishing fleet and fish processing facilities.
- St. Lawrence Island. There is no existing sea port on St. Lawrence.
- Nome/Teller. A medium-draft port exists at Nome. Considerations include expanding the Nome causeway, improving the Nome-Teller road, and developing a seasonal deep-draft port at Port Clarence Bay off Teller.
- Kotzebue/Cape Blossom. A shallow-draft port complex exists at Kotzebue. During the ice-free season, deep-draft freighters anchor 15 miles out to sea and cargo is lightered to port. Shallow-draft barges deliver cargo to area communities. Cape Blossom, across Kotzebue Sound, offers a potential deep-draft port site.
- Mekoryuk. Located on Nunivak Island, Mekoryuk has no boat harbor but does have moorage for small boats protected by a breakwater.
- Cape Thompson. Located on the Chukchi Sea about 26 miles southeast of Point Hope, Cape Thompson has previously been considered for a port site. It is located on a promontory with bulk rip-rap and aggregate potential and is broadly sheltered from the north by the spit of Point Hope. It has an old airstrip but is otherwise largely undeveloped.
- Wainwright. Wainwright is the nearest village to the Chukchi Sea OCS leases and is located on Wainwright Inlet, which is capable of sheltering shallow- to medium-draft vessels. It is located 90 miles west of Barrow. The city presently does not have a seaport.
- Point Franklin. Located between Wainwright and Barrow, Point Franklin and its adjacent barrier islands may serve as a shelter and possible port site for shallow- to medium-draft vessels.
- Barrow. With a population of more than 4000, Barrow boasts considerable infrastructure despite its remote location and is the geographic midpoint between the active exploration areas in the Beaufort and Chukchi Seas. Just east of Point Barrow is Eluitkaak Pass, which is the "notch" between the Barrow spit and the barrier islands of Elson Lagoon. Eluitkaak Pass is about 50 feet deep at its deepest, although it shallows at both ends toward the north and the south. Elson Lagoon, although shallow, is protected from the open ocean by barrier islands. At present there is no protected harbor at Barrow.
- Prudhoe Bay. Prudhoe Bay has been extensively developed for oil industry support. There is a causeway and dock system on the east and west sides of Prudhoe Bay that currently services the line-haul barges that transport drilling and production infrastructure to the North Slope. The community, made up almost entirely of oil industry

employees, is connected year-round to the North American road system by the Dalton Highway.

- Mary Sachs Entrance. This is a channel between barrier islands located about 60 miles north and east of Prudhoe Bay.

Plans for the development of deep-draft ports and improved safe harbors in northern waters should be intended also to improve access to inland resources in the region. Consideration should be given to the proximity of exploitable natural resources and access to them by navigable inland waterways or through the construction of railways or roads.

A key economic factor in the viability of developing natural resources in Alaska is the distance to an ocean port. Natural resources within 100 miles of a coast line typically have a higher probability of development due to shipping proximity. Development of resource transportation corridors to Arctic ports is critical for both shipping of product to market and for resupply of materials and equipment necessary for resource exploration, development, and extraction. Options for public-private partnerships (P3's) should be explored as a mechanism to capitalize development of the resource deposits and provide a return on investment to the state and private sector industries. Port planning for the Arctic should include a prioritized strategy for approaches to specific resource deposits and options for developing infrastructure to support exploration, development, and transportation of the resource.

6. The ANWTF Recommends the State of Alaska Consider Proposals to Expand Fiber Optic Cable Routes Across Northern Waters.

The retreat of sea ice and stability of the sea floor in the Arctic is creating interest in a potential fiber optic cable route from London to Tokyo via the Canadian Northwest Passage and Alaskan Arctic. Just as shipping routes are significantly shorter across the northern waters, so would be cable routes.

Linking Alaska's Arctic communities to trans-Arctic cable routes would bring many benefits. Increased communications will be needed in support of the Coast Guard's mission, including search and rescue and oil-spill response operations. Better communications are also required for the safe operations of ships transiting the region and offshore oil field development activities. At the same time, broadband links would enhance economic development and distance learning opportunities for Arctic communities.

The state should consider an assortment of strategies. In 2010, Kodiak Kenai Cable Company developed an international consortium for a Tokyo-London link with a landing at Prudhoe Bay. The company also proposed branches linking Kodiak with the more remote communities of Dutch Harbor, Nome, Kotzebue, and Barrow before rejoining the primary cable at the Prudhoe Bay landing. While this proposal was unsuccessful in obtaining funding, the effort produced valuable research, and the related Arctic Cable Company has now been formed.

On land, GCI's Terra SW has connected 65 coastal villages and communities in the Bristol Bay and Yukon-Kuskokwim Delta regions to a fiber optic/microwave network. GCI is exploring expanding the network to include the communities of northwest Alaska. On the North Slope of Alaska, the Arctic National Broadband Network initiative explored developing broadband capability between Barrow and Nuiqsut.

The state should continue to encourage fiber optic cable ventures that will include links to coastal hub communities and industry bases adjoining the northern waters.

7. The ANWTF Recommends that the State of Alaska Explore Models to Access Funding for Arctic Infrastructure.

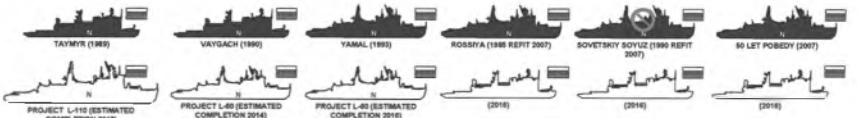
As the state of Alaska determines its priorities for Arctic infrastructure projects, the Alaska Industrial Development and Export Authority (AIDEA) should begin examining which categories of projects are likely to meet its criteria for funding and which will need additional or wholly alternative sources.

The state should consult with financing and investment specialists to explore strategies to attract additional sources of capital to infrastructure priorities. Such considerations could include private sector investment as well as the creation of state, national, and international development corporations.

POLAR ICEBREAKERS OF THE WORLD

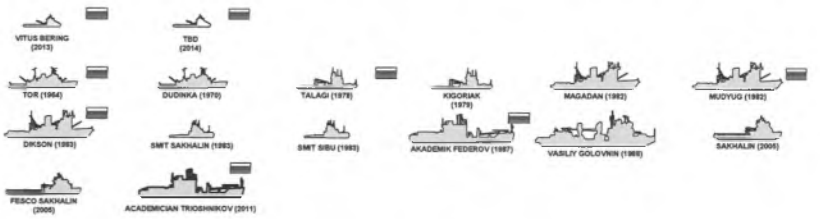
RUSSIA

6 HEAVY
+ 6 PLANNED



12 MEDIUM
+ 1 UNDER CONSTRUCTION
+ 1 PLANNED

14 LIGHT



SWEDEN

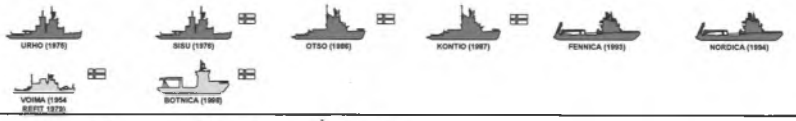
4 MEDIUM

5 LIGHT

FINLAND

6 MEDIUM

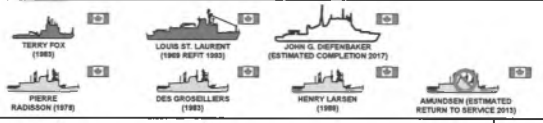
2 LIGHT



CANADA

2 MEDIUM
+ 1 Planned

4 LIGHT



UNITED STATES

2 HEAVY

1 MEDIUM
+ 1 UNDER CONSTRUCTION
+ 1 Planned

1 LIGHT

CHINA

1 LIGHT
+ 1 UNDER CONSTRUCTION

DENMARK

2 LIGHT

* Status Unknown. Not currently used for icebreaking.

ARGENTINA

1 LIGHT

AUSTRALIA

1 LIGHT

CHILE

1 LIGHT

GERMANY

1 LIGHT
+ 1 Planned

JAPAN

1 MEDIUM

KOREA

1 LIGHT

NORWAY

1 LIGHT
+ 1 UNDER CONSTRUCTION

KEY

Vessels were selected and organized based on their installed power measured in BHP. Vessels with less than 10,000 bhp were not considered to be capable of independent arctic operation. Vessel outlines reflect relative sizes.

COLOR GUIDE

HEAVY

At least 45,000 bhp

"N" Indicates a nuclear powered vessel

"Flag" Indicates a government owned, operated, or controlled vessel

MEDIUM

At least 20,000 bhp but less than 45,000 bhp

LIGHT

At least 10,000 bhp but less than 20,000 bhp

NON OPERATIONAL

Under repair or in Caretaker status

UNDER CONSTRUCTION

Being constructed currently

PLANNED

Planned for construction in the near future

Data derived from various sources.

Direct Questions and Comments to Doug Jackson – 202 372-1545/ Douglas.N.Jackson@uscg.mil

UPDATED: February 8, 2012

Developed and maintained by USCG Directorate of Marine Transportation Systems Management
Mobility and Ice Operations Division (CG-5523)

SJR 16

<TARGET><BILL>SJR 16</BILL><SUBJECT>SJR 16</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 2/3/12

FURTHER:

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2/9/12

State Affairs Committee considered SENATE JOINT RESOLUTION NO. 16

SJR 16 MILITARY PENSIONS

Urging the United States Congress to approve legislation allowing members of the military to receive promised retirement benefits.

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
S.STA			✓	

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Kookesh	✓			
	Paskvan	X			
	Meyer	X			
	Giessel	X			
CHAIR:	Wielechowski	X			

ALASKA STATE LEGISLATURE

Session

State Capitol, Rm. 101
Juneau, AK 99801
(907) 465-2435
Fax: (907) 465-6615

Interim

716 W. 4th Ave, Ste. 540
Anchorage, AK 99501
(907) 269-0120
Fax: (907) 269-0122

Senator_Bill_Wielechowski@legis.state.ak.us

Chair
State Affairs Committee

Co-chair
Joint Armed Services Committee

Vice Chair
Resources Committee
Judiciary Committee

Member
Administrative Regulation Review

SENATOR BILL WIELECHOWSKI

SJR 16: Military Pensions
Fact Sheet

- The Defense Business Board released a suggested plan to convert military retirement from the current 20-year vesting system to a retirement system similar to a 401k
- The plan presented may not grandfather current service members
- Currently, a military service member who serves for 20 years can retire with their pension immediately
- The plan suggested by the Defense Business Board may not allow members to withdraw their retirement until they reach age 60-65
- Members of our Armed Forces should be allowed to maintain their current retirement plan as promised when signing up to serve
- Senate Joint Resolution 16 would urge the United States Congress to allow any service member who signed up under the current retirement plan the option to choose between staying with the current plan or moving to the new retirement system
- This resolution also urges the US Congress to support HR3520: Keeping Our Promises Act of 2011

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SJR16**
Fiscal Note Number: 1
(S) Publish Date: 2/8/2012

Identifier (file name)
Title: SJR 16 MILITARY PENSIONS
Dept. Affected
Appropriation
Allocation
Sponsor: Senator Wielechowski
Requester: (S) State Affairs
OMB Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by: (S) State Affairs — Phone: 465-2435
Division — Date/Time: 2/8/12 12:00AM
Approved by: /s/ Senator Wielechowski, Chair — Date: 2/8/2012

(Revised 1/17/2012 OMB)

The New York Times Reprints

This copy is for your personal, noncommercial use only. You can order presentation-ready copies for distribution to your colleagues, clients or customers here or use the "Reprints" tool that appears next to any article. Visit www.nytreprints.com for samples and additional information. Order a reprint of this article now.

September 18, 2011

Retiree Benefits for the Military Could Face Cuts

By JAMES DAO and MARY WILLIAMS WALSH

As Washington looks to squeeze savings from once-sacrosanct entitlements like Social Security and Medicare, another big social welfare system is growing as rapidly, but with far less scrutiny: the health and pension benefits of military retirees.

Military pensions and health care for active and retired troops now cost the government about $100 billion a year, representing an expanding portion of both the Pentagon budget — about $700 billion a year, including war costs — and the national debt, which together finance the programs.

Making even incremental reductions to military benefits is typically a doomed political venture, given the public's broad support for helping troops, the political potency of veterans groups and the fact that significant savings take years to appear.

But the intense push in Congress this year to reduce the debt and the possibility that the Pentagon might have to begin trimming core programs like weapons procurement, research, training and construction have suddenly made retiree benefits vulnerable, military officials and experts say.

And if Congress fails to adopt the deficit-reduction recommendations of a bipartisan joint Congressional committee this fall, the Defense Department will be required under debt ceiling legislation passed in August to find about $900 billion in savings over the coming decade. Cuts that deep will almost certainly entail reducing personnel benefits for active and retired troops, Pentagon officials and analysts say.

"We've got to put everything on the table," Defense Secretary Leon E. Panetta said recently on PBS, acknowledging that he was looking at proposals to rein in pension costs.

Under the current rules, service members who retire after 20 years are eligible for pensions that pay half their salaries for life, indexed for inflation, even if they leave at age 38. They are also eligible for lifetime health insurance through the military's system, Tricare, at a small

fraction of the cost of private insurance, prompting many working veterans to shun employer health plans in favor of military insurance.

Advocates of revamping the systems argue that they are not just fiscally untenable but also unfair.

The annual fee for Tricare Prime, an H.M.O.-like program for military retirees, is just $460 for families and has not risen in years, even as health care costs have skyrocketed. Critics of the system say the contribution could be raised substantially and still be far lower than what civilians pay for employer-sponsored health plans, typically about $4,000.

Those critics also argue that under the current rules, 83 percent of former service members receive no pension payments at all — because only veterans with 20 years of service are eligible. Those with 5 or even 15 years are not, even if they did multiple combat tours. Such a structure would be illegal in the private sector, and a company that tried it could be penalized, experts say.

"It cries out for some rationalization," said Sylvester J. Schieber, a former chairman of the Social Security Advisory Board. "Why should we ask somebody to sustain a system that's unfair by any other measure in our society?"

But within military circles, and among many members of Congress, the benefits are considered untouchable. Veterans groups and military leaders argue that the system helps retain capable commissioned and noncommissioned officers.

And having volunteered to put their lives at risk, those people deserve higher-quality benefits, supporters argue. The typical beneficiary, they add, is not a general but a retired noncommissioned officer, with an average pension of about $26,000 a year.

"The whole reason military people are willing to pursue a career is because after 20, 30 years of extraordinary sacrifice, there is a package commensurate with that sacrifice upon leaving service," said Steven P. Strobridge, a retired Air Force colonel who is the director of government relations for the Military Officers Association of America, which is lobbying against changes to the benefits.

A wild-card factor in the debate is the withdrawal of American troops from Iraq and Afghanistan, which some experts say could avoid the stigma of cutting benefits while troops are at war.

"The fact that you are getting out of Iraq and Afghanistan does make it easier," said Lawrence J. Korb, a senior Pentagon official in the Reagan administration who was a co-

author of a recent proposal for reducing the cost of military health care. "When the war in Iraq was in terrible shape, it was hard to get people to join the military, and no one wanted to touch any military benefits."

By far the most contentious proposal circulating in Washington is from a Pentagon advisory panel, the Defense Business Board. It would make the military pension system, a defined benefit plan, more like a 401(k) plan under which the Pentagon would make contributions to a service member's individual account; contributions by the troops themselves would be optional. Mr. Panetta has said that if adopted, the plan would not apply to current military personnel.

While health care costs for active and retired troops are growing faster, military pension costs are larger. Last year, for every dollar the Pentagon paid service members, it spent an additional $1.36 for its military retirees, a much smaller group. Even in the troubled world of state and municipal pension funds, pensions almost never cost more than payrolls.

Citing the fiscal hazards and inequities of the system, the Defense Business Board proposal would allow soldiers with less than 20 years of service to leave with a small nest egg, provided they served a minimum length of time, three to five years. But it would prevent all retirees from receiving benefits until they were 60.

The business board says that its proposal would reduce the plan's total liabilities to $1.8 trillion by 2034, from the $2.7 trillion now projected — all without cutting benefits for current service members.

Steve Griffin of Tallahassee, Fla., is the type of soldier the defense board is trying to appeal to: a former captain who did two tours in Iraq, he left the Army in 2010 after five years of service and thus receives no pension.

Yet in a sign of the deep support for the existing system, Mr. Griffin says it should be left alone because it provides incentives for recruitment and rewards retirees who have endured great hardship.

"Yes, it would be nice for people like me," Mr. Griffin, 28, said of the proposal. "But I think the retirement system now is fair. We shouldn't take anything from it. If anything, we should add to it."

Much like in the debate over Social Security, questions about the sustainability of the military pension system abound.

Each year the Defense and Treasury Departments set aside more than $75 billion to pay not only current and future benefits but also pensions for service many years in the past. But the retirement fund has not accumulated nearly enough money to cover its total costs, with assets of $278 billion at the end of 2009 and obligations of about $1.4 trillion.

The government tries to close the shortfall by simply issuing more Treasury securities each year, thereby adding to the nation's debt.

Given the political potency of veterans groups, it is unclear whether anyone in Congress will lead an effort to revamp the pension or retiree health systems.

But the debt ceiling agreement approved this summer by Congress, under which the Pentagon must find $400 billion in reductions over the next 12 years, may force cuts once considered unthinkable. And if Congress does not adopt the recommendations of the bipartisan committee studying deficit reduction, the mandated reductions in Pentagon spending would more than double, to about $900 billion, and fall on just about every category of defense spending.

Deficit hawks, led by Senator Tom Coburn, Republican of Oklahoma, have begun taking smaller steps, pushing for an array of cuts to military benefits, including ending subsidies for base commissaries and tightening disability compensation for diseases linked to Agent Orange.

But those trims are considered marginal compared with the deeper reductions many experts say are necessary to contain Pentagon spending.

"If the trend continues, it will call into question the military's ability to do other things, like buy equipment, do maintenance, train troops and equip them," said Nora Bensahel, a senior fellow at the Center for a New American Security, a nonprofit organization with ties to the Obama administration.

"At some point, the cost pressures by the retirement benefits will really start to impede military capabilities."

HOME PAGE | TODAY'S PAPER | VIDEO | MOST POPULAR | TIMES TOPICS
Log In | Register Now | Help
The New York Times
U.S.
Search All NYTimes.com
Go
WORLD | U.S. | N.Y. / REGION | BUSINESS | TECHNOLOGY | SCIENCE | HEALTH | SPORTS | OPINION | ARTS | STYLE | TRAVEL | JOBS | REAL ESTATE | AUTOS
POLITICS | EDUCATION | BAY AREA | CHICAGO | TEXAS
Advertise on NYTimes.com

Retiree Benefits for the Military Could Face Cuts

By JAMES DAO and MARY WILLIAMS WALSH
Published: September 18, 2011

RECOMMEND
TWITTER
LINKEDIN
COMMENTS (864)
SIGN IN TO E-MAIL
PRINT
REPRINTS
SHARE

As Washington looks to squeeze savings from once-sacrosanct entitlements like Social Security and Medicare, another big social welfare system is growing as rapidly, but with far less scrutiny: the health and pension benefits of military retirees.

Enlarge This Image

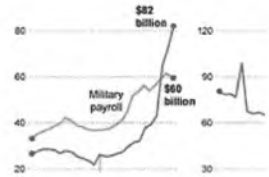
Colin Hackley for The New York Times

Steve Griffin left the Army after five years and thus receives no pension. But he believes the system provides incentives for recruitment and rewards retirees who have endured great hardship.

Military pensions and health care for active and retired troops now cost the government about $100 billion a year, representing an expanding portion of both the Pentagon budget — about $700 billion a year, including war costs — and the national debt, which together finance the programs.

Making even incremental reductions to military benefits is typically a doomed political venture, given the public's broad support for helping troops, the political potency of veterans groups and the fact that significant savings take years to appear.

Multimedia



The Cost of Military Pensions

But the intense push in Congress this year to reduce the debt and the possibility that the Pentagon might have to begin trimming core programs like weapons procurement, research, training and construction have suddenly made retiree benefits vulnerable, military officials and experts say.

And if Congress fails to adopt the deficit-reduction recommendations of a bipartisan joint Congressional committee this fall, the Defense Department will be required under debt ceiling legislation passed in August to find about $900 billion in savings over the coming decade. Cuts that deep will almost certainly entail reducing personnel benefits for active and retired troops, Pentagon officials and analysts say.

"We've got to put everything on the table," Defense Secretary Leon E. Panetta said recently on PBS, acknowledging that he was looking at proposals to rein in pension costs.

Under the current rules, service members who retire after 20 years are eligible for pensions that pay half their salaries for life, indexed for inflation, even if they leave at age 38. They are also eligible for lifetime health insurance through the military's system, Tricare, at a small fraction of the cost of private insurance, prompting many working veterans to shun employer health plans in favor of military insurance.

Advocates of revamping the systems argue that they are not just fiscally untenable but also unfair.

The annual fee for Tricare Prime, an H.M.O.-like program for military retirees, is just $460 for families and has not risen in years, even as health care costs have skyrocketed. Critics of

Log in to see what your friends are sharing on nytimes.com. Privacy Policy | What's This?
Log In With Facebook
What's Popular Now
Jeremy Lin Has Burst From N.B.A. Novelty Act to Knicks Star
California Ban on Gay Marriage Is Struck Down
Advertise on NYTimes.com
Today's Headlines Daily E-Mail
Sign up for a roundup of the day's top stories, sent every morning.
Sign Up
See Sample | Privacy Policy
MOST E-MAILED
RECOMMENDED FOR YOU
1. Talks Stall on How to Pay for Extending Payroll Tax Cut
2. CITY ROOM Council Speaker Endorses Parade for Iraq Veterans on Talk Show
3. EDITORIAL The Payroll Tax Fight
PRESENTED BY
Log in to discover more articles based on what you've read.
Log In | Register Now | Log In | What's This? | Don't Show

The war ends here
Also on NYTimes.com
Why getting punched is fun
How Alzheimer's disease spreads
nytimes.com

the system say the contribution could be raised substantially and still be far lower than what civilians pay for employer-sponsored health plans, typically about $4,000.

Those critics also argue that under the current rules, 83 percent of former service members receive no pension payments at all — because only veterans with 20 years of service are eligible. Those with 5 or even 15 years are not, even if they did multiple combat tours. Such a structure would be illegal in the private sector, and a company that tried it could be penalized, experts say.

"It cries out for some rationalization," said Sylvester J. Schieber, a former chairman of the Social Security Advisory Board. "Why should we ask somebody to sustain a system that's unfair by any other measure in our society?"

But within military circles, and among many members of Congress, the benefits are considered untouchable. Veterans groups and military leaders argue that the system helps retain capable commissioned and noncommissioned officers.

And having volunteered to put their lives at risk, those people deserve higher-quality benefits, supporters argue. The typical beneficiary, they add, is not a general but a retired noncommissioned officer, with an average pension of about $26,000 a year.

"The whole reason military people are willing to pursue a career is because after 20, 30 years of extraordinary sacrifice, there is a package commensurate with that sacrifice upon leaving service," said Steven P. Strobridge, a retired Air Force colonel who is the director of government relations for the Military Officers Association of America, which is lobbying against changes to the benefits.

A wild-card factor in the debate is the withdrawal of American troops from Iraq and Afghanistan, which some experts say could avoid the stigma of cutting benefits while troops are at war.

"The fact that you are getting out of Iraq and Afghanistan does make it easier," said Lawrence J. Korb, a senior Pentagon official in the Reagan administration who was a co-author of a recent proposal for reducing the cost of military health care. "When the war in Iraq was in terrible shape, it was hard to get people to join the military, and no one wanted to touch any military benefits."

By far the most contentious proposal circulating in Washington is from a Pentagon advisory panel, the Defense Business Board. It would make the military pension system, a defined benefit plan, more like a 401(k) plan under which the Pentagon would make contributions to a service member's individual account; contributions by the troops themselves would be optional. Mr. Panetta has said that if adopted, the plan would not apply to current military personnel.

While health care costs for active and retired troops are growing faster, military pension costs are larger. Last year, for every dollar the Pentagon paid service members, it spent an additional $1.36 for its military retirees, a much smaller group. Even in the troubled world of state and municipal pension funds, pensions almost never cost more than payrolls.

Citing the fiscal hazards and inequities of the system, the Defense Business Board proposal would allow soldiers with less than 20 years of service to leave with a small nest egg, provided they served a minimum length of time, three to five years. But it would prevent all retirees from receiving benefits until they were 60.

The business board says that its proposal would reduce the plan's total liabilities to $1.8 trillion by 2034, from the $2.7 trillion now projected — all without cutting benefits for current service members.

Steve Griffin of Tallahassee, Fla., is the type of soldier the defense board is trying to appeal to: a former captain who did two tours in Iraq, he left the Army in 2010 after five years of service and thus receives no pension.

Yet in a sign of the deep support for the existing system, Mr. Griffin says it should be left alone because it provides incentives for recruitment and rewards retirees who have endured great hardship.

"Yes, it would be nice for people like me," Mr. Griffin, 28, said of the proposal. "But I think the retirement system now is fair. We shouldn't take anything from it. If anything, we should add to it."

Much like in the debate over Social Security, questions about the sustainability of the military pension system abound.

Each year the Defense and Treasury Departments set aside more than $75 billion to pay not only current and future benefits but also pensions for service many years in the past. But the retirement fund has not accumulated nearly enough money to cover its total costs, with assets of $278 billion at the end of 2009 and obligations of about $1.4 trillion.

The government tries to close the shortfall by simply issuing more Treasury securities each year, thereby adding to the nation's debt.

Given the political potency of veterans groups, it is unclear whether anyone in Congress will lead an effort to revamp the pension or retiree health systems.

But the debt ceiling agreement approved this summer by Congress, under which the Pentagon must find $400 billion in reductions over the next 12 years, may force cuts once considered unthinkable. And if Congress does not adopt the recommendations of the bipartisan committee studying deficit reduction, the mandated reductions in Pentagon spending would more than double, to about $900 billion, and fall on just about every category of defense spending.

Deficit hawks, led by Senator Tom Coburn, Republican of Oklahoma, have begun taking smaller steps, pushing for an array of cuts to military benefits, including ending subsidies for base commissaries and tightening disability compensation for diseases linked to Agent Orange.

But those trims are considered marginal compared with the deeper reductions many experts say are necessary to contain Pentagon spending.

"If the trend continues, it will call into question the military's ability to do other things, like buy equipment, do maintenance, train troops and equip them," said Nora Bensahel, a senior fellow at the Center for a New American Security, a nonprofit organization with ties to the Obama administration.

"At some point, the cost pressures by the retirement benefits will really start to impede military capabilities."

A version of this article appeared in print on September 19, 2011, on page A1 of the New York edition with the headline: Retiree Plans For Military Face Scrutiny.

COMMENTS (864)
SIGN IN TO E-MAIL
PRINT
REPRINTS

Get 50% Off The New York Times & Free All Digital Access.

Get Free E-mail Alerts on These Topics

Veterans
United States Defense and Military Forces
Pensions and Retirement Plans

The New York Times Reprints

This copy is for your personal, noncommercial use only. You can order presentation-ready copies for distribution to your colleagues, clients or customers here or use the "Reprints" tool that appears next to any article. Visit www.nytreprints.com for samples and additional information. Order a reprint of this article now.

December 26, 2011

Don't Go After Military Pensions

By DARRELL DRIVER, JIN PAK and KYLE JETTE

Washington

AS the nation's budget pressures prompt officials to scour the Defense Department for cuts, one tantalizing target is the military retirement system. The Pentagon has reportedly been considering replacing the guaranteed pension that, for more than a century, has been a fundamental compact between the United States and its soldiers, in favor of a market-based 401(k) approach. But this would be a grave mistake, a disincentive to future volunteers and a threat to national security.

Needless to say, there are critical differences between the civilian and military work forces. Soldiers who have risked their lives for our nation should not also have to risk their retirement savings in stocks. But there are many more mundane sacrifices required of career service members that also make it hard for them to build up the kind of wealth — whether in their houses, their careers or the careers of their spouses — that cushions civilian retirees from the whims of the market.

Service members are often required to move, for example, which hinders their ability to build home equity. Many have to put off purchasing homes, and those who do buy do not have the option of choosing not to move if their mortgages become underwater. For this reason, the housing crash of recent years has hit service families especially hard.

Frequent moves also make it hard for service members' spouses to find work and progress in their own careers. This is most likely a primary reason that median household incomes for military families are lower than those of their civilian counterparts.

Most important, the unique skills people learn on the battlefield do not easily translate into private sector employment, and many military retirees struggle to find new work. While the officer who managed a military transportation hub might anticipate an equivalent job from a civilian firm, and while a young private who served one deployment could relatively easily return to school or an entry-level job, an infantry sergeant first class who has spent a decade

or more on multiple deployments to the world's most dangerous places would not find the same ready options.

For these individuals, there can be a significant financial cost to agreeing to remain in military service beyond the years when it would be easiest to make the transition to more marketable civilian jobs. But these are the people the military needs, and needs to retain.

The military pension helps compensate for their sacrifices. Soldiers and their families are more willing to put off other careers, and to accept frequent displacement, lower earnings and even the risk of being ordered back to active duty after beginning new careers, because of the promise of future compensation. The guaranteed pension is one of the biggest incentives keeping talented people in the military.

No one knows for sure how a shift to a 401(k) model would affect these families and their decisions to remain in military service. But we do know that there is a spike in retirements once soldiers complete the 20-year minimum to qualify for full pensions, and we can only assume that these people would retire far sooner without them. And it's likely that many would not join up at all.

As policy makers continue their deliberations on military spending cuts — which are scheduled to begin again next month — they must keep the unique nature of military service in mind when they look to the costs and benefits of the retirement plan. And they should remember that no one imagined, back in the 1970s, that our all-volunteer force would last this long. Most believed that conscription would again be needed if the nation ever engaged in a significant conflict. The United States military has proved them wrong so far, but we should not underestimate the role the guaranteed pension has played in its resilience.

Darrell Driver, Jin Pak and Kyle Jette are lieutenant colonels in the United States Army.

OFFICE OF THE UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

PERSONNEL AND
READINESS

DEC 14

The Honorable Bill Wielechowski
United States Senator
716 West 4th Avenue
Suite 540
Anchorage, AK 99501

Dear Senator Wielechowski:

Thank you for your letter dated November 23, 2011, to Secretary Panetta regarding proposed changes to the military retirement system. Since this matter falls under my purview, this office has been asked to respond.

Various media outlets and military service organizations have been reporting on a variety of proposals to change the military retirement system. The most recent proposal by a task group of the Defense Business Board recommends replacing the current defined benefit retirement with a defined contribution retirement, much like the 401(k) plans used by many businesses for their employees. This proposal, among others, is useful to the Department of Defense (DoD) in evaluating current business operations. Its presentation does not mean it will be adopted or supported by the DoD. Any recommendation to fundamentally change the military retirement system must be approached with great caution and thoughtful analysis. The impact on military accessions, retention and force structure must be carefully assessed, as well as the effect on the overall retirement package of our individual retiring Service members. In making these evaluations, we are acutely aware of the unusual and demanding requirements placed on our military members and their families. We are also mindful of our responsibility to be good stewards of the taxpayer's money.

The military retirement system, as with all other military compensation and benefits, is a fair subject of review for effectiveness and efficiency. However, no changes to the current retirement system have been approved, and no changes will be made precipitously or without careful consideration of potential consequences for both the current and future force. The DoD will not break faith with our current career force and will include grandfathering in any proposal it might support.

We hope you find this response helpful and ask that you share this response with the other Alaska state senators who signed the letter to Secretary Panetta. Thank you for your interest in the men and women who proudly serve in our Nation's Armed Forces.

Sincerely,

Virginia S. Penrod
Deputy Assistant Secretary

United States Senate

WASHINGTON, DC 20510

September 23, 2011

The Honorable Leon E. Panetta, Secretary
U.S. Department of Defense
1400 Defense Pentagon
Washington, DC 20301-1400

Dear Mr. Secretary:

We are gravely concerned about recommendations proffered by the Defense Business Board with regard to America's military retirement, primarily those recommendations altering and/or cutting the military retirement benefits which our career military members who are currently serving our great nation have been promised and are relying upon to assist with their retirement needs.

While deficit reduction is essential, balancing the budget and curbing costs in the U.S. Department of Defense by cutting retirement benefits to those now serving is patently unfair to our military members and their families and puts in jeopardy the recruitment and retention of our nation's future all-volunteer force. We have heard from countless veterans and constituents asking that Congress do the right thing by ensuring that these important benefits are not pulled out from under those who are working hard for what they have been promised.

The current retirement system is a considerable enticement in preserving a career voluntary military force, and any proposed changes must be calculated in that light. Many of our constituents have stated that the current retirement system was a major factor in their decision to choose to serve, or to continue serving in uniform. Contrary to the belief of some, military service is not comparable to the private sector; and a retirement system that works for a civilian career may not necessarily be appropriate for the military.

On this subject, you have said, "People who have come into the service, who have put their lives on the line, who have been deployed to the war zones, who fought for this country, who have been promised certain benefits for that – I'm not going to break faith with what's been promised to them." We believe, as do our constituents, that we must follow your lead and ensure that our government upholds the promises we have made to our military.

Certainly, Congress will be looking to you regarding cuts in defense spending; yet it is our worry that some members will also look to these recommendations by the Defense Business Board. We encourage you then to ensure the security of America's military by relaying to Congress your deep commitment that our nation not undertake any detrimental changes or reductions in military retirement for those who are serving. While our nation must cut spending and balance the budget, we simply cannot do it on the backs of America's military and their families.

Thank you for your consideration in this matter. Please be assured we will assist you in this effort in any way that we can.

Sincerely,

E. Benjamin Nelson
United States Senator

James Inhofe
United States Senator

Sherrod Brown
United States Senator

Jim Webb
United States Senator

Dianne Feinstein
United States Senator

Richard Durbin
United States Senator

Mark Begich
United States Senator

Tom Udall
United States Senator

Richard Blumenthal
United States Senator

Kirsten Gillibrand
United States Senator

Claire McCaskill
United States Senator

Kay Hagan
United States Senator

Robert Casey
United States Senator

Daniel Akaka
United States Senator

Jeanne Shaheen
United States Senator

ALASKA STATE LEGISLATURE

November 23, 2011

The Honorable Leon E. Panetta, Secretary
U.S. Department of Defense
1400 Defense Pentagon
Washington, DC 20301-1400

Dear Mr. Secretary,

We write to express our concern about some of the recommendations submitted by the Defense Business Board with regard to changing the military retirement system, primarily the recommendations to cut the military retirement benefits upon which our service members have been promised.

We understand the effort of balancing the budget and curbing costs for the Department of Defense, however, cutting benefits to military service members who protect our nation is not the avenue we hope the Department will act upon. Those active duty members who are currently serving were made promises by our nation regarding the benefits they would receive, and we as a nation have an obligation to keep those promises.

The suggested changes will jeopardize the recruitment and retention of our military and compromise the financial security of military families. The men and women who serve our country deserve a secure retirement. Moreover, the current retirement system is an incentive to preserving our volunteer military force. Many of our constituents have come to rely upon the current system to take care of their families after their time serving in the military. Altering this system and breaking the promises made will have a devastating impact on morale and a detrimental impact on our ability to attract the best and brightest to our armed forces.

We encourage you to continue providing a secure retirement for America's military by not reducing the military retirement system for those who are serving our country. While you continue to face decisions on balancing the budget, we truly hope you will reconsider cutting benefits to military members and their families and keep the benefits that have been promised.

We appreciate your consideration.

Sincerely,

Senator Bill Wielechowski | Senator Johnny Ellis | Senator Joe Paskvan | Senator Dennis Egan

Senator Hollis French | Senator Albert Kookesh | Senator Donny Olson

DEFENSE BUSINESS BOARD

Modernizing the Military Retirement System

Task Group

July 21, 2011

These are the final briefing slides as approved by the Defense Business Board in their public meeting held July 21, 2011. The full DBB report, expected in August 2011, will contain more detailed text which will reflect the totality of the points discussed and modifications adopted by the Board during their deliberations.

These are the final briefing slides as approved by the Defense Business Board in their public meeting held July 21, 2011. The full DBB report, expected in August 2011, will contain more detailed text which will reflect the totality of the points discussed and modifications adopted by the Board during their deliberations.

Task Group Overview

Terms of Reference

In order to support the Secretary of Defense's efficiency initiatives, review the current structure and function of the military retirement system. Begin with a review of the current reform thinking on military retirement benefits. This research and analysis will help to provide recommendations for optimizing the Department's military retirement system.

Deliverables

Provide recommendations that will enable the system to be fiscally sustainable and recruit and retain the highest personnel required for our nation's defense.

Task Group Members

Richard Spencer (Chair)
Patrick Gross
David Langstaff
Phil Odeen
Mark Ronald
Bobby Stein
Jack Zoeller

DBB Executive Secretary

Catherine Whittington

These are the final briefing slides as approved by the Defense Business Board in their public meeting held July 21, 2011. The full DBB report, expected in August 2011, will contain more detailed text which will reflect the totality of the points discussed and modifications adopted by the Board during their deliberations.

Methodology: Interviews

- Current DoD
  - Vice Chairman, Joint Chiefs of Staff (VCJCS)
  - Chief of Staff of the Air Force (CSAF)
  - Chief of Naval Operations (CNO)
  - Commandant of the Marine Corps (CMC)
  - Chief of Navy Reserve
  - Chief of Navy Personnel, DCNO, Manpower, Personnel, Training & Education, N1
  - Director, Plans and Resources, Office of the Deputy Chief of Staff of the Army, G1
  - Military Deputy for Budget, Office of the Assistant Secretary of the Army, Financial Management & Comptroller (ASA(F&MC))
  - Under Secretary of Defense for Personnel and Readiness (USD(P&R))
  - Director for Military Compensation (OUSD(P&R))
  - Joint Chiefs of Staff Working Group
  - Members who wrote the 11th Quadrennial Review of Military Compensation (QRMC)
- Former DoD and Government Officials
  - HON John Hamre
  - HON Ken Krieg
  - ADM Vern Clark, USN (Retired)
  - HON David M. Walker
  - HON Richard Danzig
- Defense Ministries
  - Canada
  - France
- Institutes and Government Agencies
  - Institute for Defense Analysis (IDA)
  - Congressional Budget Office (CBO)
  - Center for Strategic and International Studies (CSIS)
  - Center for Strategic and Budgetary Analysis (CSBA)
  - RAND Corporation
  - Office of Thrift Savings Plan
  - OSD Office of the Actuary

These are the final briefing slides as approved by the Defense Business Board in their public meeting held July 21, 2011. The full DBB report, expected in August 2011, will contain more detailed text which will reflect the totality of the points discussed and modifications adopted by the Board during their deliberations.

Where We Are Today

- The All Volunteer Force has proven to be an outstanding success
- Congress has shown consistent support for the military through increases in both compensation and benefits
- Military compensation is higher than that of average civilians with similar education levels (see **Appendix A**)
  - Enlisted pay ranks in the top quartile of that of high school graduates
  - Officer pay ranks in the top quartile of that of college graduates
- Retiree healthcare (TRICARE) is significantly more generous than civilian programs
- Military retirement exceeds levels in the private sector
- 83% of military personnel receive no retirement benefits

Findings

DoD has maintained the structure of its retirement benefits, which was created prior to the All Volunteer Force

- Retirement plans are an important component of both private and public sector compensation systems
- Over the last few decades, private sector plans have shifted from defined benefit to defined contribution to address longer life spans and unaffordable costs
- The military retirement system has not materially changed for over 100 years
  - The current military retirement system was designed for an era when life spans were shorter,
  - Pay was not competitive with civilian pay, and
  - Second careers were rare since military skills did not transition easily to the private sector
- Military retirement funds are not able to be invested in higher yielding equities and bonds

These are the final briefing slides as approved by the Defense Business Board in their public meeting held July 21, 2011. The full DBB report, expected in August 2011, will contain more detailed text which will reflect the totality of the points discussed and modifications adopted by the Board during their deliberations.

Findings (Continued)

Military retirement is more generous and expensive compared to the private sector

- DoD pays retirees 40 years of retirement benefits for 20 years of service
  - Military skills are transferrable to the private sector
  - Second careers are now common for those retiring in their 40s
  - Payout after 20 years makes retention difficult – 76% leave between years 20 and 25
  - 20 years of service earns a lifetime of payments of 50%, ramping up to 87.5% for 35 years of service
- Retirement funds accrued for personnel serving less than 20 years are effectively applied to the benefits of those serving more than 20 years
- For those serving more than 20 years, the retirement contribution is 10 times greater than the private sector
  - Average private sector pension contributions range from 4-12% per year; military retirement benefit equates to 75% of annual pay per year for those who retire
  - Immediate payout after 20 years has no comparison in the private sector

For FY11, total government contribution will be $46B**

**Does not include $64.1B in unfunded liability amortization payment

These al[illegible]e final briefing slides as approved by the Defense Business Board in their [illegible]lic meeting held July 21, 2011. The full DBB report, expected in August 2[illegible] will contain more detailed text which will reflect the totality of the points discussed and modifications adopted by the Board during their deliberations.

Findings (Continued)

"One Size Fits All" has structural disadvantages

- Surveys consistently report that military retirement has little value in recruitment or retention for at least the first 10 years of service
- The current plan is highly inflexible and especially poorly suited for periods of significant change (e.g., when downsizing the force)
  - It will be very difficult to release personnel with 15 or more years of service, yet these age groups are a likely target for downsizing
  - As a result, DoD will likely require special pay to ease transitioning out of the military (as was done in the 1990s), therefore, increasing costs
- The current system does not compensate for those in high risk situations or extenuating circumstances (e.g., combat duty, hardship tour, and separation from family)

Assessment

The Retirement Plan is Unfair

- The military retirement system lacks fairness in several dimensions.
  - Personnel serving 5, 10, even 15 years receive no retirement pay. Those serving 20+ years are endowed with a lifetime benefit.
  - The risky nature of military service is an important justification for the 20-year plan. However, most of the troops engaged in combat serve far less than the required 20 years. (Only 12%-13% of enlisted troops earn retirement pay).
- Retirement is a cost element attributable to each Service member, yet only 17% receive this benefit.
- There is no difference in retirement benefits between those who have served in high risk and low risk positions.

83% of those who serve will receive no retirement benefit

These are the final briefing slides as approved by the Defense Business Board in their public meeting held July 21. 2011. The full DBB report, expected in August 2011, will contain more detailed text which will reflect the totality of the points discussed and modifications adopted by the Board during their deliberations.

Assessment (Continued)

The Retirement Plan is Unaffordable

- The costs of military retirement will seriously undermine future military warfighting capabilities
- For each dollar of current pay, the retirement plan accrues 33 cents, for a total of $24B** in FY11
- Costs are rising at an alarming rate; future liability will grow from $1.3T (of which $385B is funded) to $2.7T by FY34.
- Increases in inflation and life expectancy will further increase military retirement benefit costs
  - +1% inflation increase = $3.0B military retirement benefit service cost increase
  - +1 year of life expectancy = $300M military retirement benefit service cost increase

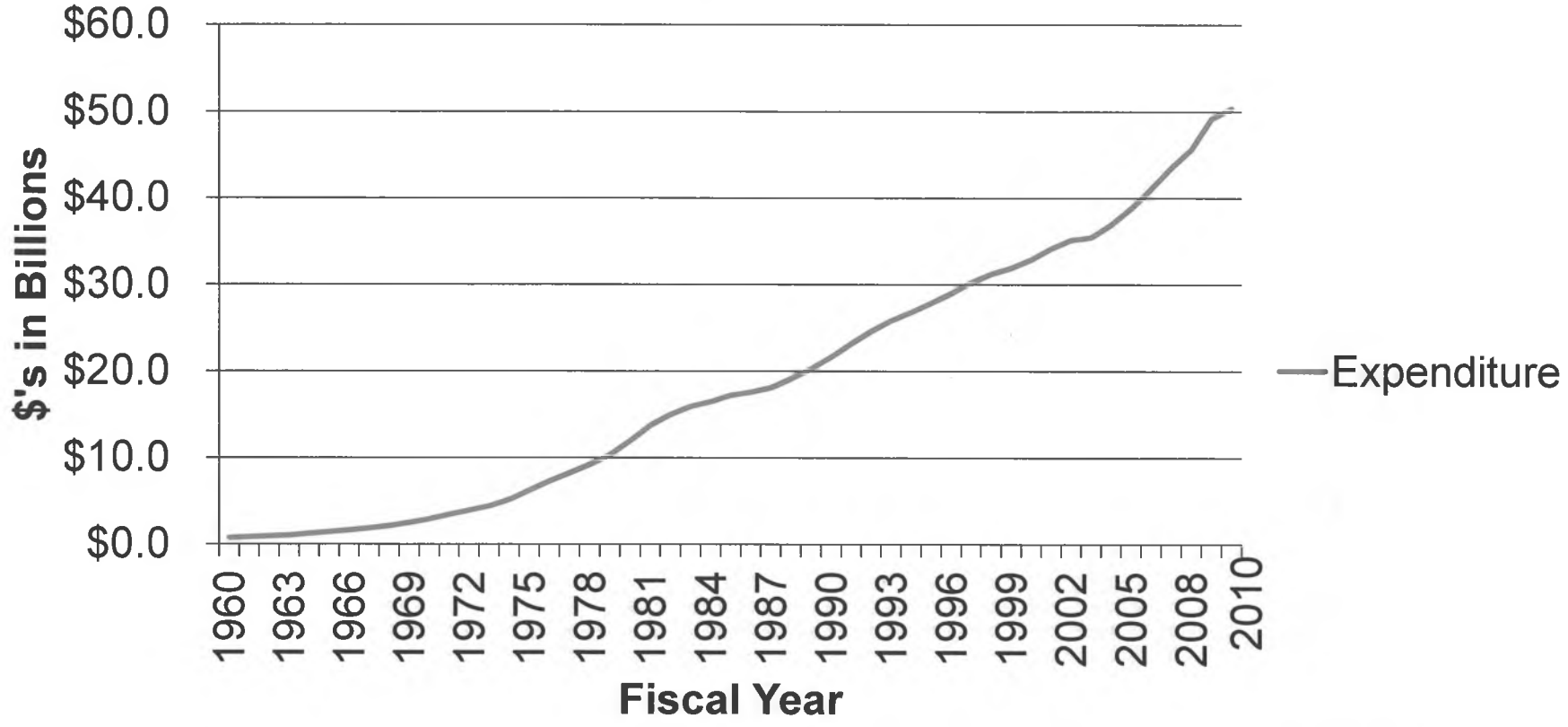
Action must be taken to contain these spiraling costs or they will undermine future warfighting capabilities

**Does not include Treasury interest of $22B

These a[illegible]e final briefing slides as approved by the Defense Business Board in the[illegible]blic meeting held July 21, 2011. The full DBB report, expected in August [illegible], will contain more detailed text which will reflect the totality of the points discussed and modifications adopted by the Board during their deliberations.

Military Retirement Trust Fund Payments/Expenditures

Military Retirement Trust Fund Expenditures by Fiscal Year



Military retirement payments continue to increase ($50B in 2010; $108B in 2035)

Source: Valuation of the Military Retirement System, September 2009, OSD Office of the Actuary, Dec 10

These are the final briefing slides as approved by the Defense Business Board in their public meeting held July 21, 2011. The full DBB report, expected in August 2011, will contain more detailed text which will reflect the totality of the points discussed and modifications adopted by the Board during their deliberations.

Assessment (Continued)

The Retirement Plan is Inflexible

- The current system cliff vests at 20 years of active service
- Personnel with fewer years of service earn no retirement
- Only 7% of personnel leave between the 15th and 20th year of service, compared to 76% of those serving 20 to 25 years
- Years served is the only factor in the retirement benefit calculation, regardless of whether the Service member's career risk profile is in an administrative role or a high risk combat role
- Modifying the retirement system would create an effective force shaping tool

These al[illegible] final briefing slides as approved by the Defense Business Board in their [illegible]ic meeting held July 21, 2011. The full DBB report, expected in August 2[illegible], will contain more detailed text which will reflect the totality of the points discussed and modifications adopted by the Board during their deliberations.

Recommendation

A Comprehensive Solution: A New Defined Contribution Plan

- The most flexible and readily available plan would be based on the existing Uniformed Military Personnel Thrift Savings Plan (TSP), but with the government providing annual contributions (see **Appendix C**)
  - Payments into the plan would include an option for military member contributions
  - Plan accounts would be transportable into the private sector and back into the military
- DoD contributions could vary depending on circumstances, such as larger contributions for personnel at risk or on hardship tours
- The Defined Contribution Plan would provide flexibility to assist in force shaping and sizing
- The individual account would provide for rights for survivorship
- Fully disabled participants would qualify for an immediate pension formulated with VA benefits as presently structured

These a[illegible]e final briefing slides as approved by the Defense Business Board in thei[illegible]lic meeting held July 21, 2011. The full DBB report, expected in August 2[illegible], will contain more detailed text which will reflect the totality of the points discussed and modifications adopted by the Board during their deliberations.

Key Elements of A New Defined Contribution Plan

- Establish a mandatory TSP program for all Military Service Personnel
  - The government contribution, including extra incentives, would be funded at a percentage level comparable to the highest end of a private sector pension plan
  - The plan would vest after 3 to 5 years, payable at age 60 to 65 (or Social Security age)
  - Partial withdrawals (or loans) to cover education, healthcare, or other specified emergencies
- Plan would be risk adjusted to recognize combat roles, family separation, and other unusual duty, for example:
  - Double contributions for years in combat zones or high risk positions
  - Greater contributions for hardship tours
  - Retirement age could be lowered using similar metrics
- Like most private sector severance plans, the option of a time formulated transition payment should be considered to facilitate the change to a new career
- Comprehensive solution would apply to reserve as well as active duty personnel

The new plan would enhance fairness and flexibility, and provide a more affordable cost structure

These are final briefing slides as approved by the Defense Business Board in their public meeting held July 21. 2011. The full DBB report. expected in August 20 will contain more detailed text which will reflect the totality of the points discussed and modifications adopted by the Board during their deliberations.

Attributes of A New Defined Contribution Plan

- **Individual Features**
  - Uniformed Military Personnel TSP individual account
  - Payout options to include: traditional payout, annuity, or lump sum
  - Partial payout options to include: education, home ownership, or business acquisition
  - Right of survivorship transferability upon death
- **Military Service Features**
  - Affordable, fair, and flexible solution to current system
  - Risk profile multiplier and vesting option provides tool for force management either encouraging or discouraging retention
  - Active Duty and Reserves under one plan
- **Coverage**
  - No impact on existing retired population
  - Fully disabled veterans not effected by new plan
- **Transition Alternatives for All Present Active Duty Personnel**
  - Higher Cost Alternative – No transition (see **Appendix E**)
  - Lower Cost Alternative – Immediate transition with no loss of accrued benefits (see **Appendix F**)

These are the final briefing slides as approved by the Defense Business Board in their public meeting held July 21, 2011. The full DBB report, expected in August 2011, will contain more detailed text which will reflect the totality of the points discussed and modifications adopted by the Board during their deliberations.

Conclusions

- The current military retirement system is out of date.
  - It is unfair, unaffordable, and inflexible.
  - As costs escalate, the continuation of the system will seriously erode future military capabilities.
- A comprehensive alternative that would fix these shortcomings is required.
  - All military personnel earn retirement benefits.
  - Costs are far more manageable in future years.
  - Contributions are flexible and reward longer service, high risk assignments, and family separation.
  - Retired and disabled members would be unaffected. They would still receive current benefits.
- Modifying the existing system to reduce cost would have to be dramatic to address affordability. The system would continue to be unfair and inflexible.
- Implementation should be phased-in to ensure current military personnel are treated fairly with due consideration to cost.

HR 3520 IH

112th CONGRESS

1st Session

H. R. 3520

To amend title 10, United States Code, to ensure that the retired pay benefits promised a person when they join the Armed Forces are not reduced.

IN THE HOUSE OF REPRESENTATIVES

November 29, 2011

Mr. YOUNG of Alaska introduced the following bill; which was referred to the Committee on Armed Services

A BILL

To amend title 10, United States Code, to ensure that the retired pay benefits promised a person when they join the Armed Forces are not reduced.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the `Keeping Our Promises Act of 2011'.

SEC. 2. PROTECTION OF RETIRED PAY BENEFITS FOR CURRENT MEMBERS OF THE ARMED FORCES.

Section 1411 of title 10, United States Code, is amended by adding at the end the following new subsection:

`(c) No Reduction in Retired Pay Benefits for Current Members- Notwithstanding the effective date or specified applicability of any change regarding the entitlement of members or former members of the armed forces to retired or retainer pay under this title or to the computation of such retired or retainer pay under the formulas of the table in section 1401(a) of this title or of any other provision of law, the change shall not apply to a member or former member who first became a member of the armed forces before the effective date of the change unless--

`(1) the member or former member affirmatively accepts the change; or

`(2) the change would have the effect of expanding the entitlement or eligibility of the member or former member to retired or retainer pay or increasing the amount of such retired or retainer pay.'.

END

Stay Connected with the Library All ways to connect »

Find us on

Subscribe & Comment RSS & E-Mail Blogs

Download & Play Podcasts Webcasts iTunes U

About | Press | Site Map | Contact | Accessibility | Legal | External Link Disclaimer | USA.gov Speech Enabled

[+] FEEDBACK

VoteVets.org
The Voice of America's 21st Century Patriots

STAY INFORMED Enter Your Email Address GO »

HOME NEWS VIDEO VET VOICE BLOG OUR CANDIDATES ACTIVE CAMPAIGNS ABOUT US DONATE NOW JOIN OUR CAUSE

☆TAKE ACTION

Protect Military Pensions

The Pentagon is considering a system that would cut and privatize military retirement in order to reach its budget reduction goals. Instead of being eligible for a pension after twenty years, servicemembers will contribute to a 401k every month that cannot be accessed until they reach traditional retirement age.

11

Please sign our petition to Secretary Panetta below!

Dear Secretary Panetta,

We are concerned about the proposed plan to cut and privatize military retirement. Not all careers are created equal, and our troops deserve a retirement system that respects their sacrifice, both now and in the future. The Pentagon budget should not be balanced on the backs of servicemembers and their families. We should not do so, especially, when we are overpaying for unnecessary defense contracts and extending our commitment in wars that aren't making us any safer. It is simply unacceptable to ask troops to today or in the future to throw their pension on a Wall Street roulette wheel. Additionally, by gutting the guaranteed pension program, we destroy one of the key programs that helps the military recruit and keep its best and brightest. If we end the pension system as we know it down the road, we almost certainly will lose many men and women who would otherwise make a career of military service. For these reasons, we find this proposal unacceptable and ask that you keep the current retirement system that respects the sacrifice of the men and women who defend this nation.

First Name*

Last Name*

Email*

Street

City

State/Province

Select a state

Zip/Postal Code*

☐ I am a Veteran

Where have you served?

Feel free to add additional comments here:

Sign Petition

1-25 of 11847 signatures

Number	Date	Name	Location	Feel free to add additional ...
11847	Wed Feb 01 08:38:32 EST 2012	George Barnes	Wallkill , NY	Mr. secretary, To compare our pensions to private sector the way you did is just wrong and you know it.
11846	Wed Feb 01 00:44:57 EST 2012	Felix Rivera Jr.	South Farmingdale, NY	This does not play well with us.
11845	Tue Jan 31 14:22:18 EST 2012	Roy Adams	NC	
11844		Michael Jensen	Orion, MI	

SJR 17

<TARGET><BILL>SJR 17</BILL><SUBJECT>SJR 17</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 2/6/12

FURTHER:

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2/28/12

State Affairs Committee considered SENATE JOINT RESOLUTION NO. 17

SJR 17 ARCTIC COUNCIL TASK FORCE

Welcoming the Arctic Council Task Force for Arctic Marine Oil Pollution Preparedness and Response to the state for its March 2012 meeting and urging the task force to use its time in the state to inform and inspire the work of the task force.

and recommends:

[ ] be **replaced** with **CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] adopt **previous CS** _____ (_____) *[ ] Same Title [ ] New Title*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
S.STA			✓	

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Gilman Kookesh	Kookesh	✓			
Joe Paskvan	PASKVAN	X			
K. Meyer	Meyer	X			
D. Giessel	Giessel	X			
CHAIR:	wielechowski	X			

ALASKA STATE LEGISLATURE

Session
State Capitol Building, Room 125
Juneau, Alaska 99801-1182
Phone (907) 465-2995
Fax (907) 465-6592

Interim
716 West Fourth Avenue, Suite 430
Anchorage, Alaska 99501
Phone (907) 269-0250
Fax (907) 269-0249

SENATOR LESIL MCGUIRE

Welcoming the Arctic Council Task Force for Arctic Marine Oil Pollution Preparedness and Response to the state for its March 2012 meeting and urging the task force to use its time in the state to inform and inspire the work of the task force.

The Arctic Council consists of eight Arctic Nations: Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden, and the United States as well as six international organizations representing Arctic Indigenous Peoples. The Arctic Council was established in 1996 as a high level intergovernmental forum to provide a means for promoting cooperation, coordination and interaction among the Arctic States, with the involvement of the Arctic Indigenous communities and other Arctic inhabitants on common Arctic issues, in particular issues of sustainable development and environmental protection in the Arctic.

On May 12 of 2011, the Arctic Council signed the Nuuk declaration which established an agreement on cooperation in aeronautical and maritime search and rescue in the arctic. In the Nuuk declaration, the Ministers of the Arctic Council member states decided to "establish a Task Force, reporting to the senior Arctic Officials, to develop an international instrument on Arctic marine oil pollution preparedness and response, and called for the Emergency Prevention, Preparedness and Response (EPPR) and other relevant working groups to develop recommendations and/or best practices in the prevention of marine oil pollution.

The purpose of Senate Joint Resolution (SJR) 17 is to welcome the Arctic Council Task Force for Arctic Marine Pollution Preparedness and Response to Alaska. The task force will be in Alaska in March of 2012 to exchange information and experiences regarding marine pollution preparedness and response. The task force is currently developing a framework for international cooperation between the eight arctic states to combat oil spill pollution.

As the only arctic state in the nation, Alaska has an important role to play in protecting the arctic. As host for the March task force meeting, it is important that the State welcome the international delegates to Alaska and highlight the issues that are important to Alaskans. The timely passage of SJR 17 will accomplish both of these objectives and I encourage your support.

February 7, 2012

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SJR 17**
Fiscal Note Number: 1
(S) Publish Date: 2/16/2012

Identifier (file name): SJR 17 Arctic Council Task Force
Title:
Sponsor: Senator McGuire
Requester: (S) State Affairs

Dept. Affected:
Appropriation:
Allocation:
OMB Component Number:

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
[illegible]937	GF/MH (UGF)							
[illegible]778	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by: (S) State Affairs
Division:
Phone:
Date/Time:
Approved by: /s/ Senator Wielechowski, Chair
Date:

(Revised 1/17/2012 OMB)

ARCTIC COUNCIL

"The Arctic Council is a high-level intergovernmental forum to promote cooperation, coordination and interaction among the Arctic States." Read more>>

Task Force on Oil Spill Preparedness and Response

Category: Task Forces Published on 29 December 2011 Written By Linnea Nordström

In the Nuuk Declaration dated 12 May 2011, the Ministers of the Arctic Council member states decided "to establish a Task Force, reporting to the Senior Arctic Officials, to develop an international instrument on Arctic marine oil pollution preparedness and response, and called for the Emergency Prevention, Preparedness and Response (EPPR) and other relevant working groups to develop recommendations and/or best practices in the prevention of marine oil pollution; the preliminary or final results of both to be presented jointly at the next Ministerial meeting in 2013".

In the Senior Arctic Officials' Report to Ministers in May 2011 in Nuuk, Greenland, the Senior Arctic Officials stated the following:

"The Arctic is likely to see increased shipping and efforts to exploit the natural resources of the region in the coming decades. This, in turn, increases the potential for harm to both human life and the Arctic environment. Arctic Council working groups have developed various oil-related and emergency response-related products, but there is no marine oil pollution response instrument specific to the Arctic. The International Convention on Oil Pollution Preparedness, Response and Co-operation (OPRC) is a framework for international cooperation in combating incidents or threats of marine oil pollution, to which all eight Arctic States are parties. Article 10 of the OPRC promotes the development of bilateral and multilateral agreements for oil pollution preparedness and response, such as on a regional basis."

The Senior Arctic Officials recommended that the Ministers "mandate a task force to develop an international instrument on Arctic marine oil pollution preparedness and response" and further recommended that "the EPPR working group in close collaboration with other relevant working groups develop recommendations and/or best practices in the prevention of marine oil pollution. The preliminary or final results of both should be presented at the next Ministerial meeting in 2013".

The Task Force is co-chaired by Norway, Russia and the United States. The first two meetings of the Task Force were held in Oslo in October 2011, and in St.Petersburg in December 2011.

Tags:

SHARE

Task Force Events

15.02.2012 - 17.02.2012
TFII Meeting

Please log in to see Task Force documents.

User Name

Password

Remember Me

Log in

- Forgot your password?
- Forgot your username?

Pressing Issues in the Arctic

September 7, 2011
Anchorage, Alaska

Julia L. Gourley
U.S. Senior Arctic Official
Office of Ocean and Polar Affairs
U.S. Department of State

TRB TRANSPORTATION RESEARCH BOARD
OF THE NATIONAL ACADEMIES
MARINE BOARD

Key International Issues in the Arctic

- Search and Rescue Capability
- Oil Spill Prevention, Preparedness and Response
- Regulation of Arctic Shipping
- Managing the Environmental and Societal Impacts of Increased Arctic Shipping

Arctic Marine Shipping Assessment (AMSA)

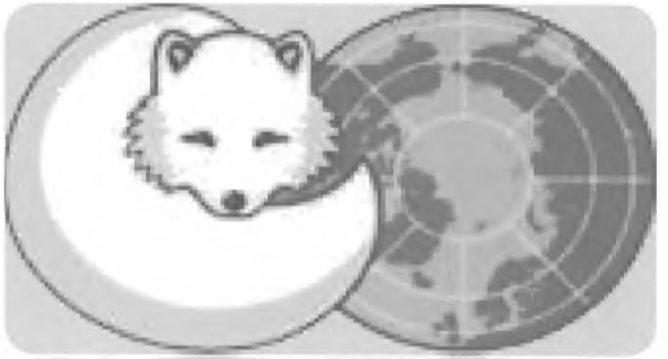
- U.S. co-led with Canada and Finland development of the AMSA in the Arctic Council from 2004 – 2009
- AMSA remains the seminal work on the future of Arctic shipping
- Contains a number of recommendations in three categories:
  - Enhancing Arctic Marine Safety
  - Protecting Arctic People and the Environment
  - Building the Arctic Marine Infrastructure
- The Arctic Council, through its working groups, is following up on a number of the recommendations

Arctic Search & Rescue (SAR) Agreement

- Arctic states recently concluded a binding agreement on maritime and aeronautical SAR (first ever among the Arctic states)
- Expecting all Arctic states to soon notify the Canadian depositary that they are ready to implement domestically (only U.S. and Russia have so far)
- What the Agreement Does:
    - Defines Areas of Arctic In Which Each Party Has Responsibility for SAR Response
    - Parties Committed to Provide Mutual Assistance In Response To Incidents
- Main means of implementation will be exercises – both tabletop and actual
- Canada holding the first tabletop exercise in Whitehorse in October
- First Effort To Maximize Effect of Limited SAR Capacity in Remote Arctic Region

Arctic Council: Oil Spill Task Force

- **Arctic Council established Oil Spill Task Force in May 2011**
- **Task Force charged with developing instrument for arctic oil spill preparedness and response**
- **Task Force chaired by U.S./Russia/Norway**
  - **AMB Dave Balton: co-chair**
  - **U.S. Delegation led by USCG Admiral**
- **First Meeting: 17-18 October in Oslo**
  - **U.S. interagency coordinating proposal**
  - **Possible U.S. lead on drafting effort for final instrument**

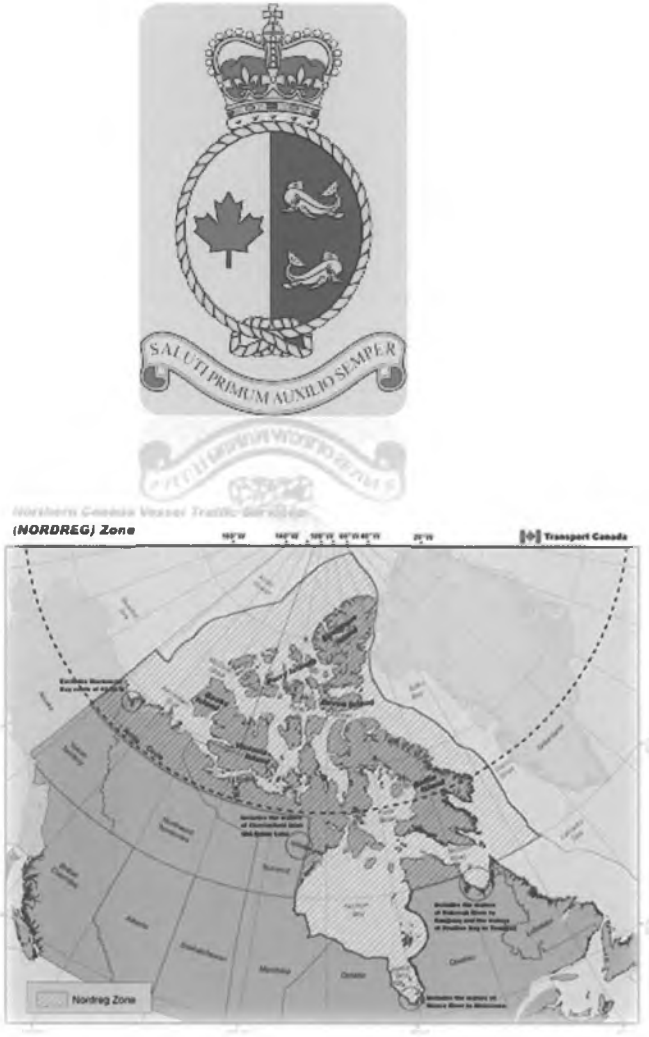


The Polar Code

- Based on MSC and MEPC's 2002 non-binding guidelines for ships operating in ice-covered waters (MSC/Circ.1056-MEPC/Cir.399)
- 86th Session of MSC (2009) approved development of mandatory Polar Code
- Ship Design & Equipment (DE) sub-committee has lead for development effort
- Correspondence Group working on draft for DE
    - Current structure includes both mandatory provisions and non-binding recommendations
    - Applicable to Arctic & Antarctic
    - Based on functional requirements (ship design & operational) unique to polar areas
    - Likely limited SOLAS/MARPOL regulated vessels in first instance
- Aggressive timeline for development

IMO

Northern Canada Vessel Traffic Services (NORDREG) Zone



- Effective July 1, 2010, all ships in Canada's claimed Arctic waters must register/report
- Canada claims authority to deny entry to EEZ, straits, territorial sea
- US supports safety/environmental protection objectives, BUT
- Concerned that NORDREGs are inconsistent with important law of the sea principles related to navigation rights and freedoms
- US and others urging Canada to submit NORDREGs to IMO to provide solid legal foundation and broad international acceptance

CMTS: Arctic IAT

CMTS
U.S. Committee on the Marine Transportation System

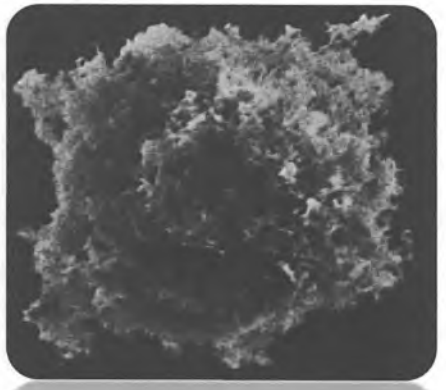
- **Committee on Marine Transportation formed Arctic Interagency Action Team (IAT) in January 2010.**
- **CMTS Arctic IAT is developing a U.S. Arctic Maritime Transportation System: Overview & Policy Recommendations report. All CMTS agencies are participating in this effort.**
- **The report will:**
  - **identify gaps in the U.S. Arctic MTS and risks associated with various alternative actions & mitigation plans**
  - **provide recommendations for safe, secure & environmentally sound utilization of the U.S. Arctic for maritime transportation**
  - **build upon the Arctic Council's Arctic Marine Shipping Assessment 2009 Report**

Environmental Issues: Back Carbon

- **AMSA recommended: Arctic states "decide to support the development of improved practices and innovative technologies for ships in port and at sea to help reduce current and future emissions of greenhouse gases (GHGs), Nitrogen Oxides (NOx), Sulfur Oxides (SOx) and Particulate Matter (PM), taking into account the relevant IMO regulations."**
- **Black Carbon (BC), a component of PM, has particularly negative effects in the Arctic and is of prime importance to most members of the Arctic Council**
- **Although scientific uncertainty remains about BC's warming effects, there is far less uncertainty about its negative effects on albedo (i.e. surface reflectivity)**

Environmental Issues: Back Carbon

- **AC Task Force on Short-lived Climate Forcers (SLCFs) recommended that the Arctic states take action domestically to mitigate BC emissions as soon as practicable**
- **Norway recently proposed action on BC at the IMO Marine Environment Protection Committee (MEPC), but a number of countries opposed the proposal, including Russia (which also generally opposes action in the Arctic Council on BC)**
- **The general policy view is that if the Arctic states can significantly reduce BC emissions – which is relatively easy and cost-effective – we may be able to slow cryospheric melting and thawing, buying precious time while the global debate on carbon dioxide continues**

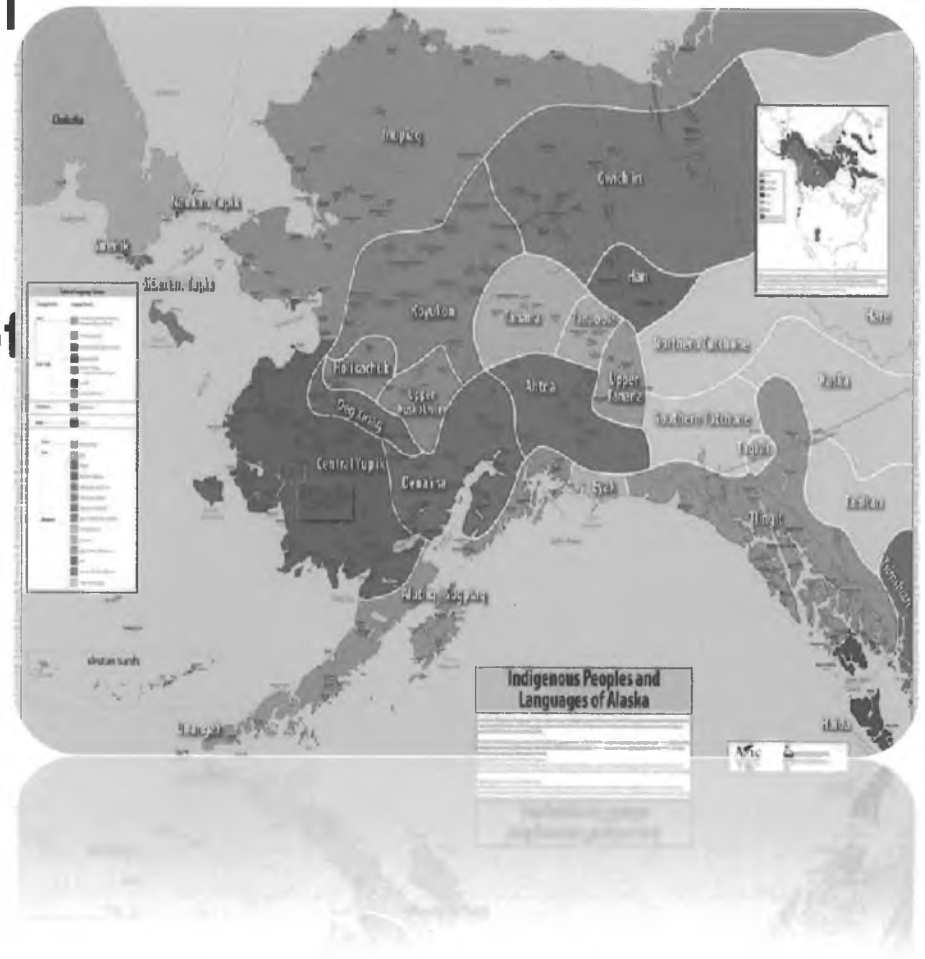


Environmental Issues: Invasive Species & Ballast Water

- **Little is known about whether and how invasive species may enter the Arctic marine environment and what effects they may have**
- **Increased shipping could lead to the introduction of invasive species through ballast water, as has happened in other oceans**
- **This is an area the Arctic Council may want focus on, beyond the AMSA recommendation that the Arctic states ratify the IMO Ballast Water Convention**

Impacts on Indigenous Peoples

- **Increased shipping in the Arctic will inevitably affect the livelihoods of Arctic indigenous peoples**
- **The AMSA recommends:**
  - **Arctic states conduct surveys of indigenous maritime uses;**
  - **engage with Arctic communities;**
  - **the Arctic Council undertaking some of these activities now**



Questions

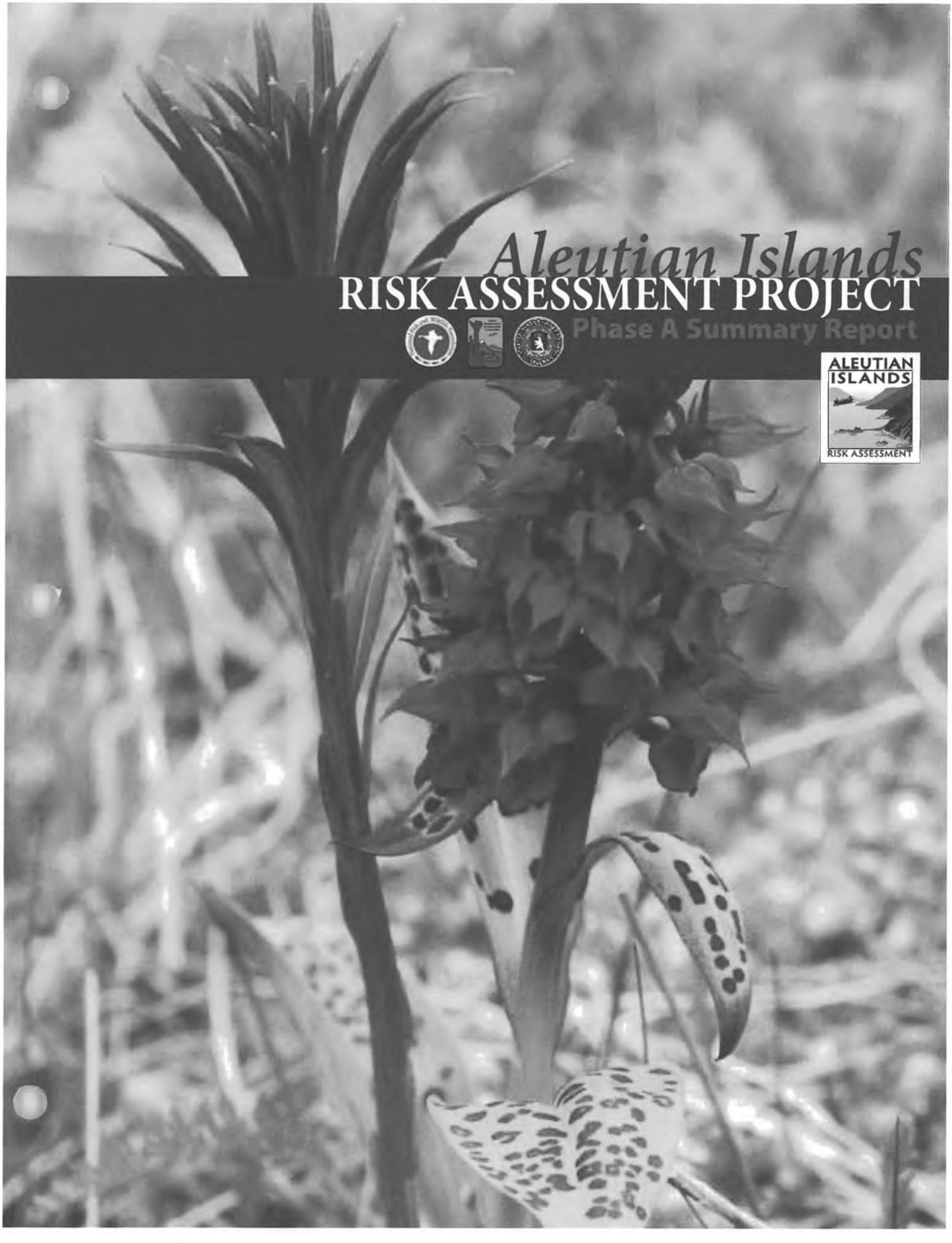
Julia Gourley

Senior Arctic Official

Office of Oceans & Polar Affairs

U.S. Department of State

GourleyJL@state.gov



Aleutian Islands
RISK ASSESSMENT PROJECT
Phase A Summary Report

ALEUTIAN ISLANDS
RISK ASSESSMENT

Aleutian Islands RISK ASSESSMENT PROJECT

Phase A Summary Report

August 2011

PUBLICATION INFORMATION

This report was developed by the Aleutian Islands Risk Assessment Management Team:

Krystyna U. Wolniakowski and Jay Wright
National Fish & Wildlife Foundation

Gary Folley
Alaska Department of Environmental Conservation

LCDR Michael R. Franklin
U.S. Coast Guard

with the assistance of Editors:

Tim Robertson, *Nuka Research and Planning Group*

Leslie Pearson, *Pearson Consulting*

Elise DeCola, *Nuka Research and Planning Group*

Sierra Fletcher, *Nuka Research and Planning Group*

Graphic Design and Mapping:

Kathleen George, *Nuka Research and Planning Group*

Contents

Contents

1. PROJECT BACKGROUND 7
   - 1.1 Need for the Study 7
   - 1.2 Previous Work and Related Studies 8
   - 1.3 Phase A Methodology 9
2. ALEUTIAN ISLANDS RISK ASSESSMENT ORGANIZATIONAL STRUCTURE 11
   - 2.1 Management Team 11
   - 2.2 Advisory Panel 11
   - 2.3 Risk Analysis Team 12
   - 2.4 Peer Review Panel 13
   - 2.5 Facilitation Team 13
3. TECHNICAL STUDIES 15
   - 3.1 Overview 15
   - 3.2 Semi-quantitative Traffic Study 16
   - 3.3 Marine Spill Frequency and Size Study 18
   - 3.4 Baseline Spill Study 20
   - 3.5 Consequence Analysis 20
   - 3.6 Accident Scenario and Causality Study 24
   - 3.7 Risk Reduction Options Evaluation 25
4. RISK REDUCTION OPTIONS RECOMMENDED FOR IMMEDIATE OR FUTURE IMPLEMENTATION 31
   - 4.1 Enhanced Vessel Monitoring and Reporting Program 31
   - 4.2 Enhance Towing Capabilities on US Coast Guard Cutters and Increase Cutter Presense in the Aleutians 33
   - 4.3 Stage Additional Emergency Towing Systems in the Aleutians 33
   - 4.4 Increase Rescue Tug Capability in the Aleutians 34
   - 4.5 Increase Salvage and Spill Response Capability in the Aleutians 35
   - 4.6 Establish IMO Particularly Sensitive Sea Areas and Associated Protective Measures 36
   - 4.7 Strengthen Aleutians Subarea Contingency Plan 37

5. RISK REDUCTION OPTIONS CONSIDERED BUT NOT RECOMMENDED FOR IMPLEMENTATION 39
6. REFERENCES 43
7. ACRONYMS AND ABBREVIATIONS 45
8. APPENDICES 47
Appendix A. Background on Risk Reduction Options 47
A.1 Enhanced Vessel Monitoring and Reporting 47
A.2 Increase USCG Presence in the Bering Sea and Aleutian Islands 49
A.3 Stage Additional Emergency Towing Systems in Alaska 50
A.4 Increase Rescue Tug Capability in the Aleutians 51
A.5 Increase Salvage and Spill Response Capabilities in the Aleutians 52
A.6 Establish IMO Particularly Sensitve Areas and Associated Protection Measures 53
A.7 Strengthen the Area Contingency Plan 54

Executive Summary

The Aleutian Islands is a region of Alaska that supports rich and diverse marine resources, including some of the nation's most productive commercial fisheries. A major marine shipping route, known as the Great Circle route, which is used by international commercial shipping vessels, intersects the region. Domestic shipping occurs within the region to support the local communities and economic infrastructure. Past vessel accidents in the Aleutian Islands that have resulted in loss of cargo, oil spills and loss of life established the need to initiate a multi-phased study to assess the risks posed from maritime transportation in the Bering Sea and the Aleutian Archipelago. This report is a summary of Phase A of the Aleutian Islands Risk Assessment and includes the recommendations of the Advisory Panel assembled for the project.

This report documents the process, analysis, and outcomes of Phase A of the Aleutian Islands Risk Assessment. Phase A began in May 2009 with the establishment of an organizational structure made up of four groups: a Management Team, an Advisory Panel, a Risk Analysis Team, and a Technical Peer Review Panel. Over a two-year period, the Advisory Panel met in person or by web-conference fourteen times. The major work conducted and discussed under Phase A included:

- The development of a risk report analyzing the likelihood of spills based on vessel traffic through the Aleutians,
- The creation of a risk matrix to analyze the potential consequences of vessel-source spills, and
- A qualitative assessment and prioritization of risk reduction options.

The Risk Analysis Team developed the following six studies:

- Semi-quantitative vessel traffic study,
- Marine spill frequency and size study,
- Baseline spill study,
- Consequence analysis study,
- Accident scenario and causality study, and
- Evaluation and prioritization of risk reduction options study.

Accompanying reports were developed for each study and are summarized in this synthesis report. Each study and report built upon each other and was reviewed by the Project Team. All reports were developed with opportunities for public input and review.

Based on discussion and the analysis of Risk Reduction Options (RRO), the Advisory Panel developed recommendations that characterize all RRO's considered into three categories:

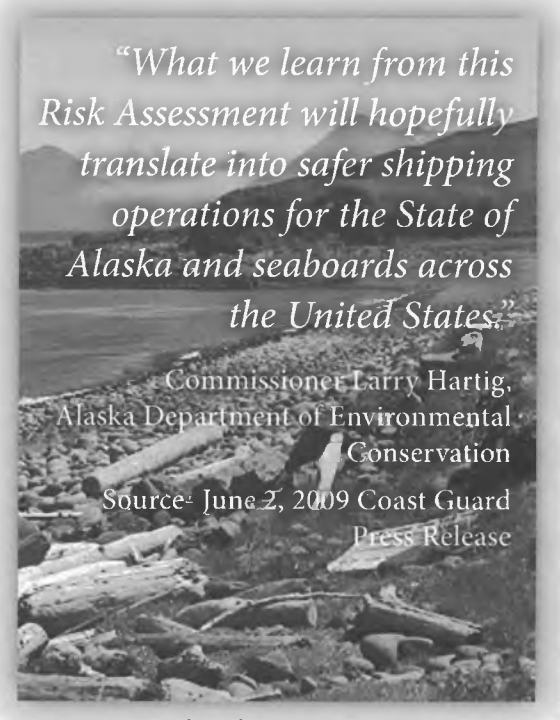
- RRO recommended for immediate implementation

- RRO recommended for Phase B Study, and
- RRO considered but set aside.

Two key principles were applied to the RRO analyses: (1) prevention measures take priority over response measures, and (2) all measures should be realistic and practical, and should support the basis for the Advisory Panele's recommendations.

The recommendations of risk reduction measures present a consensus of the Advisory Panel. The RRO's found to be sufficiently effective and practical for immediate implementation include:

- Develop an enhanced vessel monitoring and reporting program,
- Enhance towing capabilities on U.S. Coast Guard cutters and increase cutter presence in the Aleutians,
- Stage additional Emergency Towing Systems (ETS) in the Aleutians,
- Initiate the process to establish International Maritime Organization (IMO) Particularly Sensitive Sea Areas,
- Strengthen the Aleutians Subarea Contingency Plan, and
- Increase salvage and spill response capability in the Aleutians.



In some cases, the recommendations for immediate implementation have elements that require further study. The four Risk Reduction Options that require additional work or study as Phase B of the Aleutian Islands Risk Assessment prior to full implementation are:

- Increase rescue tug capability in the Aleutians,
- Increase salvage and spill response capability in the Aleutians,
- Determine the boundaries of the IMO Particularly Sensitive Sea Areas, and develop recommendations for associated protective measures, and
- Strengthen the Aleutians Subarea Contingency Plan.

All of the risk reduction option recommendations considered are described in this report, with additional background and detailed descriptions in Appendix A of this report.

The Advisory Panel's recommendations are presented in this report to the decision makers in the U.S. Coast Guard, State of Alaska, and local governments. The decision as to which measures will be adopted ultimately rests with the decision makers.

The Management Team has deemed Phase A of the Risk Assessment complete and will initiate Phase B in late 2011.

Project Background

1. Project Background

1.1 Need for the Study

The Aleutian Islands is a region that supports rich and diverse marine resources, including some of the nation's most productive commercial fisheries. While the Aleutian region is remote and sparsely populated, it is intersected by a major marine shipping route utilized by international commercial shipping vessels carrying various cargoes from the west coast of North America to Asia along the North Pacific Great Circle route (Figure 1).

Figure 1. North Pacific Great Circle route.

While a majority of the vessel traffic along the Great Circle Route passes through the region without making any port calls, accidents involving these vessels have the potential to significantly and adversely impact coastal and marine ecosystems, economies, and human activities in the Aleutian region. The frequency of storms, high winds, and severe sea conditions in this region increase the potential for accidents to occur. Limited infrastructure, coupled with these challenging operating conditions, often limit the potential to mitigate or respond to incidents in this remote region.

Vessel accidents have caused past oil spills in the Aleutian Islands, including the 2004 M/V Selendang Ayu incident (Figure 2). This incident, which involved loss of life of the ships' crew and resulted in a significant fuel oil spill, spurred a court settlement that established funding for a comprehensive risk assessment (United States of America v. IMC Shipping Co. PTE.).

Figure 2. M/V Selendang Ayu. Photo credit: Magone Marine

In response to the directive for an Aleutian Islands Risk Assessment, the National Fish & Wildlife Foundation (NFWF), US Coast Guard (USCG) and State of Alaska Department of Environmental Conservation (ADEC) initiated a multi-phase study assessing the risks from maritime transportation in the Bering Sea and the Aleutian Archipelago (Figure 3).

Figure 3. Study area for the multi-phase study assessing the risks from maritime transportation in the Bering Sea and the Aleutian Archipelago.

1.2 Previous Work and Related Studies

In support of a safety improvement activity, a formal Ports and Waterways Safety Assessment (PAWSA) for the Aleutian Islands was conducted in Anchorage, Alaska on July 24-25, 2006 and sponsored by the U.S. Coast Guard and the Alaska Department of Environmental Conservation. Twenty participants representing waterway users, regulatory authorities, and stakeholders attended the workshop. A Waterway Risk Model, incorporating 24 risk factors associated with both the causes and the effects of waterway casualties, was used throughout the workshop to guide discussions and numerical assessments. Based on extensive discussions during the workshop, concentrations of risks were noted by the participants in three locations: Unimak Pass, Dutch Harbor and North of Akun Island. The PAWSA participants judged that additional risk reduction actions were needed with respect to 14 or the 24 risk factors in the Waterway Risk Models. (PAWSA Workshop Report for Aleutian Islands, July 2006).

In 2007, the State of Alaska and the US Coast Guard determined that the Aleutian Islands Risk Assessment must follow a well-designed process to ensure a meaningful outcome. Consequently, they asked the Transportation Research Board (TRB), part of the National Academies, to examine the available data and develop a framework for the most appropriate and scientifically rigorous approach possible to complete the comprehensive risk assessment in a series of discrete phases.

To conduct this study, the TRB empanelled the Committee for Risk of Vessel Accidents and Spills in the Aleutian Islands: A Study to Design a Comprehensive Assessment. The committee included individuals with expertise in risk assessment methods and practices; risk assessment data and analyses; risk analyses, with emphasis on evaluation and prevention of ship accidents; commercial shipping, with emphasis on North Pacific operations; navigation safety and voyage planning; US Coast Guard missions and

operations related to waterway management and accident response; environmental protection; and regulatory approaches to ship safety and accident prevention.

The committee met three times. During a multiday meeting (October 29–November 2, 2007) in Alaska with a site visit to Dutch Harbor, the committee heard from stakeholders and reviewed available data pertinent to its charge. Stakeholders discussed specific hazards presented by Aleutian shipping operations and a range of possible mitigation measures they believed should be considered for implementation.

At its second meeting, held in Washington D.C. on January 7–8, 2008, the committee reviewed presentations on related maritime risk assessments conducted in Puget Sound, San Francisco, and Europe as well as spill response and environmental impact.

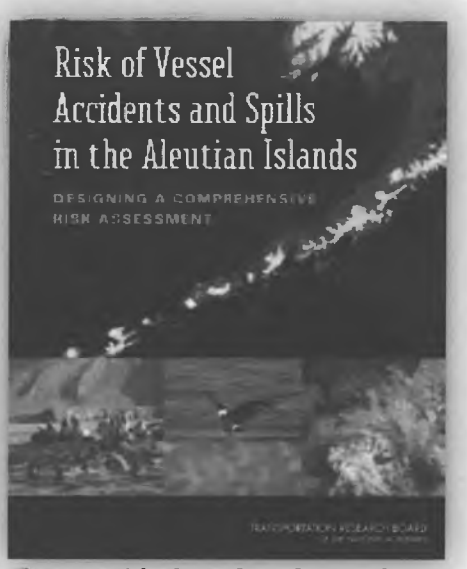


Figure 4. Risk of Vessel Accidents and Spills in the Aleutian Islands.

The efforts of this committee culminated with the completion of their report titled: Risk of Vessel Accidents and Spills in the Aleutian Islands (TRB, 2008). This report included recommendations for a methodology and approach for the Aleutian Islands Risk Assessment (Figure 4).

1.3 Phase A Methodology

The TRB recommended a two-phase approach to the Aleutian Islands Risk Assessment: a Preliminary Risk Assessment (Phase A) followed by a Focused Risk Assessment (Phase B). Phase A involved the establishment of a management structure, made up of four groups: a Management Team, an Advisory Panel, a Risk Analysis Team, and a Peer Review Panel. The major work under Phase A included the development of a risk report analyzing the likelihood of spills based on vessel traffic through the Aleutians, then creating a risk matrix to analyze the potential consequences of vessel-source spills, and finally conducting a qualitative assessment and prioritization of risk reduction options. Phase A was complete in 2011.

Phase B will further evaluate and also implement the risk reduction options recommended during Phase A and will report on the implementation process and findings.

The Preliminary Risk Assessment (Phase A) was conducted through a series of technical studies, which were refined as the project progressed (Section 3 of this report describes each Study). Six studies, each with accompanying reports, were conducted:

- Semi-quantitative vessel traffic study
- Marine spill frequency and size study
- Baseline spill study
- Consequence analysis
- Accident Scenario and Causality Study
- Evaluation and Prioritization of Risk Reduction Options

"The Panel is focused on recommendations that can be implemented with little or no red tape."

Gary Folley, Management Team member -
Alaska Department of Environmental Conservation

2. Aleutian Islands Risk Assessment Organizational Structure

The TRB methodology for Phase A recommended a management structure consisting of four groups: a Management Team, an Advisory Panel, a Risk Analysis Team, and a Peer Review Panel. A fifth group, the Facilitation Team was also formed to coordinate the activities of the other four groups.

2.1 Management Team

The Management Team was comprised of those agencies responsible for allocating the funds for the risk assessment, as well as for ensuring the work is carried out in an effective and useful way. The Management Team members were the US Coast Guard, the State of Alaska Department of Environmental Conservation, and the National Fish and Wildlife Foundation, which was responsible for allocation of the project funding. The Management Team's first priority was to establish an Advisory Panel consisting of stakeholders and recognized experts with knowledge and expertise on all issues pertinent to maritime transportation risks in the Aleutian Islands region.

2.2 Advisory Panel

The Advisory Panel provided a structured stakeholder/participatory approach intended to build trust, clarify project values and goals, and incorporate local knowledge into the risk assessment. The Advisory Panel operates as an independent entity from the Management Team and managed their affairs using a charter and followed an established set of protocols. (Charter and Protocols online at http://www.aleutiansriskassessment.com/documents.htm).

Figure 5. The Management Team and Advisory Panel in Dutch Harbor.

The Advisory Panel consisted of stakeholders and authorities with local knowledge and expertise on issues pertinent to the assessment, such as local infrastructure, relevant industries, waterways and their navigation, weather, and habitats. The Advisory Panel included members and alternates representing the

following interests: fisheries, local government, mariners, environmental organizations, local non-governmental organizations, resource managers, and subsistence users. Advisory Panel members were selected to represent stakeholder interests, rather than specific organizations. For example, the Advisory Panel representative for fisheries was intended to represent fisheries interests at a broad and inclusive level rather than a specific fishery. Advisory Panel members were encouraged to reach out to other organizations and individuals within their stakeholder interest group.

Table 1 lists the Advisory Panel membership.

Table 1. Advisory Panel make-up.

Panel Member	Organization	Area of Expertise
Tom Gemmell	Marine Conservation Alliance	Fishing
Brent Paine*	United Catcher Boats Association	Fishing
Shirley Marquardt	Mayor of Unalaska (current)	Local government
David Arzt	Alaska Marine Pilots	Mariner, Pilot
Peter Garay*	Alaska Marine Pilots	Mariner, Pilot
Bob Umbdenstock	Resolve Marine Group	Mariner, Salvor
Mike Ruiz*	American Marine Corporation	Mariner, Salvor
Eugene Makarin	American President Lines, Ltd.	Mariner, Containerships
Simon Lisiecki	BP Shipping (retired)	Mariner, Innocent Passage
Mayak Mishra*	Fleet Management Limited	Mariner, Innocent Passage
Louis Audette	K Sea Transportation	Mariner in Local Trade, Oil Barges/Tankers
Mike Baker*	Aleut Enterprise, LLC	Mariner in Local Trade, Oil Barges/Tankers
Marc Smith	Hudson Marine Management	Mariner, Trampers
Ed Page	Marine Exchange of Alaska	Mariner, General
Tom Rueter*	Alaska Maritime Agencies	Mariner, General
Whit Sheard	Oceana	NGO - Environmental
Layla Hughes*	WWF	NGO – Environmental
Karol Kolehmainen	Aleutians West Coastal Resource Service Area	NGO – Local
Frank Kelty*	Aleutians West Coastal Resource Service Area	NGO – Local
Jeff Williams	Alaska Maritime Natural Wildlife Refuge	Resource Manager
Catherine Berg*	US Fish and Wildlife Service	Resource Manager
Reid Brewer	University of Alaska	Subsistence User
David Gregory*	Ounalashka Corporation	Subsistence User

* Indicates alternate

2.3 Risk Analysis Team

The Risk Analysis Team for the Phase A Preliminary Risk Assessment performed the risk analysis technical studies under the direction of the Management Team. The Risk Analysis Team was comprised of experienced marine traffic experts, spill modeling and risk assessment scientists from Environmental Resources Management (ERM)

and Det Norske Veritas (DNV), selected through a competitive bid process. The Risk Analysis Team authored all of the Technical Studies summarized in Section 3 of this report.

2.4 Technical Peer Review Panel

The Management Team, in consultation with the National Academy of Science, TRB, established the Technical Peer Review Panel. Collectively, Technical Peer Review Panel members have expertise in all aspects of marine risk assessment. Its role was to perform peer review of the approaches, methodologies, models, and algorithms used by the Risk Analysis Team to ensure that assumptions were based on the best available data, that uncertainties had been properly described, that analyses had the appropriate level of rigor for the level of assessment, that the work was of consistently high quality, and that findings were properly justified.

The Aleutian Islands Risk Assessment (AIRA) Technical Peer Review Panel consists of the seven members listed in Table 2.

Table 2. Peer Review Panel make-up.

Panel Member	Affiliation
Dr. CJ Beegle-Krause	President, Environmental Research for Decision, Inc.
Dr. Paul S. Fischbeck	Director, Center for the Study & Improvement of Regulation, Department of Social & Decision Sciences – Carnegie Mellon University
Dr. John D. Lee	Professor, Department of Industrial and Systems Engineering, College of Engineering, University of Wisconsin
Dr. Thomas M. Leschine	Director, University of Washington School of Marine Affairs
R. Keith Michel	Chairman of the Board, Herbert Engineering Corporation
Dr. Ali Mosleh	Professor of Mechanical Engineering, University of Maryland
Dr. Beverly Huey (TRB Staff)	Senior Program Officer, Transportation Research Board of the National Academies

2.5 Facilitation Team

The Facilitation Team supported the Management Team and had the key role of assembling, facilitating, and documenting Advisory Panel activities and project process. The Facilitation Team developed and maintained a website throughout the life of the project, summarizing the process and timeline and serving as a central repository for project reports and related documents (www.aleutiansriskassessment.com). The website was used along with e-mail lists and public notices to communicate the project status, meeting announcements, and opportunities for public comments or input. The Facilitation Team also created private, password-protected websites for use by the Management Team and Advisory Panel in sharing and reviewing draft documents and interim work products.

The Facilitation Team was comprised of project management, facilitation, and risk assessment professionals from Nuka Research and Planning Group, LLC and Pearson Consulting, LLC.

Emergencies such as the Golden Seas event again illustrate the crucial need for better response mechanisms, such as larger tugs in the Aleutian Island area."

Whit Sheard, Advisory Panel member/NGO Environmental

(Source: Towline.com, December 7, 2010)

3. Technical Studies

3.1 Overview

Phase A (Preliminary Assessment) of the Aleutian Islands Risk Assessment was conceived to include eight separate tasks. The Risk Assessment Team was responsible for conducting and reporting on these tasks, resulting in a set of six Technical Study reports (http://www.aleutiansriskassessment.com/documents.htm). This section summarizes the key findings from the six technical reports completed for Phase A:

- Semi-quantitative Traffic Study Report (DNV and ERM, 2010a)
- Marine Spill Frequency and Size Report (DNV and ERM, 2010b)
- Baseline Spill Study Report (DNV and ERM, 2010c)
- Consequence Analysis Report (DNV and ERM, 2011a)
- Accident Scenario and Causality Study Report (DNV and ERM, 2011b)
- Risk Reduction Options Evaluation Report (DNV and ERM, 2011c)

Phase A started with an analysis of the vessel traffic patterns in the Aleutians for both the present (2008/2009) and in the future year of 2034 (DNV and ERM, 2010a). Next, the Risk Analysis Team used modeling to predict the most likely accidents, spills, and spill sizes (DNV and ERM, 2010b), and then applied these predictions to develop six general spill scenarios (DNV and ERM, 2010). The next step was to analyze the potential consequences of various spill scenarios, which led the Risk Analysis Team to focus on 16 accident scenarios resulting in high spill risk, and the anticipated impacts of these scenarios on environmental and socio-economic resources (DNV and ERM, 2011a).

Figure 6. Vessel in the Aleutian Islands.

The 16 high risk spill scenarios were further analyzed to consider the causes of each incident (DNV and ERM, 2011b). Based on these identified causes, the final technical study under Phase A ranked each of the 16 scenarios based on their likelihood and consequences, and then considered potential

risk reduction options that related back to the causes of the spills (DNV and ERM, 2011c). The risk reduction options were evaluated based on cost, practicality, ease of implementation, and effectiveness for mitigating risks associated with the highest-ranking scenarios. Semi-qualitative approaches were used throughout, with a greater emphasis on modeling for the spill scenarios and a greater reliance on the Advisory Panel's professional judgment in ranking risks and weighing potential risk reduction options.

3.2 Semi-quantitative Traffic Study

The semi-quantitative traffic study included three elements: (1) summarization of vessel traffic patterns in the study area during the base year (2008/2009), including the types of vessels, frequency of transit, routes, and cargo; (2) prediction of anticipated changes in the vessel traffic patterns based on changes in trade, vessel characteristics, and regulations; and (3) forecast of changes in the fleet expected over a 25-year period (2009 – 2034). The final report, completed in September 2010, incorporates comments from the Management Team, Advisory Panel, and Peer Review Panel (DNV and ERM, 2010a).

The report established a baseline of vessel traffic in the study area based on Automated Information System (AIS) data from the Marine Exchange of Alaska (MXAK). MXAK data did not cover the entire study area, nor did it include the small commercial fishing vessels and barges that do not carry AIS onboard. However, it is believed that the areas for which there is no AIS data do not represent a significant portion of vessel activity. Where possible, the authors of the report collected data from shore-based facilities (ports, harbors, and ferry terminals) and the US Coast Guard's database of Vessel Response Plans to enhance MXAK data.

Analysis of the AIS data from MXAK showed that 2,219 vessels transited the study area from August 1, 2008 – July 31, 2009. Many of these were deep-draft vessels transiting through the area along the North Pacific Great Circle Route. Other vessel traffic was from domestic operations, including fishing vessels, tugs and barges, and government vessels. The AIS data was used to estimate main traffic routes for the study area (Figure 7).

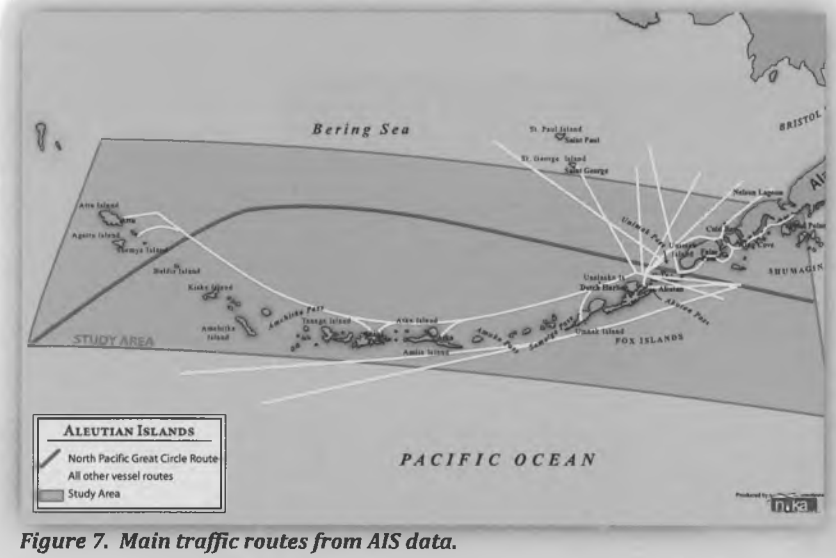


Figure 7. Main traffic routes from AIS data.

The North Pacific Great Circle Route is the primary route for vessels trading between ports on the Pacific coasts of the United States and Canada and the Pacific ports in East Asia. Common commodities transiting this route include commercial goods, machinery,

wood, coal, and agricultural products. Vessels operating in the study area are not expected to change significantly, with the exception of a continued increase in the use of double hulled oil tankers, as mandated by the Oil Pollution Act of 1990 and the 2006 Amendment to the Revised MARPOL Annex 1.

The study found that the following factors *are likely to* impact vessel traffic patterns in the Aleutian Islands over the next 25 years:

- **Transit of chemical carriers & container ships:** Chemical carriers and container ships are expected to transit the study area more than twice as often in the next 25 years due to the anticipated growth in trade between East Asia and North America. Increased trade from East Asia to North America will be driven by four main categories of goods: machinery (including vehicles), chemicals, mixed freight, and base metals. Chemicals and cereal grains are expected to represent the increase in goods traveling from North America to East Asia.
- **Barge delivery of diesel fuel and home heating oil:** Barge activity of this type is expected to increase as the population of the area grows. An increase in barge trips delivering oil to mining operations is possible, but the extent of this potential increase is unlikely to be significant. The increase in barge activity for this purpose will be even smaller if the Donlin Creek mine proceeds with its current plan to supply the operation with diesel via pipeline instead of barge shipments.

The study also considered the following factors for their potential to impact vessel traffic through the study area, but found these *unlikely to* impact vessel traffic patterns in the Aleutian Islands over the next 25 years:

- **Changes in vessel size:** As ships have generally reached their size potential relative to waterway and port depths, it is not expected that the size of ships transiting the study area will increase significantly over the next 25 years.
- **Vessel activity associated with fisheries:** Conservative management of the Aleutians' fisheries means that the number of fishing vessels is not likely to change significantly, though vessel types may be upgraded.
- **Shipping through Arctic regions due to ice melt:** Though shipping via the Northern Sea Route and the Northwest Passage is expected to increase significantly in the next 25 years as sea ice melts in the Arctic region, this is not expected to have a significant impact on vessel traffic in the study area. Instead, an increase in shipping through the Arctic region is expected to represent an increase in the movement of commodities between Russia and Europe (which does not require transiting the study area).
- **Vessel activity associated with oil and gas developments:** Based on a 2009 study commissioned by Shell Exploration and Production, the report concludes that while vessel activity associated with oil and gas activity may increase for short periods of time, it is unlikely to result in long-term changes in vessel types, frequency of transit, or cargo.

3.3 Marine Spill Frequency and Size Study

The second study completed by the Risk Analysis Team estimated the frequency of marine accidents and provided marine spill scenarios for both a baseline year (2008/2009) and future year (2034). The final report, completed in September 2010, incorporates comments from the Management Team, Advisory Panel, and Peer Review Panel. (DNV and ERM, 2010b)

The report used the Marine Accident Risk Calculation System (MARCS), which provides probabilities about spill frequency, size, location, and vessel type. These probabilities laid the groundwork for the development of baseline spill scenarios, and the Risk Analysis team applied the MARCS output to develop six example scenarios involving potential vessel accidents resulting in spills within the study area.

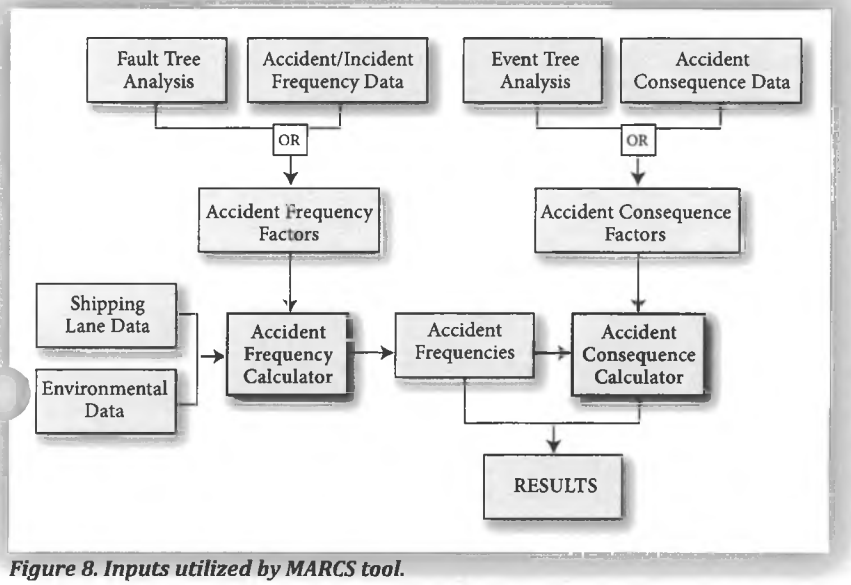


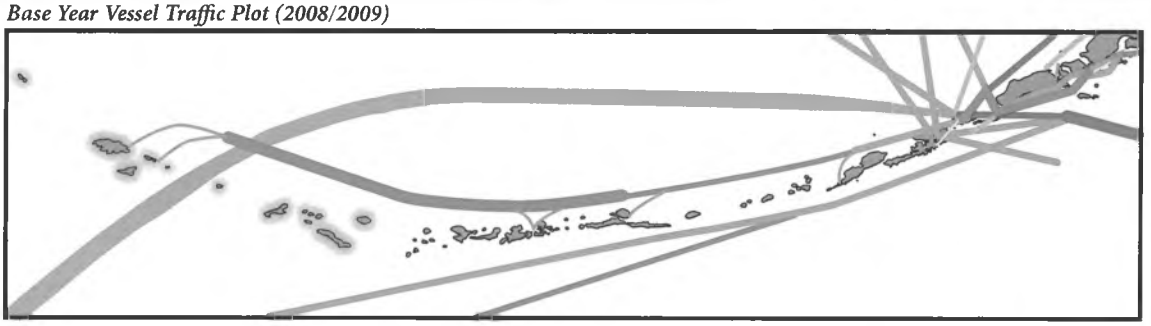
Figure 8. Inputs utilized by MARCS tool.

MARCS relies on data inputs from the following categories: vessel traffic, environment, on-board operations, and external operations (Figure 8). The predicted accidents and spills derived from MARCS modeling for the baseline year were generally similar to actual historical data as collected by the US Coast Guard, with the exclusion of the M/V Selendang Ayu spill in 2004. However, as the report notes, use of MARCS (or any other) modeling requires numerous assumptions and is subject to uncertainties.

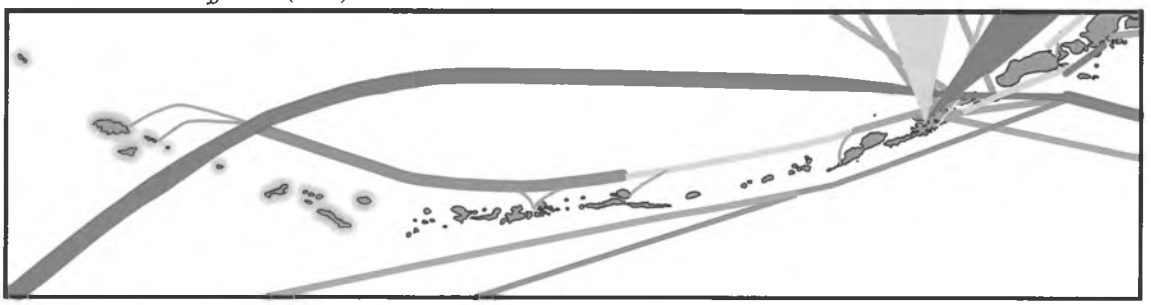
The MARCS model was used to develop vessel transit plots that display the traffic input data based on the frequency of all vessel transits per traffic lane. Figure 9 shows that during the base year (2008/2009) the heaviest amount of traffic (illustrated in red) occurred in Unimak Pass, the traffic lane to the Southeast of Unimak Pass, and the traffic lane to the Northwest from the Unalaska area. During the future year (2034) the heaviest amount of traffic (illustrated in red) is forecasted to occur along the Great Circle Route and the traffic lane to the Northwest from the Unalaska area.

Table 3 summarizes the predicted accidents for the 2008/2009 baseline year and future year of 2034. Overall, the number of accidents was predicted to increase by 11%, from 8.67 accidents per year in the baseline year to 9.61 in the future year. Groundings remain the primary type of accident, changing slightly from 96% in the baseline year to 91% in the future year. However, there was a significant change in the types of vessels associated with these accidents. Fishing vessels were the most common vessel type associated with predicted accidents in the baseline year (72%). By 2034, container ships

Base Year Vessel Traffic Plot (2008/2009)



FutureYear Vessel Traffic Plot (2034)



Key

Color	Transit Frequency (ship movements per day within each calculation location)
	0.0 to 0.1
	0.1 to 0.5
	0.5 to 1
	1 to 5
	5 to 10
	> 10

Figure 9. Vessel traffic plots.

are predicted to be the most common vessel type associated with predicted accidents (65%). This built on the prediction in the Vessel Traffic Study (DNV and ERM, 2010a), which estimated that container vessels are expected to transit the area with increasing frequency as trade between North America and East Asia grows.

Most accidents were predicted to take place in Unimak Pass, Akutan Pass, and the approach to Dutch Harbor. For this reason, these areas were also the most likely to experience a spill.

Overall, both bunker and cargo spills were predicted to increase slightly in the future, largely due to the increasing transit of container ships. However, the increase was expected to be limited by the fact that double-hulled vessels will become more prevalent by 2034, reducing the estimated spill size and outflow per accident.

Table 3. Comparison of predicted accidents and spill risk for base year and future year.

Accidents/Spill Risks	Predicted for Base Year: 2008/2009	Predicted for Future Year: 2034
Total predicted accidents	8.67	9.61
Groundings as % of total accidents (both drift and powered groundings)	96%	91%
Top vessel category associated with accidents	Fishing vessels (72%)	Container ships (65%)
% of accidents resulting in bunker spill	8	8
Total bunker spill risk per year	1,584 bbl (240 tons)	2,904 bbl (440 tons)
Types of vessel most likely to be associated with bunker spill	Container ships (48%)	Container ships (64%)
Types of accidents most likely to be associated with bunker spill	Drift grounding (42%)	Drift grounding (38%)
Total cargo spill risk per year	4,045 bbl (613 tons)	6,006 bbl (910 tons)
Types of vessel most likely to be associated with cargo spill	Tank barges (72%)	Tank barges (39%)
Types of accidents most likely to be associated with cargo spill	Powered grounding (45%)	Drift grounding (40%)

3.4 Baseline Spill Study

The baseline spill study characterizes six example spills resulting from vessel accidents in the Aleutians study area. The final report, completed in September 2010, incorporated comments from the Management Team, Advisory Panel, and Peer Review Panel (DNV and ERM, 2010c).

The six spill scenarios were initially described in the Spill Frequency and Size Study report (DNV and ERM, 2010b). The purpose of modeling potential spill scenarios and their impacts on shoreline and marine ecology was to understand and identify priority hazards.

The spill scenarios and impacts were modeled using the GEMSS® - Chemical and Oil Spill Impact Module (COSIM) models. COSIM used the results from MARCS, which predicted spill sizes and frequencies (Section 3.3). As with all models, numerous assumptions were used which added uncertainty to the outputs. Extensive inputs to COSIM were required, including the information obtained from the vessel traffic study (DNV and ERM, 2010a) and MARCS analysis (DNV and ERM, 2010b), as well as data on winds, currents, salinity, temperature, weather, bathymetry, shoreline and sediment characteristics, and biologically sensitive areas. To test the application of COSIM to the study area, an additional scenario of the actual M/V Selendang Ayu spill was completed and the results compared with observations and reports from the 2004 spill. The comparison was favorable. The spill scenarios were all run for seven days.

3.5 Consequence Analysis

In order to anticipate spill consequences, MARCS data generated during the Spill Frequency and Size Study (DNV and ERM, 2010b) were used to develop 16 scenarios

believed to represent the high risk spills, either in terms of their potential frequency, potential size, or a combination of the two. A Consequence Analysis report presents spill scenarios that were modeled based on locations and vessel types that were considered to pose the highest risk of a spill with the greatest possible consequences (DNV and ERM, 2011a). Scenarios at six locations were developed, all of which were located along the typical transit route for large vessels (Figure 10). Three locations (North Unimak Pass, Sanak Island, and Attu Island) were chosen because they represent areas where spills were most likely to occur, due to vessel traffic and conditions.

Figure 10. Scenario location map.

Three other locations (Adak Island, Amlia Island, and Urilia Bay) were chosen due to their proximity to environmentally sensitive areas or areas of economic importance – the worst areas for a spill in terms of potential environmental or socio-economic consequences. Multiple scenarios were run for North Unimak Pass, Sanak and Attu; one scenario each was run for Adak, Amlia, and Urilia. Table 4 summarizes all scenarios run for the six locations (16 scenarios total).

The heavily traveled North Pacific Great Circle Route, which intersects the Aleutian Islands study area, passes near critical environmental habitat as well as fisheries of significant economic importance. The consequence analysis report describes the following aspects of the study area: physical conditions, habitat, fish, seabirds, mammals, invasive species (rats), and socio-economic resources including commercial and recreational fisheries, subsistence resources, historic sites, recreation and tourism, and coastal development. There are multiple protected areas, including the Alaska Maritime National Wildlife Refuge, which covers 19,820 sq. km, or almost all of the Aleutian Islands area.

The likelihood of environmental and socioeconomic resources being impacted by the 16 spill scenarios was analyzed along with the nature and extent of the predicted impacts. The analysis focused on impacts related to the release of hydrocarbons or other

chemicals from vessel fuel or cargo, but also included a discussion of the potential for rat infestations and the associated impacts on seabird populations and plants.

Table 4. Summary of spill scenarios and includes resources most likely impacted.

Scenario	Location	Vessel Type & Incident	Volume & Type of Oil	Season	Resources Most Likely to be Impacted Significantly
1	North Unimak Pass	Container Ship Collision	3,050 bbl Bunker C	Summer	Shoreline Benthos Bird habitat Fish (including shellfish and larvae)
2	North Unimak Pass	Bulk Carrier Collision	18,244 bbl Bunker C	Summer	Shoreline Benthos Bird habitat Fish (including shellfish and larvae)
3	North Unimak Pass	Crude Oil Tanker Collision	428,080 bbl Crude oil	Summer	Shoreline Benthos Bird habitat Fish (including shellfish and larvae)
4	North Unimak Pass	Product Tanker Collision	26,754 bbl Diesel	Winter	Marine mammal habitat
5	North Unimak Pass	Tank Barge Collision	40,677 bbl Diesel	Summer	Fish (including shellfish and larvae)
6	Sanak Island	Container Ship Drift Grounding	3,050 bbl Bunker C	Summer	Marine mammal habitat
7	Sanak Island	Bulk Carrier Drift Grounding	18,244 bbl Bunker C	Summer	Marine mammal habitat
8	Sanak Island	Crude Oil Tanker Drift Grounding	428,080 bbl Crude Oil	Summer	Marine mammal habitat Shoreline Benthos Fish (including shellfish and larvae)
9	Sanak Island	Tank Barge Drift Grounding	40,677 bbl Diesel	Summer	Marine mammal habitat
10	Holtz Bay Attu Island	Container Ship Drift Grounding	25,420 bbl Bunker C	Winter	Marine mammal habitat Nesting birds (early spring – late summer only)
11	Holtz Bay Attu Island	Bulk Carrier Drift Grounding	18,244 bbl Bunker C	Summer	Marine mammal habitat Nesting birds (early spring – late summer only)
12	Holtz Bay Attu Island	Crude Oil Tanker Drift Grounding	428,080 bbl Crude Oil	Spring	Fish (including shellfish and larvae)
13	Holtz Bay Attu Island	Product Tanker Grounding	54,561 bbl Diesel	Spring	Marine mammal habitat Nesting birds (early spring – late summer only)
14	Adak Island	Tank Barge Grounding (powered/drifting)	40,677 bbl Diesel	Summer	Marine mammal habitat Nesting birds (early spring – late summer only)
15	Amlia Island	Container Ship Drift Grounding	40,677 bbl Bunker C	Summer	Marine mammal habitat Nesting birds (early spring – late summer only)
16	Urilia Bay	Bulk Carrier Drift Grounding	18,244 bbl Bunker C	Spring	Marine mammals

** It is unclear whether any VTS would provide coverage as far as Sanak Island.*

Table 5 identifies the resources most likely to be impacted by the 16 spill scenarios. Other impacts may occur, but the resources listed in the table are the ones identified by the Risk Analysis Team as being the most likely to suffer significant impacts.

Table 5. Description of RROs as recorded at the workshop (Risk Team summary).

RRO	Description of RRO as Recorded at the Workshop
Enhance Vessel Monitoring Program	
Satellite tracking plus AIS	Increase area coverage, increase number of vessels covered, implement an alarm system; integration of all monitors
Long-range ID and tracking (LRIT)	Enhance ability to identify and monitor vessel movements and communicate with vessels engaged in questionable situation and provide alarm notification to USCG and State and response vessels
Establish Vessel Tracking System (VTS) in Unimak and Akutan Passes	
Manned VTS/Direct Communication with Vessels	Meets IMO procedures and standards; new equipment, personnel, integration of systems
Traffic Separation Scheme in Unimak Pass	Voluntary; mark lanes on nautical chart to control traffic direction
Speed Restrictions	Dropped because low benefits, high unintended consequences, difficult to implement
Increase Rescue Tug Capability	
Dedicated rescue tug(s)	Open sea capability, always available
Non-dedicated rescue tug	Open sea capability, similar capability to dedicated tug but with cost-sharing, variable availability
Seasonal, dedicated tug	Open sea capability, similar capability to dedicated tug but only available seasonally (Oct 1 thru May 30)
Tugs of opportunity program	Tug regardless of size but available to respond; implement a program
Increase Emergency Towing System (ETS) Capabilities	
Expand shore-based ETS	There is an ETS system in Dutch Harbor; expanding system in Dutch Harbor to other locations (e.g., add one in Adak and one in location to be determined); provide greater coverage
Require emergency towing arrangements on deep draft vessels	For vessels not in innocent passage
Enhanced USCG Capabilities	
Enhance towing capabilities on cutters	See tug of opportunity
Increase number of cutters	Self-explanatory
Increase inspections	Not evaluated because there is no practical way to reduce risk further from the current inspection program
Split Captain of the Port (COTP) zones	Currently 3 zones - change or add Unalaska as COTP city to theoretically reduce response time; RRO is very high up in causal chain and within institutional organization/management, which is difficult to evaluate
Establish Restricted Areas	
Identify certain areas (to be defined) that should be avoided to reduce environmental or socioeconomic consequences/impacts	
IMO PSSA/ATB/SA	Measure does not reduce spill severity once it occurs but there is a benefit to reduce severity by preventing the accident from happening
Seasonal Routing	No formal mechanism for implementation; further consideration deferred
Increase Spill Response Capability	
Ocean-rated OSRO/PRAC - Open	No response capability except an Oil Spill Response Organization (OSRO) with only inland capability; this Ocean measure assumes Open Ocean

RRO	Description of RRO as Recorded at the Workshop
Near-shore rated OSRO/PRAC	See Ocean-rated OSRO/PRAC
Increase Salvage and Firefighting Capability via Regulations	New regulations go into effect in Feb 2011 for tank vessels; includes tugs, marine salvagers available, increase capability of lightering; ensure the regulations adequately address and are tailored for the Aleutian Islands. Salvage and marine firefighting regulations (subpart I) would apply
Local Community Response Agreements	Not considered further because part of the existing baseline; no delta in risk reduction effectiveness
Phase Out OPA90 Alternative Compliance	The OPA90 Alternative Compliance should NOT be phased out at this time; therefore, not an option.
Bolster Area Contingency Plans	
Establish requirements for vessels in innocent passage	Not likely to be implementable; therefore not evaluated further
Set area standards for vessels with VRP calling at US ports	Use local contingency plans to set standards; is a mechanism thus not evaluated further
Develop more geographic response strategies	Tail end of causal chain; enables a minimizing of impacts with prompt and proper response
Potential places of refuge planning	Already exists; baseline condition, no need to evaluate
Storm and severe weather rules	Stay the course; part of existing baseline condition; not evaluated further
High-Frequency radar surface current monitoring	Way of tracking oil and where it might go/trajectory; shore-based; assume transportable units set up as needed to monitor currents to help understand where spill might go; a tool in the toolbox; not enough information/knowledge of system to evaluate further
Require more training and drills	New Vessel Response Plan (VRP) regulations require additional training; part of baseline condition and not evaluated further at this time
Raise Liability Limits and Civil Penalties	
Increase liability and civil penalties	Cost of penalties is relatively low compared to response; but need limits within reason to obtain insurance; if raised too high insurance companies won't insure and may increase number of uninsured vessels; the General Accounting Office report states that OPA requires review of insurance
Increase State civil penalties	Intent to encourage better operations of vessel and vessel company

3.6 Accident Scenario and Causality Study

An Accident Scenario and Causality Study report provided additional information and analysis about the 16 scenarios developed in the Consequence Analysis Report, including identifying the potential causes of accidents such as those described in the scenarios (DNV and ERM, 2011b).

The Accident Scenario and Causality Study considered the Accident Fault Trees that underlie the MARCS model estimates of accident frequencies. In MARCS, the accident frequencies are calculated as the frequency of a critical situation, which is accident dependent, multiplied by the probability that an accident will occur given that the critical situation has occurred. Fault trees were developed for the Drift Grounding and Powered Grounding accident types, as shown in Figures 11 and 12.

The causality analysis found that, in general, the collisions (Scenarios 1-5) and powered grounding (Scenario 14) were attributed to human error, while the drift groundings

(Scenarios 6 - 13 and 15 – 16) were attributed to technical failures.

Further analysis of the scenarios as compared to historical data from 15 actual spills showed that the spill volumes used in the scenarios were likely over-estimated, which is consistent with the project's intent to examine high risk scenarios.

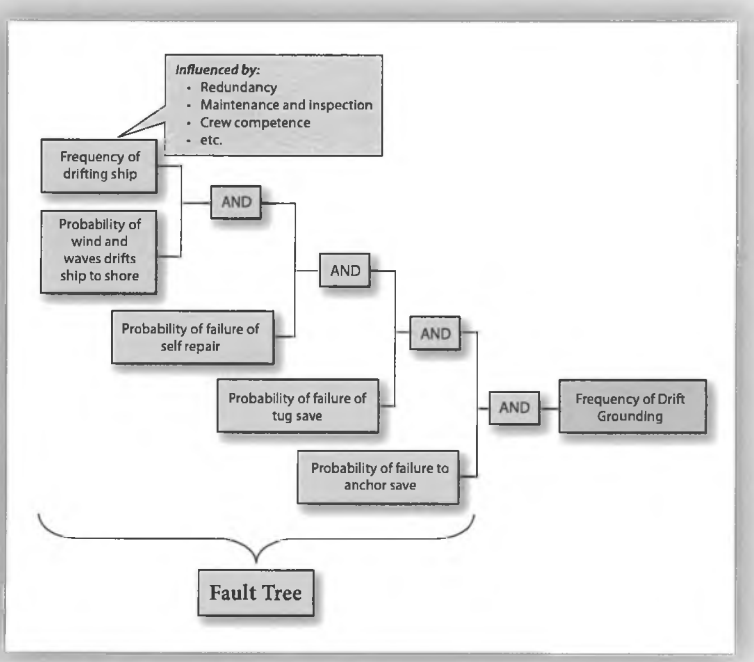


Figure 11. Fault tree for drift grounding accidents.

3.7 Risk Reduction Options Evaluation

The Risk Reduction Options Evaluation report summarized the outcomes of two workshops held in the fall of 2010, during which the Advisory Team, Management Team, Risk Analysis Team and Facilitation Team reviewed the worst case scenarios and their probable impacts developed during the previous technical studies during Phase A (DNV and ERM, 2011c).

The process used to evaluate risk reduction options as they related back to spill causes identified for the 16 worst case scenarios is summarized in Figure 13.

Seventeen potential risk reduction options were considered, each within the context of the 16 scenarios. Table 5 lists the Risk Reduction Options (RRO) considered as recorded at the workshop. An additional 13 RRO were considered but set aside during the workshop. These RROs are discussed in Section 6 of this report.

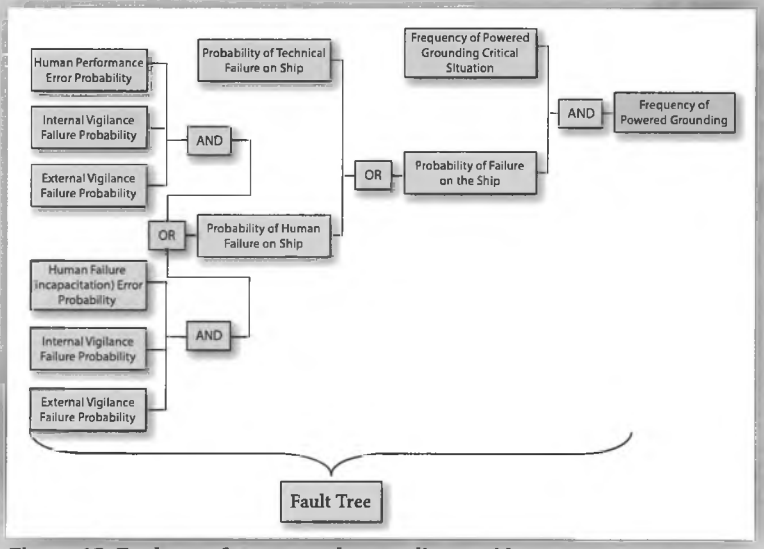


Figure 12. Fault tree for powered grounding accidents.

First, the scenarios were ranked according to their associated consequences (including the area impacted, probability of impact, and sensitivity of affected resources). The five scenarios that ranked the highest in terms

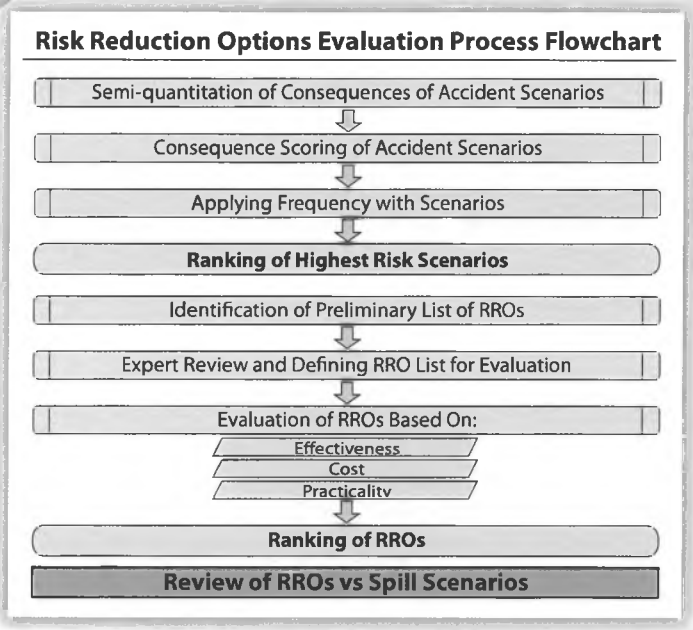


Figure 13. Risk Reduction Options evaluation process.

of their potential consequences were, in order: 2, 16, 3, 8, and 12 (Table 5). Next, the scenarios were ranked according to their estimated frequency, or likelihood of occurring anywhere in the study area. When frequency and consequence were combined, Scenarios 2, 8, and 16 were identified, through this semi-quantitative process, as posing the greatest risk.

Risk reduction options were evaluated based on the three main criteria of effectiveness, costs, and practicability. The factors considered in determining whether an RRO might be effective at reducing risk were:

- RRO might reduce the frequency of a specific accident type (e.g., a tug might prevent a drifting ship from grounding).
- RRO might reduce the frequency of several accident types (e.g., options aimed at improving crew competence should reduce most or all accident types).
- RRO might prevent a spill from occurring if an accident happens (e.g., double-hulled tank barges will prevent the spill of cargo in some accidents).
- RRO might reduce the severity of the consequence of a spill (e.g., by ensuring that ships are routed away from certain areas at certain times of the year to protect migratory species).

The factors considered regarding the cost of an RRO were:

- The capital cost of the RRO.
- The annual operating cost of the RRO.
- Who bears the capital and operating cost directly, and who ultimately pays the cost after cost recovery. Typical cost bearers are the shipping industry, one or more ports, the State of Alaska and/ or the federal government.

The factors considered regarding the practicability of an RRO were:

- Which party can implement the RRO? Some RROs can be implemented by local decision; others require international agreement. Typical implementers are similar to typical cost-bearers, namely the shipping industry, one or more ports, the State of Alaska, the federal government and/ or the IMO.
- How long will it take to implement the RRO (what is the lead time during which the system operates without the full risk-reducing benefit of the RRO)?
- How easy is it to implement or enforce the RRO?

The 9 risk reduction options were evaluated first for effectiveness for all 16 scenarios. The results are summarized in Table 6.

Table 6. Overview of risk reduction options and extent to which they reduce accident frequency and spill severity.

RRO	Extent to which Accident Frequency and Severity are reduced when the accident type is Collisions	Extent to which Accident Frequency and Severity are reduced when the accident type is Drift Groundings	Extent to which Accident Frequency and Severity are reduced when the accident type is Power Groundings
Satellite tracking + AIS	***Frequency***: No change ***Severity***: Moderate (responsible parties can identify accident location quickly)	***Frequency***: Strong (early identification of drifting ship) ***Severity***: Moderate (responsible parties can identify accident location quickly)	***Frequency***: Strong (early identification of drifting ship) ***Severity***: Moderate (responsible parties can identify accident location quickly)
Manned VTS/Direct Communications with Vessels	***Frequency***: Strong (external vigilance applied) ***Severity***: Moderate (responsible parties can identify accident location quickly)	***Frequency***: Weak (early identification of drifting ship) ***Severity***: Moderate (responsible parties can identify accident location quickly)*	***Frequency***: Strong (early identification of drifting ship) ***Severity***: Moderate (responsible parties can identify accident location quickly)
Traffic Separation Scheme in Unimak Pass	***Frequency***: Strong (traffic separated) ***Severity***: No change	***Frequency***: No change ***Severity***: No change	***Frequency***: No change ***Severity***: No change
Dedicated rescue tug(s)	***Frequency***: No change ***Severity***: Moderate (prompt response by tug)	***Frequency***: Strong (tug can take control of drifting ship) ***Severity***: Moderate (prompt response by tug)	***Frequency***: No change ***Severity***: Weak
Non-dedicated rescue tug	***Frequency***: No change ***Severity***: No change (tug is assumed to be absent in summer)	***Frequency***: Strong (tug can take control of drifting ship) ***Severity***: Moderate (prompt response by tug)	***Frequency***: No change ***Severity***: Weak
Seasonal, dedicated tug	***Frequency***: No change ***Severity***: No change (tug is assumed to be absent in summer)	***Frequency***: No change ***Severity***: No change (tug is assumed to be absent in summer)	***Frequency***: No change ***Severity***: Weak
Tugs of opportunity program	***Frequency***: No change ***Severity***: Weak (due to prompt response by tug; though less effective than dedicated tug)	***Frequency***: Weak (partial coverage) ***Severity***: Weak (due to prompt response by tug; though less effective than dedicated tug)	***Frequency***: No change ***Severity***: Weak
Expand shore-based ETS (one exists in Dutch Harbor already)	***Frequency***: No change ***Severity***: Moderate (can take control of ship that starts to drift due to collision)	***Frequency***: Moderate (can take control of ship that starts to drift due to collision) ***Severity***: Weak (can take control of ship that starts to drift due to collision)	***Frequency***: No change ***Severity***: Weak
Require emergency towing arrangements on deep draft vessels	***Frequency***: No change ***Severity***: Moderate (can take control of ship that starts to drift due to collision)	***Frequency***: Strong (can take control of drifting ship; appropriate tow package) ***Severity***: Weak (can take control of ship that starts to drift due to collision)	***Frequency***: No change ***Severity***: Weak
Enhance towing cap on cutters	***Frequency***: No change ***Severity***: Weak (can take control of ship that starts to drift due to collision)	***Frequency***: Weak (enhanced availability of tow-equipped vessels) ***Severity***: Weak (can take control of ship that starts to drift due to collision)	***Frequency***: No change ***Severity***: Weak
Increase number of cutters	***Frequency***: No change ***Severity***: Weak (can take control of ship that starts to drift due to collision)	***Frequency***: Weak (enhanced availability of tow-equipped vessels) ***Severity***: Weak (can take control of ship that starts to drift due to collision)	***Frequency***: No change ***Severity***: Weak
IMO PSSA and associated measures (e.g., ATBA)	***Frequency***: No change ***Severity***: Moderate (route vessels away from sensitive areas)	***Frequency***: Moderate (route vessels away from shore) ***Severity***: Moderate (route vessels away from sensitive areas)	***Frequency***: Moderate (route vessels away from shore) ***Severity***: Moderate (route vessels away from sensitive areas)

RRO	Extent to which Accident Frequency and Severity are reduced when the accident type is Collisions	Extent to which Accident Frequency and Severity are reduced when the accident type is Drift Groundings	Extent to which Accident Frequency and Severity are reduced when the accident type is Power Groundings
Ocean rated OSRO/PRAC – Open Ocean	***Frequency***: No change ***Severity***: Weak (open-ocean response capability)	***Frequency***: No change ***Severity***: No change	***Frequency***: No change ***Severity***: No change
Near shore rated OSRO/PRAC	***Frequency***: No change ***Severity***: Moderate (near-shore response capability)	***Frequency***: No change ***Severity***: Moderate (near-shore response capability)	***Frequency***: No change ***Severity***: Moderate (near-shore response capability)
Increase salvage and firefighting cap through regs	***Frequency***: No change ***Severity***: Strong (state-of-the-art response capability)	***Frequency***: Weak ***Severity***: Strong (state-of-the-art response capability)	***Frequency***: No change ***Severity***: Strong (state-of-the-art response capability)
Develop more geographic response strategies	***Frequency***: No change ***Severity***: Weak (some enhancement of response capability)	***Frequency***: No change ***Severity***: Weak (some enhancement of response capability)	***Frequency***: No change ***Severity***: Weak (some enhancement of response capability)
Increase State civil penalties	***Frequency***: Weak (potential for extra vigilance among crew/vessel owners) ***Severity***: No change	***Frequency***: Weak (potential for extra vigilance among crew/vessel owners) ***Severity***: No change	***Frequency***: Weak (potential for extra vigilance among crew/ vessel owners) ***Severity***: No change

The nine risk reduction options targeting Scenarios 2, 8 and 16 were evaluated during the second of the two fall 2010 workshops. Table 7 shows the risk reduction options that ranked highest in one or more categories.

Table 7. Risk reduction options that ranked highest in one or more categories.

Risk Reduction Options	Most Effective	Least Cost	Most Practical	Most Cost Effective	Cheapest & Easiest
Satellite Tracking & AIS (1a)	X		X	X	
Increased state civil penalties (9b)		X	X		X
Traffic separation scheme in Unimak Pass (2b)		X			
Tugs of opportunity program (3d)			X		
Expand shore-based ETS			X		

None of the risk reduction measures under consideration ranked highest across all categories. Taking into consideration the best professional judgment shared at the workshop, the following risk reduction measures were identified as being the most effective at reducing risk for the following worst-case scenarios:

- **Scenarios 1-5 (collisions):** Frequency was reduced by the manned Vessel Traffic System (VTS)/direct communications with vessels and the traffic separation scheme in Unimak Pass. Severity was reduced most by increasing salvage and firefighting capabilities through regulations.
- **Scenarios 6-13, 15, and 16 (drift groundings):** Frequency was reduced by satellite tracking and AIS; dedicated rescue tugs; non-dedicated rescue tug; seasonal, dedicated tug; and requiring emergency towing arrangements on

deep draft vessels. Again, severity was reduced most by increasing salvage and firefighting capabilities through regulations.

- **Scenario 14 (powered grounding):** Frequency was reduced by satellite tracking and AIS and the manned VTS/direct communications with vessels. Again, severity was reduced most by increasing salvage and firefighting capabilities through regulations.

Risks from the highest ranking scenarios, 2 and 16, were most effectively mitigated by: enhancing the vessel monitoring program, establishing VTS in Unimak and Akutan Pass, increasing rescue tug capability, and increasing spill response capability.

Based on the analysis of Risk Reduction Options (RRO) completed during the 2010 workshop, the Advisory Panel has developed recommendations that characterize all RROs considered into three broad categories:

- RRO Recommended for Immediate Implementation
- RRO Recommended for Phase B Study
- RRO Considered but set aside

In formulating these recommendations, the Advisory Panel focused on two key principles:

- Prevention measures take priority over response measures.
- All measures should be realistic and practical.

Sections 4, 5, and 6 of this report present the RRO recommendations from the Advisory Panel.

"What we do know is we now have the tools and the training that we've never had before to increase the chance of a successful response to a distressed vessel. And we've also raised the safety bar for our guys on those tugs to respond."

Mayor Shirley Marquardt
(AIRA Advisory Panel meeting and ETS Exercise)
Cordova Times, September 17, 2009

4. Risk Reduction Options Recommended for Immediate or Future Implementation

The recommendations of risk reduction measures represent a consensus of the Advisory Panel and are presented to the decision makers in the U.S. Coast Guard, State of Alaska, and local governments. The decision as to which measures will be adopted ultimately rests with the decision makers.

Several of the Risk Reduction Options (RRO) considered were found to be sufficiently effective and practicable to warrant immediate implementation. These RROs include:

- Develop an Enhanced Vessel Monitoring and Reporting Program
- Enhance towing capabilities on U. S. Coast Guard cutters and increase cutter presence in the Aleutians
- Stage additional Emergency Towing Systems in the Aleutians
- Initiate the process to establish IMO Particularly Sensitive Sea Areas
- Strengthen the Aleutians Subarea Contingency Plan
- Increase Salvage and Spill Response Capability in the Aleutians

Several of the Risk Reduction Options (RRO) considered were found to show promise but to require additional work or study prior to full implementation. In some cases, the recommendations include immediate implementation of some elements, with further study required for others. These RROs include:

- Increase Rescue Tug Capability in the Aleutians
- Increase Salvage and Spill Response Capability in the Aleutians
- Determine the boundaries of the Particularly Sensitive Sea Area (PSSA) and develop recommendations for associated protective measures
- Strengthen the Aleutians Subarea Contingency Plan

The recommendations are presented here as they were developed by the Advisory Panel. Additional background on each RRO is included in Appendix A.

4.1 Enhanced Vessel Monitoring and Reporting Program

The Aleutian Islands Risk Assessment Advisory Panel recommended that a robust vessel monitoring program be established for the Aleutians Subarea.

The Panel envisioned a program whereby any vessel operating in the area would be monitored by an automated system with alarms in place to report any anomalies in the behavior of the vessel, given a set of assumptions for each vessel type. The system operator would review anomalies flagged by the software, and if appropriate the situation would be reported to US Coast Guard for consideration.

Enhanced vessel monitoring and reporting would have three primary objectives:

- Detect anomalous vessel activity (i.e. identify vessels that are adrift) so a timely and effective response can be undertaken
- Immediately locate vessels that may be able to render assistance such as, tugs, fish processing vessels, etc.

- Validate vessels compliance with Reduced Risk Vessel Routing measures, safety fairways and Areas To Be Avoided (ATBA)

The Advisory Panel anticipated that an enhanced vessel monitoring program would directly reduce the risk of drift groundings by increasing situational awareness for vessel operators and the appropriate agents and agencies. This program would also indirectly reduce the risks of collisions and power grounding by gathering data on vessel movements that can be analyzed in future risk assessments.

The Advisory Panel determined that this risk reduction option is practical, technologically feasible, readily available, and should be implemented without further delay. Identifying the appropriate funding sources for additional build out of the AIS receivers in the Aleutian Island region is a priority.

Implementation options included the addition of AIS receivers at key locations, to expand coverage of the region. Two AIS receivers are scheduled to be added during 2011, at locations in Nikolski (low elevation) and Atka Island. Several other locations were identified by the Advisory Panel as critical to expanding AIS coverage: Unimak Island at Scotch Cap; Shemya, Adak mountaintop (abandoned White Alice site); Akutan mountaintop; and Nikolski mountaintop (abandoned White Alice site).

Other vessel tracking technologies were also identified as having the potential to supplement available information and enhance vessel monitoring and reporting. The Long Range Identification and Tracking (LRIT) System, which operates off secure satellite networks rather than over non-secure VHF radio (as does AIS), may have some limited applicability, although LRIT data is more difficult to access and more limited in detail with position reports sent every six hours. Voluntary vessel monitoring systems, where vessels are equipped with satellite transponders outside of AIS coverage areas, may also provide additional vessel monitoring capability. The Advisory Panel also noted

that maritime insurance clauses covering vessels transiting Unimak Pass specify that the vessels carry navigational equipment that may also be utilized to enhance vessel monitoring.

4.2 Enhance Towing Capabilities on US Coast Guard Cutters and Increase Cutter Presence in the Aleutians

The Aleutian Islands Risk Assessment Advisory Panel recommended increased US Coast Guard (USCG) patrol coverage and emergency towing capability in the Aleutian Island region. USCG vessels often reach the scene of a disabled vessel ahead of rescue tugs, and are the first line of defense against a grounding or oil spill. They recommended that the USCG take two key actions:

- Replace the Acushnet (decommissioned in 2011) with a vessel that has towing capability and maximize cutter patrol time in the Bering Sea/Aleutian Island region. Consider a vessel similar in capability to an ATF 166 Powhatan class tug with a 75- ton bollard pull.
- Evaluate the current towing packages onboard all cutters operating in Alaska and upgrade to best available Emergency Towing System technology such as lightweight floating lines. (Available at http://dec.alaska.gov/spar/perp/aiets/home.htm)

The Advisory Panel determined that increasing the USCG presence in the region is practical, technologically feasible, readily available, and should be implemented without further delay. They concluded that maintaining and improving US Coast Guard towing capabilities in the Bering Sea is imperative for mitigating the risks of drift groundings.

4.3 Stage Additional Emergency Towing Systems in the Aleutians

Not every vessel transiting in or through the Aleutian Island region is required by regulations to have onboard emergency towing equipment or deployment procedures and training for crew. Recognizing these deficiencies, the Aleutian Islands Risk Assessment Advisory Panel recommended that the US Coast Guard, State of Alaska, local governments, and the maritime industry procure and stage one or more additional Emergency Towing Systems (ETS) at suitable locations in the Aleutians. The ETS is a relatively inexpensive risk reduction option and the existing systems have proven, through deployment, to be a successful measure for preventing drift groundings. The Panel and Team also recommended that training and exercises with the ETS be continued on at least an annual basis.

This risk reduction measure would reduce the risks of drift groundings. The Advisory Panel determined that this risk reduction option is practical, technologically feasible, readily available, and should be implemented without further delay.

4.4 Increase Rescue Tug Capability in the Aleutians

Increased rescue tug capability was identified as an obvious option to reduce the number of drift groundings in the Aleutian Islands, based on several recent incidents in the region. The Aleutian Islands Risk Assessment Advisory Panel recommended that additional rescue tug capability be developed for the Aleutians. Further analysis is necessary to determine:

- What management/funding model would most likely be successful in establishing and maintaining a rescue tug capability?
- What capability is required of the rescue tug?
- Where should the rescue tug(s) be stationed?

A rescue tug can reduce risks of drift groundings by preventing the ship from drifting into shoal waters. The Advisory Panel recommended that the maritime industry, US Coast Guard, the State of Alaska, and local governments work together to find a way to develop and deploy rescue tug capability in the Aleutians.

Five options were considered for increasing rescue tug capability:

1. **Dedicated Tug(s):** A vessel with open water capability, stationed at a fixed point until it is summoned for use (100% available for rescue).
2. **Non-Dedicated Tug(s):** A vessel with open water and similar capabilities to the dedicated tug that can be engaged in other activities in addition to emergency response. The vessel may be financially supported by other activities with expected variable availability.
3. **Seasonal Dedicated Tug(s):** A vessel with open water capability, stationed at a fixed point but only available seasonally (October 1-June 1).

4. **Tug/Vessel of Opportunity Program:** A tug or vessel transiting or located in the study area, regardless of size, that's available to assist during an emergency.
5. **Combination** of the four above or stepped approaches.

Each of these options should be considered in further studies recommended for Phase B of the project. This recommendation complements the recommendation to Increase Salvage and Response Capability in the Aleutians, and the Panel recognized that there may be one solution to both recommendations.

They suggested that Phase B studies should include at a minimum:

Management/Funding Study – This study will consider management and funding schemes to operate a rescue tug program for the Aleutians.

Tug Capability Study – This study will determine the desirable and suitable capabilities of a rescue tug for the Aleutians. The study should define the range of tug specifications (size, bollard pull, horsepower, propulsion) suitable for the weather conditions and vessels transiting the Great Circle Route (DNV and ERM, 2010a). It should illustrate the options for suitable tugs by posing three alternatives of vessel specification that would meet a range of rescue capabilities. Capital and operating costs estimates should be provided for each of these options. The study should also describe the current capabilities (year-round and seasonal) that exist in the study area.

Tug Location Study – This study will consider the site options for rescue tug(s), including vessel transit routes, response time, and alternative rescue resources.

4.5 Increase Salvage and Spill Response Capability in the Aleutians

The Advisory Panel recognized the need to increase salvage and spill response capability in the Aleutians. They recommended that the US Coast Guard immediately publish the Nontank Vessel Response Plan (NTVRP) rule (Docket No. USCG-2008-1070) that has been under development since Congress passed the Coast Guard and Maritime Transportation Act of 2004. This rule would require vessel response plans for nontank vessels calling in US ports. This nontank vessel rule, in combination with the tank vessel rule already in place, would place the burden of providing sufficient salvage, firefighting, and response capabilities on all vessels passing through the Aleutians that call on US ports. (Note that vessels engaged in innocent passage – foreign flagged-vessels not calling on US ports or transferring or lightering oil in US waters – are exempted from VRP requirements). The requirement to comply with these rules would provide the necessary incentives for vessel owners/operators to fund increased salvage and spill response capabilities in the Aleutians.

Determining exactly what salvage and spill response capabilities would be necessary and appropriate for the extreme operating environment in the Aleutians requires further study during Phase B of this project. Currently, there are no significant on-water oil spill response resources in the Aleutian Subarea. Federal law requires both tank and nontank vessels calling in US ports, to have contracts with an oil spill removal organization to provide substantial salvage and response resources in the nearshore, offshore, and open ocean operating areas. Yet, the Advisory Panel recognized that the ocean environment in the Aleutian Islands, northern Gulf of Alaska, and Bering Sea present tremendous challenges to oil spill response, and may render existing spill cleanup technologies insufficient most of the time. The Panel recommended that investing in an extensive regulatory driven capability that will not be effective is imprudent. However, increasing response capabilities in the nearshore area, which can reasonably be expected to be effective to remove oil and protect sensitive areas should be pursued.

The Advisory Panel recommended conducting a gap analysis that considers two components:

Capability Gap Analysis – Identify any gap in the existing capabilities in the Subarea Plan and the capabilities required for salvage (including emergency towing) and oil spill response for the largest vessels transiting the subarea in innocent passage.

Response Gap Analysis – Identify the percentage of time that an oil spill response system would be precluded from operations due to environmental conditions, such as wind, sea state, visibility, currents, or ice. A response gap analysis should be conducted for both nearshore and open ocean operating areas.

The results of these analyses should be used to determine the appropriate prevention and response resources necessary for the Aleutian Subarea.

This recommendation will reduce the risks of impacts from all vessel casualty types by increasing the capability to respond to future incidents. Based on these analyses, to be completed in Phase B, a recommendation can be developed regarding the most effective response resources for the extreme operating conditions found in the Aleutians.

4.6 Establish IMO Particularly Sensitive Sea Areas and Associated Protective Measures

The Aleutian Islands and surrounding waters clearly meet the criteria established by the International Maritime Organization (IMO) for designation as a Particularly Sensitive Sea Area (PSSA), in that the Aleutians are ecologically sensitive and vulnerable to impacts from international shipping. Therefore, the Aleutian Islands Risk Assessment Advisory Panel recommended that the US Government petition the IMO Marine and

Environmental Protection Committee to designate the Aleutian Island region, or a portion therein, as a PSSA. A collaborative effort should be undertaken to delineate the boundaries of the PSSA and the associated protective measures concurrent with this international effort to establish the PSSA designation. At a minimum the following protective measures should be considered:

- areas to be avoided (ATBA)
- ship routing
- ship reporting
- recommended tracks for vessels in innocent passage, and
- a traffic separation scheme in Unimak Pass.

The effort to determine the boundaries of the PSSA and establish the associated protective measures should begin with the US Coast Guard, State of Alaska, and members of the Advisory Panel working with the IMO Subcommittee on Safety of Navigation during Phase B of this project.

This risk reduction measure would reduce the risks of drift groundings, power groundings, and collisions; and could lessen the impacts of any spills that do occur.

4.7 Strengthen Aleutians Subarea Contingency Plan

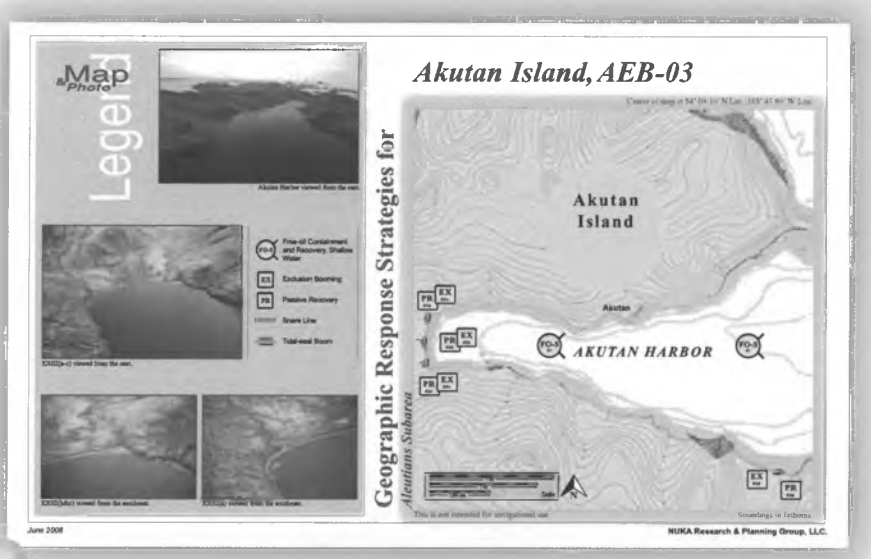
The Aleutian Islands Risk Assessment Advisory Panel recommended that the Aleutians Subarea Committee strengthen the Aleutians Subarea Contingency Plan for Oil and Hazardous Substance Releases (Subarea Plan) to ensure that it is adequate to remove a worst case discharge and to mitigate or prevent a substantial threat of such a discharge from vessels transiting the Aleutian Islands, particularly vessels in innocent passage. The Panel and Team further recommended that the US Coast Guard ensure that vessels transiting the Aleutians Subarea that are required to have an approved Vessel Response Plan have sufficient resources to implement the protection measures specified in the Subarea Plan.

Specific recommendations include:

1. Revise the Subarea Plan to emphasize prevention measures and systems. The current version of the plan is focused on response and does not contain enough planning for measures to prevent the threat of a discharge.
2. The gap analysis recommended in the Increase Salvage and Spill Response Capability in the Aleutians section above will provide the information necessary to determine the appropriate salvage and response resources that should be available in the Aleutian

Subarea for use under both the Subarea Plan and Vessel Response Plans. These resources should be listed in the Subarea Plan.

3. Develop additional Geographic Response Strategies for high priority sites. Geographic Response Strategies (GRS) are site-specific plans to protect high priority sites and have the potential to mitigate damages after a vessel casualty that results in a spill. While some GRS are listed in the current subarea plan, additional GRS should be developed throughout the Aleutians. The Subarea Plan should specify the minimum amount of response equipment necessary to implement GRS likely to be deployed during a worse case discharge.



4. Conduct additional planning for Potential Places of Refuge (PPOR). PPOR planning identifies potential places where a vessel may be moved to either prevent a casualty or minimize damage after a casualty. While some PPOR planning has been done and is listed within the current Subarea plan, additional PPOR planning (such as pre-positioned mooring buoys) should be developed.

5. Once the Subarea Plan has been modified to incorporate these recommendations, the US Coast Guard should ensure that vessels that are required to have Vessel Response Plans to maintain sufficient capability to implement the protection measures described in the Subarea Plan.

Although tasked to plan and respond to a worst case discharge, the Aleutian Subarea Committee is not funded or staffed adequately to do so, plus the equipment caches owned by the federal and state responders are inadequate to respond to a worst case discharge. The Advisory Panel recommended that funding for these measures should come from the Oil Spill Liability Trust Fund to support planning and preventive measures associated with strengthening the Aleutians Subarea Plan.

These recommendations are congruent with existing law and will reduce the risks from all vessel casualty types by increasing prevention and response capabilities in the Aleutians Subarea. The gap analysis should be conducted as part of Phase B of this project. The other recommendations require no further study and should be implemented without further delay. The Subarea Committee should address these recommendations and submit budget requests to pursue implementation.

5. Risk Reduction Options Considered but Not Recommended for Implementation

During the September and October 2010, and March 2011 Aleutian Islands Risk Assessment meetings, the Advisory Panel discussed and evaluated twenty-seven risk reduction options. Of these risk reduction options, thirteen were recommended for immediate or future implementations (Section 4), and fourteen were considered and set aside. Table 8 summarizes the rationale for setting aside these RROs at this point.

Table 8. Consensus Decision and Discussion for RRO considered but not recommended for implementation.

RRO	Discussion & Consensus Decision
Speed Restrictions	The Advisory Panel determined that this risk reduction option would be difficult to implement and enforce considering the amount and various types of vessels transiting through the region. The Panel concluded there was a low benefit and would result in a high-unintended consequence if pursued.
Seasonal Routing	The Advisory Panel concluded that there is no formal mechanism for implementing seasonal routing throughout the study area and further consideration was deferred.
Increase Coast Guard Vessel Inspections	The Coast Guard currently has a vessel inspection program that has been implemented in Alaska and the United States. The Advisory Panel decided not to evaluate this risk reduction option because there is no practical way to reduce risk further based on the current inspection program.
Split Western Alaska Captain-of-the-Port (COTP) Zone	Currently three COTP zones exist in Alaska. The three zones are: Southeast Alaska, Western Alaska and Prince William Sound. The Captain of the Port and their representatives enforce, within their respective areas, port safety and security and marine environmental protection regulations. The Western COTP zone is the largest of the three and includes Cook Inlet, Kodiak, Aleutian Islands, Bristol Bay, the Northwest Arctic and North Slope. There are three Marine Safety Detachment offices within the Western Alaska COTP zone which are located in Kenai, Kodiak and Unalaska. The Advisory Panel discussed the need to create an additional COTP within the Western Alaska zone, thus reducing the area of responsibility for one Captain. It was suggested to change and/or add Unalaska as a COTP city with the intent of decreasing or reducing the response times currently stipulated in the federal Marine Firefighting, Salvage and Emergency Lightering rules. The Advisory Panel concluded that this risk reduction option was very high on the causal chain within the institutional organization/management (USCG) and would be difficult to implement or evaluate.
State of Alaska Local Response Agreements	The Community Spill Response Program administered by the ADEC Prevention and Emergency Response Program began in the early 1990s. The state recognized the importance of local involvement and has worked with communities to provide coordinated and effective responses, and to expand the network of resources available to protect human health and the environment from the risks associated with oil and hazardous substance spills. The Advisory Panel did not consider this risk reduction option primarily because it is an existing program. They encourage local communities without Community Response Agreements to contact the ADEC and work towards establishing agreements with the goal of expanding local capabilities and increasing response coordination.

RRO	Discussion & Consensus Decision
Phase out OPA 90 Alternate Compliance	This risk reduction option was added during the September meeting based on public input. Oil spill prevention programs, contingency planning and preparedness have undergone significant enhancements and changes since the passage of the Oil Pollution Act of 1990 (OPA 90). Due to these changes, the Alaska Petroleum Distributors and Transporters, an ad-hoc group of non-persistent Alaska fuel barge operators have worked with the state and federal regulatory agencies to implement prevention measures and achieve a level of spill prevention and response agreeable to all parties. This agreement is referred to as an "alternate compliance agreement" and was originally established in 1998 after a series of workshops. The agreement was modified in 2002. An Alaska non-persistent tank barge operator may voluntarily elect to subscribe to the alternate compliance agreement as opposed to meeting full compliance with OPA 90 in Alaska. The Advisory Panel concluded that the alternate compliance agreement should not be eliminated due to the unintended consequences placed on commercial operators. Eliminating this option would result in a decrease of operators and a significant increase in the cost of fuel distributed in rural Alaska because of the cost of full compliance with OPA 90.
Establish Requirements for Vessels in Innocent Passage	The Advisory Panel was keen on the concept of establishing requirements for vessels transiting through the Aleutian Island region on innocent passage but after numerous discussions concluded that because of the international maritime rules governing the right of innocent passage it would be difficult to promulgate rules acceptable to the IMO.
Set Area Standards for Vessels with Vessel Response Plans calling at US Ports	The Advisory Panel recommended that rather than attempting to set area standards for vessels required to have a federal vessel response plan, examine the use of local or area contingency plan as a means of establishing standards.
Increase Training and Drills	Training and drills are required under OPA90 and state law and will be expanded and required under the salvage and firefighting rules. Part of the baseline for every new requirement or regulation is a training requirement and component for compliance. Therefore, the Advisory Panel did not consider examining this risk reduction measure further.
Storm and Severe Weather rules	Since the mid-1990s the City of Unalaska, Alaska Marine Pilots, U.S. Coast Guard and local maritime industry have negotiated and established storm and weather rules for the Port of Dutch Harbor. These rules are reviewed annually and adjusted accordingly based on incidents or observations. The Advisory Panel concluded that the existing process is working well and no further evaluation of this risk reduction option was necessary.
High-Frequency (HF) Radar Surface Monitoring Currents	This risk reduction option was added during the September meeting at the recommendation of an Advisory Panel member. Ocean researchers use this technology to measure surface current velocity fields near the coastline. A HF radar system can measure surface currents averaged over 15 minutes as far offshore as 50 miles. The Advisory Panel concluded that HF radar is not a risk reduction measure but a tool that could be used during or after a spill to track and map oil transported by nearshore currents. HF radar is certainly a tool in the oil spill response kit but not considered by the Panel to be a risk reduction option.
Increase Federal Liability and Civil Penalties	The Advisory Panel concluded that the cost of penalties is relatively low compared to the cost of response. The liability limits need to be reasonable in order for operators to obtain insurance. If limits are too high then insurance companies won't insure and this may increase the number of uninsured vessels. The Government Accounting Office GAO report states that OPA requires review of the insurance limits every three years but has not been done since 1990. Essentially, the federal government needs to comply with OPA 90 by reviewing insurance limits every three years and implementing the necessary adjustments.

RRO	Discussion & Consensus Decision
Manned Vessel Tracking System	Due to the volume of traffic passing through Unimak and Akutan Pass there was initial interest from some of the Aleutian Island Risk Assessment Advisory Panel members to consider establishing a manned Vessel Tracking Service (VTS). Based on subsequent discussions, the Advisory Panel recommends reserving this risk reduction option from further consideration for the following reasons: • Under current federal law, the USCG is the only entity authorized to establish a VTS. The VTS would need to meet IMO procedures and standards. • An in-depth study would be required to determine whether the USCG VTS is the best choice over an expanded and upgraded Automatic Identification System (AIS) or a Vessel Traffic Monitoring System (VTMS). • Regulatory changes would be needed to establish the control zone and to mandate who must participate, possibly involving submittal to the International Maritime Organization for review, approval and adoption. • The cost to purchase VTS equipment and increase the number of personnel to implement a VTS in Dutch Harbor would be substantially higher than the USCG's other twelve VTSs. • Establishing and maintaining radar and communications equipment in a remote and hostile environment will not be easy or inexpensive. All mountaintop access is by helicopter only. • There is little technical support in Dutch Harbor for such an enterprise and it would have to be developed. • There is currently no public notice by the USCG to establish a formal, manned VTS for Unimak Pass.
Evaluate and Determine Whether to Increase State Civil Penalties	The original intent of the state civil penalty scheme and law focused on the oil industry and not the entire maritime industry transiting through Alaska waters. Alaska's civil penalties approach is based upon the following premise and intent: • All oil discharges will cause environmental and natural resource harm • For that portion of the damage which is readily identifiable and quantifiable, existing legal remedies provide an adequate means of recovery • A substantial portion of the damage caused by oil pollution cannot be determined with certainty • The public should be compensated for those damages which are not readily identifiable and quantifiable • The scheme is intended to pre-determine the loss from oil pollution which is not readily identifiable and/or quantifiable, through the use of civil penalties based on objective criteria of the characteristics of the oil and the sensitivity of the receiving environment • Provide a meaningful incentive to safe operations by setting out the consequences of the unlawful act in advance in an effort to prevent the discharge of oil before it occurs • It is intended to both compensate the public for damages and to provide an incentive for safe operations. During the March 2011 meeting, the Advisory Panel reached the conclusion that increasing state civil penalties was not a risk reduction option and agreed to set this option aside as a recommendation.

"There is no silver lining once oil hits the water. Loss of human life, damage to resources, and oil spill cleanup costs all underscore the importance of preventing spills in the first place."

Ed Page, Advisory Panel member/General-Mariner
(March 2011 AP meeting)

6. References

Alaska Regional Response Team (ARRT), Aleutians Subarea Contingency Plan. Available at http://www.akrrt.org/AIPlan/aitoc.shtml

Alaska Regional Response Team (ARRT), Unified Plan. Available at http://www.akrrt.org/UnifiedPlan/

Aleutian Islands Risk Assessment (AIRA) Advisory Panel Charter. Available at http://www.aleutiansriskassessment.com/documents/090415AIRA_AP_Charter.pdf

Aleutian Islands Risk Assessment (AIRA) Advisory Panel Organizational Protocols. Available at http://www.aleutiansriskassessment.com/documents/090507AIRAAPprotocols.pdf

Aleutian Islands – East, Alaska. Contingency plan subarea with 2000 seabird population (2000). Available at http://www.aleutiansriskassessment.com/documents/aie5seabird.pdf

Aleutian Subarea available at http://www.aleutiansriskassessment.com/documents/10Yr_Subareas_AleutiansOnly.pdf

Aleutians 10yr. Data Summary (10/23/2007). Available at http://www.aleutiansriskassessment.com/documents/Aleutians10YearDataSummary.pdf

Coastal Resource Inventory Map (2001). Aleutian West – 1. Available at http://www.aleutiansriskassessment.com/documents/ESI_W01.pdf

Det Norske Veritas and ERM-West, Inc. (2010a). Aleutian Islands Risk Assessment Phase A – Preliminary Risk Assessment. Task 1 Semi-quantitative Traffic Study Report. Prepared for National Fish and Wildlife Foundation, United States Coast Guard, Alaska Department of Environmental Conservation. Report no. / DNV ref no: EP007543.

Det Norske Veritas and ERM-West, Inc. (2010b). Aleutian Islands Risk Assessment Phase A – Preliminary Risk Assessment. Task 2A Marine Spill Frequency and Size Report. Prepared for National Fish and Wildlife Foundation, United States Coast Guard, Alaska Department of Environmental Conservation. Report no. / DNV ref no: EP007543-1.

Det Norske Veritas and ERM-West, Inc. (2010c). Aleutian Islands Risk Assessment Phase A – Preliminary Risk Assessment. Task 2B Baseline Spill Study Report. Prepared for National Fish and Wildlife Foundation, United States Coast Guard, Alaska Department of Environmental Conservation.

Det Norske Veritas and ERM-West, Inc. (2011a). Aleutian Islands Risk Assessment Phase A – Preliminary Risk Assessment. Task 3-4 Draft Consequence Analysis Report. Prepared for National Fish and Wildlife Foundation, United States Coast Guard, Alaska Department of Environmental Conservation. DRAFT Report.

Det Norske Veritas and ERM-West, Inc. (2011b). Aleutian Islands Risk Assessment Phase A – Preliminary Risk Assessment. Accident Scenario and Causality Study Report. Prepared for National Fish and Wildlife Foundation, United States Coast Guard, Alaska Department of Environmental Conservation. DRAFT Report.

Det Norske Veritas and ERM-West, Inc. (2011c). Aleutian Islands Risk Assessment Phase A – Preliminary Risk Assessment. Risk Reduction Options Evaluation Report. Prepared for National Fish and Wildlife Foundation, United States Coast Guard, Alaska Department of Environmental Conservation. DRAFT Report.

Draft Risk Mitigation Options (2008). Available at http://www.aleutiansriskassessment.com/documents/ALriskmitigationoptions-1-4-08.doc

Memorandum of Understanding (07/27/27). Between Alaska Department of Environmental Conservation and the United States Maritime Administration. Available at http://www.aleutiansriskassessment.com/documents/dec-cg_marad_mou.pdf

Nuka Research & Planning Group, LLC and Cape International, LLC. (2006). Vessel traffic in the Aleutians subarea. Updated Report Prepared for Alaska Department of Environmental Conservation.

Personal communication, letter from Captain Devries to PAWSA (10/20/2006). Available at http://www.aleutiansriskassessment.com/documents/devries_letter.pdf

Ports and Waterways Safety Assessment (PAWSA) (24-25 July 2006). Workshop report Aleutian Islands. Available at http://www.aleutiansriskassessment.com/documents/aleutian_islands_finalrpt.pdf

Risk of Vessel Accidents and Spills in the Aleutian Islands: Designing a comprehensive risk assessment (2008). Transportation Research Board of the National Academies, Washington, DC.

United States of America v. IMC Shipping Co. PTE. Ltd., Plea Agreement. US District Court for District of Alaska, Missoula MT. http://www.aleutiansriskassessment.com/documents/SelendangPleaAgreement.pdf

United States Environmental Protection Agency (US EPA) Emergency Management, Oil Spills. Available at http://www.epa.gov/oilspill/ncpkeys.htm

Transportation Research Board (TRB). 2008. Risk of Vessel Accidents and Spills in the Aleutian Islands: Designing a Comprehensive Risk Assessment. Special Report 293. http://www.aleutiansriskassessment.com/documents/sr293.pdf

US Coast Guard (USCG). 2011. BP Deepwater Horizon Spill Incident Specific Preparedness Review: Final Report.

Acronyms & Abbreviations

7. Acronyms and Abbreviations

AAC	Alaska Administrative Code
ACP	Area Contingency Plan
ADEC	Alaska Department of Environmental Conservation
AIRA	Aleutian Islands Risk Assessment
AIS	Automated Information System
AMNWR	Arctic Maritime National Wildlife Refuge
AMSA	Arctic Marine Shipping Assessment
APL	American President Lines
ARRT	Alaska Regional Response Team
ATBA	Area to be avoided
AVTEC	Alaska's Institute of Technology
AWCRSA	Aleutians West Coastal Resources Service Area
C/C	Cargo carrier
CFR	Code of Federal Regulations
CMP	Coastal Management Plan
COSIM	Chemical oil spill impact model
COTP	Captain of the Port
DNV	Det Norske Veritas
DWT	Deadweight ton
ERM	Environmental Resources Management
ETS	Emergency Towing System
FEMA	Federal Emergency Management Agency
FM	Frequency modulation
GRS	Geographic response strategy
HF	High frequency
IMO	International Maritime Organization
LA	Louisiana
LLC	Limited Liability Company

LRIT	Long-range identification and tracking system
MARCS	Marine accident risk calculation system
MARPOL	International Convention for the Prevention of Pollution from Ships
MKD	Miniature keyboard display
M/V	Motorized vessel
MXAK	Marine Exchange of Alaska
NCP	National Contingency Plan
NFWF	National Fish and Wildlife Foundation
NGO	Non-governmental organization
NTV	Non-tank vessel
NTVRP	Non-tank vessel response plan
ODPCP	Oil Discharge Prevention and Contingency Plan
OPA	Oil Pollution Act
OSRO	Oil spill removal organization
PPOR	Potential places of refuge
PRAC	Primary response action contractor
PSSA	Particularly Sensitive Sea Area
PWS	Prince William Sound
RRO	Risk reduction option
SCP	Subarea Contingency Plan
SEAL	Sea, air, and land special forces
SOPEP	Shipboard Oil Pollution Emergency Plan
TRB	Transportation Research Board
UK	United Kingdom
US	United States
USCG	United States Coast Guard
USS	United States Ship
VHF	Very high frequency
VMS	Vessel monitoring system
VRP	Vessel response plan
VTS	Vessel Traffic System
WWF	World Wildlife Fund

Appendices

8. Appendices

Appendix A. Background on Risk Reduction Options

This section provides background information about the RROs discussed in Sections 4, 5, and 6 of this report.

A.1 Enhanced Vessel Monitoring and Reporting

The RRO for enhanced vessel monitoring and reporting was recommended for immediate implementation, as summarized in Section 4.1.

Robust vessel monitoring and reporting is a high national priority for the U.S. Coast Guard and Department of Homeland Security. Vessel tracking is a vital component of the U.S. Coast Guard's national plan to increase maritime domain awareness, and the development of National Automatic Identification System (NAIS) is a key initiative to enable the Coast Guard to identify, track, and communicate with marine vessels using the Automatic Identification System (AIS). The genesis of the NAIS mission need comes from the Maritime Transportation Security Act, which directs the Coast Guard to implement a system to collect, integrate, and analyze information concerning vessels operating on or bound for waters subject to the jurisdiction of the United States. The Coast Guards latest projection for building NAIS in Alaska is 2018. Other Coast Guard initiatives proposed and subsequently eliminated for Alaska is Rescue 21, an advanced command, control, and direction finding communication system.

Automatic Identification System (AIS)

On December 31, 2004 the International Maritime Organization (IMO) required that all ships above 300 gross tons engaged on International voyages and cargo ships of 500 gross tonnage and upwards not engaged on international voyages and all passenger ships irrespective of size to be equipped with Automatic Identification System (AIS) equipment. This technology is akin to aircraft transponders and comprised of a VHF/FM based transponder that transmits the vessels GPS acquired position to other vessels and to terrestrial receiving stations where they exist. The regulation requires a ship's name, position, course, speed, destination and other data, based on the nature of the cargo and the voyage, be transmitted continuously in real time. This allows all vessels within the range of the transponder to see the progress and course of other AIS equipped vessels to aid collision avoidance. The information can be displayed onboard on a minimum keyboard display (MKD) or a vessel's navigation plotter. Each AIS equipped vessel in the area is displayed as a character on the screen along with the other information noted above. Currently the Marine Exchange of Alaska has a contract to provide U.S. Coast Guard AIS capability in Alaska.

The AIS shore receiver network operated by the Marine Exchange of Alaska receives vessel data transmitted by nearby vessels (up to 200 miles away) and disseminates it to authorized users. The US Coast Guard and State of Alaska have access to the AIS information through contract with the Marine Exchange as does the maritime industry.

The Marine Exchange of Alaska has installed and operates most AIS receivers in Alaska. The Marine Exchange currently has six AIS receivers along the Aleutian chain from Unimak Island to Adak.

- Adak – two receivers
- Unalaska – two receivers
- Akutan – two receivers

It is unlikely that the entire study area can be covered by AIS in the near future, but additional sites are needed to increase the current coverage. The following locations are considered critical to the success of the system and could be in operation within a year if funding is secured:

- Nikolski low elevation – scheduled for 2011,
- Atka Island – scheduled for 2011,
- Unimak Island at Scotch Cap,
- Shemya,
- Adak mountaintop (an abandoned White Alice site),
- Attu Island,
- Akutan mountaintop and
- Nikolski mountaintop (also an abandoned White Alice site).

Long Range Identification and Tracking System (LRIT)

In addition to IMO requiring the tracking of vessels via AIS, in 2007 IMO implemented the Long Range Identification and Tracking System initiative intended to provide port and coastal states information on vessels operating in or near their coasts in light of emerging security concerns. Unlike AIS which broadcasts across unsecured channels substantial amounts of information on a vessel several times a minute via VHF communications, LRIT is a satellite based system that simply sends a vessel's serial number and location 4 times a day over a secure network. The information may be acquired by authorized coastal and flag states for a fee. As a 20 knot vessel would cover 120 nautical miles between position reports (6 hours polling interval), LRIT does not provide the granularity of data needed to address safety and environmental concerns. LRIT information is not available to the general public and would be inappropriate for a search and rescue vessel tracking option.

Voluntary Vessel Monitoring

In addition to LRIT, many vessels are tracked by other satellite systems to aid safety and efficiency as per company policy (Alaska Marine Highway System, Alaska Marine Lines, Northland Services, etc.) or to satisfy fishing regulations, i.e. VMS (Vessel Monitoring System). The types of satellite transponders and their polling/reporting rates vary from

every 30 minutes to a few times a day. In most cases vessels automatically send reports every three hours with the operating cost of such systems averaging $1-$3 dollars a day with the equipment ranging from $500 to $2,500. In addition to AIS, the Marine Exchange of Alaska also installs and disseminates satellite transponders and its vessel tracking system receives and processes satellite position reports along with AIS reports. Thus vessels, such as the Alaska Marine Highway System ferries, operating outside the range of AIS receiving sites are still tracked when also equipped with a satellite transponder.

Maritime Insurance Clause associated with Vessel Tracking in the Bering Sea

In addition to international and federal vessel monitoring and tracking requirements, insurers for maritime commerce worldwide, such as Lloyds of London, have specific requirements for vessels passing through Unimak Pass. The Bering Sea Transit Clause (b) of their standards reads:

> "Notwithstanding anything contained in this insurance to the contrary, it is hereby agreed that when on through voyage to or from the Far East, the insured vessel may navigate the Bering Sea provided that:
>
> > The vessel has onboard the appropriate Hydrographic Charts corrected up to date Entry is made through the Unimak Pass and exit west of Buldir Island or vice versa and The vessel is equipped and properly fitted with marine radar, a satellite navigator, a sonic depth sounding apparatus, radio direction finder and gyro compass, all fully operational and manned by qualified personnel. (Alternatively the vessel may enter or leave through the Amchitka, Amukta or Attu passes, but only when equipped and properly fitted with marine radar, a satellite navigator, sonic depth sounding apparatus, radio direction finder, gyro compass and a weather facsimile recorder, all fully operational and manned by qualified personnel).
>
> Insurance hereunder permits the insured vessel to use the Bering Sea, entering through Unimak Pass and leaving west of Buldir Island or vice versa, on through voyages to the Far East, provided the vessel is equipped with the marine radar and GPS and also sonic depth sounding apparatus and GMDSS/radio direction finder."

A.2 Increase USCG Presence in the Bering Sea and Aleutian Islands

The RRO for increased USCG presence and towing capability was recommended for immediate implementation, as summarized in Section 4.2.

USCG vessels have rendered assistance by arresting the drift or providing emergency towing to numerous fishing vessels and freighters in the ?Bering Sea and Pacific Ocean. USCG vessels often reach the scene of a disabled vessel ahead of rescue tugs, and are the first line of defense against a grounding or oil spill. USCG vessels operating in Alaska waters include buoy tenders, patrol boats, medium and high endurance cutters, and ice breakers.

There are only two USCG cutters home ported in Alaska, the Alex Haley and the Munro, both stationed in Kodiak. These cutters primarily perform law enforcement and

search and rescue in the Bering Sea/Aleutians region. The recently decommissioned cutter Acushnet was home ported in Ketchikan, but is not scheduled to be replaced. USCG cutters from other Pacific homeports also patrol Alaska waters.

Each USCG cutter has towing capability, equipment and a trained crew. The cutters carry a hawser, messenger line, and line-throwing gun. The crews train for towing at least twice per year and when on patrol respond to vessels in distress, including towing situations. Refresher training is conducted with the US Navy every two years.

The important presence and towing capability of Coast Guard vessels has proven to be valuable during incidents by arresting the drift of a vessel until larger commercial assets can reach the scene. In 2004, the Alex Haley performed a 41-hour tow of a 593-foot, 46,000-ton bulk freighter; and while in service the USS Edenton towed the 58,000-ton battleship USS Wisconsin. During the Selendang Ayu incident the Alex Haley attempted a tow but the messenger line parted. Later the tug Sidney Foss arrived on-scene and the Alex Haley was stood down while the Sidney Foss (3,000 horsepower) prepared a tow; the Sidney Foss' towline eventually parted. The Alex Haley remained on scene to provide assistance (http://www.ntsb.gov/publictn/2006/MAB0601.htm). (Marine Accident Brief, 12/8/2004).

On February 8, 2011 the USCG cutter Morgenthau (home ported in California but on temporary assignment in Alaska) attempted to establish a tow with the 58-foot fishing vessel F/V Terrigail near Unalaska Island, but establishing the tow failed because the tow line became tangled in the Morgenthau's propeller. This incident points to the need to evaluate the towing systems onboard the cutters operating in the region to ensure that the best available technology is utilized. The new Emergency Towing Systems (http://dec.alaska.gov/spar/perp/aiets/home.htm) (ADEC, 2008) utilize lightweight floating lines that are less likely to become entangled in propellers.

Maintaining and improving US Coast Guard towing capabilities in the Bering Sea is imperative for mitigating the risks of drift groundings.

A.3 Stage Additional Emergency Towing Systems in Alaska

The RRO for additional emergency towing systems was recommended for immediate implementation, as summarized in Section 4.3.

A proposed mitigation measure to reduce risk is to enhance the shore-based Emergency Towing System project initially implemented by the City of Unalaska and Alaska Department of Environmental Conservation. Following the near grounding of the M/V Salica Frigo on March 9, 2007, the Mayor of Unalaska convened a Disabled Vessel Workgroup to address the possibility of future groundings and to discuss local emergency response solutions. This initial meeting led to the formation of the ETS workgroup, whose goal was to develop emergency towing capabilities for disabled vessels in the Aleutian Subarea using locally available tugboats in conjunction with ETS equipment stationed in Unalaska (ADEC, 2008). Based on the Aleutian Subarea vessel traffic, the ETS workgroup implemented two ETS in order to serve a wider range of vessels. The City of Unalaska purchased a system suitable for vessels up to 50,000

DWT and the ADEC purchased a system capable of towing vessels greater than 50,000 DWT; both systems are stored in Unalaska. The ETS consists of a lightweight towline, a messenger line to assist in deploying the towline, a line-launcher, a lighted buoy, and chaffing gear. These components may be configured to deploy to a disabled ship from the stern of a tugboat or airdropped to the ship's deck via helicopter.

Since 2007, the project continues to expand and annual exercises/training have been held in Unalaska. An ETS manual was updated in 2008 and the ADEC has purchased and stored a 10-inch (> 50,000 DWT) ETS at the USCG Air Station Kodiak. In 2010, ADEC received additional funds, which will allow them to purchase two more 10-inch ETS packages. Tentative plans are to stage one system at USCG Air Station Sitka and the other at US Navy Supervisor of Salvage warehouse at Fort Richardson, Alaska for deployment to a potential vessel in distress.

A.4 Increase Rescue Tug Capability in the Aleutians

The RRO for enhanced rescue tug capability was recommended for addition study as part of Phase B of the Aleutian Islands Risk Assessment, as summarized in Section 4.4.

In 2004, there were four resident tugs in the study area, all located at Dutch Harbor (Nuka Research & Planning Group and Cape International, Inc, 2006). These four tugs had limited horsepower and sea-keeping ability to potentially respond as a rescue/assist tug for a ship in distress. Additionally, there are about 200 voyages through the region each year by tugs in trade and these transient tugs range from 1,200 to 7,000 horsepower (Nuka Research & Planning Group and Cape International, Inc., 2006). Tugs in trade typically have a barge in tow, which hampers their ability to respond to calls for emergency assistance. There has not been a study conducted that specifically examines tug capabilities and operational/response expectations based on weather conditions typically experienced in the Bering Sea and Gulf of Alaska. Recognizing this limitation, additional information is needed to determine what type of program could or should be implemented for the Aleutian Island region.

Securing funding for a Rescue Tug is expected to be the greatest challenge. Some associated issues that should be considered are:

Requiring funding by shippers through vessel response plan regulations or alternative compliance to those regulations. The Neah Bay rescue tug in the State of Washington is paid for by the Washington State Maritime Cooperative (Washington State Maritime Cooperative, 1995) and was driven by contingency plan regulations.

The Merchant Marine Act of 1920, Section 27, referred to as the Jones Act, deals with cabotage (coastal shipping), and requires that all shipments (including salvage) between US ports be carried in US flagged ships, built in, owned by and crewed by US citizens. Therefore, vessels being considered for use must be compliant with this act. This may reduce the number of available vessels for consideration.

Salvage Laws. Maritime law distinguishes between contract salvage and true salvage. A vessel contractually obligated to respond cannot expect a salvage award other than as

specified under the payment terms agreed in advance (contract salvage). Traditionally, a vessel that voluntarily responds and succeeds in removing another vessel from "maritime peril" (true salvage) can expect remuneration for those services. Depending on the risk involved, the successful volunteer may realize an award equal to a significant percentage of the residual value of the rescued vessel, its bunker, and its cargo. This was given as one of the reasons the captain of the M/V Selendang Ayu delayed allowing rescue operations until it was too late.

In the USA, OPA 90 requires that every vessel's response plan include provisions to activate the services of a tug if needed or so directed by the Federal On-Scene Coordinator (USCG). The UK system includes a statutory requirement that the casualty vessel accept and pay for services from a dedicated tug kept in position by public funding and called out by the government overseer. Wherever transiting vessels pay an annual or per trip fee to keep a dedicated tug on standby contract, that tug cannot respond on commercial terms other than those incorporated in the agreement.

A.5 Increase Salvage and Spill Response Capabilities in the Aleutians

The RRO for increased salvage and spill response capabilities was recommended for additional study as part of Phase B of the Aleutian Islands Risk Assessment, with immediate implementation of the final rule for non-tank vessel contingency plans, as summarized in Section 4.5.

The amount and type of salvage and oil spill response equipment required in the region is under the jurisdiction of two agencies, the USCG and ADEC. In State waters, which extend three miles from shore, ADEC requires tank vessels, tank barges, and nontank vessels to have an approved oil discharge prevention and contingency plan (Cplan) that meets state planning standards for discharge removal (18 AAC 75.400). In State and Federal waters tank vessels (includes barges) and nontank vessels must have an approved vessel response plan (VRP) (33 CFR Part 155). Vessels in innocent passage do not require a vessel response plan, but will likely have a Shipboard Oil Pollution Emergency Plan (SOPEP). The Area Contingency Plan covers spill response for vessels in innocent passage.

It is not known how many vessels are required to carry these plans, but with the exception of the vessels carrying only SOPEP plans, each vessel must have access to equipment and personnel necessary to execute the Cplan and/or VRP for their vessel. In general terms this means contracting with a State Primary Response action Contractor (PRAC) or a Federal Oil Spill Removal Organization (OSRO) to meet the oil spill planning standards for the vessel (USCG, 2008). OSROs are approved for specific operating environments: River/Canal, Inland, Offshore, Nearshore, and Great Lakes based on their response capability. Planning standards differ between vessels and state/federal regulations, but generally the planholder must be able to stop the discharge, lighter unspilled oil from damaged tanks, observe and monitor the oil slick, contain and skim the oil from the water, and prevent oil from reaching wildlife and sensitive areas. The biggest response planning standards that apply to vessels trading in the Aleutians

are for oil tankers carrying persistent oil (1 trip per month with a maximum of 26.8 million gallons cargo) but the planning standards for tank barges (5 trips per month with a maximum of 6.3 million gallons cargo) and large container ships (160 trips per month with a maximum of 2.2 million gallons of fuel) are also substantial (DNV and ERM, 2010a).

The actual oil spill response capability in the Aleutians is a small fraction of the spill response capability in other areas with similar vessel traffic. For example, there is not a single dedicated spill response vessel in the entire subarea nor is there an OSRO that is classified to respond in the Open Ocean, Offshore, or Nearshore operating environments. Outside of ports and harbors, there is no resident oil spill response capability in the Aleutians to respond to the 185 transits per month reported from the Vessel Traffic Study. The reasons for this apparent inequity in response capability are not clear but mostly seem to be due to exceptions being granted to the regulatory requirements through the alternative planning criteria process.

Recently the USCG implemented new Salvage and Marine Firefighting requirements for tank vessels that are required to carry VRP (33 CFR Part 155.4030). Similar requirements will be extended to nontank vessels when the nontank Vessel Response Plan rule is published. These regulations establish specific planning requirements for vessels operating within fifty miles of the nearest COTP city. Vessels operating in the Aleutians would not have to meet the timeframes published in these requirements because the entire Aleutian subarea is more than fifty miles from Anchorage, Alaska, which is the COTP for this area.

Another consideration is the response gap in the Aleutians. A response gap is the percentage of time that the environmental conditions (wind, sea state, visibility, currents, etc.) exceed the limitation of the response system. No response gap analysis has been conducted for the Aleutians but experience has shown that there are substantial periods of time when a marine spill response would not be possible no matter what the oil spill response capability.

A.6 Establish IMO Particularly Sensitive Areas and Associated Protection Measures

The RRO for establishment of IMO particularly sensitive areas was recommended for additional study as part of Phase B of the Aleutian Islands Risk Assessment, as summarized in Section 4.6.

A PSSA is an area that is afforded special protection through action by the International Maritime Organization (IMO) because of its significance for recognized ecological, socio-economic, or scientific attributes where such attributes may be vulnerable to damage by international shipping activities. Although a separate and distinct process from PSSA's is a Ports Access Route Study [1], which the Coast Guard uses to designate fairways and traffic separation schemes to provide safe access routes for vessels proceeding to and from ports. In 1985, the Coast Guard conducted a Ports Access Route

1 Ports and Waterway Safety Act, 33 U.S.C. 1223

Study for Unimak Pass and on December 2, 1986, a safety fairway was established.[2] A PSSA includes one or more associated protective measure appropriate to the particular circumstances of the area. These protective measures can include Areas to Be Avoided: an area within defined limits in which either navigation is particularly hazardous or it is exceptionally important to avoid casualties and which should be avoided by all ships, or by certain classes of ships. Other potential protective measures are ship routing systems, ship reporting systems, or vessel traffic schemes.

An application for PSSA designation should contain a proposal for an associated protective measure or measures aimed at preventing, reducing or eliminating the threat or identified vulnerability. IMO guidelines provide advice to IMO Member Governments in the formulation and submission of applications for the designation of PSSAs to ensure that in the process, all interests - those of the coastal State, flag State, and the environmental and shipping communities - are thoroughly considered on the basis of relevant scientific, technical, economic, and environmental information regarding the area at risk of damage from international shipping activities. The guidelines update resolution A.927 (22) Guidelines for the Designation of Special Areas under MARPOL 73/78 and Guidelines for the Identification and Designation of Particularly Sensitive Sea Areas.

Two PSSAs have been established in the United States—the Northwestern Hawaiian Islands Marine National Monument and the Florida Keys. The IMO has adopted certain areas to be avoided (ATBA) and mandatory Ship Reporting System for the Northern Hawaiian Islands PSSA. Likewise, the Florida Keys' PSSA includes Areas to be Avoided and established three non-anchoring areas within the 3,000 square nautical mile zone.

Areas within the Aleutian Island region have been identified by the Federal government (Marine Protection Areas, Alaska Maritime Refuge and Stellar Sea Lion Critical Habitat), State of Alaska (Most Environmentally Sensitive Areas), Aleutians West Coastal Resource Service Area and East Aleutian Borough as having designations for special significance including subsistence use, areas suitable for study and understanding history and pre-history, important habitat areas, areas suitable for commercial fishing and seafood processing facilities, and natural hazards.

In considering how and where to establish a PSSA in the Aleutian Island region, the unintended consequences and potential impacts to vessel routing will need to be considered. Non-government organizations or state governments through the US Coast Guard, the US Representative to the IMO who makes the final decision, can initiate a PSSA. The application and approval process for obtaining a PSSA designation can take up to a year or more.

A.7 Strengthen the Area Contingency Plan

The National Oil and Hazardous Substances Pollution Contingency Plan (National Contingency Plan or NCP) (40 CFR Part 300), which is part of the Clean Water Act, establishes the organizational structure and procedures for preparing for and

2 Federal Register, 1985. Ports Access Study, Unimak Pass, Alaska. Federal Register 50(52):10.877. U.S Department of Transportation. U.S. Coast Guard, CGD 83-068

responding to discharges of oil and releases of hazardous substances, pollutants, and contaminants. Under the NCP, there are three levels of contingency planning: the NCP which establishes the national response organization; Regional Contingency Plans (RCP) which establish regional response organization; and Area Contingency Plans which establish response organizations and set contingency planning standards for defined Areas within each Region (40 CFR Part 300 Sec. 210). Area Committees (AC) are responsible for development of Area Contingency Plans (ACP) (40 CFR Part 300 Sec. 205).

Alaska is somewhat unique in that the State is both a Region and an Area. The Alaska Federal/State Preparedness Plan for Response to Oil & Hazardous Substance Discharges/Releases (Unified Plan) serves as the Regional Contingency Plan for the Alaska Region. The Unified Plan, supplemented by 10 Subarea Plans, also serves as the ACP for the Alaska Area. In Alaska the Alaska Regional Response Team (ARRT) is responsible for the development of the Unified Plan. Federal regulations direct that the Area Contingency Plans must address both spill prevention and response such that they "shall be adequate to remove a worst case discharge under Sec. 300.324, and to mitigate or prevent a substantial threat of such a discharge, from a vessel, offshore facility, or onshore facility operating in or near the area." (40 CFR Part 300 Sec. 210(c)). Currently, the Aleutians Subarea Plan has very little planning for prevention of spills and there is very little capability to implement the measures necessary to respond to a discharge in the subarea.

Federal regulations require that ACPs describe in detail the responsibilities for preventing or mitigating the threat of a discharge and cleaning up a discharge for owners and operators of vessels and facilities as well as federal, state and local agencies. The ACPs are also required to describe how contingency plans prepared by owners and operators of vessels and facilities operating in the Area must integrate into the spill prevention and response planning system established in the ACP (40 CFR Part 300 Sec. 210(c)(3)).

Owners and operators of tank vessels carrying oil as cargo and nontank vessels over 400 gross tons carrying fuel oil for propulsion are required to develop a US Coast Guard-approved Vessel Response Plan (VRP) for their operations in US waters (33 CFR Part 155). The VRP must include a geographic-specific appendix for each Captain of the Port (COTP) zone through which the vessel will transit. VRPs are required by federal regulation to be consistent with the ACPs in effect six months prior to the submission date for the VRP (33 CFR Part 155 Sec. 1030(h)). The evaluation criteria for VRP state that response resources identified in the plan must meet limitations stated in the applicable ACP (33 CFR Part 155 Sec. 1050(a)(2)).

Foreign-flagged vessels engaged in innocent passage are exempted from the VRP requirements (33 CFR Part 155 Sec. 1015); however, the ACP regulations require that the Area Contingency Plan identify sufficient equipment, resources, and planning to respond to spill risks from any operations in the Area (40 CFR Part 300 Sec. 210). Since vessels engaged in innocent passage may be operating without a VRP, the ACP becomes the default response plan for spills from vessels not subject to US oil spill planning

regulations. Currently, the ACP does not contain sufficient resources to respond to a worst case discharge from a vessel in innocent passage. Phase A of the Aleutian Islands Risk Assessment identified vessels engaged in innocent passage as a significant oil spill risk for the region; therefore, it is important that the ACP include adequate planning and resources to manage a spill from an innocent passage vessel.

The Aleutian Islands are part of the Aleutians Subarea and part of the Western Alaska Captain of the Port Zone. Therefore, vessels operating in the Aleutian Islands that are required under federal regulation to develop VRPs must ensure that the VRPs are consistent with the Unified Plan and Subarea Plan for the Aleutians, as well as with any operating measures put in place by the Captain of the Port of Western Alaska. (Note that vessels engaged in innocent passage – foreign flagged-vessels not calling on U.S. ports or transferring or lightering oil in U.S. waters – are exempted from VRP requirements). ODPCPs prepared by vessel owners and operators under State statutes and regulations must also be consistent with the Unified Plan and Subarea Plans. Currently there is no evaluation of the ability of the VRP holder to meet the requirements established in the ACP during the USCG VRP review process.

Operators of tank vessels and nontank vessels that operate or transfer oil in state waters are required by the State of Alaska to prepare Oil Discharge Prevention and Contingency Plans (ODPCP) or equivalent plans for nontank vessels (AS 46.04.030.). These plans are submitted to the Alaska Department of Environmental Conservation (ADEC) for review and approval under relevant state regulations (18 AAC 75.425, 445 and 455). Alaska Statutes require that ODPCPs are consistent with the state regional and master plans, which include the Unified Plan and applicable Subarea Contingency Plans (AS 46.04.200 and AS 46.04.210). State planning requirements do not apply to vessels operating outside State waters, which extend three miles from shore, so these regulations do not apply to most vessels on the Northern Great Circle route passing through the Aleutians.

SJR 20

<TARGET><BILL>SJR 20</BILL><SUBJECT>SJR 20</SUBJECT><COMM>SSTA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

SENATE STATE AFFAIRS COMMITTEE

Senate Joint Resolution 20: Relocation of the 18th F-16 Squadron
Sponsor Statement

"Relating to Eielson Air Force Base and the strategic importance of retaining the 18th F-16 Aggressor Squadron in the Fairbanks North Star Borough."

The United States Air Force recently released a proposed plan to reallocate military assets due to impending budget cuts. As part of an effort to reduce costs and achieve $8.7 billion in savings in FY13, the United States Air Force has recommended the relocation of the 18th F-16 Aggressor Squadron from Eielson Air Force Base to Joint Base Elmendorf-Richardson.

This move will have drastic impact on the Fairbanks economy and will reduce the operational capabilities at Eielson, making it vulnerable in future base realignment and closure rounds. The benefits and strategic importance of Eielson Air Force Base now and into the future far outweigh the negligible savings achieved by the transfer of the squadron.

Eielson is at the forefront of protecting the United States interests in the Pacific Theater and serves a critical function in reinforcing the region. It helps to secure important oil infrastructure, including the Trans-Alaska Pipeline System, which supplies a significant portion of the nation's energy needs. Eielson AFB also has access to the largest joint air and land training range in the United States with minimal air space congestion and is well-suited to perform operations for unmanned vehicles and live fire exercises.

The Alaska Legislature must vigorously defend Alaska military assets for the protection of our state and nation.

Eielson's Strategic Importance: Overview

Conservative estimates say that the Arctic Ocean will be ice-free in the summer within 20 years. This will provide a quick shipping lane between the Pacific and Atlantic Oceans. "We have to prepare for the world coming to the Arctic," said Rear Adm. Gene Brooks, commander of the Coast Guard's Alaska district. Up to 25% of the world's undiscovered oil and gas is in Arctic Ocean area.

Our wide-open spaces, including the Joint Alaska-Pacific Range Complex, offer an unmatched military training environment. Our varied climate prepares soldiers and airmen to operate anywhere in the world.

About 13 percent of the state economy depends on the military, with the impact more strongly felt near larger installations.

Close proximity to North Korea, Pakistan, Iran, and China – all nuclear powers.

General Hamilton:

- "Alaska, sitting at the top of the world, is within nine air hours of 95% of the industrial world."
- "Eielson's 90,000 acres and Ft. Wainwright's 1.6 million acres represent the best joint training spaces available to U.S. forces."
- Eielson has 63,000 square miles of training airspace, the largest overland instrumented training range in the world.

General Gamble:

"There are only two deployment routes from North America to Eastern and Central Asia. The first is through Alaska, and the second is through Hawaii and Guam. Of these two, the Alaska route is 1800 miles shorter, which translates into a one-day advantage receiving combat aircraft from the West Coast and a two-day advantage from the East Coast."

- Eielson supports NORAD and the Ground Based Missile Defense System: "Every day for more than 20 years, at least on KC-135 has been on short-notice alert in support of interceptors protecting the sovereign airspace."
- "Only one military base in the state has a runway long enough for all-weather tanker operations."
- Eielson secures the TransAlaska Pipeline.
- "Any Pacific Theater war plan would fully involve Eielson in an air bridge role."

- "...as we understand it, in all prior BRAC rounds, Eielson was 'categorically excluded' in recognition of its critical function in reinforcing the Pacific and defending Alaska."
- Few environmental constraints (noise, pollution, etc) compared to other bases.
- "Eielson's fuel system is another great base asset. It is completely self-contained. The crude comes right off the North Slope, it's refined in the neighboring North Pole, and it's piped directly to Eielson."
- "...failing to consider the consequence of diminished Air Force jet fuel production required to meet the demand of a wartime surge; and two, by moving aircraft from the largest unrestricted airspace in the U.S. to encroached airspace."
- "Eielson provides the infrastructure to air refuel the President's support aircraft when he moves through the Pacific."
- "Eielson supports a multi-million dollar network of seismic sensors which detect underground nuclear tests."
- Eielson has huge field storage capacity, large capacity parking ramp, and a long runway (8th longest runway in the United States.)
- Eielson is a self-contained base, making it very secure to terrorist attack: "Eielson's heat and electricity come from its own power plant burning locally mined coal, and Eielson has an entirely self-contained water supply and water treatment facility on base."

FACT SHEET

U.S. Air Force Fact Sheet

EIELSON FACTS AND FIGURES

The Base

Eielson Air Force Base occupies 63,195 acres southeast of Fairbanks, Alaska. The runway is oriented north to south and is 14,507 feet long. It was extended to its present length in the 1950s to accommodate B-36 aircraft, and is the second longest runway in North America.

Population

About 2,500 military people work at Eielson, which includes more than 340 Air Force Reserve and Air National Guard servicemembers. The base has approximately 930 houses and 387 dormitory rooms for the more than 2,000 military and family members who live on base. An additional 1,100 active duty, Reserve and Guard servicemembers and their families live off-base. More than 500 retirees from all branches of the military reside in the area.

Rounding out the total military-related population are about 480 civilian employees.

Economic Impact

The total payroll for active duty military employees is about $132 million. The base spent more than $79 million for constuction, services and procurement of materials, equipment and supplies in fiscal year 2011. More than 1,800 jobs were created valued at approximately $41 million.

Organizations

The 354th Fighter Wing mission is to prepare U.S. and allied aviation forces for combat, to deploy Airmen in support of global operations, and to enable the staging of forces to promote U.S. interests in the Asia-Pacific region. The 354 FW is the host unit at Eielson Air Force Base, Alaska and is assigned to 11th Air Force, headquartered at Elmendorf AFB, Alaska.

Eleventh Air Force falls under Pacific Air Forces, headquartered at Hickam AFB, Hawaii. The 354th Fighter Wing is divided into four groups and 10 wing staff agencies. The groups are Operations, Maintenance, Mission Support and Medical. The wing commander's staff agencies include the Historian, Protocol, Chaplain, Staff Judge Advocate, Safety, Finance, Manpower, Command Post, Military Equal Opportunity and Public Affairs.

Associate Units

· 168th Air Refueling Wing, Alaska Air National Guard, is the primary workhorse tanker unit for the Arctic Region and Pacific Rim, annually transferring more than 17 million pounds of fuel in flight to predominantly active-duty aircraft on operational missions. The wing's strategic location provides an invaluable rapid response capability for emergency and contingency situations, as well as enhancing the Air Force's total force global reach.

· The 353rd Combat Training Squadron is responsible for sponsoring training and experimentation in Alaska. In this capacity the squadron hosts Pacific Air Force's Red Flag - Alaska , Alaska Command's Northern Edge, and Pacific Command's Cooperative Thunder exercises. The 353rd has a detachment at Elmendorf Air Force Base. Beyond Red Flag - Alaska, the 353rd hosts an increasingly broad number of combat training events on the Pacific-Alaska Range Complex.

· Detachment 1, 66th Training Squadron, provides Arctic survival training to members of all branches of the military and the other uniformed services. The "Cool School" graduates about 650 students per year. Instructors at the Air Education and Training Command-

assigned unit also provide ground search and rescue capability on and around Eielson.

· Detachment 1, 210th Rescue Squadron, Alaska Air National Guard, provides maintenance and operations support for up to two HH-60G Pave Hawk rescue helicopters deployed to Eielson from Kulis Air National Guard Base in Anchorage. These aircraft provide alert rescue coverage for Eielson aircraft and logistics support for interior Alaska military ranges. The detachment is also assigned by 11th Air Force to provide search-and-rescue for both military and civil aviators north of the Alaska Range.

· Detachment 632, Air Force Office of Special Investigations provides professional investigative service for felony level criminal activity and counterintelligence matters to commanders of all Air Force activities. AFOSI Detachment 632 provides specialized investigative services for USAF and DoD resources located in the northern half of the State of Alaska.

· Detachment 460, Air Force Technical Applications Center operates and maintains the largest and northernmost seismic network in the United States Atomic Energy Detection System, as well as the sole field backup operations center for detection and analysis of foreign nuclear weapons tests. In addition, the detachment operates and maintains a network of gaseous and particulate air sampling units to detect airborne signatures of nuclear events.

(Current as of February 2012)

354 Broadway St. Unit 15A
Eielson AFB, AK 99702
DSN: 377-2116
Comm: (907) 377-2116

Send to printer Close window

Murkowski, Begich Fighting F-16 Aggressor Squadron Move from Eielson to Elmendorf, 4 C-130 Retirements at Elmendorf

Lawmakers to Introduce Legislation Monday That Would Prohibit Action

Senators Murkowski and Begich today issued a united set of statements opposing the Department of Defense's plans to relocate the F-16 Aggressor squadron from Eielson Air Force Base to Elmendorf Air Force Base and retire four C-130 transport aircraft at Elmendorf – as part of a nationwide Pentagon budget reduction strategy.

When the Senate returns to session on Monday, Murkowski and Begich will introduce legislation that would prohibit the Air Force from making these moves.

Senator Lisa Murkowski:

"While I am gratified the Air Force plans to keep the F-16 aggressor squadron in Alaska, I believe its rightful home is Eielson Air Force Base – at the gateway to the Joint Pacific Alaska Range Complex (JPARC). Today's announcement is identical to the BRAC proposal the Air Force advanced in 2005, when the Fairbanks community conclusively proved to the independent Base Realignment and Closure Commission that the Air Force would not achieve any savings by attempting to maintain a warm base in a cold place.

"Yet the Air Force suggests that today's action will result in a cost savings in Fiscal Year 2015. I no more believe that they will be able to achieve that cost savings in 2015 than they could in 2005. I'm going to do everything in my power to change the Air Force's plan.

"I am also concerned about the Air Force's plan to retire four C-130 transports at Elmendorf, with an anticipated loss of 120 active duty positions. The C-130 plays a crucial role in disaster relief missions. Coming on the heels of an earlier announcement that the Army National Guard will retire the remaining C-23 Sherpa, I need to be convinced that this action leaves the Air Force and Guard with sufficient assets to respond to a catastrophic earthquake or other natural disaster requiring immediately available airlift capacity."

Senator Mark Begich:

"Relocating the 18th Aggressor Squadron from Eielson to JBER is an unacceptable proposal. I will not support the Air Force's attempt to circumvent the law and the formal BRAC process by trying to piecemeal one of the most strategic installations in the country. As Alaska's only member of the Senate Armed Services Committee, I will fight this action every step of the way. A decision to relocate the F-16s from Eielson was already rejected in 2005, when the independent BRAC Commission overturned the Air Force's recommendation, recognizing Eielson has the best airspace and range complexes and the estimated costs savings were inaccurate. Nothing has changed since 2005. Eielson Air Force Base is critical to the defense of the United States.

"The Air Force also plans to retire 4 C-130Hs stationed at JBER. It is unfortunate this will result in the loss of the active duty personnel in the integrated unit that fly these planes. However, I am pleased Air Guardsmen of the 144th Airlift Squadron will retain eight C-130s and the manpower to continue to provide important lift capability in defense of our

nation and in support of our state. As members of our community, these Guardsmen will continue to make us proud in Alaska."

Kendra Kloster

Subject: FW: Murkowski, Begich File Legislation Prohibiting F-16 Move
Attachments: 12.02.06.F16.Legislation.pdf

Senator Lisa Murkowski
Senator Mark Begich

ALASKA

Contact: Matthew Felling 202-224-9301
Contact: Julie Hasquet 907-271-5915

For Immediate Release
Monday, February 6, 2012

Murkowski, Begich File Legislation Prohibiting F-16 Move

WASHINGTON, D.C. – Senators Murkowski and Begich today introduced legislation (*attached*) in the U.S. Senate that would expressly bar the United States Air Force from planning or executing the relocation of F-16s from Eielson Air Force Base to Joint Base Elmendorf-Richardson – and requires that just as many, if not more, F-16s are based at Eielson this September.

Alaska's entire Congressional Delegation will be sitting down with U.S. Air Force Chief of Staff General Norton Schwartz on Thursday, to further discuss the Air Force's plan and question the reasoning.

The Senators issued the following statements after filing the bill:

Senator Lisa Murkowski:

"This is déjà vu all over again, reminding me of the Air Force's BRAC proposal for Eielson in 2005. Back then, Alaskans made the case that the Air Force wouldn't achieve any savings by attempting a move. 7 years later, I remain unconvinced that moving existing units from one part of Alaska to another is an efficient or effective way of cost-cutting. I want the Air Force to show me its math."

Senator Mark Begich:

"Moving F-16s from Eielson Air Force base to Anchorage will neither save money nor make our military stronger. If military leaders try to end-run the formal base-closing process with this piecemeal approach, I will do whatever I can through my position on the Senate Armed Services Committee to stop it. I'll work with community leaders to demonstrate this is not the right decision and keeping these fighter jets at Eielson makes strategic and economic sense. If we have to stop it through legislation, that's what we'll do."

###

S 2073 IS

112th CONGRESS

2d Session

S. 2073

To prohibit the permanent relocation of F-16 aircraft assigned to Eielson Air Force Base.

IN THE SENATE OF THE UNITED STATES

February 6, 2012

Ms. MURKOWSKI (for herself and Mr. BEGICH) introduced the following bill; which was read twice and referred to the Committee on Armed Services

A BILL

To prohibit the permanent relocation of F-16 aircraft assigned to Eielson Air Force Base.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROHIBITION ON RELOCATION OF F-16 AIRCRAFT.

The Secretary of the Air Force--

(1) may not plan or execute the permanent relocation of any F-16 aircraft assigned to Eielson Air Force Base as of the date of the enactment of this Act; and

(2) shall ensure that the number of F-16 aircraft assigned to Eielson Air Force Base as of September 30, 2012, equals or exceeds the number of F-16 aircraft assigned to Eielson Air Force Base as of October 1, 2011.

END

Stay Connected with the Library All ways to connect »

Find us on Subscribe & Comment Download & Play

RSS & E-Mail Blogs Podcasts Webcasts iTunes U

About | Press | Site Map | Contact | Accessibility | Legal | External Link Disclaimer | USA.gov Speech Enabled

print

Sen. Begich questions F-16 move

by Jeff Richardson/jrichardson@newsminer.com
02.28.12 - 11:19 pm

FAIRBANKS — Sen. Mark Begich questioned the legality of the Air Force's plan to relocate its F-16 squadron from Eielson Air Force Base during a hearing Tuesday, asking Defense Secretary Leon Panetta whether such a move needed to be part of a formal process.

The Alaska Democrat spoke to Panetta during a Senate Budget Committee hearing on the Department of Defense budget request and said such significant moves are typically part of the Base Realignment and Closure Commission process — known informally as BRAC — that is used to shift assets throughout the military.

On Feb. 3, the Air Force announced plans to move the 21-plane squadron from Eielson to Joint Base Elmendorf-Richardson by mid-2013, part of a proposed nationwide realignment that would affect 60 installations in 35 states.

Begich asked Panetta why such a major move wasn't part of the BRAC process. Eielson was targeted for closure in 2005 by the Defense Department but was deemed too strategically valuable to abandon by that year's BRAC members. The commission allowed only the partial downsizing of Eielson.

"That's the same debate we had with the BRAC, the exact same debate," Begich said. "We're not doing a BRAC now — we're just (relocating the squadron)."

The departure of the F-16 squadron would significantly alter the makeup of Eielson. Nearly half of the 3,100 military and civilian jobs at the base will be transferred to the Anchorage area if the move takes place.

Begich said he's received little explanation from the Air Force about why moving the F-16s makes strategic or economic sense. He said the move is especially mystifying in light of the Air Force's stated goal of boosting its role in the Asia-Pacific region.

"I don't get this, to be very frank with you, that it's almost like they picked a location … but they're now starting the analysis," Begich said to Panetta.

Panetta recommended Begich talk to the Air Force to get more details about the process. When Begich said he hadn't received a satisfactory response from Air Force leaders, Panetta said he would get back to him with the information.

© newsminer.com 2012

THIS WEEK'S POLL IS:

Regarding your 2011 taxes, due April 17th 2012, will you:

- do them yourself?
- pay to have a robot do them?
- pay a human to do them?
- None of the above: it's MY money!

Vote View Results

CATEGORIES:

- Alaska
- Art
- Fairbanks
- Food
- Non-human Animals
- Original Articles
- Plants
- Politics
- Science
- Strange Humans

RECENT POSTS:

- Spring Cleaning: Hoarding in Alaska
- Plant micro RNA: a new meaning to 'you are what you eat'
- The 6th & final installment of the Banned 'Doonesbury' series...
- Why did the News-Miner Censor 'Doonesbury'?
- University of Alaska might Officially Refuse to hire Tobacco Users by July

LATEST TWEETS:

From today's police blotter: and a drunken road-pisser that stopped in the middle of the road to mark his territory....., 2012/03/29

March 28th WORD FOR THE NEXT FEW DAYS – harbinger -

Man survives for months in snowed-in car

Alaska's Aleutian Islands Volcano Could Erupt, Scientists Say

Interior Alaska's Eielson Air Force Base closure: what's really going on?

by T_PHILLIPS on FEBRUARY 19, 2012

It's easy to get lost in the controversy...

Twenty-one F-16s (one of which is pictured above over Eielson Air Force Base, Alaska) are really being transferred from Eielson Air Force Base? After reading the major articles about the move and spending roughly 25 years in the Fairbanks area, I have compiled a report, along with my own thoughts, to clear up the confusion.

First, let's look at what we have been told (mostly from Alaska news sources):

Twenty-one F-16s may move from Eielson Air Force Base by summer 2013, followed by any associated personnel by the end of the year.

Nineteen of the F-16s would be relocated to Elmendorf Air Force Base in Anchorage. 1600 jobs would be cut with only 600 moving to Anchorage. The Pentagon would save $35 million over five years, according to authorities.

Air Force Lt. Gen. Hoog says that the National Guard's refueling unit would continue operation at the base even if the F-16s are relocated (the base would not close).

According to Hoog, "If you mapped out everyone who touches (the F-16s), you'd be looking at about 900 folks." So far, it is uncertain how many of the 1,800 active-duty personnel would leave the Fairbanks area. There are 2.1 to 2.3 family members for every active duty airman stationed at Eielson, according to Hoog, and let's not forget about the numerous civilian jobs that would also diminish.

Senators Lisa Murkowski and Mark Begich, as well as Borough Mayor Luke Hopkins, met on Saturday (2/18) with General Norton Schwartz (Chief of Staff to the U.S. Air Force) regarding the proposed move.

Fairbanks International Airport, AK

Last Updated on Mar 31 2012, 1:53 pm AKDT

Weather by NOAA

Current Conditions: Partly Cloudy

Temp: 26°F
Wind: North at 0mph
Humidity: 75%
Dewpoint: 19.0°F

Your 5-Day Forecast at a Glance

THE PHOTO OF THE WEEK

Pretty like a Mushroom Cloud

Past Photos of the Week

If you are interested in submitting news, photos, or information regarding Fairbanks, Alaska, or the universe, send your articles to: articles@fairbanksirl.com

ARCHIVES:

- March 2012 (23)
- February 2012 (32)
- January 2012 (42)
- December 2011 (24)
- November 2011 (25)

POPULAR ARTICLES:

- Iditarod Musher Saves Dog's Life by giving Mouth-to-Muzzle C.P.R.
- Why did the News-Miner Censor 'Doonesbury'?
- Ron Paul wows Fairbanks
- UAF Veterans Center controversy

OTHER IMPORTANT WEBSITES:

http://t.co/NHDPV6wA, 2012/03/29
From today's police blotter: an angry mother choking her daughter's boyfriend... http://t.co/MHYUWbVj, 2012/03/29

Follow @fairbanksirl

Recommend this on Google

Both Hoog and Schwartz said an analyst will arrive in March to investigate the logistics of the move and the future of the base.

Mayor Hopkins and Governor Sean Parnell have both proposed spending state money to investigate the financial figures that would result from the move.

Some government spending has been put on hold ($45 million for the Eielson dorm project) while some spending continues ($14.8 million for a railroad upgrade to haul fuel to Eielson).

Ted Stevens is dead and can't protect Alaska from military spending cuts in Washington.

There are only a few months left for politicians to convince the Pentagon not to go through with the move.

Now let's think about what we have been told:

Alaskan politicians say that there is no better training place for the F-16s than the Interior. Shouldn't that decision be left to leading military strategy experts instead of bureaucrats?

The real reason there is such a fuss: THE AMOUNT OF MONEY LOST BY BUSINESSES IN INTERIOR ALASKA WILL BE MASSIVE. MONEY, MONEY, MONEY! MONEY TO LOSE and MONEY TO SPEND TO TRY NOT TO LOSE MORE MONEY!

Lisa Murkowski states that in rural areas of Alaska, military spending is responsible for 38% of the economy.

According to Wes Madden, the departure of even 1,500 people would drastically influence the housing market in a negative way. Oh no, the housing market would be hurt. The rental prices are already through the roof (and have been for awhile), even in west Fairbanks!

According to one Interior resident, *"A lot would change – fewer assaults, less traffic, smaller population, fewer Republicans – it would be horrible."*

While the above human is being a bit sarcastic, there is no doubt that a number of aspects of society could see a positive benefit from the closure of the base. I cannot help but fantasize about the crumbling of the east Fairbanks chain stores that might occur (they were not around for most of my life). Maybe some local businesses would actually benefit!

To summarize:

The military is interested in transferring some very expensive military technology Outside and to another location in the state. This change would majorly hurt the economy of Interior Alaska, resulting in businesses closing and housing prices plummeting. The population would decline along with crime and traffic.

Is the extra money for the economy really worth the negative impact the base has on society? Remember military fans, plenty of Ft. Wainwright troops will be returning in the next few months...

Related posts:

Clean Air Fairbanks
AK Trial Court Case Search
Alaska Sex Offender Registry
City of Fairbanks
State of Alaska
Alaska Voter Registration
AK Restaurant Inspections

DISCLAIMER:

All original content posted on this site by the administrator will be completely anonymous unless the author both desires and is approved to be identified. Content posted from other sources will be given due credit.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SJR20**
Fiscal Note Number: 1
(S) Publish Date: 4/2/2012

Identifier (file name):
Title: SJR 20 Relocation of 18th F-16 Squadron
Sponsor: Senate State Affairs Committee
Requester: (S) State Affairs

Dept. Affected:
Appropriation:
Allocation:
OMB Component Number:

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by: (s) State Affairs
Division:
Phone: 465-2435
Date/Time: 4/2/12 12:00 AM
Approved by: /s/ Senator Wielechowski, Chair
Date: 4/2/2012

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SJR20

Analysis

(Revised 1/17/2012 OMB)

HB

3

<TARGET><BILL>HB 3</BILL><SUBJECT>HB
3</SUBJECT><COMM>SSTA27</COMM></TARGET>

Alaska State Legislature

Chairman
State Affairs Committee

Member
Judiciary Committee
Energy Special Committee
Joint Armed Services Special Committee
Military and Veterans Affairs Committee

Finance Subcommittees

A Communication From
REPRESENTATIVE BOB LYNN
District 31 Anchorage

E-Mail: Representative_Bob_Lynn@legis.state.ak.us
"Bob Lynn's Alaska Blog" RepBobLynnBlog.com

Session:
Alaska State Capitol #108
Juneau, AK 99801-1182

Phone: (907) 465-4931
Fax: (907) 465-4316
Toll Free: (800) 870-4391

Interim:
716 W. 4th Ave., #650
Anchorage, AK 99501-2133

Phone: (907) 269-0205
Fax: (907) 269-0207

Sponsor Statement
HB 3
"An Act relating to issuance of driver's licenses."

Under current statute, Alaska driver's licenses are issued for a period of five years. The Department of Administration-Division of Motor Vehicles is afforded discretion to extend the expiration date for certain licenses beyond five years, but is not currently empowered to issue a license for *less* than five years. HB 3 would authorize DMV to issue driver's licenses that expire in less than five years for persons who are legally permitted to stay in the United States indefinitely or for less than five years. If a person is authorized to stay in the United States indefinitely, the DMV would issue a license that must be renewed annually. If a person is authorized to stay in the United States for less than five years, the DMV would issue a license that is only valid for the period of authorized stay.

Contact: Thomas Reiker, (907) 465-4965

Revised: January 21, 2011

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: **HB 3 (STA)**
() Publish Date

Identifier (file name): HB003-STA-DOA-DMV-1-24-11
Dept. Affected: Administration
Title: "An Act relating to issuance of driver's licenses."
Appropriation: Motor Vehicles
Allocation
Sponsor: REP(s) Lynn, Hawker, Chenault, Johnson, Gatto
Requester: (H)STA
OMB Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Not applicable; initial version

Prepared by: Whitney Brewster
Phone: 907-269-5574
Division: Motor Vehicles
Date/Time: 1/24/11 10:30 AM
Approved by: John Cramer, Deputy Commissioner
Date:

(Revised 12/29/2010 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** HB 3
2011 LEGISLATIVE SESSION

Analysis

This bill has no fiscal impact on the Division of Motor Vehicles (DMV).

SEAN PARNELL
GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

LABOR & STATE AFFAIRS
1031 WEST 4th AVENUE, SUITE 200
ANCHORAGE, ALASKA 99501-1994
PHONE: (907) 269-6612
FAX: (907) 258-4978

January 28, 2011

Representative Bob Lynn
State Capitol Room 108
Juneau, Alaska 99801

Re: HB-3

Dear Representative Lynn:

Mr. Reiker of your office contacted me following the House State Affairs committee hearing this week concerning the above referenced bill.

Consistent with Department of Law practice, I had reviewed this bill prior to the committee hearing. In my review I saw no basis for constitutional challenge of it. Having revisited the bill following Mr. Reiker's contact that remains my position.

Sincerely,

JOHN J. BURNS
ATTORNEY GENERAL

By:
Erling T. Johansen
Assistant Attorney General

ETJ/ljt

Advisory Board on Alcoholism and Drug Abuse

Alaska Mental Health Board

ALASKA MENTAL HEALTH BOARD
ADVISORY BOARD ON ALCOHOLISM AND DRUG ABUSE
431 NORTH FRANKLIN STREET, SUITE 200
JUNEAU, ALASKA 99801
(907) 465-8920

March 28, 2012

Representative Wes Keller
Alaska State Capitol, Room 432
Juneau, Alaska 99801

Re: Letter of Support for HB 367

Dear Representative Keller,

The Alaska Mental Health Board and Advisory Board on Alcoholism and Drug Abuse support HB 367 recognizing the special needs presented by Alaskans experiencing fetal alcohol spectrum disorders (FASD) in the justice system.

Alaska's judges, prosecutors, defenders, and court staff work to ensure that everyone who appears in court is treated fairly and with respect. However, Alaskans experiencing FASD often present with special needs and situations that impede the course of justice. Low cognitive functioning, inability to understand and stay within accepted social norms, limited short term memory, impulsivity, and impaired judgment can all result in a person experiencing FASD not being able to explain his or her actions, understand why they resulted in a criminal charge, or understand the criminal justice process. Usually, these impairments do not rise to the level of legal incompetence – but they often make it hard for judges and juries to make decisions that serve our notions of fairness and justice.

Based on research in other jurisdictions, an estimated 60% of inmates experience an FASD, brain injury, or similar organic cognitive impairment. The cost of incarceration is very high and usually does not result in restoration or rehabilitation. In fact, according to a 2009 ISER Study,[1] the cost of prison far exceeds the cost of services. CSSD 151 allows judges – **at their discretion** – to modify presumptive sentences to take into account the defendant's disabilities and to provide the sort of sentence needed to prevent recidivism and ensure a just outcome for victims, defendants, and our communities.

We thank you for your work on behalf of all Alaskans.

Sincerely,

J. Kate Burkhart
Executive Director

[1] *The Cost of Crime: Could The State Reduce Future Crime and Save Money by Expanding Education and Treatment Programs?* published by Institute of Social and Economic Research (ISER), University of Alaska (January 2009). Available online at www.iser.uaa.alaska.edu.

-----Original Message-----
From: Diana Conway [mailto:ahdc1@uaa.alaska.edu]
Sent: Tuesday, March 08, 2011 5:02 PM
To: Sen. Albert Kookesh
Subject:

Dear Senator Kookesh,

I understand that House Bill 3, requiring restricted term driver's licenses for holders of an indefinite visa, is now in the Senate State Affairs Committee. I urge you to let it die there. This bill is a solution in search of a problem.

Alaska does not to my knowledge have a major problem with undocumented workers. In my many years experience teaching at the University of Alaska I found the immigrant community to be hard- working and motivated and to contribute greatly to Alaska's economy.
To impose such petty bureaucratic hassles on them is a slap in the face.

It also lays an additional burden on state employees at a time when we are trying to streamline state government.

Sincerely,

Diana Conway

AS 28.15.101. Expiration and Renewal of Driver's License.

(a) Except as otherwise provided in this chapter, a driver's license expires on the licensee's birthday in the fifth year following issuance of the license. A license may be renewed within one year of its expiration upon proper application, payment of the required fee, and except when a license is renewed under (c) of this section, successful completion of a test of the licensee's eyesight.

(b) The department may defer the expiration of the driver's license of a person who is outside the state under terms and conditions that the department shall prescribe by regulation.

(c) A driver's license may be renewed by mail if the licensee complies with (a) of this section, except that a license may not be renewed by mail if:

(1) the most recent renewal of the applicant's license was by mail; or

(2) the applicant is 69 years of age or older on the expiration date of the driver's license being renewed.

State Driver's License Requirements

This table is current as of December 5, 2004. The information it contains was compiled by the National Immigration Law Center from statutes, state government websites, and information provided by advocates within each state. Note that the documents used to prove age and identity may have changed. To suggest corrections or additions to the table, or for the latest updates to the information it contains, contact Tyler Moran at moran@nilc.org

STATE	SSN REQUIREMENT?	LAWFUL PRESENCE REQUIREMENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
AL	Yes (w/exception)	Yes	Applicants must present 2 forms of identification — at least 1 from the primary list, and at least 1 bearing a photo. Together, the documents must establish the applicant's name and date of birth, and that the applicant is lawfully present in the U.S. **Primary documents.** U.S. birth certificate, U.S. passport, U.S. military ID card, Alabama ID card, Alabama DL, Certificate of Naturalization, U.S. Certificate of Citizenship, U.S. Certificate of Birth Abroad, resident alien card, Social Security card; Valid non-U.S. passport. **Secondary documents.** DL issued in the U.S; International DL/ permit (not expired); marriage certificate, U.S. armed forces DL; U.S. military DD-14, professional license, Selective Service card, Veterans Administration card, medical insurance ID card (not expired), school ID (with photo), school enrollment form; W-2 form; documents from court of record including divorce decree, adoption decree; name change decree, bankruptcy decree; employment authorization document with valid social security card; Valid visa authorizing presence in the country for a period exceeding six months; Valid Employment Authorization Document (EAD); Valid I-94 Arrival/Departure Record; Original Form I-797, Notice of Action, showing approval of change of status or extension of stay Original Form I-797, Notice of Action, evidencing timely filing of an extension petition. **Documents to prove lawful presence** include, but are not limited to, original or certified copies of one or more of the following: I-551 stamp in foreign passport or I-551 stamp on Form I-94 (Arrival/Departure Record); proof of refugee, asylee, or parolee status, i.e., Form I-571 (Refugee Travel Document), or Form I-512 (Authorization for Parole of an Alien), or an immigration judge's order (IJO), certified by the clerk of the court, granting asylum or cancellation of removal; proof of lawful nonimmigrant status provided by the U.S. Dept. of Justice (Form I-94, Arrival/Departure Record, not expired, with required supporting document(s)); and U.S. Dept. of Defense Uniformed Services ID Card, along with International Travel Order (ITO) for international military student (IMS). Non-U.S. citizens with the following visa types are eligible to apply for an Alabama driver's license: A, E, F, J, L, M, NATO, O, P, R, and TN. ***Note:*** F-1 and M-1 visa holders also must provide a copy of Form I-20 (Certificate of Eligibility for Nonimmigrant Student Status). J-1 and J-2 visa holders must also provide a copy of Form IAP-66 (Certificate of Eligibility for Exchange Visitor Status). In addition to meeting the above ID requirements, an applicant who has been deported from the U.S. must present proof from the INS or CIS that his or her lawful presence status has been restored.	➢ Noncitizens lawfully residing in the state for a period exceeding six months and who are not authorized to work are not required to provide an SSN, but must provide proof of lawful presence exceeding six months from the date of application for a DL. ➢ Applicant's immigration documents must show that s/he may legally remain in the U.S. for at least 160 days from time of application. ➢ DLs will expire with the immigration document the license-holder presented at the time of application. ➢ Noncitizens may only use designated DMV offices. ➢ Lawsuit filed that challenges Dept. of Public Safety's policy of denying DLs to nonimmigrants and applicants for permanent residency. *Castro et al v. Coppage and Alabama Dept. of Public Safety*, No. 2:04cv400-W (U.S.D.C. Mid. Dist. Ala.).
AK	Yes (w/exception)	Yes	Applicants must present 2 pieces of identification, 1 to prove DOB and 1 to prove identity. **Documents to prove DOB.** An original or certified copy of a U.S. or Canadian birth certificate (from Vital Statistics); a passport issued by the U.S. or Canada; an Alaska learner's permit or other state-issued permit with a photo; an ID card issued by a state DMV office or Canadian DMV; and military ID for active duty, retiree or reservist. ***Note:*** When *two items* from the above list are presented, an identity document (listed below) is not required. **Documents to prove identity.** Employee ID card with photo, SSA card, military ID for dependent, passport, pilot's license, marriage license or certificate, and other evidence of comparable validity approved by a DMV supervisor.	➢ Applicants who have an SSN must present it. ➢ Lawful presence requirement is specified in neither a law nor regulation, but the combination of documents required creates a lawful presence requirement.

ABBREVIATIONS: *CIS*: U.S. Citizenship and Immigration Services • *DL*: driver's license • *DMV*: Dept. of Motor Vehicles • *DOB*: date of birth • *ID*: identification • *IJ*: immigration judge • *INS*: Immigration and Naturalization Service • *IRS*: U.S. Internal Revenue Service • *ITIN*: Individual Tax Identification Number • *LPR*: lawful permanent resident • *SAVE*: Systematic Alien Verification for Entitlements • *SSA*: Social Security Administration • *SSN*: Social Security number

STATE	SSN REQUIRE-MENT?	LAWFUL PRESENCE REQUIRE-MENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
AZ	Yes (w/exception)	Yes	Applicants must present either (a) 2 of the documents listed below, 1 having a clear photo of the individual, OR (b) 3 of the documents listed below. One document must be from the primary list. All documents presented must be originals or copies certified by the issuing agency, and all must be in English. **Primary documents (must include DOB).** Birth certificate issued in any state, territory, or possession of the U.S. (hospital record/certificate and California Certified Abstract of Birth are not acceptable); delayed birth certificate issued in any state, territory or possession of the U.S.; U.S. Certificate of Birth Abroad; U.S. passport; foreign passport with U.S. visa (admission stamp or I-94 form required in passport); I-94 (Arrival/Departure Record) with photo; resident alien card issued after March 1977; employment authorization card issued by INS or CIS; U.S. Certificate of Naturalization; U.S. Certificate of Citizenship; DL issued in another state, territory or possession of the U.S. (see comments for a list of restricted states); Arizona ID card (issued after July 1996); instruction permit issued in another state, territory, or possession of the U.S. (see comments for a list of restricted states); record of a previous Arizona DL, ID card or instructional permit (issued after July 1996); certified letter of identification for a ward of the court, issued by a court or government agency in the U.S.; affidavit of identification (with photo and within 15 days of being issued) from Arizona Dept. of Corrections, a county detention facility, or a probation office in Arizona; tribal certificate of Indian blood; tribal or Bureau of Indian Affairs affidavit of birth; U.S. military DD-214; or U.S. military ID card (active duty, reserve and retired). **Secondary documents.** DL issued in any state, territory or possession of the U.S.; instruction permit issued in any state, territory or possession of the US; U.S. military dependent ID card; U.S. armed forces DL; Social Security card; motor vehicle record or clearance letter (within 30 days of being issued); legal guardian affidavit; Selective Service card; W-2 form; U.S. Dept. of Veterans Affairs card; concealed weapons permit; medical insurance ID card; professional license; bank card; credit card; employee ID badge (with photo); school ID (with photo); marriage certificate issued in any state, territory, or possession of the U.S.; and documents from court of record: divorce decree, adoption decree, name change decree, bankruptcy decree, and emancipation decree.	➢ Applicants who have an SSN must present it. ➢ DL expires when immigration visa expires. ➢ DLs issued by the following states are not accepted as primary proof of identity: AK, HI, IL, IA, MI, MO, MT, NE, NV, NM, NC, OK, OR, RI, TX, UT, VT, WA and WA. ➢ SB 1232, signed into law in June 2004, requires that the director of the DMV develop rules to (1) verify that the applicant's presence in the U.S. is authorized under federal law, and (2) issue temporary driver permits pending verification of the applicant's immigration status.
AR	Yes (w/exception)	Yes	Applicants must present proof of identity and lawful presence. Each applicant must present either an Arkansas photo DL or ID, or 2 primary documents, or 1 primary and 1 secondary document. **Primary documents.** Photo out-of state DL, certificate of birth (if foreign, it must be accompanied by a notarized English translation); photo document from CIS; passport (if the passport is from a country other than the U.S., the applicant must also present a CIS card or a U.S. visa); naturalization certificate; court order (must contain full name, DOB, and court seal; examples include: adoption document, name-change document, or gender-change document; abstract of criminal or civil conviction not acceptable); military ID with photo; Selective Service card; and armed forces discharge papers. **Secondary documents.** Photo Arkansas Medicaid card; photo out-of-state Medicaid card; work/school photo ID; Social Security card; vehicle registration/title; Bureau of Indian Affairs card/treaty card (no tribal cards accepted); marriage license; health insurance card; IRS or state tax forms (W-2 is not acceptable); court order without DOB; medical records; concealed handgun license; certified school transcript; pilot's license; notarized parent affidavit; court records ;prison release document. **Proof of lawful presence.** U.S. birth certificate; U.S. visa; Social Security card; photo document from CIS; U.S. passport; and naturalization certificate.	➢ Applicants who have an SSN must present it.
CA	Yes (w/exception)	Yes (see comments)	Applicants must present proof of their DOB and that they are lawfully present in the U.S. **Proof of DOB and Lawful Presence.** U.S. birth certificate; U.S. certificate or report of birth abroad of a U.S. citizen; Federal Proof of Indian Blood Degree; INS American Indian Card; birth certificate or passport issued by a U.S. territory; U.S. passport ; U.S. identification card ; U.S. military identification card (active or reserve duty, dependent, retired member, discharged from service, medical/religious personnel); Common Access Card (only if designated as Active military or Active Reserve or Active Selected Reserve); certificate of U.S. naturalization or citizenship; Northern Marianas Card; INS-issued U.S. citizen ID card; permanent	➢ *Case law.* Persons whose presence is authorized by federal law but are ineligible for an SSN are entitled to DMV documents if otherwise qualified. ➢ License expires when visa expires. ➢ DMV verifies the applicant's immigration status through SAVE

ABBREVIATIONS: *CIS*: U.S. Citizenship and Immigration Services • *DL*: driver's license • *DMV*: Dept. of Motor Vehicles • *DOB*: date of birth • *ID*: identification • *IJ*: immigration judge • *INS*: Immigration and Naturalization Service • *IRS*: U.S. Internal Revenue Service • *ITIN*: Individual Tax Identification Number • *LPR*: lawful permanent resident • *SAVE*: Systematic Alien Verification for Entitlements • *SSA*: Social Security Administration • *SSN*: Social Security number

STATE	SSN REQUIRE-MENT?	LAWFUL PRESENCE REQUIRE-MENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
			resident card; temporary resident card; Canadian passport or birth certificate; Nonresident Alien Canadian Border Crossing Card; valid foreign passport with a valid Record of Arrival/Departure (Form I-94); certification from California Dept. of Corrections or California Youth Authority; employment authorization card; Permanent Resident Re-entry Permit; Refugee Travel Document; "Processed for I-551" stamped in a valid foreign passport; valid I-94 stamped "Refugee," "Parole" or "Parolee," "Asylee," or "Section 207," "Section 208," "Section 209," "Section 212d(2)," "HP," or "PIP"; immigration judge's order granting asylum; valid I-94 with attached photo stamped "Processed for I-551 temporary evidence of lawful admission for permanent residence"; Notice of Action (I-797 Approved Petition) ; Mexican Border Crossing Card with valid I-94. **Proof of SSN.** Social Security card (laminated card not acceptable); Medicare card; U.S. armed forces ID cards (Active DD-2, Retired DD-2, Reserved DD-2, Dependent DD-173, and military separation document DD-214).	the SAVE system.
CO	Yes (w/exception)	Yes	Applicants must present two documents that prove age, name, and lawful presence. One document must be from the proof of age/lawful presence list. **Proof of age/lawful presence.** Out-of-state–issued photo driver's license or photo ID card expired one year or less (out-of-state ID cards and licenses require additional documentation for proof of lawful presence); any Colorado driver's license, Colorado 7-day Affidavit and Notice of Revocation or Affidavit and Notice of Suspension, or Colorado ID card that matches the photograph on file with the Motor Vehicle Division (Colorado ID cards issued between June 1, 1997, and July 1, 1998, require additional documentation for proof of lawful presence); certified birth certificate (federal-, state-, county-, Dept. of Justice–, Dept. of State–, or Bureau of Indian Affairs–issued; a birth certificate issued by a hospital is *not* acceptable); U.S. passport expired less than 10 years; valid foreign passport with I-94 or valid "processed for I-551" stamp (*no* B-1, B-2, WT, WB, CP or NC status; and H-1, H-2, J-1, J-2, F-1, F-2, etc., statuses require verification of Colorado employment or education); Form I-94 (Arrival/Departure Record, refugee/asylee status version) (Refugees/asylees presenting such an I-94 must also present either an employment authorization card or an original letter, on agency letterhead, from "the legal agency providing assistance" [sic—verbatim from MVD website], which letter is to be surrendered to the Motor Vehicle Division); valid I-551 (resident alien/permanent resident card) (*no* border-crosser or U.S.A B-1/B-2 Visa/BCC cards accepted); valid I-688 (photo temporary resident card), I-688B and I-766 (photo employment authorization card); valid U.S. military ID (active duty, dependent, retired, reserve, and National Guard); tribal ID card; U.S. or U.S. territory certified court order of adoption (must include DOB); Certificate of Naturalization with intact photo. **Proof of name.** If the applicant is applying for a license under a name that is different from the name on the document presented as proof of age/lawful presence, or if the applicant is changing the name on an established record, any of the following documents are acceptable in addition to the document presented for proof of age/lawful presence (*no* photocopies allowed): U.S. city, county, or state–issued, or foreign-issued, certified marriage certificate (foreign language documents may require translation; *no* church-issued documents are accepted); certified divorce decree, U.S. or foreign, with a case number and official signature; certified court order of name change, U.S. or foreign, with case number and official signature (foreign language documents require translation); valid U.S. military ID (active duty, dependent, retired, reserve, and National Guard); tribal ID card; out-of-state–issued photo driver's license or photo ID card expired one year or less.	➢ Applicants who have an SSN must present it. Applicants without SSNs may submit a sworn affidavit. ➢ License expires when visa expires.
CT	Yes (w/exception)	Yes	Applicants must present proof of state residency, identification, and lawful presence. Non-citizens must submit proof of lawful presence and either one primary or secondary document. US citizens are required to submit a certified birth certificate or valid U.S. passport and either one primary or secondary document. **Primary documents.** Valid U.S. /U.S. territory or Canadian driver's license with photo (non–U.S. citizens must also provide proof of legal status); valid out-of-state or Canada–issued learner's permit with photo (non–U.S. citizens must also provide proof of legal status); certified birth certificate or registration of birth (must be original or certified copy, have a seal, and be issued by an	➢ Applicants who have an SSN must present it. Applicants without SSNs may submit a sworn affidavit.

STATE	SSN REQUIRE-MENT?	LAWFUL PRESENCE REQUIRE-MENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
			authorized government agency, such as the bureau of vital statistics or state board of health; hospital-issued certificates and baptismal certificates are not acceptable as primary ID); Connecticut Non-Driver Identification Card if original issue date is Oct. 1, 2001, or later; valid passport, U.S. or Canadian (if foreign passport appropriate, INS or CIS documents also required); military ID or dependent card with photo; military discharge/separation papers; Connecticut pistol permit with photo; certified adoption papers. INS or CIS documents (must be valid and unexpired) as follows: Certificate of Naturalization; Certificate of Citizenship; valid foreign passport containing an I-551 stamp; valid foreign passport containing an I-94 (Arrival/Departure Record) and visa type; Alien Registration Receipt Card (resident alien card); temporary resident card; employment authorization card (must also provide verification of an application pending for lawful permanent residence), Refugee Travel Document (Form I-571). **Secondary documents.** All primary documents; expired U.S./U.S. territory or Canadian DL with photo; court order (must contain full name, date of birth, and court seal; examples include adoption document, name-change document, gender-change document, etc.; abstract of criminal or civil conviction may *not* be used); foreign birth certificate (must be translated by approved translator); marriage license (certified copy only); parent/guardian affidavit (applies only to minors; parent/guardian must appear in person, prove his/her identity, and submit a certified/notarized affidavit regarding the child's identification); pilot's license; school record/transcript (must be certified); Social Security card (laminated or metal cards are not acceptable); Connecticut Dept. of Social Services (DSS)–issued public assistance card with photo; prison release document; expired passport; baptismal certificate or similar document; divorce decree; employee ID from state or federal government with signature and photo and/or physical description, with or without DOB. **Note:** Holders of a B-1 or B-2 visitor's visa are not eligible for a DL or ID card unless they provide a valid employment authorization card and verification of an application pending for lawful permanent residence. Foreign students with an F-1 visa must present Form I-20 (Certificate of Eligibility for Nonimmigrant Student Status) and verification of current enrollment in a Connecticut school; holders of a J-1 visa are required to show Form IAP-66 (Certificate of Eligibility for Exchange Visitor Status); and all applicants will be verified through CIS for legal status before a driver's license/ID card will be issued.	
DE	Yes (w/exception)	Yes (see comments)	Applicants must present one primary document and one secondary document, two documents to prove state residency, and proof of lawful presence. **Primary documents.** DL with photo, state/province/territory-issued photo ID; certified copy of DL or ID; U.S. birth certificate (must be original or certified copy, have a raised seal and be issued by the Bureau of Vital Statistics or State Board of Health); certain INS or CIS documents, including Certificate of Naturalization (N-550, N-570, or N-578), Certificate of Citizenship (N-560, N-561, or N-645), Northern Marianas card (I-551), American Indian card (I-551), U.S. citizen ID card (I-179 or I-197), resident alien card (I-151, I-551, AR-3, or AR-103), temporary resident card (K-688), nonresident alien Canadian border crossing card (I-185 or I-586), Arrival/Departure Record(I-94 or I-94W in a valid foreign passport), Arrival/Departure Record (I-94) with attached photo and stamped "Temporary Proof of Lawful Permanent Residence," "Processed for I-551" stamp in a valid foreign passport, permanent resident reentry permit (I-327), Refugee Travel Document (I-571), employment authorization card (I-688A, I-688B, I-766); Canadian immigration record and Visa or Record of Landing (IMM 1000); court order; U.S. military ID; U.S. passport; or foreign passport with INS or CIS documentation. **Secondary documents.** Any primary document may be used as a secondary document; driver's license/ID card, expired more than one year; court order that does not contain the applicant's DOB; employment ID card; health insurance card, e.g., Blue Cross/Blue Shield, Kaiser, HMO; IRS/state tax forms; marriage certificate/license; medical records from doctor/hospital; military dependent ID; military discharge/separation papers; gun permit; pilot's license; school record/transcript (must be certified); Social	➢ SSN required if applicant is eligible for one. ➢ The Division of Motor Vehicles (DMV) issued emergency regulations in March 2002 that require applicants for a license or ID card to demonstrate lawful presence. ➢ The American Civil Liberties Union sent a letter to the DMV in October 2002 asking the agency to stop enforcing the emergency regulations because they are no longer valid (the regulations were effective for 120 days and renewable for 60 days). The agency continues to enforce the regulations despite their having expired.

STATE	SSN REQUIRE-MENT?	LAWFUL PRESENCE REQUIRE-MENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
			Security card (metal card is *not* acceptable); Social Insurance card (Canadian residents only); student ID card with photo; vehicle title (vehicle registration not acceptable); welfare card; prison release document. **Proof of residency (must bear name and address).** Utility bills; hospital insurance card; auto or life insurance policies; W-2 or filed tax forms; voter registration card; bank account records; credit card statements; employment records; DMV computer records; rental agreements.	
DC	Yes	Yes (See comments)	**Applicants must present one of the following documents:** State-certified U.S. birth certificate or birth registration card; DC driver's license, learner's permit, or nondriver's ID card, which has not been expired for more than five years; driver's license, learner's permit, or nondriver's ID issued by another U.S. state or jurisdiction, which has not been expired for more than one year; U.S. passport that has not been expired for more than one year. **Applicants who do not have any of the above documents must present two of the following, one of which must bear the applicant's DOB:** Certified copy of high school records from a U.S. jurisdiction or territory; valid Form IAP-66 (Certificate of Eligibility for Exchange Visitor Status); U.S. military discharge papers (DD-214); U.S. military ID; health insurance card or policy stating applicant's full name, DOB, and SSN; valid college or university photo ID; original certified marriage certificate. **Proof of DC residency.** Complete utility bill showing applicant's name at current address, issued within the last 60 days; original lease or rental agreement with the name of the applicant listed as the lessee or renter (may include handwritten leases if notarized by lessee or authorized representative from a leasing company); voter registration card or certified voter registration application; written statement from a person owning the residence or residing with the applicant at the stated residence and a complete utility bill of that person and a copy of that person's valid DC driver's license or nondriver's ID card; deed, settlement agreement, or homestead exemption certificate; letter (on letterhead) from halfway house or shelter specifying that the applicant resides at that location. If the applicant is 16 or 17 years of age, the required notarized parental consent form will be accepted if accompanied by proper proof of DC residency of the parent or legal guardian.	➢ Lawful presence requirement is specified in neither a law nor regulation, but the combination of documents required creates a lawful presence requirement. ➢ DL expires when immigration document expires.
FL	Yes (w/exception)	Yes	Applicant must present proof of identification, date of birth and lawful presence. **Immigrants must present:** I-551 stamp in passport or on I-94 (Arrival/Departure Record); or Immigration judge's order, with the applicant's A-number, granting asylum; or Form I-797, with the applicant's A-number, stating that the applicant has been granted asylum; or I-797 or another form from CIS, with the applicant's A-number, stating the applicant's application for refugee status is approved. (**Note:** This list is not exhaustive. A list of all acceptable documents can be found at http://casey.hsmv.state.fl.us/intranet/ddl/MemberSvcs/NonImmigClass.html.) **Nonimmigrants must present:** Employment authorization card (Form I-6888 or I-766); or proof of nonimmigrant classification provided by the INS or CIS (Form I-94, Arrival/Departure Record, not expired, with required supporting attachment(s)). Any I-94 must be accompanied by a passport. Certain classifications require additional documentation. Some examples are: Persons with F-1 or M-1 visas must also present a Form I-20 (Certificate of Eligibility for Nonimmigrant Student Status); persons with J-1 or J-2 visas must also present a Form IAP-66(Certificate of Eligibility for Exchange Visitor Status). Persons classified as refugees, asylees, or parolees must present additional documentation. The following documents will be accepted only with a supporting document (including but not limited to a passport, Florida driver's license or ID card, driver's license issued by any other state, employment authorization card, employment ID, ID from home country, ID from school or college, Social Security card, or other INS or CIS document): I-571 (Refugee Travel Document); I-512 (Authorization for Parole of an Alien); immigration judge's order granting asylum or cancellation of removal. **Canadian Citizens.** Canadian citizens residing temporarily in the U.S. (i.e., those who do not have lawful permanent resident status) are in "nonimmigrant" status and are allowed to stay in the U.S. without obtaining CIS documentation. Canadians without	➢ Applicants who have an SSN must present it. ➢ License expires with visa or immigration document. ➢ Non–U.S. citizens must renew license and change-of-address in person. ➢ Non–U.S. citizens applying for an original driver's license are issued a 30-day, nonphoto, paper temporary permit and a receipt. All records are then examined and run against Florida Dept. of Law Enforcement, FBI, and immigration-related databases. Upon identity and legal status verification, a driver's license is issued within 30 days and mailed to the address on the driver's record. If a problem is detected, a denial-of-issuance letter is mailed to the applicant.

ABBREVIATIONS: *CIS*: U.S. Citizenship and Immigration Services • *DL*: driver's license • *DMV*: Dept. of Motor Vehicles • *DOB*: date of birth • *ID*: identification • *IJ*: immigration judge • *INS*: Immigration and Naturalization Service • *IRS*: U.S. Internal Revenue Service • *ITIN*: Individual Tax Identification Number • *LPR*: lawful permanent resident • *SAVE*: Systematic Alien Verification for Entitlements • *SSA*: Social Security Administration • *SSN*: Social Security number

STATE	SSN REQUIRE-MENT?	LAWFUL PRESENCE REQUIRE-MENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
			CIS documents must provide proof of their Canadian citizenship by presenting two of the following documents: Canadian passport; Canadian driver's license; original or certified Canadian birth certificate; or Canadian Naturalization Certificate. **Note:** All required and supporting documents *must* be original or certified and be valid for more than 30 days from the date of issuance.	
GA	Yes (w/exception)	Yes	Applicants must present proof of identity, state residency, and lawful presence. Non–U.S. citizens must present one document each from Tier 1 and Tier 2. **Tier 1** (document must be an original or certified copy). Original state-issued birth certificate (hospital birth certificates are not acceptable); certified copy of birth certificate (issued by vital statistics department, with affixed seal); certificate of birth registration; certified copy of court records (adoption, name change, or sex change); certified naturalization records; immigration ID card; valid passport. **Tier 2.** If the identification document presented indicates that the individual is a non–U.S. citizen, a valid INS or CIS document must be presented. Dept. of Motor Vehicle Safety examiners currently accept any INS or CIS document that indicates the individual is currently authorized to be present in the United States. **Proof of residency.** Utility bill with valid Georgia residence address; bank statement with valid Georgia residence address; rental contracts and or receipts; employee verification; Georgia license issued to parent, guardian or spouse.	➢ Applicants without an SSN must present Form SSAL686 from the SSA. ➢ Documents presented must be either in English or translated into English by a translator approved by the Dept. of Motor Vehicle Safety.
HI	Yes (w/exception)	No	Applicants must present proof of name and age. Documents such as a valid DL, birth certificate, military ID, "along with other supporting documents," are accepted.	➢ SSN required if applicant is eligible for one. Applicants ineligible for an SSN must present a letter from the SSA stating that the applicant is ineligible for an SSN *and* a government-issued photo ID or other ID deemed acceptable by the DMV director.
ID	Yes (w/exception)	Yes (See comments)	Applicants must present proof of state residency, age and identity, and lawful presence (if the applicant does not have an SSN). Applicants must present 2 documents from the list of primary and secondary documents (at least 1 of the documents must be from the list of primary documents, and at least 1 must contain a photo). **Primary documents.** State DL or ID card with photo, not expired for more than one year; Idaho DL or ID card not expired for more than five years; certified original or abstract birth certificate; valid INS or CIS card; U.S. military photo ID card; valid passport with U.S. visa; Idaho concealed weapons permit not expired for more than one year; pilot's license with photo, not expired more than one year; Veterans Universal Access card (with photo); and Native American tribal photo ID card. **Secondary documents.** State DL or ID card with photo, expired for more than 1year; U.S. military discharge paper (Form DD-214); certified marriage certificate meeting ID standards with seal and document number showing that it was recorded; certified divorce document from a court or state vital statistics department; original naturalization/citizenship document; guardianship or custody documents (notarized or court-certified); certified court name-change document; school transcript; home school document; junior or senior high school (but not college or university) photo activity card; school, college, or military yearbook/annual; printed photo directory of a religious organization; newspaper clipping with photo and name (if applicant can be identified in photo); unexpired Salt Lake City Mexican Consulate–issued photo ID card that is valid for five years from date of issue; verified photo work ID card (accepted at county discretion); ID automobile dealer/salesman photo ID card; Idaho Dept. of Corrections photo ID card; and Idaho Dept. of Juvenile Corrections photo ID card. **Proof of Residency.** Acceptable documents include leases, rental agreements, utility bills, employment records, school enrollment records, etc. The home address cannot be the applicant's workplace, vacation residence, or part-time residence.	➢ If applicant has *no* SSN, s/he must: (1) present written verification from the SSA that s/he has not been assigned an SSN; (2) submit a birth certificate, passport, or other documentary evidence issued by an entity other than a state or the U.S.; and (3) submit such proof as the Division of Motor Vehicles may require that s/he is lawfully present in the U.S. ➢ Applicants with a non–U.S. DL or ID card may be required to provide additional documents. ➢ Non-English documents must be accompanied by an acceptable (as determined by the examiner or the Idaho Transportation Dept.) English-language document or an acceptable translation.

ABBREVIATIONS: *CIS*: U.S. Citizenship and Immigration Services • *DL*: driver's license • *DMV*: Dept. of Motor Vehicles • *DOB*: date of birth • *ID*: identification • *IJ*: immigration judge • *INS*: Immigration and Naturalization Service • *IRS*: U.S. Internal Revenue Service • *ITIN*: Individual Tax Identification Number • *LPR*: lawful permanent resident • *SAVE*: Systematic Alien Verification for Entitlements • *SSA*: Social Security Administration • *SSN*: Social Security number

STATE	SSN REQUIREMENT?	LAWFUL PRESENCE REQUIREMENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
IL	Yes (w/exception)	Yes (See comments)	New applicants must present one document from each of the four categories listed below. **Signature.** Cancelled check (within 90 days); major credit card; government ID card; Cooperative Driver Testing Program (CDTP) certification form; driver education certificate; current Illinois DL; court order; government driver's license; immigration-related Forms I-551, I-688, I-688A, I-688B, I-766, or I-94; Medicare card with suffix A, J, H, M or T;US military DL; US military ID card; military service record (DD-214); mortgage or installment loan document; current out-of-state DL or ID card; U.S. or foreign passport; Social Security card. **Proof of DOB.** Adoption records; birth certificate (original or certified by a board of health or bureau of vital statistics within the U.S., or by the U.S. State Dept., U.S. territory, or Canada); court order regarding change of birth date; official grade/high school transcript; current Illinois DL or ID card; immigration-related Forms I-551, I-688, I-688A, I-688B, I-766, or I-94; U.S. military driver's license; military ID card; military service record (DD-214); naturalization certificate; U.S. or foreign passport; SSA award letter. **SSN.** Illinois DL record; Illinois ID card record; military DL; military ID card; US, military service record (DD-214); SSA award letter; social security card issued by the SSA. **Residency/personal data.** Examples include utility bill, vehicle registration card, and voter registration card. Current forms of ID with an Illinois street address that do not appear on the list of unacceptable ID may also be used to verify residency. Any document listed in the first three categories, above, and other forms of ID not listed as unacceptable may be used to verify personal data. (For a list of unacceptable ID documents, see the Illinois Driver Services Dept. Web site: www.cyberdriveillinois.com/departments/drivers/acceptable_id.html.)	➢ Effective Jan. 1, 2005, the Illinois secretary of state (SOS) may issue a temporary visitor DL to a noncitizen who (1) resides in the state, (2) is ineligible to obtain an SSN, and (3) presents proof of lawful presence. ➢ A temporary DL is valid for 3 years or for the time that the person is authorized to remain in the U.S. ➢ The SOS will adopt rules regarding the design and content of the temporary DL.
IN	Yes (w/exception)	Yes (see comments)	Applicants must present proof of identity and state residency. An applicant must present 1 primary document, 1 proof of Social Security number (SSN), 1 secondary document, and 1proof of Indiana residency document; or 2 primary documents, 1 proof of SSN, and 1 proof of Indiana residency document. (Presenting a primary or secondary document may also establish the applicant's Indiana residency as long as the applicant's name and correct address are shown on the document). **Primary documents.** U.S. birth certificate, with stamp or seal, issued by one of the following: county department or county board of health vital records/statistics division of the applicant's state of birth; state department or state board of health vital records/statistics division of the applicant's state of birth; the U.S. State Dept.; or a U.S. territory (American Samoa, Guam, Puerto Rico, or Virgin Islands) (translation may be required); certificate of report of birth abroad of U.S. citizen (DS-1350); U.S. consular report of birth (FS-240); U.S. certificate of naturalization/citizenship; valid U.S. military/merchant marine photo ID; valid U.S. passport. ***Acceptable immigration-related documentation*** includes the following: Valid foreign passport with visa that includes valid I-94 (Arrival/Departure Record) in passport indicating duration of stay in the U.S. (because Canadians are not required to have a visa in their passports when entering the U.S., they are exempt from this requirement); employment authorization card (I-688B or I-766); I-94 (Arrival/Departure Record) stamped "Section 207" refugee status; I-94 stamped "Section 208" asylum status; permanent resident card (I-551); temporary I-551 stamp; temporary resident card (I-688); Reentry Permit (I-327); Refugee Travel Document (I-571); and other INS or CIS documentation subject to Bureau of Motor Vehicles Driver Services approval. **Note:** Out-of-country licenses no longer accepted as ID or proof of driving experience. **Secondary documentation.** Bank statement; certified academic transcript; confirmation of registration letter from an educational institution; court documentation with stamp or seal in applicant's name; foreign consulate–issued ID card; government-issued license or ID card; Hoosier RX Plan card with imprinted name; Indiana county pre-sentence investigation report with clerk stamp or seal; Indiana gun permit (valid); Indiana probation photo ID card; Indiana professional/occupational license (valid); Indiana BMV title application with BMV valid stamp; Indiana BMV title or registration (valid); insurance card; letter from probation officer or county caseworker on letterhead stationery, certified with court or county stamp or seal with the applicant's name and signature of	➢ Lawful presence and SSN requirement implemented administratively on July 15, 2002. A class action lawsuit challenges that the rule was implemented without going through the required rulemaking process. The suit—*Roe v. Coleman*, Marion County Superior Court, Indiana—is still pending. ➢ Agency affidavit may be accepted from applicants who have never been issued an SSN. ➢ An applicant submitting *valid* INS or CIS documentation who does not already have a valid license from another U.S. state or territory must first obtain an Indiana learner's permit. The applicant must hold the permit for at least sixty (60) days before being eligible to apply for an Indiana DL.

ABBREVIATIONS: *CIS*: U.S. Citizenship and Immigration Services • *DL*: driver's license • *DMV*: Dept. of Motor Vehicles • *DOB*: date of birth • *ID*: identification • *IJ*: immigration judge • *INS*: Immigration and Naturalization Service • *IRS*: U.S. Internal Revenue Service • *ITIN*: Individual Tax Identification Number • *LPR*: lawful permanent resident • *SAVE*: Systematic Alien Verification for Entitlements • *SSA*: Social Security Administration • *SSN*: Social Security number

STATE	SSN REQUIRE-MENT?	LAWFUL PRESENCE REQUIRE-MENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
			the probation officer; major credit or bank card (MC, VISA, AE, and Discover *only*) (valid); original out-of-state driver record; out-of-state driver license, ID card or permit with photograph; pay check stub (computer generated); prison release documentation/photo ID; school report card (dated within 12 mos.); school photo ID card; Selective Service acknowledgement card (SSS Form 3A); U.S. divorce decree certified by court of law with stamp or seal; U.S. application of marriage/record of marriage (certified copy; must contain the stamped seal and be signed by the clerk); U.S. district court pre-sentence investigation report with clerk stamp or seal; U.S. military discharge or DD214 separation papers; U.S. Veterans Universal Access ID card with photo; W-2 form (federal or state) or 1099 federal tax form. **Proof of Indiana residency.** Any document from the list of "primary documents" or "secondary documentation," above, may be used as proof of Indiana residency, as long as the document contains the applicant's name and residential address. For purposes of this policy, a post office box is not an acceptable residential address. Examples of proof of residency include, but are *not* limited to, the following: child support check from Indiana Family and Social Services Administration, with name and address of the applicant attached; change of address confirmation form (CNL107) from U.S. Postal Service listing old and new address; *current* bill, or benefit statement (within 60 days of issuance); Indiana DL, ID card, or permit with photo; Indiana property deed or tax assessment; Indiana surveyor report; Indiana residency affidavit; or voter registration card. **Proof of SSN.** For issuance of new DL or learner's permit, applicant must provide proof of his/her SSN. If applicant's SSN is already listed on the Bureau of Motor Vehicles (BMV) file, only verbal verification is required. Metal or plastic "replicas" of a Social Security card are not accepted. Acceptable SSN verification: Social Security card; NUMI Report (stamped and issued from SSA office in Baltimore, MD, in applicant's name); letter signed and stamped from an Indiana SSA district office in applicant's name; valid U.S. military ID card; and BMV Social Security affidavit (only to be used by applicant attesting that he/she has never been issued an SSN).	
IA	Yes (w/exception)	Yes (see comments)	Applicants must present proof of identity, age, state residency, and lawful presence. **Primary documents.** Photo DL or a certified copy of a DL that is valid or has not been expired more than one year; photo ID card or certified copy of the card issued from the same state agency that issues DLs and that has not been expired more than one year (some states excepted); original or certified copy of U.S. or Canadian birth certificate that has raised seal and is government-issued (hospital birth certificate is not acceptable); INS or CIS document; court order containing the applicant's full name, DOB, and court seal (abstracts *not* accepted); military ID card (dependent ID card *not* accepted); valid U.S. or Canadian passport or foreign passport with appropriate INS or CIS document; and ID card issued by Canadian Dept. of Indian Affairs (U.S. Bureau of Indian Affairs or tribal ID cards not acceptable). **Secondary documents.** Any primary document; Bureau of Indian Affairs card; photo DL or photo ID card expired one year or more; court order that does not contain the applicant's DOB but does have full name; foreign birth certificate translated by approved translator; military discharge or separation papers (DD-214); military dependent ID card; employment ID card; health insurance card; IRS or state tax document completed by the governmental agency (W–2, 1040, 1040A, 1040EZ, and related forms completed by taxpayer not acceptable); marriage license or certificate; medical records from doctor or hospital (original or authenticated); gun permit; pilot's license; certified school record or transcript.; Social Security card issued by the SSA (metal version of card not acceptable); Canadian Social Insurance card; photo student ID card; vehicle certificate of title (vehicle registration not acceptable); voter registration card; welfare card; prison release document.; and certified or notarized affidavit identifying minor child that is personally provided by child's parent or guardian (parent or guardian must provide acceptable proof of his/her identity). **Proof of state residency.** IA voter registration card; IA vehicle registration certificate; utility bill showing 30 days of residency.; statement from an IA financial institution showing 30 days of residency; rental or lease agreement showing 30 days of residency.; pay check or pay stub from an IA employer.; children's school enrollment papers; documentation showing a filing for homestead or	➢ Applicants who are "temporary foreign nationals" and are ineligible for an SSN must present CIS documents. ➢ Lawful presence requirement is not in the statute or regulations, but has been implemented by the state agency. ➢ Licenses issued to "foreign nationals who are temporarily present in the country" are limited to the period of time the person is authorized to be in the U.S., not to exceed two years. ➢ A class action lawsuit challenges the requirement that driver's license applicants present proof of lawful presence and an SSN: *Sanchez et al v. Iowa et al.*, No. 04-0176 (Supreme Court of Iowa).

ABBREVIATIONS: *CIS*: U.S. Citizenship and Immigration Services • *DL*: driver's license • *DMV*: Dept. of Motor Vehicles • *DOB*: date of birth • *ID*: identification • *IJ*: immigration judge • *INS*: Immigration and Naturalization Service • *IRS*: U.S. Internal Revenue Service • *ITIN*: Individual Tax Identification Number • *LPR*: lawful permanent resident • *SAVE*: Systematic Alien Verification for Entitlements • *SSA*: Social Security Administration • *SSN*: Social Security number

STATE	SSN REQUIRE-MENT?	LAWFUL PRESENCE REQUIRE-MENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
			military tax exemption on property in Iowa. Other items will be reviewed by licensing personnel. **Proof of SSN.** Only the following documents may be used to verify the applicant's SSN: Social Security card (metal version of the card is not acceptable); previous IA license or ID if it bears the applicant's SSN; IRS or state tax document completed by the appropriate governmental agency (W-2, 1040, 1040A, 1040EZ and related forms completed by the taxpayer are not acceptable); financial statement containing the SSN; payroll stub containing the SSN; and military ID card bearing the SSN.	
KS	Yes (w/exception)	Yes	Applicants must present proof of identity and lawful presence. Non–U.S. citizens must present two documents, one of which must be from the list of documents required of noncitizens). **Documents required of non–U.S. citizens** (applicant must present one document from list). Valid foreign passport with I-94 (Arrival/Departure Record) or valid "Processed for I-551" stamp; I-94 indicating that bearer has refugee status (passport not required); valid I-551 resident alien/permanent resident card; valid I-688 (temporary resident card with photo); I-688A, I-688B, and I-766 (employment authorization card with photo); valid U.S. military ID (dependent); *no* border-crosser cards are acceptable. **Secondary documents.** Certified marriage certificate (U.S.-, city-, county-, state-, or foreign-issued; translation may be required; *no* church documents allowed); certified divorce decree, U.S. or foreign, with official signature (translation may be required); certified court order of name change, U.S. or foreign, with official signature (translation may be required); common law certificate signed by both parties and notarized; valid U.S. military ID (active duty, dependent, retired, reserve, and National Guard); Bureau of Indian Affairs tribal ID card; certified court order of adoption; photo DL or ID card issued by a U.S. state (if expired, additional documentation required); valid motor vehicle registration with signature; valid motor vehicle insurance card or policy; Selective Service card with signature; valid life insurance card or policy; valid health insurance card or policy; valid Kansas hunting or fishing license; vehicle title; diploma; professional license; Kansas welfare card with photo and signature; foreign DL (certified translation may be required); parole documents; baptismal certificate; medical records; Kansas voter registration card; church marriage certificate (not accepted to change name); photo DL issued by a U.S. state (if expired over 5 years, additional documentation required); photo ID issued by a U.S. state (if expired, additional documentation required); and foreign birth certificate.	➢ An applicant who does not have an SSN must submit a sworn statement to that effect.
KY	Yes (w/exception)	Yes	According to a Kentucky Division of Motor Vehicle Licensing official, state documentation requirements are not in writing, but Kentucky uses the American Association of Motor Vehicle Administrators (AAMVA) standards. Non–U.S. citizen lawful permanent residents must present either an I-551 (permanent resident card), a form with a photo of the applicant, or a passport with a photo that is stamped by the INS or CIS as temporary evidence of lawful admission for permanent residence, with an expiration date and employment authorization indicated. **Note:** Non–U.S. citizens with B-1 or B-2 "visitor" status will not be approved for a Kentucky driver's license or ID. All noncitizens must provide proof of residency in Kentucky. Proof of residency shall include, but is not limited to, a deed or property tax bill, utility agreement or utility bill, or housing agreement.	➢ Applicants without an SSN must provide: ▪ an ITIN, ▪ a letter from the SSA declining to issue the person an SSN, or ▪ a notarized affidavit from the applicant to the Kentucky Transportation Cabinet swearing that the applicant either does not have an SSN, or refuses to divulge his or her SSN because of his/her religious convictions. ➢ With the exception of LPRs, all non–U.S. citizens wishing to apply for a KY DL must submit an application to a Division of Driver Licensing (DDL) regional office. Once the DDL approves the application, the DL will be issued from the circuit court clerk's office in the county where the applicant resides. ➢ LPRs may go directly to the circuit court clerk's office for licensing. They must present their permanent

ABBREVIATIONS: *CIS*: U.S. Citizenship and Immigration Services • *DL*: driver's license • *DMV*: Dept. of Motor Vehicles • *DOB*: date of birth • *ID*: identification • *IJ*: immigration judge • *INS*: Immigration and Naturalization Service • *IRS*: U.S. Internal Revenue Service • *ITIN*: Individual Tax Identification Number • *LPR*: lawful permanent resident • *SAVE*: Systematic Alien Verification for Entitlements • *SSA*: Social Security Administration • *SSN*: Social Security number

STATE	SSN REQUIRE-MENT?	LAWFUL PRESENCE REQUIRE-MENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
				resident card or I-551 with photo issued by the CIS. ➢ License expires when visa expires, or after four years, whichever is sooner. "Special Status Individuals" (asylees, refugees, persons paroled in public interest) will receive a 4-year DL. ➢ College students must present an I-20 form completed by university, along with proof of current academic good standing. J1 exchange visitors must have DS2019. ➢ Applicants on work related Visa (excluding Employment Authorization Cards) must present proof of employment within last 30 days (ie., payroll check, verification on company letterhead). Spouse of an L-1 must present proof that spouse is employed. ➢ DLs issued by other states accepted only if the bearer is a U.S. citizen.
LA	Yes (w/exception)	Yes	Applicants must present proof of identity and lawful presence. One primary and two secondary documents, or two primary documents, are required. **Primary documents.** Certified copy of birth certificate (long form); original birth certificate (need not bear seal); birth registration card or certificate issued by a state or county bureau of vital statistics with raised agency seal; birth card (short form); passport; permanent resident card (I-551 Note: If the photograph on the I-551 was taken prior to the applicant's 14th birthday and the applicant is now over age 14, the applicant must be referred to The Office of Homeland Security for issuance of a new I-551 prior to-processing the application.); Refugee Travel Document (I-571), permit to reenter the U.S. (I-327), employment authorization document (I-688B or I-766); Certificate of Naturalization; valid U.S. military ID card, or draft record, or military dependent ID card; current U.S. Coast Guard Merchant Mariner card; certification of birth abroad issued by U.S. Dept. of State; Native American tribal document; Dept. of Public Safety and Corrections prison or parish ID card containing photo, name, race, sex, and DOB. **Secondary documents.** Out-of-state DL with photo that clearly identifies the bearer (an official copy of the applicant's driving record from the last state to issue him/her a DL will be required if the applicant has lost his/her out-of-state license) (*Note*: Any non–U.S. DL must be accompanied by proper immigration documents); Social Security card or official written documentation from the SSA verifying SSN or specifying no number has been assigned or the applicant is ineligible for an SSN; out-of-state photo ID card issued by a state DMV; student ID card from a Louisiana college or university when accompanied by a 100% fee-paid receipt for current semester; original adoption papers; original high school, college, or university diploma; original (issued at time of ceremony) or certified copy of marriage license, or marriage certificate from a county, parish, or city in U.S., or original or certified copy of divorce from a county, parish, or city in the U.S.; church baptismal certificate; Louisiana voter registration card; official deeds or title to property in Louisiana, including burial plot deeds, registration, or certificate of title of vehicle in applicant's name; local utility statements showing name and address of individual applying, or receipt showing public utilities have been turned on (statements from a city other than the application city will not be accepted); insurance policy (health, home, life, auto); payroll stubs (must show applicant's SSN; cannot be handwritten stubs); temporary resident card (Form I-688); school yearbook (provided picture clearly identifies applicant); Medicare/Medicaid card or medical eligibility card; prison release documents or letter from probation officer (denote a PEN number (SID) on fly sheet whenever possible); DD-214 (military discharge papers); Selective Service notification to	➢ Applicants not eligible for an SSN must present official documentation from the SSA verifying that no SSN has been assigned to them or that they are ineligible for an SSN. ➢ Temporary licenses are granted to individuals employed in the agriculture industry regardless of their immigration status. Such licenses are good for one year. ➢ Non–U.S. citizen's license expires when his/her visa expires. ➢ Noncitizens must renew licenses in person. ➢ Nonimmigrants (i.e., non–permanent residents) must show upon applying for a Louisiana license or ID card that their I-94 (Arrival/Departure Record) or employment authorization document has at least 180 days of validity remaining.

ABBREVIATIONS: *CIS*: U.S. Citizenship and Immigration Services • *DL*: driver's license • *DMV*: Dept. of Motor Vehicles • *DOB*: date of birth • *ID*: identification • *IJ*: immigration judge • *INS*: Immigration and Naturalization Service • *IRS*: U.S. Internal Revenue Service • *ITIN*: Individual Tax Identification Number • *LPR*: lawful permanent resident • *SAVE*: Systematic Alien Verification for Entitlements • *SSA*: Social Security Administration • *SSN*: Social Security number

STATE	SSN REQUIRE-MENT?	LAWFUL PRESENCE REQUIRE-MENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
			applicant at his address; original or certified copy of any professional degree, certificate, or license; school records or at least two report cards from separate years; vehicle lien instrument; any government law enforcement officer's ID or badge, if in uniform, a police unit, etc. (private security company guard IDs *not* accepted); letter of verification/introduction from another state agency responsible for placement of deprived or handicapped persons (i.e., Blind Services); employment ID with photo, provided photo clearly identifies applicant (IDs from major corporations, hospitals, governmental agencies, etc.); ID card issued by federal, state, or local government agency or entity, provided it contains a photo that clearly identifies individual and information such as name, DOB, sex, height, and address; W-2 forms for two years; medical card; certificate from Dept. of Education for driver's education course completion; 6-Hour Pre-licensing Completion Certification; certificate from 36-hour pre-licensing course; original Refugee Resettlement Program letter with color picture of applicant (the color picture will have the agency director's signature across it and a raised agency seal overlapping; such a letter is acceptable for 15 days from its issue date).	
ME	Yes (w/exception)	Yes (see comments)	**Acceptable documents.** DL; driver's permit; driver education card; Social Security card; passport; birth certificate; military ID card; citizenship papers; dependent ID card; divorce papers; certificate of marriage; baptismal records; court order; school records/transcript (certified); unemployment card; concealed weapons permit; adoption papers. **Note:** Applicants under the age of 23 must provide proof of age.	➢ SSN not required if applicant is ineligible for one. ➢ Lawful presence requirement is not in the statute, but lawful presence is required by the DMV if the applicant does not have an SSN.
MD	Yes (w/exception)	No	Foreign-born applicants must present 2 documents to prove state residency and 2 primary documents or 1 primary and 2 secondary documents to prove identity. One of the sources of identification must contain the applicant's signature, and 1 must contain the applicant's DOB. **Primary sources of identification.** Government (U.S. or U.S. territory)–issued original birth certificate or certified copy; Social Security card; valid U.S. passport; valid U.S. military ID card or discharge record (DD-214); Maryland DL; Maryland ID card; out-of-state DL (current or expired); out-of-state ID card (current or expired); certificate of naming from religious institution, such as baptismal certificate; naming certificate issued during first year of life; certified school records; valid out-of-country passport; certificate of U.S. citizenship (Form N-560 or N-561); valid permanent resident card (I-551); valid employment authorization card (I-688A or I-688B); valid employment authorization document (I-766); valid temporary resident card (I-688); Certificate of Naturalization (Form N-550 or N-570); I-94 (Arrival/Departure Record); non–U.S. DL, with translation into English (current or expired); international DL (current or expired); and U.S. government DL. **Secondary sources of identification.** Selective Service card; pistol permit with photo or fingerprint; vehicle registration card or title; voter registration card; document prepared by government agency that contains applicant's signature; utility or telephone bill (in applicant's name); checking or savings account statement; life insurance card or policy (over 3 years old); property tax bill or receipt; mortgage account or proof of homeownership; residential rental contract; canceled; marriage certificate; divorce decree; retail sales/financial institution sales agreement; and in-person identification by the applicant's parent or guardian, except this may not be accepted as the sole proof of age. **Proof of residence.** Selective Service card; Maryland vehicle registration card or title; voter registration card; utility, telephone or cable bill *with postmarked envelope*; checking or savings account statement *with postmarked envelope*; life, car, health or homeowner's insurance card, bill or policy (over 3 years old); property tax bill or receipt; mortgage account or proof of homeownership; residential rental contract; canceled check with imprinted name and address; first class mail from any government agency; major credit card bill *with postmarked envelope*; installment loan contract from a bank or other financial institution; sales tax or business license; U.S. savings bond; residential service contract (e.g., TV repair, lawn service, or exterminator contract); court order of probation, order of parole, or order of mandatory release; W-2 form not more than 18 months old; pay check/stub with name and address; U.S. mail with forwarding address label; first class mail from any government agency; investment statement *with*	➢ Applicants ineligible for an SSN are required to provide a "self certification" stating that the applicant is ineligible for an SSN. ➢ All applicants who present immigration or foreign documents are required to schedule an appointment to take place at one of the few offices designated to handle such applications. ➢ On Sept. 12, 2003, the Maryland attorney general issued a decision that a person's inability to prove lawful presence in the U.S. is not a basis for denying the person a Maryland DL. ➢ Foreign documents or documents issued outside the U.S. may be used as a primary or secondary source of identification if translated into English by a court-certified translator/interpreter or by the embassy of the country in which the document was issued. The original document must accompany the English translation. A translation must be on a document prepared by a certified court translator or on the letterhead of the embassy of the document's country of origin; AND it must contain (1) the typed or printed name of the translator, (2) the translator's telephone number, and (3) his/her signature.

ABBREVIATIONS: *CIS*: U.S. Citizenship and Immigration Services • *DL*: driver's license • *DMV*: Dept. of Motor Vehicles • *DOB*: date of birth • *ID*: identification • *IJ*: immigration judge • *INS*: Immigration and Naturalization Service • *IRS*: U.S. Internal Revenue Service • *ITIN*: Individual Tax Identification Number • *LPR*: lawful permanent resident • *SAVE*: Systematic Alien Verification for Entitlements • *SSA*: Social Security Administration • *SSN*: Social Security number

STATE	SSN REQUIRE-MENT?	LAWFUL PRESENCE REQUIRE-MENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
			postmarked envelope; retirement plan statement *with postmarked envelope*; current transcript from an accredited college or university; signed tax return not more than 18 months old; mail, with postmarked envelope, from an accredited college or university. Under certain conditions, the Motor Vehicle Administration will accept certification from a parent, nursing home, or homeless shelter as proof of residence. A post office box number may be used in conjunction with a resident's address if they are in the same zip code area. A post office box or private mail drop address by itself is not acceptable.	
MA	Yes (w/exception)	Yes (see comments)	Applicants must present an SSN or a valid, current U.S. or current non-U.S. passport. They must also present 3 original forms of identification, at least one of which must be from the list of primary documents. Together, the documents must establish the applicant's DOB, signature, and Massachusetts residency. **Primary documents.** Current or expired U.S. or non-U.S. passport with photo and signature; current or expired Massachusetts firearms permit with photo, signature, and DOB; school yearbook with applicant's photo; certain INS documents; current or expired U.S. military ID (or military dependent) with photo, signature, and DOB; current or expired U.S. Merchant Mariner card with photo, signature, and DOB; current Massachusetts learner's permit or ID card; expired Massachusetts license or ID (not expired for over 1 year); current or expired license (not expired for over 1 year) with photo, signature, and DOB issued by a state, territory, or possession of the U.S., D.C., a province of Canada, or a state of Mexico or the Federal District of Mexico City (a certified copy is acceptable); original birth certificate issued by the U.S. or one of its territories or a copy certified by the agency that issued the original certificate or a copy certified by a Bureau of Vital Statistics or a state Board of Health within the United States (a hospital issued certificate is not acceptable); certified or attested copy of court order of a federal, state, or county court within the U.S. that contains a raised court seal and includes applicant's full name and DOB; original or certified copy of baptismal certificate, provided that the certificate was issued within one year of the applicant's birth in the U.S (must bear DOB); original letter issued by principal, headmaster, or official keeper of records of Massachusetts school that indicates the applicant is currently a resident student and that includes applicant's name and DOB. **Secondary documents.** Home mortgage, lease, or loan papers with applicant's name and signature; life insurance papers with applicant's name, signature, and date of signing; U.S. military discharge papers with applicant's name and signature; notarized copy of completed income tax return filed with U.S. Internal Revenue Service or a state revenue department; bank passbook, bank checkbook, or statement with applicant's name and address; original or certified copy of divorce decree; original or certified copy of marriage certificate; original or certified copy of non-U.S. birth certificate; current or expired ID (not expired more than one year) with photo and applicant's signature issued by a U.S. agency, D.C., a state, a municipality, a territory, a possession of the U.S., a province in Canada, or a state in Mexico, including the Federal District of Mexico City; Bureau of Indian Affairs treaty card; utility bill (not more than 60 days old), or property tax or excise tax bill for current or immediately prior year, containing applicant's name and address; cancelled bank check with preprinted address and dated not more than 60 days earlier; original Massachusetts Dept. of Correction discharge or release certificate; current or expired non-U.S. license with applicant's signature; tuition bill or loan coupons with applicant's current address, or an original school transcript with name and address.	➢ An applicant without an SSN may present written denial from the SSA explaining why he/she isn't eligible for SSN. In this case, the applicant must also provide evidence of an acceptable visa code. A list of acceptable and unacceptable visa classes can be found at http://www.mass.gov/rmv/license/16visacodes.htm. ➢ While the statute does not require lawful presence, documentation requirements create an ad hoc lawful presence requirement. ➢ Non-English documents must be translated.
MI	Yes (w/exception)	No	Applicants must present proof of SSN, name, and DOB. They must present 3 documents, at least one of which must be from the list of primary documents. **Primary documents** (Primary-group documents must show the applicant's full name and DOB. Expired documents are acceptable if the documents are authentic and still represent the applicant.). U.S. birth certificate (must be certified and cannot be a hospital birth certificate); U.S. military photo ID card; U.S. military dependent ID card; out-of-state or Canadian DL or ID card with photo; U.S. or Canadian passport; permanent resident card (I-551); certificate of naturalization; certificate of U.S. citizenship; employment authorization documents; non-U.S. passport accompanied by English translation.	➢ SSN not required if person is exempt from obtaining one or, because of his/her religious convictions, is exempt under law from disclosure of his/her SSN. ➢ Applicants that have never been issued an SSN must certify to that fact on an application obtained at a Secretary of State branch office. ➢ Non-English documents must be translated.

ABBREVIATIONS: *CIS*: U.S. Citizenship and Immigration Services • *DL*: driver's license • *DMV*: Dept. of Motor Vehicles • *DOB*: date of birth • *ID*: identification • *IJ*: immigration judge • *INS*: Immigration and Naturalization Service • *IRS*: U.S. Internal Revenue Service • *ITIN*: Individual Tax Identification Number • *LPR*: lawful permanent resident • *SAVE*: Systematic Alien Verification for Entitlements • *SSA*: Social Security Administration • *SSN*: Social Security number

STATE	SSN REQUIREMENT?	LAWFUL PRESENCE REQUIREMENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
			Secondary documents. DL from another country accompanied by English translation (international driving permit is not acceptable); birth certificate; marriage license or divorce decree from another country accompanied by English translation; nonimmigrant visa issued by the U.S. State Dept.; vehicle title or registration from Michigan or another state; marriage license from Michigan or another state; divorce decree from Michigan or another state; order for name change from court within U.S.; photo ID card issued by Michigan government agency (prison cards not accepted); certified birth certificate (for child) showing applicant as a parent; Michigan driver education certificate; non-photo out-of-state or Canadian DL; Michigan adoption record; school ID card with photo; school records, diploma, yearbook, etc., from U.S. school, college, or university; U.S. military discharge or separation documents.	
MN	Yes (w/exception)	Yes	Applicants for a DL or learner's permit may present a Minnesota DL, learner's permit, or state ID card that is current or expired for 5 years or less if it has a photo or, if it does *not* have a photo, one that has been expired for one year or less. If the applicant does not have one of the items listed above, he or she must present one primary and one secondary document **Primary documents.** Certified copy of a birth certificate issued by a government bureau of vital statistics or board of health in the U.S., District of Columbia, Guam, Puerto Rico, or the Virgin Islands; Certificate of Birth Abroad (FS-545 or DS-1350) issued by the U.S. State Dept.; Report of Birth Abroad of a United States Citizen (FS-240) issued by a U.S. embassy; certified copy of an adoption certificate from a U.S. court; unexpired active duty or retried military ID card (Form DD-2) issued by the U.S. Defense Dept.; valid, unexpired U.S. passport; valid, unexpired passport from a country other than the U.S. with an unexpired I-551 stamp or an unexpired I-94 (Arrival/Departure Record); a Canadian birth certificate or naturalization certificate with a valid I-94 attached (must be presented with a photo secondary document issued by a Canadian government agency); or one of the following valid, unexpired documents: Certificate of Naturalization (N-550, N-570, or N-578), Certificate of Citizenship (N-560, N-561, or N-645), U.S. citizen ID card (I-179 or I-197), permanent resident or resident alien card (I-551 or I-151), Northern Mariana card (I-873), American Indian card (I-872), employment authorization card with photo (I-688, I-688A, I-688B, or I-766), Reentry Permit (I-327); or Refugee Travel Document (I-571). **Secondary documents.** A second document from the list of primary documents; photo driver's license, state ID card, or learner's permit issued by a U.S. state other than Minnesota, the District of Columbia, Guam, Puerto Rico, the U.S. Virgin Islands, or a Canadian province or territory, and that is current or expired for 5 years or less; certified copy of a U.S. or Canadian court order with full legal name and DOB; employee photo ID card from a government jurisdiction in the U.S. or Canada; certified copy of a birth certificate from a government jurisdiction other than the U.S., the District of Columbia, Guam, Puerto Rico, or the U.S. Virgin Islands; current ID card (DD-1173 or DD-214) issued by the U.S. Defense Dept.; certified copy of a government-issued marriage certificate; unexpired color-photo permit to carry a firearm or concealed weapon, issued by a U.S. police department or sheriff; current pilot's license issued by the Federal Aviation Administration; certified secondary or post-secondary school transcript containing full name and DOB; nonmetal, non-laminated U.S. Social Security card or Canadian Social Insurance card; current secondary school student ID card with student's name, photo, and DOB or unique ID number.	➢ Applicants with no SSN must certify that they do not have an SSN. ➢ Non–U.S. citizens who present documents demonstrating lawful presence and expiring 30 days or more from the date of their application for a DL receive a DL with "status check" printed on it in red ink, as well as the date on which their visa expires. Noncitizens whose documents expire in less than 30 days from the date of the application are ineligible to receive a DL.
MS	Yes (w/exception)	Yes	Applicants must present their Social Security card, or a printout from SSA, a certified copy of their birth certificate, proof of residency, AND 2 documents from the "primary documents" list OR 1 from the "primary documents" and 1 from the "secondary documents" list. **Primary documents.** DL (cannot have been expired more than 6 months); certificate of birth (must be original or certified copy, have a raised seal, and be issued by a bureau of vital statistics or state board of health); state-issued ID card (cannot have been expired more than 6 months); INS or CIS documents to be determined; court order (e.g., order regarding an adoption, a name change, etc.; must contain full name and DOB); military ID; valid passport, U.S. or Canadian (if foreign, appropriate INS document	➢ Non–U.S. citizens without SSN may be issued a DL that is valid for one year. The DL includes the word "non U.S. citizen" on its face and "nontransferable" on the back.

ABBREVIATIONS: *CIS*: U.S. Citizenship and Immigration Services • *DL*: driver's license • *DMV*: Dept. of Motor Vehicles • *DOB*: date of birth • *ID*: identification • *IJ*: immigration judge • *INS*: Immigration and Naturalization Service • *IRS*: U.S. Internal Revenue Service • *ITIN*: Individual Tax Identification Number • *LPR*: lawful permanent resident • *SAVE*: Systematic Alien Verification for Entitlements • *SSA*: Social Security Administration • *SSN*: Social Security number

STATE	SSN REQUIRE-MENT?	LAWFUL PRESENCE REQUIRE-MENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
			also required); state-issued learner's permit (cannot be expired more than six months). **Secondary documents.** Bureau of Indian Affairs card/Indian Treaty card (tribal ID card is *not* acceptable); court order that does not contain DOB; employment ID card; foreign birth certificate (must be translated by approved translator); health insurance card; IRS/state tax forms (W-2 *not* acceptable); marriage certificate/license; medical records from doctor or hospital; military dependent ID; military discharge/separation papers; parent/guardian affidavit (must appear in person, prove s/he is the parent or guardian, and submit certified/notarized affidavit; applies only to minors); photo gun permit; pilot's license; school record/transcript (must be certified); Social Security card (metal card is not acceptable); student photo ID card; vehicle title or registration; voter registration card. **Proof of residency.** Electric bill; water bill; lease or rental agreement; car tag registration receipt; mortgage papers; homestead exemption receipt; bank statement with physical address (*no* blank checks accepted); notarized employer verification on employer's letterhead, stating applicant's address (must include phone number); Mississippi license issued to parent or legal guardian when applicant is under 21 years of age.	
MO	Yes (w/exception)	Yes	Applicants must present one primary document and one secondary document. **Primary documents.** U.S. or Canadian photo DL (includes DL issued by a territory of the U.S. or Canada); U.S. or Canadian photo ID card/nondriver license (includes ID issued by a territory of the U.S. or Canada); microfilm copy or image portfolio of a DL or ID card/nondriver license certified by the issuing agency with an embossed seal of the issuing agency (copy of Missouri image portfolio or license negative obtainable at Motor Vehicle and Drivers' License Fee office); birth certificate (issued in the U.S. or Canada, including their territories; must be original or certified copy, have a seal, and be issued by an authorized government agency such as a bureau of vital statistics or a state board of health; hospital-issued birth certificates and baptismal certificates are *not* acceptable); immigration status–related documents (must be valid and unexpired) as follows: Certificate of Naturalization (N-550, N-570 or N-578), Certificate of Citizenship (N-560, N-561 or N-645), Northern Marianas card, American Indian card, U.S. citizen ID card (I-179 or I-197), permanent resident card (I-551), temporary resident card (I-688), Arrival/Departure Record (I-94) in a valid non-U.S. passport, valid non-U.S. passport containing an I-551 stamp, U.S. Reentry Permit (I-327), Refugee Travel Document (I-571), employment authorization card (I-688A, I-688B, I-766), Arrival/Departure Record (I-94) stamped "Refugee" (refugee I-94's will likely not be in a foreign passport), Canadian Immigration Record and Visa or Record of Landing (IMM 100), valid U.S. or Canadian passport (including one issued by a territory of the U.S. or Canada); non-U.S. passport accompanied by appropriate INS or CIS document; active duty, retiree or reservist military ID card; learner's permit w/ photo issued by a U.S. or Canadian state, province, or territory. **Secondary documents.** All primary documents listed above; court order (e.g., relating to adoption, name-change, gender-change, etc.; must contain full name, DOB, and court seal; abstract of criminal or civil conviction *not* acceptable); immigration-related documents listed under "primary documents," above, that have been expired one year or less; Bureau of Indian Affairs card/Indian Treaty card (tribe-issued cards are *not* acceptable); employment photo ID card; non–English language birth certificate; health insurance card; IRS or state tax form (W-2 is *not* acceptable); marriage certificate/license; medical records from doctor or hospital; military dependent ID card; military discharge/separation papers; parent/guardian affidavit (parent/guardian must appear in person, prove his or her identity, and submit a notarized affidavit, Form DOR-4861, regarding the child's identity; affidavit may be submitted only on behalf of a minor); gun permit; pilot's license; school record/transcript that is certified with an embossed seal of the issuing school or dept. of education; Social Security card (metal or laminated card is *not* acceptable) (*NOTE:* An SSA printout verifying an SSN also is *not* acceptable); student photo ID card; vehicle title (vehicle registration is *not* acceptable); photo public assistance card; prison release documents.	➢ Applicants without an SSN can sign an affidavit stating that they do not have one. ➢ As of July 1, 2005, the Missouri Director of Revenue shall not issue a DL for a period that exceeds the period during which an applicant is authorized to remain in the U.S.

ABBREVIATIONS: *CIS:* U.S. Citizenship and Immigration Services • *DL:* driver's license • *DMV:* Dept. of Motor Vehicles • *DOB:* date of birth • *ID:* identification • *IJ:* immigration judge • *INS:* Immigration and Naturalization Service • *IRS:* U.S. Internal Revenue Service • *ITIN:* Individual Tax Identification Number • *LPR:* lawful permanent resident • *SAVE:* Systematic Alien Verification for Entitlements • *SSA:* Social Security Administration • *SSN:* Social Security number

STATE	SSN REQUIRE-MENT?	LAWFUL PRESENCE REQUIRE-MENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
MT	Yes (w/exception)	No	Applicants must present proof of identity and state residency. They must present one primary and one secondary document. **Primary documents.** Color photo DL or ID card, not expired for more than 4 years, issued by U.S. or Canadian jurisdiction; certified copy of birth certificate issued by U.S. or Canadian jurisdiction or by U.S. Dept. of State or U.S. embassy as Report of Birth Abroad of a U.S. Citizen; unexpired passport issued by U.S. Dept. of State or Canadian government; valid unexpired passport issued by jurisdiction other than U.S. or Canada AND either attached I-94 (Arrival/Departure Record) or unexpired resident alien I-551 stamp; one of the following unexpired documents: Certificate of Naturalization, Certificate of Citizenship, Northern Marianas card, American Indian card, U.S. citizen ID card, resident alien card, temporary resident alien card, U.S. Reentry Permit, Refugee Travel Document, employment authorization card, Arrival/Departure Record (I-94) stamped "refugee"; U.S. or Canadian-issued instruction/learner's driving permit or receipt of DL or permit, if current and contains photo of applicant and applicant's DOB; prison inmate ID card issued to applicant by Montana Dept. of Corrections that contains a photo or digitized image of applicant and applicant's DOB; digital ID card issued to applicant by federally recognized Indian tribe whose reservation is located in Montana that contains a digitized image of applicant, applicant's DOB, and tribal enrollment number; emergency ID photo issued and certified by driver licensing authority of U.S. or Canadian jurisdiction that includes applicant's name and DOB. **Secondary documents.** Second primary document; original U.S. Social Security card or Canadian Social Insurance card; certified copy of marriage certificate or license issued by government jurisdiction; U.S. or Canadian DL or ID card that has been expired for more than one year but not more than five; current U.S. or Canadian government jurisdiction employee photo ID card; U.S. or Canadian DL or ID card that is current but does not have color photo; certified copy of court order or judgment from U.S. or Canadian court of competent jurisdiction containing applicant's full legal name and DOB; any INS or CIS document approved as a primary document, but that has not been expired more than one year; certified copy of birth certificate issued by jurisdiction other than by state, territory or possession of U.S., D.C., or Commonwealth of Puerto Rico, or province or territory of Canada; certification of release or discharge issued by U.S. Dept. of Defense; Medicare, Medicaid, or health insurance card with applicant's name and applicant's individual Medicare, Medicaid, or health insurance ID number; unexpired color photo firearm or concealed weapon permit issued by chief of police in an organized, full-time police dept. or by county sheriff in local jurisdiction within U.S.; current pilot's license issued by U.S. Federal Aviation Administration; certified copy of school records or transcript containing applicant's full name and preferably DOB and issued by elementary, secondary, or post-secondary school; certificate of completion of Montana dept.-approved traffic or driver's education course containing applicant's name and DOB; current school photo ID card with student's name and student ID number; certified copy of fax or photocopy of certified copy of birth certificate of applicant's child, if certificate lists applicant's name and DOB as parent. **Proof of residency.** Any primary or secondary document; a U.S. or Montana income tax return from the previous year; a Montana voter registration card; a receipt for personal or real property taxes paid within the last year to the state of Montana or a Montana county; a current auto or life insurance policy or statement; a certified copy of school records issued by the school that the applicant is currently attending or that s/he attended within four months of the application; a written statement from the applicant's parent, guardian, or adult child that the applicant resides at the same address as the parent, guardian, or adult child, along with a copy of a document permitted under this rule that evidences the Montana residence address of the parent, guardian or adult child; the original copy of a rental agreement or rent payment receipt signed by the landlord or rental agent that includes the applicant's name and residence address; home mortgage or equity loan papers showing the applicant's name and residence address; any of the following, dated not more than four months prior to application: a payroll check or check stub, a bank statement, a utility bill or utility hook-up order, cancelled mail addressed to the applicant; if the applicant is homeless, a descriptive address of where the applicant actually resides, e.g. "under the west end of the East Street Bridge" (such an applicant must also provide a separate mailing address, as well as a written statement from a social service agency verifying that s/he is homeless).	➢ If ineligible for an SSN, the applicant must submit a letter from the SSA to that effect.

ABBREVIATIONS: *CIS*: U.S. Citizenship and Immigration Services • *DL*: driver's license • *DMV*: Dept. of Motor Vehicles • *DOB*: date of birth • *ID*: identification • *IJ*: immigration judge • *INS*: Immigration and Naturalization Service • *IRS*: U.S. Internal Revenue Service • *ITIN*: Individual Tax Identification Number • *LPR*: lawful permanent resident • *SAVE*: Systematic Alien Verification for Entitlements • *SSA*: Social Security Administration • *SSN*: Social Security number

STATE	SSN REQUIREMENT?	LAWFUL PRESENCE REQUIREMENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
NE	Yes (w/exception)	Yes (see comments)	Applicants must present proof of identity. One document from the "primary documents" list is required. **Primary documents.** Valid Nebraska digital image photo retained in the DMV computer system; certified birth certificate (hospital-issued birth certificates are *not* accepted); certified birth registration; certified birth certificate of applicant's child; certified birth registration of applicant's child; a valid or expired DL (issued by Nebraska, a U.S. state, or a U.S. territory) or temporary DL containing name and DOB (valid in one state only licenses will not be accepted); a valid or expired commercial DL; a valid Nebraska reinstatement letter; a valid or expired Nebraska employment drive permit; a valid or expired learner's permit, school permit, or provisional operator's permit; a valid or expired Nebraska farm husbandry permit or snowmobile permit; a valid or expired Nebraska state ID card issued after Jan. 1, 1990; valid or expired US passport; valid U.S. military ID card, U.S. military discharge papers or Veterans Universal Access ID card; a draft card issued prior to 1973; certified marriage license; certified divorce decree; certified school records from a grade school or high school; valid resident alien card (I-551); valid I-688 temporary resident card; valid I-94 (Arrival/Departure Record) in a valid foreign passport (an I-94 stamped "refugee" need not be accompanied by a passport; however, visas, or Form I-151, I-94W, or I-94 border-crosser card will *not* be accepted); valid ADIT stamp reading "processed for I-551, temporary evidence of lawful admission for permanent residence until [DATE]" in a valid foreign passport; valid I-688A employment authorization card (must be accompanied by passport); valid I-688B employment authorization card; valid I-766 employment authorization document; letter from Nebraska Dept. of Health and Human Services (DHHS) showing refugee's name and DOB; a letter from Nebraska DHHS showing a ward of the state's name and DOB; naturalization papers containing name and DOB; certificate of U.S. citizenship containing name and DOB; tribal card; valid Merchant Mariner card; valid Job Corps card, U.S. Consular Report of Birth Abroad (FS240). **Secondary documents** (can be used with primary documents for ID cards). Original Social Security card; Medicare card that contains SSN followed by letter "A"; certified marriage license containing name; certified divorce decree containing name; valid Mexican consular ID card; valid Nebraska Dept. of Correctional Service released inmate ID card; foreign certified birth certificate; foreign certified birth registration; foreign passport and foreign DL.	➢ Lawful presence requirement is not in the statute, but lawful presence is required by the DMV if the applicant does not have an SSN. Applicants without an SSN must provide a "valid INS I-94 document."
NV	Yes (w/exception)	Yes (see comments)	Applicants must present proof of identity and SSN (if s/he has been issued one). **Proof of identity.** U.S. state DL, instruction permit or ID card from accepted states; certified U.S.-issued birth certificate; U.S. passport; U.S. military ID or military Report of Separation (Form DD-214); Certificate of U.S. Citizenship or Naturalization; Certificate of Degree of Indian Blood; Consular Report of Birth Abroad of a U.S. Citizen; permanent or temporary resident card; resident alien card or I-551 receipt; valid foreign passport stamped "Processed for I-551"; Arrival-Departure Record (Form I-94) with visa or passport; Permit to Reenter the U.S.; Refugee Travel Document. **Proof of SSN.** State license or ID with number listed; Social Security card; U.S. military ID; original military Report of Separation (DD-214); and Social Security benefits documentation.	➢ Applicants who have an SSN must present it. ➢ DL expires when immigration document expires. ➢ While the statute does not require lawful presence, documentation requirements create an ad hoc lawful presence requirement. ➢ ID cards issued as proof of identity by the following states are not accepted: AZ, AK, CA, DC, GA, KS, MA, MT, NE , NM, NC, OK, OR, RI, SC, SD, TX, UT, VT, WA, WV, and WI.
NH	Yes (w/exception)	Yes	**Non–U.S. citizens temporarily residing in NH for the purpose of employment or attending a learning institution must provide** ONE of the following: visa for attending a learning institution, visa for employment, or visa including spouse or dependent(s) of the above; ONE of the following: valid I-20 form or valid optical practical training card; and ONE of the following: letter from applicant's employer stating the applicant's term of employment, or letter from the learning institution or employer stating that the applicant is the spouse of a visa-holding student or employee. **Noncitizens permanently residing in New Hampshire must provide** an SSN card and one of the following: valid permanent resident card; valid I-94 card issued by the CIS indicating refugee status and date of entry into the U.S.; or valid	➢ Non–U.S. citizens permanently residing in NH without an SSN may submit a letter from the SSA verifying that they have not been issued an SSN. Nonresidents living in New Hampshire on a temporary basis to go to school or to work lawfully, or who are relatives of a lawfully present person, may be licensed. Term of license cannot exceed 5 years, and director may require a lesser

ABBREVIATIONS: *CIS*: U.S. Citizenship and Immigration Services • *DL*: driver's license • *DMV*: Dept. of Motor Vehicles • *DOB*: date of birth • *ID*: identification • *IJ*: immigration judge • *INS*: Immigration and Naturalization Service • *IRS*: U.S. Internal Revenue Service • *ITIN*: Individual Tax Identification Number • *LPR*: lawful permanent resident • *SAVE*: Systematic Alien Verification for Entitlements • *SSA*: Social Security Administration • *SSN*: Social Security number

STATE	SSN REQUIRE-MENT?	LAWFUL PRESENCE REQUIRE-MENT?	ACCEPTABLE DOCUMENTS TO PROVE AGE, IDENTITY, RESIDENCY, LAWFUL PRESENCE AND SSN	COMMENTS & EXCEPTIONS TO RULES
			employment authorization card indicating authorization to reside in the U.S. pending permanent resident status; and proof of residency. **Proof of residency.** Valid vehicle registration; current gas bill in the applicant's name; current electric bill in the applicant's name; current water and sewer bill in the applicant's name; New Hampshire resident hunting and/or fishing license in the applicant's name; or marriage certificate and one of the above residency-proving documents in the name of the spouse who is listed on the marriage certificate.	term, as well as a certified driving record from foreign country. ➢ Administrative rule requires that all non–U.S. citizens go to Concord DMV office to have documentation reviewed.
NJ	Yes (w/exception)	Yes	Applicants must present proof of identity, age, residency, and lawful presence. **ID verification.** Applicants will be required to prove their identity through a prescribed combination of documents. Each type is assigned a point value, and the total value of all documents presented must be at least six points. **Primary documents. *Non–U.S. citizens must submit at least one of the following* primary documents:** • *Primary documents worth 4 points each* – Current alien registration card (new Form I-551) with expiration date, including verification from INS or CIS; foreign passport with INS or CIS verification and with valid Form I-94 (Arrival/Departure Record) or valid I-551 stamp in passport; Refugee Travel Document (Form I-571); U.S. Reentry Permit (Form I-327); valid I-94 stamped "Refugee," "Parolee," "Asylee," or "Notice of Action" (Form I-797 approved petition) by INS or CIS; valid I-94 with attached photo, stamped "Processed for I-551…" by INS or CIS. • *Primary documents worth 3 points each* – Recent photo employment authorization card (Form I-688B or I-766) (must be presented with a valid Social Security card). • *Primary document worth 2 points* – Photo temporary resident card (Form I-688) with expiration date, including verification from INS or CIS. **Secondary documents. *Non–U.S. citizens must submit at least one of the following* secondary documents:** • *Secondary documents worth 3 points each* – Legal name change court order signed by a judge or court clerk; civil marriage certificate or divorce decree; current U.S. military dependent card; U.S. military photo retiree card; New Jersey firearm purchaser card. • *Secondary documents worth 2 points each* – Valid U.S. government employee DL; valid U.S. government employee photo ID card; U.S. military discharge papers (DD-214); Federal Aviation Administration–issued pilot's license; U.S. school photo ID card with transcript or school records; U.S. college photo ID card with transcript. • *Secondary documents worth 1 point each* – State professional license; New Jersey public assistance card with photo; Social Security card; high school diploma or general equivalency diploma; bank statement/record (cannot be submitted in conjunction with an ATM card); ATM card with preprinted name and applicant's signature (cannot be submitted in conjunction with a bank statement); current health insurance card, or current prescription card, or current employee ID card with printed pay stub; property tax statement, bill or receipt issued by a New Jersey municipality; high school certificate (written test waiver); Veterans Universal Access photo ID card; current New Jersey nondigital photo DL; current photo DL from any other state of the U.S., including the District of Columbia. ***Note:*** The following people with temporary visa status may apply for a New Jersey DL: Treaty traders; students and their families; temporary workers, accompanying spouses and minor children; foreign information representatives and their families; exchange visitors and their families; fiancés of U.S. citizens, and their children; intra-company transfers, accompanying spouses and minor children; students in nonacademic and vocational schools and their family members; persons with temporary protection from deportation; Canadians who are temporarily U.S. residents; religious ministers and spouses; parents of U.S. citizens; international athletes or members of entertainment groups; and persons in a reciprocal exchange program. Students and their families on an F visa	➢ Individuals who are not entitled by law to have an SSN must submit an ineligibility letter issued by the SSA and the Social Security Exemption Certificate Form (BA-4) available at any Motor Vehicle Commission office or Regional Service Center Driver Conference Area. ➢ DL expires when visa expires. ➢ U.S citizens, green card–holders, or those with a passport bearing an I-551 stamp may go to a Motor Vehicle Commission office to obtain an examination permit. Customers presenting any other foreign or INS/CIS ID document must go to the Regional Service Center. ➢ DLs issued to noncitizens (excluding LPRs) have "temporary visitor status" printed on the DL document.

Alaska State Legislature

Chairman
State Affairs Committee

Member
Judiciary Committee
Energy Special Committee
Joint Armed Services Special Committee
Military and Veterans' Affairs Committee

Finance Subcommittees
Administration
Corrections
Military and Veterans' Affairs

A Communication From
REPRESENTATIVE BOB LYNN
District 31 Anchorage

E-Mail: Representative_Bob_Lynn@legis.state.ak.us
"Bob Lynn's Alaska Blog" RepBobLynnBlog.com

Session:
Alaska State Capitol #108
Juneau, AK 99801-1182

Phone: (907) 465-4931
Fax: (907) 465-4316
Toll Free: (800) 870-4391

Interim:
716 W. 4th Ave., #650
Anchorage, AK 99501-2133

Phone: (907) 269-0205
Fax: (907) 269-0207

March 9, 2011

To: Senator Bill Wielechowski, Chair
Senate State Affairs Committee

Fr: Representative Bob Lynn BL

Re: HB 3 (Version 27-LS0010\X) Issuance of Driver's Licenses

I am requesting a hearing for HB 3, "*An Act relating to issuance of driver's licenses*" at your earliest convenience.

I have attached supporting documentation.

The House State Affairs Committee heard the bill, and moved CS HB 3(STA) out of committee unanimously. CS HB 3(STA) moved out of the House Finance Committee unchanged. HB 3 passed the House of Representatives on a vote of 33 yeas, 2 nays.

Any questions or concerns can be directed to my staffer, Thomas Reiker, at 465-4965 or thomas_reiker@legis.state.ak.us .

Thank you in advance for your consideration.

Sincerely,

Representative Bob Lynn

Alaska Immigration Justice Project

The Honorable Bill Wielechowski, Chair
The Honorable Joe Paskvan, Vice-Chair
Senate State Affairs Committee
Alaska State Senate
Juneau, AK 99801

April 5, 2011

via email: Senator_Bill_Wielechowski@legis.state.ak.us
Senator_Joe_Paskvan@legis.state.ak.us

Re: HB 3

Dear Senator Wielechowski and Senator Paskvan:

Thank you for the opportunity to submit written testimony regarding Committee Substitute (State Affairs) for House Bill 3 (CS-HB3), Relating to Issuance of Driver's Licenses.

The Alaska Immigration Justice Project (AIJP) is the only agency in Alaska that provides legal services to Alaska's immigrant and refugee population. AIJP works with approximately 250 immigrant victims of domestic violence and sexual assault annually. Similarly, AIJP trains bilingual Alaskans to be professional interpreters in Alaska Native and foreign languages. I am writing to you because HB 3 will negatively impact the state for several reasons.

First, the legislation is overbroad and reaches into fields of law that are exclusively the province of the federal government. As the bill is written, United States citizens arguably fall within the group of people to whom this new one-year period applies because US Citizens are in the United States on an indefinite basis. Clearly, this is not the intended result. Similarly, the bill's language lacks any connection with any immigration status defined in the U.S. Immigration & Nationality Act. This presents tremendous problems for front-line DMV employees who will no longer be able rely on federal definitions to understand the differences in immigration statuses. In addition, HB 3 represents an effort by the state to divert into policy arenas that are properly reserved exclusively to the plenary power of the U.S. Congress. **HB 3 overreaches, it is overbroad and it is poorly drafted.** The result will be that, if enacted, this bill will be almost impossible to administer, and will likely subject the state to litigation in an effort to clarify the authority, purpose, intent and application of this statute.

Second, the legislation will harm immigrant victims of domestic violence. Immigration status is one of the most powerful tools that an abusive US citizen spouse can use to make sure their immigrant spouse does not seek safety and protection. The legislation

431 West 7th Ave., Suite 208, Anchorage, Alaska 99501
(907) 279-AIJP (2457) Fax (907) 279-2450

creates unnecessary barriers that will further entrap immigrant domestic violence victims. As you know, we can ill afford to exacerbate conditions that perpetuate domestic violence during a time in our state's history when we are devoting so many of our resources to counter this epidemic. **HB 3 undermines any progress that will be made in combating the horrors of domestic violence and sexual assault in our state.**

Finally, HB 3 undermines public safety. By refusing to license drivers, Alaska will have more unlicensed drivers on the road placing the public at risk.

Thank you for the opportunity to share our concerns.

Sincerely,

Robin Bronen
Executive Director

431 West 7th Ave., Suite 208, Anchorage, Alaska 99501
(907) 279-AIJP (2457) Fax (907) 279-2450

Michelle Sydeman

From: ACLU of Alaska [akclu@akclu.org] on behalf of John Breiby [jbreiby@mtaonline.net]
Sent: Tuesday, April 05, 2011 10:44 PM
To: Sen. Bill Wielechowski
Subject: Stop HB 3 I don't want unfair treatment of lawful immigrants

Apr 6, 2011

Senator Bill Wielechowski
State Capitol, Room 101
120 4th Street
Juneau, AK 99801-1182

Dear Senator Wielechowski,

Please OPPOSE HB 3.

House Bill 3 invites racial profiling and unfair treatment of immigrants. It would unconstitutionally deny legal immigrants equal treatment in issuance of drivers' licenses.

HB 3 also threatens public safety by intruding federal immigration issues into state DMV driver and road safety functions. When there are already long lines at the DMV, we do not need a legislation that would require state employees to become experts in complex immigration rules and forms.

I don't want Alaska's DMV unfairly singling out persons of color for reasons that have nothing to do with safe driving.

Sincerely,

Mr. John Breiby
5280 E McDowell Rd
Wasilla, AK 99654-9034

Michelle Sydeman

From: ACLU of Alaska [akclu@akclu.org] on behalf of Carmen Hernandez Alonzo [mackieblack@yahoo.com]
Sent: Tuesday, April 05, 2011 8:13 PM
To: Sen. Bill Wielechowski
Subject: Stop HB 3 I don't want unfair treatment of lawful immigrants

Apr 5, 2011

Senator Bill Wielechowski
State Capitol, Room 101
120 4th Street
Juneau, AK 99801-1182

Dear Senator Wielechowski,

Please OPPOSE HB 3.

House Bill 3 invites racial profiling and unfair treatment of immigrants. It would unconstitutionally deny legal immigrants equal treatment in issuance of drivers' licenses.

HB 3 also threatens public safety by intruding federal immigration issues into state DMV driver and road safety functions. When there are already long lines at the DMV, we do not need a legislation that would require state employees to become experts in complex immigration rules and forms.

I don't want Alaska's DMV unfairly singling out persons of color for reasons that have nothing to do with safe driving.

Sincerely,

Ms. Carmen Hernandez Alonzo
1020 Chickadee Loop
Fairbanks, AK 99712-1359

Michelle Sydeman

From: ACLU of Alaska [akclu@akclu.org] on behalf of Hugh Fleischer [hfleisch@aol.com]
Sent: Tuesday, April 05, 2011 7:43 PM
To: Sen. Bill Wielechowski
Subject: Stop HB 3 I don't want unfair treatment of lawful immigrants

Apr 5, 2011

Senator Bill Wielechowski
State Capitol, Room 101
120 4th Street
Juneau, AK 99801-1182

Dear Senator Wielechowski,

Please OPPOSE HB 3.

House Bill 3 invites racial profiling and unfair treatment of immigrants. It would unconstitutionally deny legal immigrants equal treatment in issuance of drivers' licenses.

HB 3 also threatens public safety by intruding federal immigration issues into state DMV driver and road safety functions. When there are already long lines at the DMV, we do not need a legislation that would require state employees to become experts in complex immigration rules and forms. Please vote against HB 3!

I don't want Alaska's DMV unfairly singling out persons of color for reasons that have nothing to do with safe driving.

Sincerely,

Mr. Hugh Fleischer
310 K St Ste 200
Anchorage, AK 99501-2064
(907) 264-6635

Michelle Sydeman

From: ACLU of Alaska [akclu@akclu.org] on behalf of Kathleen King [kingkath1957@yahoo.com]
Sent: Tuesday, April 05, 2011 7:13 PM
To: Sen. Bill Wielechowski
Subject: Stop HB 3 I don't want unfair treatment of lawful immigrants

Apr 5, 2011

Senator Bill Wielechowski
State Capitol, Room 101
120 4th Street
Juneau, AK 99801-1182

Dear Senator Wielechowski,

Please OPPOSE HB 3.

House Bill 3 invites racial profiling and unfair treatment of immigrants. It would unconstitutionally deny legal immigrants equal treatment in issuance of drivers' licenses.

HB 3 also threatens public safety by imposing federal immigration issues into state DMV driver and road safety functions. When there are already long lines at the DMV, we do not need legislation that will require state employees to become experts in complex immigration rules and forms.

I don't want Alaska's DMV unfairly singling out persons of color for reasons that have nothing to do with safe driving.

Sincerely,

Ms. Kathleen King
3826 Galactica Dr
Anchorage, AK 99517-1587

Michelle Sydeman

From: ACLU of Alaska [akclu@akclu.org] on behalf of Katrielle Bruce [klbruce@alaska.edu]
Sent: Tuesday, April 05, 2011 8:43 PM
To: Sen. Bill Wielechowski
Subject: Stop HB 3 I don't want unfair treatment of lawful immigrants

Apr 5, 2011

Senator Bill Wielechowski
State Capitol, Room 101
120 4th Street
Juneau, AK 99801-1182

Dear Senator Wielechowski,

Please OPPOSE HB 3.

House Bill 3 invites racial profiling and unfair treatment of immigrants. It would unconstitutionally deny legal immigrants equal treatment in issuance of drivers' licenses.

HB 3 also threatens public safety by intruding federal immigration issues into state DMV driver and road safety functions. When there are already long lines at the DMV, we do not need a legislation that would require state employees to become experts in complex immigration rules and forms.

I don't want Alaska's DMV unfairly singling out persons of color for reasons that have nothing to do with safe driving.

Sincerely,

Ms. Katrielle Bruce
2521 Tradewind Dr
Anchorage, AK 99516-3404

Michelle Sydeman

From: ACLU of Alaska [akclu@akclu.org] on behalf of Kirk Forest [alaskaforest@live.com]
Sent: Tuesday, April 05, 2011 8:13 PM
To: Sen. Bill Wielechowski
Subject: Stop HB 3 Please stop the unfair treatment of lawful immigrants

Apr 5, 2011

Senator Bill Wielechowski
State Capitol, Room 101
120 4th Street
Juneau, AK 99801-1182

Dear Senator Wielechowski,

Please OPPOSE HB 3.

House Bill 3 invites racial profiling and unfair treatment of immigrants. It would unconstitutionally deny legal immigrants equal treatment in issuance of drivers' licenses.

HB 3 also threatens public safety by intruding federal immigration issues into state DMV driver and road safety functions. When there are already long lines at the DMV, we do not need a legislation that would require state employees to become experts in complex immigration rules and forms.

States could also use the much needed money these lawful immigrants are paying for the drivers' licenses. Would we as a nation rather have lawful immigrants drive without licenses?

I don't want Alaska's DMV unfairly singling out persons of color for reasons that have nothing to do with safe driving.

Sincerely,

Mr. Kirk Forest
6414 Tolhurst Ct
Anchorage, AK 99504-4450
(907) 529-6014

Michelle Sydeman

From: ACLU of Alaska [akclu@akclu.org] on behalf of Laura Baldwin [meanqueens@yahoo.com]
Sent: Wednesday, April 06, 2011 6:14 AM
To: Sen. Bill Wielechowski
Subject: Stop HB 3 I don't want unfair treatment of lawful immigrants

Apr 6, 2011

Senator Bill Wielechowski
State Capitol, Room 101
120 4th Street
Juneau, AK 99801-1182

Dear Senator Wielechowski,

Please OPPOSE HB 3.

House Bill 3 invites racial profiling and unfair treatment of immigrants. It would unconstitutionally deny legal immigrants equal treatment in issuance of drivers' licenses.

HB 3 also threatens public safety by intruding federal immigration issues into state DMV driver and road safety functions. When there are already long lines at the DMV, we do not need a legislation that would require state employees to become experts in complex immigration rules and forms.

I don't want Alaska's DMV unfairly singling out persons of color for reasons that have nothing to do with safe driving.

Sincerely,

Ms. Laura Baldwin
5800 Lake Otis Pkwy Apt J341
Anchorage, AK 99507-1767

Michelle Sydeman

From: ACLU of Alaska [akclu@akclu.org] on behalf of Lynn Wilbur [kalei.lw@gmail.com]
Sent: Tuesday, April 05, 2011 9:14 PM
To: Sen. Bill Wielechowski
Subject: Stop HB 3 I don't want unfair treatment of lawful immigrants

Apr 6, 2011

Senator Bill Wielechowski
State Capitol, Room 101
120 4th Street
Juneau, AK 99801-1182

Dear Senator Wielechowski,

Please OPPOSE HB 3.

House Bill 3 invites racial profiling and unfair treatment of immigrants. It would unconstitutionally deny legal immigrants equal treatment in issuance of drivers' licenses.

HB 3 also threatens public safety by intruding federal immigration issues into state DMV driver and road safety functions. When there are already long lines at the DMV, we do not need a legislation that would require state employees to become experts in complex immigration rules and forms.

I don't want Alaska's DMV unfairly singling out persons of color for reasons that have nothing to do with safe driving.

Sincerely,

Ms. Lynn Wilbur
617 Katlian St
Sitka, AK 99835-7322

Michelle Sydeman

From: ACLU of Alaska [akclu@akclu.org] on behalf of MONICA KING [akchipko@yahoo.com]
Sent: Tuesday, April 05, 2011 8:13 PM
To: Sen. Bill Wielechowski
Subject: Stop HB 3 I don't want unfair treatment of lawful immigrants

Apr 5, 2011

Senator Bill Wielechowski
State Capitol, Room 101
120 4th Street
Juneau, AK 99801-1182

Dear Senator Wielechowski,

Please OPPOSE HB 3.

House Bill 3 invites racial profiling and unfair treatment of immigrants. It would unconstitutionally deny legal immigrants equal treatment in issuance of drivers' licenses.

HB 3 also threatens public safety by intruding federal immigration issues into state DMV driver and road safety functions. When there are already long lines at the DMV, we do not need a legislation that would require state employees to become experts in complex immigration rules and forms.

I don't want Alaska's DMV unfairly singling out persons of color for reasons that have nothing to do with safe driving.

Sincerely,

Ms. MONICA KING
PO Box 10187
Fairbanks, AK 99710-0187

Michelle Sydeman

From: ACLU of Alaska [akclu@akclu.org] on behalf of Paul Norwood [norwoodpaul@gmail.com]
Sent: Tuesday, April 05, 2011 7:13 PM
To: Sen. Bill Wielechowski
Subject: Stop HB 3 I don't want unfair treatment of lawful immigrants

Apr 5, 2011

Senator Bill Wielechowski
State Capitol, Room 101
120 4th Street
Juneau, AK 99801-1182

Dear Senator Wielechowski,

Please OPPOSE HB 3.

House Bill 3 invites racial profiling and unfair treatment of immigrants. It would unconstitutionally deny legal immigrants equal treatment in issuance of drivers' licenses.

HB 3 also threatens public safety by intruding federal immigration issues into state DMV driver and road safety functions. When there are already long lines at the DMV, we do not need a legislation that would require state employees to become experts in complex immigration rules and forms.

I don't want Alaska's DMV unfairly singling out persons of color for reasons that have nothing to do with safe driving.

Sincerely,

Mr. Paul Norwood
PO Box 6288
Sitka, AK 99835-6288
(907) 738-9456

HB

8

<TARGET><BILL>HB 8</BILL><SUBJECT>HB 8</SUBJECT><COMM>SSTA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

Interim:
600 East Railroad Avenue
Wasilla, Alaska 99654
Phone (907) 373-1842
Fax: (907) 373-4729

Session:
State Capitol Building
Juneau, Alaska 99801-1182
Phone: (907) 465-2186
Fax: (907) 465-3818

REPRESENTATIVE WES KELLER
DISTRICT 14

MEMO

To: Senator Bill Wielechowski-Chair
Senate State Affairs Committee

Fm: Representative Wes Keller

Cc:

Re: Request for hearing on CSHB 8 (JUD) (27-LS0052\I)

Please consider this as a request for you to schedule CS for HB 8 "Federal Regulations and Executive Orders" before the Senate State Affairs Committee. I have included a packet of information and document in a .pdf version.

CS for HB 8 puts in place statutory language that Alaska will review and if necessary nullify federal statutes, regulations, executive or secretarial orders if it is determined they are unconstitutional or improperly filed. More and more the administration is circumventing Congress and imposing its own interpretation of the rule of law. CS for HB 8 gives us a tool to respond.

If you have any questions please feel free to contact my office.

The information contained in this memo is CONFIDENTIAL **and/or privileged. This memo is intended to be reviewed initially by only the individual named above. If the reader of this page is not the intended recipient or a representative of the intended recipient, you are hereby notified that any review, dissemination, or copying of this memo or the information contained herein is prohibited. If you have received this memo in error, please immediately notify the sender by telephone and return this memo to the sender at the above address.**
Thank you

E-Mail: Representative_Wes_Keller@legis.state.ak.us
Call Juneau Toll free: (800) 468-2186
Website: www.akrepublicans.org/keller/

ALASKA STATE LEGISLATURE

Interim:
600 East Railroad Avenue
Wasilla, Alaska 99654
Phone (907) 373-1842
Fax: (907) 373-4729

Session:
State Capitol Building
Juneau, Alaska 99801-1182
Phone: (907) 465-2186
Fax: (907) 465-3818

REPRESENTATIVE WES KELLER
DISTRICT 14

Committee Substitute for House Bill 8 (FIN)
Sponsor Statement

"An Act relating to certain federal statutes, regulations, presidential executive orders, and secretarial orders; relating to the duties of the attorney general; and providing for an effective date."

CSHB 8 clarifies in Alaska Statute that a federal statute, regulation, presidential executive order, or secretarial order that is not properly adopted or is unconstitutional does not preempt state law. The Attorney General will continue to review and report federal statute, regulation, presidential executive order, or secretarial order that appear to have not been properly adopted. Under CSHB 8 those reports will be forwarded to the legislature for consideration.

CSHB 8 presumes Alaska Legislative interest in an important legal process called "nullification". Nullification is when a state 'nullifies' a federal law, proclaiming it to be void and inoperative, or 'non-effective' within the boundaries of that state. In other words it is not a law as far as that state is concerned. In CSHB 8 a negative review by the Attorney General would generate an alert to our Judiciary Committees so nullification legislation can be considered.

There has been disagreement regarding nullification going back to the late eighteenth century. Not surprisingly, federal courts have often leaned toward favoring federal power over state sovereignty in spite of the fact that our founding fathers clearly intended otherwise. Federalism is our historically unique and profound arrangement where sovereign and separate states got together and carefully designed a central government with limited powers. It is an illogical perversion of one of our most important founding principles to presume states must comply with unconstitutional federal language. CSHB 8 presumes a proper State responsibility to uphold and protect our constitution.

CSHB 8 is intended to provide important information to the Alaska State Legislature by tapping the expertise and evaluation of our Attorney General. Certainly the legislature has a responsibility to consider its response whenever there is question of constitutionality of a federal statute, or the process involved in regulation, presidential executive order, or secretarial order.

ALASKA STATE LEGISLATURE

Interim:
600 East Railroad Avenue
Wasilla, Alaska 99654
Phone (907) 373-1842
Fax: (907) 373-4729

Session:
State Capitol Building
Juneau, Alaska 99801-1182
Phone: (907) 465-2186
Fax: (907) 465-3818

REPRESENTATIVE WES KELLER
DISTRICT 14

MEMO

To: Members of the Alaska Legislature

Date: March 31, 2011

Re: Sectional of CS for House Bill 8 (FIN) (27-LS0052)

Committee Substitute for House Bill 8 is broken into five sections:

1. Legislative findings that establish an understanding of the Supremacy Clause in relationship to state statute. It also recognizes that the U.S. Supreme Court has ruled that federal regulations, provided they are properly adopted, may also apply in Supremacy rules. The section also indicates that some executive orders and federal regulations do not always meet the constitutional or properly adopted criteria and therefore may not preempt state law.

2. Places into state statute that unconstitutional or improperly adopted federal statutes, executive orders, regulations, or secretarial orders do not preempt state statute.

3. Directs the Judiciary committee's in each house upon receipt of a report from the Attorney General that a federal statute, executive order, regulation, or secretarial order that preempts state statute and does not meet stated criteria to consider a response to the findings.

4. **Eliminated from the HB-** the requirement that the AG review all new Federal Statue, E.O., C.F.R., or S.O. Directs the Attorney General to submit reports of potential preemptive federal statues, executive orders, regulations, or secretarial orders that are unconstitutional or improperly adopted to the appropriate committees and establishes what documents need to be included in that report.

5. Effective date

Please note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

E-Mail: Representative_Wes_Keller@legis.state.ak.us
Call Juneau Toll free: (800) 468-2186
Website: www.akrepublicans.org/keller/

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHB 8(JUD)
() Publish Date: 2/18/11

Identifier (file name): HB008-LAW-CIV-02-15-11
Dept. Affected: Law
Title: An Act relating to federal reg. and presidential exec. orders; relating to the duties of attorney general; and providing for an effective date.
Appropriation: Civil
Allocation: Opinions, Appeals and Ethics
Sponsor: Representative(s) Keller
Requester: (H) Judiciary
OMB Component Number: 2716

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
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 (please identify)							
TOTAL	***	***	***	***	***	***	***

Estimate of any current year (FY2011) cost ***

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by: Eileen Donahue, Division Operations Manager
Phone: 465-5427
Division: Administrative Services
Date/Time: 2/15/11 9:15 AM
Approved by: John J. Burns, Attorney General
Department of Law
Date: 2/15/2011

(Revised 1/27/2011 OMB)

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSHB 8(JUD)

Analysis

HB 008 would require the Attorney General to review federal regulations and presidential executive orders that "may be in conflict with and may preempt state law." If the Attorney General were to find that a federal regulation or executive order (1) is unconstitutional or was not properly adopted and (2) would preempt a state law if it were constitutional and properly adopted, the Attorney General would be required to report those findings to the chairs of the appropriate legislative committees. The Attorney General would be required to include in the report an explanation of the grounds for the findings.

The Code of Federal Regulations includes more than 157,000 pages. This bill would require the analysis as to whether a particular regulation was constitutional, properly adopted, or preemptive.

As such, the fiscal impact of this legislation to the Department of Law would likely be substantial but cannot be accurately determined at this time.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: CSHB 8(FIN)
(H) Publish Date: 3/31/11

Identifier (file name): HB008CS(FIN)-LAW-CIV-03-30-11
Dept. Affected: Law
Title: An Act relating to federal reg. and presidential exec. orders; relating to the duties of attorney general; and providing for an effective date.
Appropriation: Civil
Allocation: Opinions, Appeals and Ethics
Sponsor: Representative(s) Keller
Requester: (H) Finance
OMB Component Number: 2716

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Fiscal note changed to zero from indeterminate due to changes in bill language.

Prepared by: Eileen Donahue, Division Operations Manager — Phone: 465-5427
Division: Administrative Services — Date/Time: 3/30/11 11:30 AM
Approved by: John J. Burns, Attorney General — Date: 3/30/2011
Department of Law

(Revised 1/27/2011 OMB)

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSHB 8(FIN)

Analysis

CSHB 008( ), Version "B" would require the Attorney General file a report with the chairs of the appropriate legislative committees if the Attorney General were to find that a federal statute, regulation, [or] executive order, or secretarial order (1) is unconstitutional or was not properly adopted and (2) would preempt a state law if it were constitutional and properly adopted. The Attorney General would be required to include in the report an explanation of the grounds for the finding and a written opinion that analyzes the basis for the finding.

There is no anticipated fiscal impact to Department of Law.

HB 8 The Judiciary Committee considered:

HOUSE BILL NO. 8
"An Act relating to certain federal regulations and presidential executive orders; relating to the duties of the attorney general; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 8(JUD)
(same title)

The report was signed by Representative Gatto, Chair, with the following individual recommendations:

Do pass (5): Pruitt, Thompson, Keller, Lynn, Gatto

The following fiscal note(s) apply to CSHB 8(JUD):

1. Indeterminate, Dept. of Law

HB 8

The Finance Committee considered:

HOUSE BILL NO. 8
"An Act relating to certain federal regulations and presidential executive orders; relating to the duties of the attorney general; and providing for an effective date."

and recommends it be replaced with:

CS FOR HOUSE BILL NO. 8(FIN)
"An Act relating to certain federal statutes, regulations, presidential executive orders, and secretarial orders; relating to the duties of the attorney general; and providing for an effective date."

The report was signed by Representatives Stoltze and Thomas, Co-chairs, with the following individual recommendations:

Do pass (6): Fairclough, T. Wilson, Hawker, Costello, Stoltze, Thomas
Do not pass (1): Doogan

No recommendation (3): Gara, Joule, Edgmon

Amend (1): Guttenberg

The following fiscal note(s) apply to CSHB 8(FIN):

2. Zero, Dept. of Law

HB 8 was referred to the Rules Committee for placement on the calendar.

HB 8

The following, which was advanced to third reading from the April 9, 2011, calendar (page 878), was read the third time:

CS FOR HOUSE BILL NO. 8(FIN)
"An Act relating to certain federal statutes, regulations, presidential executive orders, and secretarial orders; relating to the duties of the attorney general; and providing for an effective date."

The question being: "Shall CSHB 8(FIN) pass the House?" The roll was taken with the following result:

CSHB 8(FIN)
Third Reading
Final Passage

YEAS: 29 NAYS: 11 EXCUSED: 0 ABSENT: 0

Yeas: Austerman, Chenault, Costello, Dick, Edgmon, Fairclough, Feige, Foster, Gatto, Hawker, Herron, Johansen, Johnson, Joule, Kawasaki, Keller, Lynn, Millett, Munoz, Neuman, Olson, Pruitt, Saddler, Seaton, Stoltze, Thomas, Thompson, P.Wilson, T.Wilson

Nays: Cissna, Doogan, Gara, Gardner, Gruenberg, Guttenberg, Holmes, Kerttula, Miller, Petersen, Tuck

And so, CSHB 8(FIN) passed the House.

Representative Austerman moved and asked unanimous consent that the roll call on the passage of the bill be considered the roll call on the effective date clause. There being no objection, it was so ordered.

Representative Gara later gave notice of reconsideration of the vote on CSHB 8(FIN), and reconsideration was taken up then.

The question to be reconsidered: "Shall CSHB 8(FIN) pass the House?" The roll was taken with the following result:

CSHB 8(FIN)
Third Reading
Final Passage
Reconsideration

YEAS: 29 NAYS: 10 EXCUSED: 0 ABSENT: 1

Yeas: Austerman, Chenault, Costello, Dick, Edgmon, Fairclough, Feige, Foster, Gatto, Hawker, Herron, Johansen, Johnson, Joule, Kawasaki, Keller, Lynn, Millett, Munoz, Neuman, Olson, Petersen, Pruitt, Saddler, Seaton, Stoltze, Thomas, Thompson, P.Wilson

Nays: Cissna, Doogan, Gara, Gardner, Gruenberg, Guttenberg, Holmes, Kerttula, Miller, Tuck

Absent: T.Wilson

And so, CSHB 8(FIN) passed the House on reconsideration.

Representative Austerman moved and asked unanimous consent that the roll call on the passage of the bill be considered the roll call on the effective date clause. There being no objection, it was so ordered.

CSHB 8(FIN) was referred to the Chief Clerk for engrossment.

SUPREMACY CLAUSE

"This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the contrary notwithstanding."

U.S. Const. art. VI, Paragraph 2

The Tenth Amendment to the U.S. Constitution reads:
The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people.

Submitted by the office of Representative Wes Keller quoting the Constitution of the United States.

Executive Orders

Dateline: 12/18/97

Executive Orders Defined
An Executive Order (EO) is a directive issued to executive-level agencies, department heads, or other employees from the President under the President's statutory, or constitutional powers. In many ways, the EO is similar to written orders, or instructions the president of a corporation might send to department heads or directors.Thirty days after it is officially published in the Federal Register, an EO becomes law. While the EO does bypass the U.S. Congress and the standard legislative law making process, no part of an EO may be illegal or unconstitutional. The first EO was issued in 1789 by none other than George Washington. Not until 1907 were EOs given official numbers.

Reasons for Issuing an Executive Order
Presidents typically issue an EO for one of these purposes:
1. Operational management of the executive branch
2. Operational management of federal agencies or officials
3. To carry out statutory presidential responsibilities

- - *In 1970, President Nixon used this 398 word Executive Order establishing NOAA*.

How Executive Orders May be Vacated
The President can retract an EO at any time. The President may also issue an EO that supersedes an existing one. New incoming Presidents may choose to follow the EOs of their predecessors, replace them with new ones of their own, or revoke the old ones completely. In extreme cases, Congress may pass a law that alters an EO, and the Supreme Court can declare them unconstitutional.

Executive Orders vs. Proclamations
Presidential Proclamations differ from EOs in that they are either ceremonial in nature or deal with issues of trade and may or may not carry legal effect. All EOs become law.

Constitutional Authority for Executive Orders
Article II, section 1 of the Constitution reads, in part, *"The executive power shall be vested in a president of the United States of America."* And, Article II, section 3 asserts that, *"The President shall take care that the laws be faithfully executed..."* Since the Constitution does not specifically define executive power, critics of Executive Orders argue that these two passages do not imply Constitutional authority. But, Presidents of the United States since George Washington have argued that they do.

Modern Use of Executive Orders
Until World War I, the Executive Order was used for relatively minor, usually unnoticed acts of state. A trend that changed drastically with passage of the War Powers Act of 1917. This act passed during WWI granted the President temporary powers to immediately enact laws regulating trade, economy, and other aspects of policy as they pertained to enemies of America. A key section of the War Powers act also contained language specifically excluding American citizens from its effects.

The War Powers Act remained in effect and unchanged until 1933 when a freshly elected President Franklin D. Roosevelt found America in the panic stage of the Great Depression. The first thing FDR did was to convene a special session of Congress where he introduced a bill amending the War Powers Act to remove the clause excluding American citizens from being bound by its effects. This would allow the President to declare "national emergencies" and unilaterally intact laws to deal with them. This massive amendment was approved by both houses of Congress in under 40 minutes without debate.

Hours later, FDR officially declared the depression a "national emergency" and stared issuing a string of Executive Orders that effectively were the "New Deal."

While some of FDR's actions were, perhaps, constitutionally questionable, history recognizes them as averting the growing panic and starting our economy on its way to recovery.

All Those Opposed
Many people strongly oppose the Executive Order as being an unconstitutional, even potentially dictatorial application of power. While the purpose of this article is not to state an opinion, or editorialize either way, I feel it only fair that this alternative point of view be represented.

The WINDS.org - Presidential Executive Orders

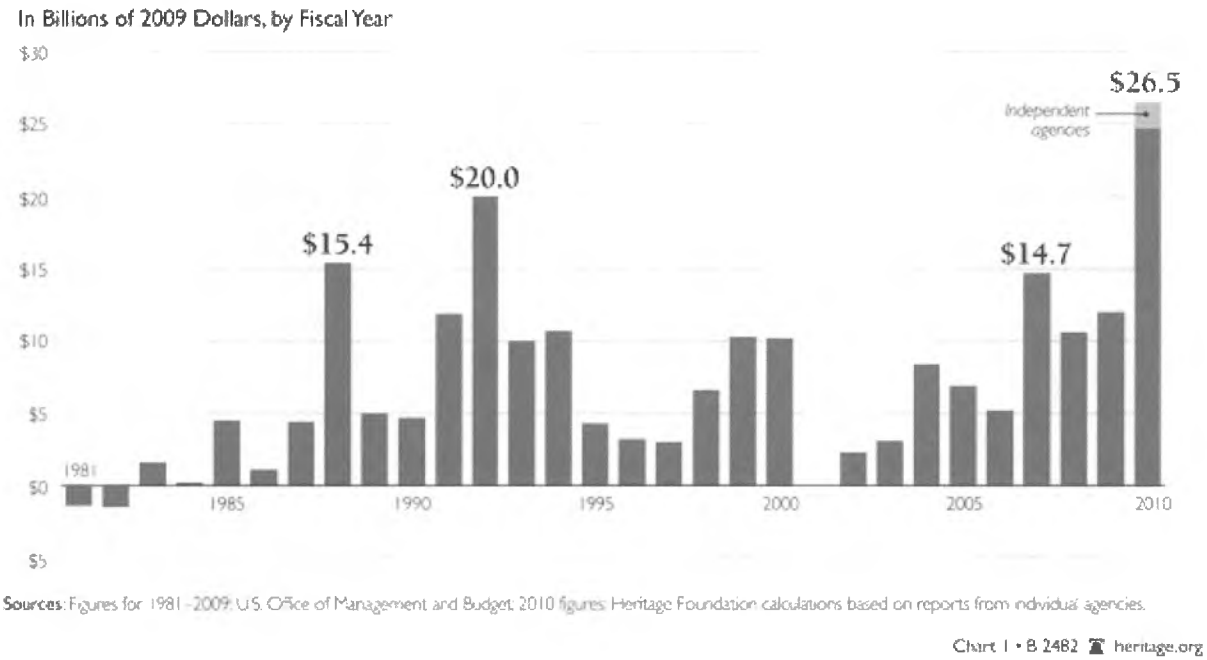
The opinions expressed in the web sites linked above are those of their authors, contributors, and representatives only and in no way represent the opinions of this Web site, your Guide, or the Mining Company, Inc.

Constitutional Authority for Executive Orders
Article II, section 1 of the Constitution reads, in part, *"The executive power shall be vested in a president of the United States of America."* And, Article II, section 3 asserts that, *"The President shall take care that the laws be faithfully executed..."* Since the Constitution does not specifically define executive power, critics of Executive Orders argue that these two passages do not imply Constitutional authority. But, Presidents of the United States since George Washington have argued that they do

Submitted by the office of Representative Wes Keller with information provided by About.com

As of Feb 9, 2011 76 Executive Orders

Cost of Major New Regulations



Sources: Figures for 1981–2009: U.S. Office of Management and Budget; 2010 figures: Heritage Foundation calculations based on reports from individual agencies.

Chart 1 • B 2482 heritage.org

Among the most costly of the FY 2010 crop are:

- Fuel economy and emission standards[6] for passenger cars, light-duty trucks, and medium-duty passenger vehicles imposed jointly by the EPA and NHTSA. Annual cost: $10.8 billion (for model years 2012 to 2016). For automakers to recover these increased outlays, NHTSA estimates the standards will lead to increases in average new vehicle prices ranging from $457 per vehicle in FY 2012 to $985 per vehicle in FY 2016.[7]
- Mandated quotas for renewable fuels. Annual cost: $7.8 billion (for 15 years). Utilizing farmland to grow corn and other crops used in renewable fuels will displace food crops, leading food costs to increase by $10 per person per year—or $40 for a family of four, according to the EPA.[8]
- Efficiency standards for residential water heaters, heating equipment, and pool heaters. Annual cost: $1.3 billion. The appliance upgrades necessary to comply with the new standards will raise the price of a typical gas storage water heater by $120.[9]
- Limits on "effluent" discharges from construction sites imposed by the EPA. Annual cost: $810.8 million. The cost of the requirements will force the closure of 147 construction firms and the loss of 7,257 jobs, according to the EPA. Homebuyers also will bear some of the costs, with an increase in mortgage costs of about $1,953.

Regulatory Reductions Missing in Action

Measures to reduce regulatory burdens, by contrast, were few and far between in FY 2010. Only five significant rulemakings adopted last year reduced burdens. Of these, cost reductions were quantified for only two, for reported savings of $1.5 billion. This leaves a net increase in the regulatory burden of $26.5 billion.

Moreover, one of the five measures—though technically deregulatory in nature—relates to an unparalleled *expansion* of EPA powers. Due to its determination last year that greenhouse gases are pollutants, the agency is moving to set emissions limits for such gases. To follow the standards in the Clean Air Act would corral millions of currently unregulated "facilities," including offices and apartment buildings, shopping malls, restaurants, hotels, hospitals, schools, houses of worship, theaters, and sports arenas into the EPA regulatory regime. In hopes of quieting political outrage over so sweeping a dictate, the EPA's "Tailoring Rule"[10] set a minimum threshold level for regulation. Therefore, fewer facilities would be subject to permit requirements, making imposition of the emissions limits more feasible. Rather than reduce overall burdens, this action actually facilitated increased burdens.[11]

Actual Costs Likely Higher

The actual cost of regulations adopted in FY 2010 is almost certainly much higher than $26.5 billion. As a first matter, the cost of non-economically significant rules—rules deemed not likely to have an annual impact of $100 million or more—is not calculated (although such rules are believed to constitute only a small portion of total regulatory costs). Moreover, costs were not quantified for 12 of the economically significant rules adopted in FY 2010.

Many of the rules lacking quantified costs involve financial regulation. The Federal Reserve Board, for instance, did not quantify any costs for its new "Truth in Lending"[12] regulations—which impose fee and disclosure requirements for credit card accounts—although the new rules are generally expected to be costly. Similarly, costs were not calculated for new Federal Reserve Board regulations on prepaid electronic gift cards.[13]

It should also be noted that reported costs are likely minimized by allowing agencies to make the initial calculations, thereby casting their proposals in the best light. This could have a substantial impact: Overall, there is evidence that agencies systematically understate regulatory costs. In its 2005 report to Congress, the OMB's Office of Information and Regulatory Affairs conducted *ex ante* analyses of regulations to test the accuracy of cost-benefit estimates. The study determined that regulators overestimated benefits 40 percent of the time and underestimated costs 34 percent of the time.[14]

Even a finding that costs exceed benefits does not necessarily stop a new rule from going into effect. For instance, in evaluating new regulations for train-control systems, the Department of Transportation identified costs of $477.4 million, and benefits of a mere $22 million. Nevertheless, due to a statutory mandate, the regulations were adopted.

The EPA is prohibited by law from considering costs in devising regulations under the Clean Air Act and other major environmental statutes. Thus, the agency recently set new, more stringent standards on emissions of nitrogen dioxide without formally considering the economic or technical feasibility of compliance.[15] While the EPA did prepare a cost-benefit analysis—concluding that the costs exceed the benefits—agency officials conceded they had no way of determining the number of localities that would be out of compliance under the new rule.

Lastly, it should be noted that annual compliance costs constitute only part of the economic burden of regulation. New rules also entail start-up costs for new equipment, conversions of industrial processes, and devising data collection and reporting procedures. These "first-year" costs exceed $3.1 billion for the 43 new FY 2010 regulations. For example, new restrictions on "short sales"[16] imposed by the Securities and Exchange Commission will require initial costs of more than $1 billion[17] for modifications to computer systems and surveillance mechanisms, and for information-gathering, management, and recordkeeping systems. Likewise, the EPA estimates one-time implementation costs of nearly $745 million for new limits on emissions from diesel engines used in energy production.[18]

More Rules on the Way

Many, many more regulations are in the pipeline. According to one estimate, financial regulation legislation recently adopted by Congress, known as the Dodd–Frank bill, will require 243 new formal rule-makings by 11 different federal agencies.[19] So wide-ranging are regulators' new powers, in fact, that the Department of Health and Human Services has failed to meet one-third of the deadlines mandated by the new federal health care law, according to a report by the Congressional Research Service.[20]

Meanwhile, the new Consumer Financial Protection Bureau created under the Dodd–Frank measure will wield vaguely defined powers to regulate financial products and services, including mortgages, credit cards, even student loans. And, the Federal Communications Commission is mulling new regulations to limit how Internet service providers manage their networks. Such "net neutrality" rules, if enacted, would undermine investment incentives, thereby robbing the nation of much-needed broadband upgrades.[21]

Taken together, these initiatives embody a stunningly full regulatory agenda—indicating that this year's record for regulatory increases will not stand for long.

Conclusion

The regulatory burden increased at an unprecedented rate during FY 2010, as measured by both the number of new major rules as well as their reported costs. Even more are on the way in 2011.

A number of steps have been proposed to stem this growth, ranging from automatic sunsetting of rules[22] to requiring congressional approval of all new major rules.[23]

Mere procedural reforms will not be enough to stem this regulatory tide. Regulatory costs will rise until policymakers appreciate the burdens that regulations are imposing on Americans and the economy, and exercise the political will necessary to limit—and reduce—those burdens.

Submitted by the office of Representative Wes Keller, jointly written by ***James L. Gattuso*** *is Senior Research Fellow in Regulatory Policy,* ***Diane Katz*** *is Research Fellow in Regulatory Policy, and* ***Stephen A. Keen*** *is a Research Assistant, in the Thomas A. Roe Institute for Economic Policy Studies at The Heritage Foundation.*

486 U.S. 57

108 S.Ct. 1637

100 L.Ed.2d 48

CITY OF NEW YORK, City of Miami, City of Wheaton and National League of Cities, Petitioners
v.
FEDERAL COMMUNICATIONS COMMISSION et al.

No. 87-339.

Argued March 29, 1988.

Decided May 16, 1988.

Syllabus

In 1974, after two years of unsatisfactory experience with conflicting federal and local technical standards governing the transmission of cable television broadcast signals, the Federal Communications Commission (FCC or Commission) promulgated regulations pre-empting the field of signal-quality regulation. In 1984, this Court broadly approved the pre-emptive authority that the FCC had asserted over cable system regulation. *Capital Cities Cable, Inc. v. Crisp,* 467 U.S. 691, 104 S.Ct. 2694, 81 L.Ed.2d 580. A few months later, Congress enacted the Cable Communications Policy Act of 1984 (Cable Act or Act), which empowers state or local authorities to enfranchise cable systems and to specify the facilities and equipment that franchisees could use, but which also authorizes the FCC to establish technical standards for such facilities and equipment. Pursuant to the latter provision, the FCC adopted regulations establishing technical standards governing the quality of cable signals and forbidding local authorities to impose more stringent technical standards. Petitioners sought review of the regulations in the Court of Appeals, contesting the scope of the FCC's claimed pre-emptive authority and asserting that franchising authorities could impose stricter technical standards than the Commission's. The court upheld the regulations.

Held: The FCC did not exceed its statutory authority by forbidding local authorities to impose technical cable signal quality standards more stringent than those set forth in the Commission's regulations. Pp. 63-70.

(a) Whether a federal agency has properly determined that its authority in a given area is exclusive and pre-empts any state regulatory efforts does not depend on the existence of express congressional authorization to displace state law. Rather, the correct focus is on the agency itself and on the proper bounds of its lawful authority to undertake such action. If the agency's decision to pre-empt represents a reasonable accommodation of conflicting policies committed to the agency's care by statute, the accommodation should not be disturbed unless it appears from the statute or its legislative history that the accommodation "is not one that Congress would have

sanctioned." *United States v. Shimer,* 367 U.S. 374, 383, 81 S.Ct. 1554, 1560, 6 L.Ed.2d 908. Pp. 63-64.

(b) In adopting the regulations at issue, the FCC explicitly stated its intent to continue its prior policy of exercising exclusive authority and of pre-empting state and local regulation, in order to address the potentially serious adaptability and cost problems created for cable system operators and consumers by technical standards that vary from community to community. Thus, this case does not turn on whether there is an actual conflict between federal and state law, or whether compliance with both federal and state standards would be physically impossible. Pp. 65-66.

(c) The FCC acted within its authority under the Cable Act when it pre-empted state and local regulation. In adopting the statute, Congress acted against a 10-year background of federal pre-emption on this particular issue and at a time shortly after *Crisp* approved FCC pre-emption in very similar respects. Nevertheless, Congress sanctioned in relevant respects the regulatory scheme that the Commission had already been following, without indicating explicit disapproval of the Commission's pre-emption of local technical standards. Given the difficulties the FCC had experienced with inconsistent local standards, it is doubtful that Congress would have meant to overturn pre-emption without discussion or even any suggestion that it was doing so. To the contrary, the legislative history makes clear that the Cable Act was not intended to work any significant change. Thus, nothing in the Act compels the conclusion that the decision to pre-empt "is not one that Congress would have sanctioned." Pp. 66-70.

259 U.S.App.D.C. 191, 814 F.2d 720 (1987), affirmed.

WHITE, J., delivered the opinion for a unanimous Court.

Stephen J. McGrath, New York City, for petitioners.

Lawrence G. Wallace, Washington, D.C., for federal respondent, F.C.C.

H. Bartow Farr, III, Washington, D.C., for respondent, National Cable Television.

Justice WHITE delivered the opinion of the Court.

1

The Federal Communications Commission has adopted regulations that establish technical standards to govern the quality of cable television signals and that prohibit local authorities from imposing more stringent technical standards. The issue is whether in doing so the Commission has exceeded its statutory authority.

2

* This case deals with yet another development in the ongoing efforts of federal, state, and local authorities to regulate different aspects of cable television over the past three decades. See *Capital Cities Cable, Inc. v. Crisp,* 467 U.S. 691, 700-705, 104 S.Ct. 2694, 2700-2703, 81

L.Ed.2d 580 (1984); *United States v. Southwestern Cable Co.,* 392 U.S. 157, 161-178, 88 S.Ct. 1994, 1996-2005, 20 L.Ed.2d 1001 (1968). With the incipient development of cable television in the 1950's and 1960's from what had been more generally known as community antenna television systems, the Federal Communications Commission began to assert regulatory authority in this area. See *CATV Second Report and Order,* 2 F.C.C.2d 725 (1966). In 1972, the Commission first asserted authority over technical aspects of cable television and devised technical standards to govern the transmission of broadcast signals by cable, though without pre-empting regulation of similar matters by state or local franchising authorities. *Cable Television Report and Order,* 36 F.C.C.2d 143, on reconsideration, 36 F.C.C.2d 326 (1972), aff'd *sub nom. American Civil Liberties Union v. FCC,* 523 F.2d 1344 (CA9 1975).1 Within two years, however, the Commission became convinced from its experience with conflicting federal and local technical standards that there is "a compelling need for national uniformity in cable television technical standards" which would require it to pre-empt the field of signal-quality regulation in order to meet the "necessity to rationalize, interrelate, and bring into uniformity the myriad standards now being developed by numerous jurisdictions." *Cable Television Report and Order,* 49 F.C.C.2d 470, 477, 480 (1974). The Commission explained that a multiplicity of mandatory and nonuniform technical requirements undermined "the ultimate workability of the over-all system," could have "a deleterious effect on the development of new cable services," and could "seriously imped[e]" the "development and marketing of signal source, transmission, and terminal equipment." *Id.* at 478-479.2

3

In 1984, the Court approved the pre-emptive authority that the Commission had asserted over the regulation of cable television systems. We held that in the Communications Act of 1934, Congress authorized the Commission "to regulate all aspects of interstate communication by wire or radio," including the subsequently developed medium of cable television, and that the Commission's authority "extends to all regulatory actions 'necessary to ensure the achievement of the Commission's statutory responsibilities.' " *Crisp, supra,* 467 U.S. at 700, 104 S.Ct. at 2701, quoting *FCC v. Midwest Video Corp.,* 440 U.S. 689, 706, 99 S.Ct. 1435, 1444, 59 L.Ed.2d 692 (1979). Although the state law that was invalidated in *Crisp* regulated commercial advertising on cable television, rather than the technical quality of cable television signals, the Court recognized that for 10 years the Commission had "retained exclusive jurisdiction over all operational aspects of cable communication, including signal carriage and technical standards." *Crisp, supra,* 467 U.S. at 702, 104 S.Ct. at 2702.

4

A few months after the Court's decision in *Crisp,* Congress enacted the Cable Communications Policy Act of 1984 (Cable Act or Act), 98 Stat. 2780, 47 U.S.C. §§ 521-559 (1982 ed., Supp. IV). Among its objectives in passing the Cable Act, Congress purported to "establish a national policy concerning cable communications" and to "minimize unnecessary regulation that would impose an undue economic burden on cable systems." 47 U.S.C. §§ 521(1), (6) (1982 ed., Supp. IV). The Act was also intended to "establish guidelines for the exercise of Federal, State, and local authority with respect to the regulation of cable systems" through procedures and standards that "encourage the growth and development of cable systems and which assure that cable

systems are responsive to the needs and interests of the local community." §§ 521(3), (2) (1982 ed., Supp. IV).

5

The Cable Act left franchising to state or local authorities; those authorities were also empowered to specify the facilities and equipment that franchisees were to use, provided such requirements were "consistent with this title." Cable Act, §§ 624(a), (b), 47 U.S.C. §§ 544(a), (b) (1982 ed., Supp. IV). Section 624(e) of the Cable Act provided that "[t]he Commission may establish technical standards relating to the facilities and equipment of cable systems which a franchising authority may require in the franchise." 47 U.S.C. § 544(e) (1982 ed., Supp. IV).

6

In 1985, the Commission promulgated regulations that would establish technical standards governing signal quality for one of four different classes of cable television channels and that would forbid local cable franchising authorities to impose their own standards on any of the four classes of channels. 50 Fed.Reg. 7801, 7802 (1985), 47 CFR pt. 76 (1986). The Commission eventually adopted a modified version of these regulations, which reaffirmed the Commission's established policy of pre-empting local regulation of technical signal quality standards for cable television. 50 Fed.Reg., at 52462, 52464-52465. The Commission found its statutory authority to adopt the regulations in § 624(e) of the Cable Act, 47 U.S.C. § 544(e) (1982 ed., Supp. IV), and in 47 U.S.C. §§ 154(i) and 303(r). 50 Fed.Reg., at 52466. Petitioners (the cities of New York, Miami, and Wheaton, and the National League of Cities) sought review of the regulations in federal court, where they contested the scope of the pre-emptive authority claimed by the Commission and insisted that franchising authorities could impose stricter technical standards than those specified by the Commission.

7

The Court of Appeals granted partial relief to petitioners. 259 U.S.App.D.C. 191, 814 F.2d 720 (1987). It noted that the Commission had adopted technical standards applicable to one class of cable television channels, but had left the other three classes of channels completely unregulated. It agreed with petitioners that the Commission had acted arbitrarily and capriciously when it did not adopt technical standards for the latter three classes of channels, yet prohibited local authorities from adopting such standards and ignored the apparent conflict between these actions and the language of the Cable Act. It therefore vacated this part of the rule and remanded to the Commission for further proceedings. The court's holding was unanimous on this point, and that part of its decision is not at issue here.3

8

The Court of Appeals divided, however, over the propriety of the Commission's technical standards that apply to the first class of cable channels and that pre-empt more stringent local regulations. The majority of the panel upheld pre-emption, ruling that Congress intended federal regulations like these to supersede local law and that the Commission acted within the broad

confines of the pre-emptive authority delegated to it by Congress when it adopted the regulations with respect to this one class of channels. One judge dissented, contending that the majority had sanctioned pre-emption without a clear manifestation of congressional intent, contrary to this Court's decisions. We granted certiorari, 484 U.S. 962, 108 S.Ct. 449, 98 L.Ed.2d 389 (1987), and we now affirm.

II

9

When the Federal Government acts within the authority it possesses under the Constitution, it is empowered to pre-empt state laws to the extent it is believed that such action is necessary to achieve its purposes. The Supremacy Clause of the Constitution gives force to federal action of this kind by stating that "the Laws of the United States which shall be made in Pursuance" of the Constitution "shall be the supreme Law of the Land." U.S. Const., Art. VI, cl. 2. The phrase "Laws of the United States" encompasses both federal statutes themselves and federal regulations that are properly adopted in accordance with statutory authorization. For this reason, at the same time that our decisions have established a number of ways in which Congress can be understood to have pre-empted state law, see *Louisiana Public Service Comm'n v. FCC,* 476 U.S. 355, 368-369, 106 S.Ct. 1890, 1898-1899, 90 L.Ed.2d 369 (1986), we have also recognized that "a federal agency acting within the scope of its congressionally delegated authority may pre-empt state regulation" and hence render unenforceable state or local laws that are otherwise not inconsistent with federal law. *Id.,* at 369, 106 S.Ct. at 1898-1999.

10

This case involves the latter kind of pre-emption, and here the inquiry becomes whether the federal agency has properly exercised its own delegated authority rather than simply whether Congress has properly exercised the legislative power. Thus we have emphasized that in a situation where state law is claimed to be pre-empted by federal regulation, a "narrow focus on Congress' intent to supersede state law [is] misdirected," for "[a] pre-emptive regulation's force does not depend on express congressional authorization to displace state law." *Fidelity Federal Savings & Loan Assn. v. De la Cuesta,* 458 U.S. 141, 154, 102 S.Ct. 3014, 3023, 73 L.Ed.2d 664 (1982). Instead, the correct focus is on the federal agency that seeks to displace state law and on the proper bounds of its lawful authority to undertake such action. The statutorily authorized regulations of an agency will pre-empt any state or local law that conflicts with such regulations or frustrates the purposes thereof. Beyond that, however, in proper circumstances the agency may determine that its authority is exclusive and pre-empts any state efforts to regulate in the forbidden area. *Crisp,* 467 U.S., at 700, 104 S.Ct. at 2700; *De la Cuesta, supra,* 458 U.S., at 152-154, 102 S.Ct., at 3022-3023. It has long been recognized that many of the responsibilities conferred on federal agencies involve a broad grant of authority to reconcile conflicting policies. Where this is true, the Court has cautioned that even in the area of pre-emption, if the agency's choice to pre-empt "represents a reasonable accommodation of conflicting policies that were committed to the agency's care by the statute, we should not disturb it unless it appears from the statute or its legislative history that the accommodation is not one that Congress would have

sanctioned." *United States v. Shimer,* 367 U.S. 374, 383, 81 S.Ct. 1554, 1560, 6 L.Ed.2d 908 (1961); see also *Crisp, supra,* 467 U.S., at 700, 104 S.Ct., at 2700.

III

A.

11

In this case, there is no room for doubting that the Commission intended to pre-empt state technical standards governing the quality of cable television signals. In adopting the regulations at issue here, the Commission said:

12

"Technical standards that vary from community to community create potentially serious negative consequences for cable system operators and cable consumers in terms of the cost of service and the ability of the industry to respond to technological changes. To address this problem, we proposed in the *Notice* to retain technical standards guidelines at the federal level which could be used, but could not be exceeded, in state and local technical quality regulations.

13

* * * * *

14

"After a review of the record in this proceeding, we continue to believe that the policy adopted in 1974 was effective, should remain in force, and is entirely consistent with both the specific provisions and the general policy objectives underlying the 1984 Cable Act. This pre-emption policy has constrained state and local regulation of cable technical performance to Class I channels and has prohibited performance standards more restrictive than those contained in the Commission's rules. The reasons that caused the adoption of this policy appear to be as valid today as they were when the policy was first adopted." 50 Fed.Reg., at 52464.

15

As noted above, the policy adopted by the Commission in 1974, which was continued in effect by the 1985 regulations, was a pre-emptive policy applying in the area of technical standards governing signal quality. 49 F.C.C.2d, at 477-481. Since the Commission has explicitly stated its intent to exercise exclusive authority in this area and to pre-empt state and local regulation, this case does not turn on whether there is an actual conflict between federal and state law here, or whether compliance with both federal and state standards would be physically impossible. *De la Cuesta, supra,* 458 U.S., at 153, 102 S.Ct., at 3022.

B

16

The second part of the inquiry is whether the Commission is legally authorized to pre-empt state and local regulation that would establish complementary or additional technical standards, where it clearly is possible for a cable operator to comply with these standards in addition to the federal standards. We have identified at least two reasons why this part of the inquiry is crucial to our determination of the pre-emption issue. "First, an agency literally has no power to act, let alone pre-empt the validly enacted legislation of a sovereign State, unless and until Congress confers power upon it. Second, the best way of determining whether Congress intended the regulations of an administrative agency to displace state law is to examine the nature and scope of the authority granted by Congress to the agency." *Louisiana Public Service Comm'n,* 476 U.S., at 374, 106 S.Ct., at 1901. The second reason was particularly relevant in *Louisiana Public Service Comm'n* because there we were obliged to assess the import of a statutory section in which Congress appeared to have explicitly limited the Commission's jurisdiction, so as to prohibit it from pre-empting state laws concerning the manner in which telephone companies could depreciate certain plant and equipment. *Id.,* 476 U.S., at 369-376, 379, 106 S.Ct., at 1899-1902, 1904, construing 47 U.S.C. § 152(b).

17

We conclude here that the Commission acted within the statutory authority conferred by Congress when it pre-empted state and local technical standards governing the quality of cable television signals. When Congress enacted the Cable Act in 1984, it acted against a background of federal pre-emption on this particular issue. For the preceding 10 years, the Commission had pre-empted such state and local technical standards under its broad delegation of authority to "[m]ake such rules and regulations and prescribe such restrictions and conditions, not inconsistent with law, as may be necessary to carry out the provisions of this chapter [the communications laws, Title 47 of the U.S. Code, Chapter 5]," as a means of implementing its legitimate discretionary power to determine what the "public convenience, interest, or necessity requires" in this field. 47 U.S.C. §§ 303 and 303(r); see also 49 F.C.C.2d, at 481; 47 U.S.C. § 154(i). The Court's decision in *Crisp,* which was handed down during the time Congress was considering the legislation that within a few months became the Cable Act, broadly upheld the Commission's pre-emptive authority in very similar respects. 467 U.S., at 701-705, 104 S.Ct., at 2701-2703.

18

In the Cable Act, Congress sanctioned in relevant respects the regulatory scheme that the Commission had been following since 1974. In § 624 of the Cable Act, Congress specified that the local franchising authority could regulate "services, facilities, and equipment" in certain respects, and could enforce those requirements, but § 624(e) of the Act grants the Commission the power to "establish technical standards relating to the facilities and equipment of cable systems which a franchising authority may require in the franchise." 47 U.S.C. §§ 544(a)-(e) (1982 ed., Supp. IV). This mirrors the state of the regulatory law before the Cable Act was passed, which permitted the local franchising authorities to regulate many aspects of cable

services, facilities, and equipment but not to impose technical standards governing cable signal quality, since the Commission had explicitly reserved this power to the Federal Government.

19

It is also quite significant that nothing in the Cable Act or its legislative history indicates that Congress explicitly disapproved of the Commission's pre-emption of local technical standards.4 Given the difficulties the Commission had experienced in this area, which had caused it to reverse its ground in 1974 after two years of unhappy experience with the practical consequences of inconsistent technical standards imposed by various localities, we doubt that Congress intended to overturn the Commission's decade-old policy without discussion or even any suggestion that it was doing so. To the contrary, the House Report which discusses this section of the Act portrays it as nothing more than a straightforward endorsement of current law:

20

"Subsection (e) allows the Commission to set technical standards related to facilities and equipment required by a franchising authority pursuant to a franchising agreement. This provision does not affect the authority of a franchising authority to establish standards regarding facilities and equipment in the franchise pursuant to section 624(b) which are not inconsistent with standards established by the FCC under this subsection." H.R.Rep. No. 98-934, p. 70 (1984), U.S.Code Cong. & Admin.News, 1984, pp. 4655, 4707.

21

This passage from the House Report makes clear that the Act was not intended to work any significant change in the law in the respects relevant to this case. By noting that § 624(e) authorizes "the Commission to set technical standards related to facilities and equipment" and that it "does not affect the authority of a franchising authority to establish standards regarding facilities and equipment" that are not inconsistent with Commission standards, the House Report indicates both that Congress did not intend to remove from the Commission its longstanding power to establish pre-emptive technical standards, and that Congress did not intend to "affect the authority of a franchising authority" to set standards in these and similar matters regarding cable facilities and equipment. In particular, Congress did not manifest any intent to "affect the authority" of local franchising authorities by giving them the power to supplement the technical standards set by the Commission with respect to the quality of cable signals, a power which they generally had not been permitted to exercise for the last 10 years and which, according to the Commission's consistent view, disserves the public interest.5 Petitioners insist that under § 624, as evidenced by the passage from the House Report quoted above, a franchising authority may specify any technical standards that do not conflict with Commission standards and hence may set stricter standards for signal quality. But this disregards the Commission's own power to pre-empt, an authority that we do not believe Congress intended to take away in the Cable Act. And it also disregards the Commission's explicit findings, based on considerable experience in this area, that complementary or additional technical standards set by state and local authorities do conflict with the basic objectives of federal policy with respect to cable television—findings that

the Commission first articulated in 1974 and then reiterated in 1986. See 49 F.C.C.2d, at 478-479; 50 Fed.Reg., at 52464-52465.

22

In sum, we find nothing in the Cable Act which leads us to believe that the Commission's decision to pre-empt local technical standards governing the quality of cable signals "is not one that Congress would have sanctioned." *Shimer,* 367 U.S., at 383, 81 S.Ct. at 1560.6 We therefore affirm the judgment of the Court of Appeals.

23

It is so ordered.

1

The "technical standards" established by the Commission describe, in quantitative terms, various electrical characteristics of the audio and video components of the signals delivered by the cable system to its subscribers, including such specific items as visual carrier frequency, aural center frequency, visual signal level, terminal isolation, and radiation and signal leakage. See 47 CFR §§ 76.601, 76.605 (1987).

2

Although the Commission recognized that "[t]he broad pre-emptive policy we are adopting today will ultimately affect all cable systems," 49 F.C.C.2d, at 480, it fashioned this policy to have a more gradual effect. Because "many of the pre-existing technical standards adopted by cities and states cannot be shown to adversely affect our stated goals," the Commission decided to extend a "grandfather" approval to those technical standards that were already operational or certified to the Commission by January 1, 1975. *Ibid.* In addition, a mechanism was established (and remains in effect) that allows state and local authorities to impose "different or additional technical standards" if they obtain a specific waiver from the Commission. *Id.,* at 480-481; see n. 5, *infra.*

3

At argument, petitioners contended that the question of the Commission's statutory authority to regulate these other three classes of cable channels is properly presented to the Court in this case. Tr. of Oral Arg. 5-7, 9-10. We disagree. The Court of Appeals explicitly failed to resolve this question because it agreed "with petitioner's alternative argument that the FCC's . . . rulemaking was arbitrary and capricious." 259 U.S.App.D.C. 191, 197-198, 814 F.2d 720, 726-727 (1987). The Court of Appeals' disposition with respect to these three classes of cable channels was to vacate those portions of the rule and to remand to the Commission for further proceedings. In their brief, moreover, petitioners refer specifically to "a vote of 2-1 [in] the Court of Appeals" in stating the questions presented, which was the disposition below only with respect to the one class of cable channels. Brief for Petitioners i.

4

Petitioners argue that by empowering local franchising authorities to take into account whether "the quality of the operator's service, including signal quality . . . has been reasonable in light of community needs," 47 U.S.C. § 546(c)(1)(B) (1982 ed., Supp. IV), Congress implicitly recognized that local franchising authorities would need a comprehensive set of additional technical standards in order to carry out this task. Yet this argument simply ignores the fact that local authorities are able to assess signal quality against the technical standards set by the Commission, which it has found are adequate to ensure "an acceptable quality of service at the worst subscriber location and thus a better quality of service to the average subscriber." 50 Fed.Reg. 52462, 52463, n. 2 (1985).

5

Petitioners and other state and local authorities remain free, of course, to petition the Commission for an individualized waiver that would permit them to "impose additional or different requirements," which they may seek to obtain by demonstrating that particular local conditions create special problems that make the federal technical standards inadequate. See 47 CFR § 76.7 (1987).

6

Since we conclude that the Commission is authorized under § 624(e) of the Cable Act to pre-empt technical standards imposed by state and local authorities, we need not also consider whether the Commission retains the same broad pre-emptive authority in the area of cable television under §§ 4(i) and 303 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i) and 303, that it had exercised before the Cable Act was enacted in 1984. In adopting the regulations at issue here, the Commission claimed to possess statutory authority under those two sections of the Communications Act as well as under the new Cable Act. 50 Fed.Reg., at 52466. Petitioners claim that the Cable Act withdrew such authority from the Commission, and their claim draws some support from new language in 47 U.S.C. § 152(a) (1982 ed., Supp. IV), which states that "[t]he provisions of [the Communications Act] shall apply with respect to cable service . . . as provided in [the Cable Act]." On the other hand, the House Report suggests that this language is merely a more explicit grant of "exclusive jurisdiction" to the Commission over specified aspects of cable service, see H.R.Rep. No. 98-934, pp. 95-96 (1984), U.S.Code Cong. & Admin.News 1984, pp. 4732, 4733, which settles matters that had occasionally been in dispute. In addition, § 303 of the Communications Act continues to give the Commission broad rulemaking power "as may be necessary to carry out the provisions of this chapter," 47 U.S.C. § 303(r), which includes the body of the Cable Act as one of its subchapters. But since in any event the Commission possesses statutory authority to adopt the regulations at issue in this case under § 624(e) of the Cable Act, we do not decide whether the Commission's actions are authorized on this alternative basis as well.

Utah Gov. OKs eminent domain use on federal land

Posted: Mar 28, 2010 11:35 AM Updated: Mar 28, 2010 12:36 PM
By BROCK VERGAKIS
Associated Press Writer

SALT LAKE CITY (AP) - Fed up with federal ownership of more than half the land in Utah, Republican Gov. Gary Herbert on Saturday authorized the use of eminent domain to take some of the U.S. government's most valuable parcels.

Herbert signed a pair of bills into law that supporters hope will trigger a flood of similar legislation throughout the West, where lawmakers contend that federal ownership restricts economic development in an energy-rich part of the country.

Governments use eminent domain to take private property for public use.

The goal is to spark a U.S. Supreme Court battle that legislators' own attorneys acknowledge has little chance of success.

But Utah Attorney General Mark Shurtleff and other Republicans say the case is still worth fighting, since the state could reap millions of dollars for state schools each year if it wins.

More than 60 percent of Utah is owned by the U.S. government, and policy makers here have long complained that federal ownership hinders their ability to generate tax revenue and adequately fund public schools.

Utah spends less per student than any other state and has the nation's largest class sizes. Under the measure Herbert has approved, the state will set aside $3 million to defend the law.

Lawmakers recently slashed education funding by $10 million and raised taxes on cigarettes by $1 a pack. Democrats have decried the eminent domain measure as a waste of money, and Democratic gubernatorial hopeful Peter Corroon is making it an issue in this year's special election.

But if the law is as bad as Democrats say it is, a court will quickly overturn it and the state won't have to spend much money defending it, Herbert said.

Initially, the state would target three areas for the use of eminent domain, including the Kaiparowits plateau in Grand Staircase-Escalante National Monument, which is home to large coal reserves.

Many people in Utah are still angry that then-President Bill Clinton's designated the area as a national monument in 1996, a move that stopped development on the land and greatly pleased environmentalists as he ran for re-election.

Utah lawmakers contend the federal government should have long ago sold the land it owns in the state. Because it hasn't, the federal government has violated a contract made with Utah when statehood was granted, they say.

Eminent domain would also be used on parcels of land where Interior Secretary Ken Salazar last year scrapped 77 oil and gas leases around national parks and wild areas.

Copyright 2010 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

WorldNetDaily wnd commentary
Friday, February 11, 2011

The perversion of the U.S. Constitution

Posted: July 08, 1998
1:00 am Eastern

By Joseph Farah
© 2011 WorldNetDaily.com

"Stroke of the pen. Law of the land. Kinda cool."
--Clinton presidential aide Paul Begala, July 1998

"All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives."
--Article 1, U.S. Constitution, 1789

The greatest fear of the Founding Fathers was the establishment of a strong central government and an ambitious, power-hungry political leader at the center of that government. They had had their fill of kings and dictators. They believed the best assurance against centralized authority was a loose association of sovereign states, which maintained most governmental power at the local level.

President Clinton's glib announcement that he will issue a barrage of executive orders to further his legislative agenda while bypassing Congress is the ultimate fulfillment of those fears. More chilling yet is the timing of the ominous announcement. It comes less than two months after Clinton issued, while on foreign soil, Executive Order 13083, which annihilates the principles of federalism that have guided the nation for the last 200 years.

The 10th Amendment states: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the states, are reserved to the states respectively, or to the people." Under EO 13083, Clinton has effectively tacked on to that clear, forthright, inspired, unambiguous statement a list of exceptions. He has done it single-handedly, with the stroke of a pen. And, no Mr. Begala, there is nothing cool about totalitarianism.

Say what you will about him, Bill Clinton is a bright and educated man. His actions and his words are carefully considered. He knows what he is doing. That's what makes this trend so frightening. Where does he want to take the nation? How far from its founding principles are we to stray? Is America about to transform itself from a nation governed by laws to a nation ruled by men?

How far we've come from the days of statesmen like James Madison, who believed "That all power is originally vested in, and consequently derived from, the people. That government is instituted and ought to be exercised for the benefit of the people; which consists in the enjoyment of life and liberty and the right of acquiring property, and generally of pursuing and obtaining happiness and safety. That the people have an indubitable, unalienable, and indefeasible right to reform or change their government whenever it be found adverse or inadequate to the purpose of its institution."

Note that Madison said "the people" -- not the government -- have a right to change their government. Bill Clinton has taken on this mission as his own God-given responsibility. He is acting like a strongman, an ayatollah, a czar, a potentate, a Fuhrer.

Even before Clinton abused his office so egregiously, the United States was in grave danger of concentrating too much power in Washington and too much power in the Oval Office. Clinton, ever the opportunist, has taken full advantage of Americans' ignorance of their constitutional heritage and usurped much of the remaining congressional legislative authority.

Potentially, the worst abuse of all is the executive order. For 30 years, Americans have lived under the shadow of executive orders that could -- as Mr. Begala inelegantly stated it -- with "the stroke of a pen," turn America into just another fascist dictatorship. Fortunately, America has been blessed with leaders -- some good, some bad -- who have restrained themselves from signing away our freedoms.

Without congressional approval, the president has the power to relocate whole populations of Americans, the power to shut down the free press, to force a national registration of all people. There doesn't need to be a war to justify such an action -- just a crisis, be it domestic or foreign, violent or merely economic.

I count at least a dozen executive orders, today standing as the law of the land, which would suspend the Constitution and the Bill of Rights in their entirety with such a stroke of the pen. Such power should not be in the hands of any one man -- particularly one as ambitious, driven and morally contemptible as Bill Clinton.

Oh, what a delicate thread from which our liberty is suspended.

HOUSE RESOLUTION NO. 9

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES KELLY, Johnson, Keller, Harris, Gatto, Johansen, Dahlstrom, Wilson

Introduced: 2/25/09
Referred: Rules

A RESOLUTION

Relating to sovereign powers of the state.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES:

WHEREAS the Tenth Amendment to the Constitution of the United States reads, "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people"; and

WHEREAS the Tenth Amendment defines the total scope of federal power as being that specifically granted by the Constitution of the United States and no more; and

WHEREAS the scope of power defined by the Tenth Amendment means that the federal government was created by the states specifically to be an agent of the states; and

WHEREAS some federal actions weaken states' rights protected by the Tenth Amendment to the Constitution of the United States; and

WHEREAS the Tenth Amendment assures that we, the people of the United States of America and each sovereign state in the Union of States, now have, and have always had, rights the federal government may not usurp; and

WHEREAS art. IV, sec. 4, Constitution of the United States, reads, "The United States shall guarantee to every State in this Union a Republican Form of Government," and

the Ninth Amendment to the Constitution of the United States reads, "The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people"; and

WHEREAS the United States Supreme Court has ruled in New York v. United States, 112 S.Ct. 2408 (1992), that the United States Congress may not simply commandeer the legislative and regulatory processes of the states; and

WHEREAS all states, including Alaska, find themselves regularly facing proposals from the United States Congress that weaken states' rights protected by the Tenth Amendment;

BE IT RESOLVED that the House of Representatives hereby claims sovereignty for the state under the Tenth Amendment to the Constitution of the United States over all powers not otherwise enumerated and granted to the federal government by the Constitution of the United States; and be it

FURTHER RESOLVED that this resolution serves as Notice and Demand to the federal government, as our agent, to cease and desist, effective immediately, mandates that are beyond the scope of these constitutionally delegated powers; and be it

FURTHER RESOLVED that all compulsory federal legislation that directs states to comply under threat of civil or criminal penalties or sanctions or requires states to pass legislation or lose federal funding be prohibited or repealed.

COPIES of this resolution shall be sent to the Honorable Barack Obama, President of the United States; the Honorable Joseph R. Biden, Jr., Vice-President of the United States and President of the U.S. Senate; the Honorable Nancy Pelosi, Speaker of the U.S. House of Representatives; the Honorable Lisa Murkowski and the Honorable Mark Begich, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress; and all other members of the 111th United States Congress.

ZIP code or keyv

Topix

Null. Void. Of No Effect.

Michael Boldin Tenth Amendment Center
January 21, 2011

When Washington D.C. violates the constitution – as it does every single day – the essential question is –"what do we do about it?"

For countless decades, Americans have been responding through protests, lawsuits, and "voting the bums out." Yet, year in and year out, federal power always grows. And it doesn't matter which political party is in power, or what person occupies the white house either.

THE RIGHTFUL REMEDY
In 1798, Thomas Jefferson wrote that

"whensoever the general government assumes undelegated powers….a nullification of the act is the rightful remedy."[emphasis added]

Notice that TJ didn't advise us to use nullification as a remedy "once in a while." And he certainly didn't tell us that a nullification is the rightful remedy after "we vote some bums out" or "we sue the federal government in federal court" or after anything else for that matter. Jefferson was pretty straightforward and recommended that every single time the federal government exercises powers not delegated to it in the constitution (there's about 30 powers and nothing more), that we're to reject and nullify those acts on a state level as they happen.

HAPPENING NOW
Already, more than two dozen states have virtually stopped the 2005 Real ID act dead in its tracks. How? By refusing to implement it. Fifteen states – most recently Arizona – are using the principles of the 10th Amendment to actively defy federal laws (and a supreme court ruling, too!) on marijuana. Eight states have passed Firearms Freedom Acts in an attempt to reject some federal gun laws and regulations. And seven states have passed Health Care Freedom Acts to block health care mandates from being enforced.

NULL. VOID. OF NO EFFECT.
Get used to reading these words, because the political climate is starting to swing a new direction. There is a growing number of people in America that are recognizing a simple truth – Asking, demanding, or suing to get the federal government to fix problems caused by the federal government just doesn't work.

Take, for example, the Federal Health Care Nullification Act, first introduced in Texas as HB297, and now also introduced in Montana (SB161), Wyoming (HB0035), Oregon (SB498) and Maine (LD58). Here's an excerpt:

"the federal law known as the "Patient Protection and Affordable Care Act," signed by President Barack Obama on March 23, 2010, is not authorized by the Constitution of the United States and

violates its true meaning and intent as given by the Founders and Ratifiers, and is hereby declared to be invalid, shall not be recognized, is specifically rejected, and shall be considered null and void and of no effect."

But these bills, as introduced in Texas, Maine, Montana, Oregon, and Wyoming are far more than mere declarations or position statements

ENFORCEMENT

Implied in any nullification legislation is enforcement of the state law. In the Virginia Resolution of 1798, James Madison wrote of the principle of interposition:
That this Assembly doth explicitly and peremptorily declare, that it views the powers of the federal government, as resulting from the compact, to which the states are parties; as limited by the plain sense and intention of the instrument constituting the compact; as no further valid that they are authorized by the grants enumerated in that compact; and that in case of a deliberate, palpable, and dangerous exercise of other powers, not granted by the said compact, the states who are parties thereto, have the right, and are in duty bound, to interpose for arresting the progress of the evil, and for maintaining within their respective limits, the authorities, rights and liberties appertaining to them.

In his famous speech during the war of 1812, Daniel Webster said:

"The operation of measures thus unconstitutional and illegal ought to be prevented by a resort to other measures which are both constitutional and legal. It will be the solemn duty of the State governments to protect their own authority over their own militia, and to interpose between their citizens and arbitrary power. These are among the objects for which the State governments exist"

Here Madison and Webster assert what is required of nullification laws to be successful – that state governments not only have the right to resist unconstitutional federal acts, but that, in order to protect liberty, they are "duty bound to interpose" or stand between the federal government and the people of the state.

All five bills explicitly include this principle, and if passed, would impose penalties on federal agents for attempting to enforce National Health Care mandates in their state. For example, from Wyoming's HB35:

Any official, agent, employee or public servant of the state of Wyoming as defined in W.S. 6-5-101, who enforces or attempts to enforce an act, order, law, statute, rule or regulation of the government of the United States in violation of this article shall be guilty of a felony punishable by a fine of not more than five thousand dollars ($5,000.00), imprisonment in the county jail for not more than two (2) years, or both.

Sources close to the Tenth Amendment Center tell us to expect approximately ten states to introduce such bills in the 2011 legislative session.

Submitted by the office of Representative Wes Keller authored by: Michael Boldin, Tenth Amendment Center

HB

18

<TARGET><BILL>HB 18</BILL><SUBJECT>HB
18</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 3/30/11

FURTHER:

DATE TURNED IN TO OFFICE: 3-5-11

State Affairs Committee considered CS FOR HOUSE BILL NO. 18(STA) am

HB 18-ALASKA PUBLIC GARDENS DAY

"An Act establishing Alaska Public Gardens Day on the Saturday immediately preceding Memorial Day each year."

and recommends:

[ ] be **replaced** with **SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
Leg			x	2
Admin			x	1

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	KOOKESH	X			
	PASKVAN	X			
	Giessel	X			
CHAIR:	Wielechowski	X			

Representative Beth Kerttula

House Minority Leader

DATE: March 30, 2011

TO: Senator Bill Wielechowski
Chair, Senate State Affairs Committee

FROM: Representative Beth Kerttula

RE: House Bill 18 ALASKA PUBLIC GARDENS DAY

I respectfully request that the Senate State Affairs Committee schedule House Bill HB 18 Alaska Public Gardens Day for a hearing.

Please find attached:

- CS House Bill 18 (STA) am
- Sponsor statement
- Dept of Administration and Legislature Fiscal Notes
- Letters of Support
- National Public Gardens Day Information
- City & Borough of Juneau Proclamation
- Governor Parnell Executive Proclamation

Thank you for your consideration. If you have any questions, please do not hesitate to call me or my aide, Hannah McCarty (x4767).

Alaska State Legislature ✧ District 3 ✧ Juneau
State Capitol ✧ Juneau, Alaska 99801-1182 ✧ (907) 465-4766 ✧ Fax (907) 465-4748
E-mail: Rep.Beth.Kerttula@legis.state.ak.us ✧ www.kerttula.net

Representative Beth Kerttula

House Minority Leader

Sponsor Statement

CS House Bill 18

"An Act establishing Alaska Public Gardens Day on the Saturday immediately preceding Memorial Day each year."

House Bill 18 establishes Alaska Public Gardens Day on the Saturday immediately preceding Memorial Day each year. This recognition would commemorate the state's public gardens and the role gardens play in promoting environmental stewardship, education, plant conservation, recreation and research.

Alaska has three American Public Garden Association member gardens: the Alaska Botanical Garden in Anchorage; the University of Alaska Fairbanks Georgeson Botanical Garden in Fairbanks; and the Jenson-Olson Arboretum in Juneau. Each plays an important role in their community and in helping to preserve northern latitude plants.

Our gardens serve the public in many ways. They are tourism designations and have vast local recreation value. They also serve as important practical educational facilities for children and adults to learn about gardening, ecology, and science as well as partnering with other organizations to provide school-based education programs, public health education programs and community and school gardens. They provide workforce training sites for youth and adults in transition and work on habitat restoration. In addition, they provide information on the how to choose regionally appropriate plants that are native to the area for landscaping purposes.

These public gardens have a measurable impact on the quality of life in our communities and it is important to set aside a day each year to celebrate their role in keeping Alaskans and visitors connected to our natural world.

Thank you for your support of House Bill 18.

Alaska State Legislature ✧ District 3 ✧ Juneau
State Capitol ✧ Juneau, Alaska 99801-1182 ✧ (907) 465-4766 ✧ Fax (907) 465-4748
Rep.Beth.Kerttula@legis.state.ak.us ✧ www.kerttula.net

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHB 18(STA)
(H) Publish Date: 3/9/11

HB018-DOA-FAC-02-25-11
Title: Alaska Public Gardens Day
Sponsor: Representatives Kerttula
Requester: House State Affairs

Dept. Affected: DOA
Appropriation: State Owned Facilities
Allocation: Facilities
OMB Component Number: 2429

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial fiscal note.

Prepared by: Vern Jones, Director
Division: General Services
Approved by: John Cramer, Deputy Commissioner
Department of Administration

Phone: 465-5684
Date/Time: 3/2/11 9:00 AM
Date:

(Revised 1/27/2011 OMB)

FISCAL NOTE #1

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSHB 18(STA)

Analysis

This bill will have no fiscal impact.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: CSHB 18(STA)
(H) Publish Date: 3/9/11

Identifier (file name): HB18-LEG-COU-03-01-2011
Title: Establish AK Public Garden Day
Sponsor: Representative Kerttula
Requester: State Affairs

Dept. Affected: Legislature
Appropriation: Legislative Council
Allocation: Session Expenses
OMB Component Number: 782

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 Interagency Receipts							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Initial Version

Prepared by: Shane Miller, Finance Manager — Phone: 465-6626
Division: Administrative Services Division — Date/Time: 3/1/11 4:49 PM
Approved by: Pamela Varni, Executive Director — Date: 3/1/2011
Legislative Affairs Agency

(Revised 12/29/2010 OMB)

FISCAL NOTE #2

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSHB 18(STA)

Analysis

This fiscal note has zero impact on the Legislative Affairs Agency.

CITY/BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

OFFICE OF THE MAYOR
Telephone: (907) 586-5240; Facsimile: (907) 586-5385
Mayor@ci.juneau.ak.us

February 15, 2011

Honorable Beth Kerttula
Alaska State Representative
State Capitol, Room 404
Juneau, AK 99801

Re: Support of Alaska HB 18

Dear Representative Kerttula:

I am writing to encourage your full support of Alaska HB 18, "An Act establishing Alaska Public Gardens Day on the Saturday immediately preceding Memorial Day each year". At last year's Alaska Public Gardens Day celebration approximately 600 Juneau citizens and visitors attended, affirming increasing popular support for Juneau's public garden. We would like to make Alaska Public Gardens Day an annual event.

Nationally, the United States celebrates Public Gardens Day in early May and several states and cities in the lower 48 have, through formal legislative action, recognized the day in their own context. This is a day set aside by the American Public Gardens Association (APGA) to promote awareness of public gardens and their value to local communities.

Alaska enjoys the benefits of three APGA-member gardens as well as several unaffiliated gardens. The Alaska Botanical Garden in Anchorage, the University of Alaska Fairbanks Georgeson Botanical Garden in Fairbanks, and the Jensen-Olson Arboretum in Juneau are special places that provide opportunities for education, plant conservation, recreation, and research. The Alaskan gardening season doesn't correspond with the lower 48, so the late May date is an appropriate choice for our climate.

Public gardens have a measurable impact on the quality of life in a community and in Alaska, this is magnified. While Alaska boasts unparalleled scenic vistas, there are few opportunities for wandering in a cultivated garden setting. Throughout history, public garden settings have provided teaching space as well as space for contemplation and respite. And, public gardens help define a community's sense of longevity as well as its culture.

Thank you for your support of HB 18 and your continued support of Parks & Recreation and the Jensen-Olson Arboretum.

Sincerely,

Bruce Botelho
Mayor

Rep. Beth Kerttula
State Capitol Room 404
Juneau, AK 99801

Jan. 10, 2011

Re HB 18

Dear Representative Kerttula;

Alaska's gardens bring visitors from around the world to see their bounty — whether native Alpine species, exotics coaxed and pampered to survive in this climate, or hearty vegetables. But sometimes, we fail to appreciate what is in our own backyards.

The proposed HB 18 Alaska Public Gardens Day, the Saturday before Memorial Day each year, will draw attention to efforts in local communities to beautify and to nourish through gardening. Gardens, like those here in Palmer at the Palmer Visitor Center and the Alaska State Fairgrounds, give visitors a chance to see many of the plant species that will grow here in Alaska. And at the Alaska Plant Materials Center, the new Alaska garden there tells stories of history, culture, sustainability and variety.

These gardens, and others around the state, deserve the spotlight shone upon them on their own special day, and I urge you to help designate the last Saturday in May as that day.

While, as my experience with Alaska Agriculture Day has shone, it can take some time to raise awareness using a special day, it can be the catalyst for a range of activities and media coverage. For those of us who operate programs with a very limited budget, it is one more tool in the educational arsenal. I urge you to support the efforts of Alaska Botanical Garden, the Georgeson Botanical Gardens and others to make this a reality.

Thank you for supporting any efforts that help students understand the sources of their food, fabric and flowers, and my thanks for your ongoing interest and support of Alaska Agriculture in the Classroom.

Sincerely,

Victoria Naegele
Executive Director
Alaska Agriculture in the Classroom

9788 N Waldo Reed Rd., Palmer, Alaska 99645 • akaitc@alaskafb.org
(907) 746-2172 or 982-2219 • fax 746-2173
Alaska AITC is a 501c3 project of the Alaska Farm Bureau

Alaska Agriculture in the Classroom

Alaska Botanical Garden

BOARD OF DIRECTORS

Ayse Gilbert
President

Jana Hayenga
Vice President

Marge Kaiser
Treasurer

Sue Marchant
Secretary

M. Elise Huggins
Past President

Jeff Barnes

Marsha Burns

Charlotte Fox

Alice Galvin

Nancy Groszek

Martha Jokela

Jeff Lowenfels

Greg Romack

Cammy Taylor

EXECUTIVE DIRECTOR

Julianne McGuinness

Dear Representative Kerttula: January 11, 2011

I am to support, and thank you for sponsoring, House Bill No. 18, "An Act establishing Alaska Public Gardens Day on the Saturday immediately preceding Memorial Day each year".

As the Executive Director of the Alaska Botanical Garden, each day I witness the tremendous educational, recreational, and inspirational value the public gardens of our State have for our communities and visitors alike. They are important cultural / scientific institutions as well as true community treasures.

Our Gardens serve the public on many levels: as tourism destinations, as important educational facilities for children and adults to learn about gardening, ecology, and science, as workforce-training sites for youth and adults in transition, and as places where families and school groups "get outdoors" for wellness-enhancing exercise. (In fact, gardening is one of the top national and Alaskan pass-times, and garden tourism is one of the fastest-growing segments of the tourism industry.)

Alaska has three APGA-member gardens, and many unaffiliated gardens also open to the public. The Alaska Botanical Garden in Anchorage, the University of Alaska Fairbanks Georgeson Botanical Garden in Fairbanks, and the Jensen-Olson Arboretum in Juneau are special places that provide opportunities for education, plant conservation, recreation, and research. They have an increasingly vital role to play in northern-latitude plant preservation. These public gardens have a measurable impact on the quality of life in our communities and in Alaska.

The United States celebrates National Public Gardens Day in early May, and the American Public Gardens Association (APGA) actively uses this special day to promote awareness of public gardens and their value to local communities. However, since the Alaskan gardening season doesn't correspond with rest of the nation, a later date in May is a more appropriate choice for our climate.

I respectfully request that the legislature pass this bill as a means to proclaim the vital role public gardens play in a sustainable and healthy Alaska.

Sincerely,

Julianne McGuinness

Julianne McGuinness
Executive Director, Alaska Botanical Garden
907-562-7010 / julianne@alaskabg.org

Alaska Botanical Garden, a non-profit organization, 501(c)(3), EIN 92-0111704
Location: 4601 Campbell Airstrip Road, Office Location: 2301 E. Tudor Rd., Suite 103
Mailing Address: P.O. Box 202028, Anchorage, AK 99520 (907) 770-3692 www.alaskabg.org

Dear Representative Kerttula:

I am writing to give my full support to House Bill No. 18, "An Act establishing Alaska Public Gardens Day on the Saturday immediately preceding Memorial Day each year".

The Alaska Botanical Garden in Anchorage is my place of employment so I have a year round appreciation for its importance to the community. The Garden is utilized by children, families, and individuals as a place to relax in nature, do research, preserve plant material and educate. As a small non-profit with a fixed budget, we are unable to reach out to as many people and organizations as we would like. By allowing Alaska to have its own specific Public Gardens Day, we could greatly increase our reach, especially since we would offer it as a FREE day so all could partake. We are experiencing an ever growing demand for outdoor education and this would be a great opportunity to provide! We have hundreds of volunteers that keep the garden growing. Why not share this amazing resource with the entire community?

Nationally, the United States celebrates Public Gardens Day in early May and several states and cities in the lower 48 have, through formal legislative action, recognized the day in their own context. This is a day set aside by the American Public Gardens Association (APGA) to promote awareness of public gardens and their value to local communities.

Alaska enjoys the benefits of three APGA-member gardens as well as several unaffiliated gardens. The Alaska Botanical Garden in Anchorage, the University of Alaska Fairbanks Georgeson Botanical Garden in Fairbanks, and the Jensen-Olson Arboretum in Juneau are special places that provide opportunities for education, plant conservation, recreation, and research. The Alaskan gardening season doesn't correspond with the lower 48, so the late May date is an appropriate choice for our climate.

Public gardens have a measurable impact on the quality of life in a community and in Alaska, this is magnified. While Alaska boasts unparalleled scenic vistas, there are few opportunities for wandering in a cultivated garden setting. Throughout history, public garden settings have provided teaching space as well as space for contemplation and respite. And, public gardens help define a community's sense of longevity as well as its culture.

Please vote for this bill and in so doing, proclaim the vital role public gardens play in a sustainable and healthy Alaska.

Sincerely,

Lacey Ott

Lacey Ott
2215 Pearl Road
Wasilla, AK 99654
907-376-9065

From: Donna Dinsmore [mailto:ddinsmore@alaska.net]
Sent: Monday, January 17, 2011 5:03 PM
To: Merrill Jensen
Subject: letter of support

Dear Representative Kerttula:

I am writing to give my full support to House Bill No. 18, An Act establishing Alaska Public Gardens Day on the Saturday immediately preceding Memorial Day each year.

I am the president of the Georgeson Botanical Garden Society, an organization formed to promote and support the Georgeson Botanical Garden at UAF. This garden, besides being a beautiful place to visit, provides valuable research essential to the growth of home gardens and the gardening industry.

Alaska is unique and has special needs. Gardening is a challenge in the north but the industry is growing and your support is necessary. "Sustainability" and "locavore" are buzz words used in today's media. Alaska's public gardens make these words a reality. Alaska's public gardens provide opportunities for education, plant conservation, recreation, and most important research.

Public gardens have an impact of the quality of life in the far north. After months of snow and a white landscape, a colorful flower gardens helps give us respite and peace of mind. Tourists are always amazed at the color, the beautiful flowers and the variety of vegetables grown in our gardens. Here in Fairbanks we can actually sit peacefully and watch the plants grow. The community values this special place.

Please vote for this bill and in so doing, proclaim the vital role public gardens play in a sustainable and healthy Alaska.

Sincerely,

Donna Dinsmore
Georgeson Botanical Garden Society
699 Gradelle
Fairbanks, Alaska 99709
907-479-5265

National Public Gardens Day is an annual celebration of the nation's public gardens to raise awareness of the important role botanical gardens and arboreta play in promoting environmental stewardship, plant and water conservation, green spaces, and education in communities nationwide.

May 6, 2011, National Public Gardens Day is a national day of celebration to raise awareness of America's public gardens and their important role in promoting environmental stewardship and awareness, plant and water conservation, and education in communities nationwide.

The Mission

Presented by the non-profit American Public Garden's Association (APGA) in partnership with Rain Bird, both are committed to celebrating the environmental stewardship of North America's public gardens and their local, regional and national leadership in resourcing the nation's conservation and environmental education needs.

Activities

National Public Gardens Day celebrates all public gardens, botanical gardens, educational gardens, specialty gardens, entertainment gardens, arboreta, farm gardens, historical landscapes, and zoos and each institution participates in their own unique way.

Many of the nation's public gardens will mark the day with special events and activities for schools, families and thousands of visitors to explore and discover their local public garden, while learning about each garden's commitment to education, research and environmental stewardship.

Timing

National Public Gardens Day takes place annually on the Friday before Mother's Day, an unofficial start of spring and a time when the environment is top of mind for most of the public.

Benefit

Public gardens are a fun activity for families, couples, and enthusiasts, providing a low-cost, entertaining, and beautiful community outing while providing important resources, education and research on environmental stewardship and conservation.

Third Annual National Public Gardens Day To Celebrate The Importance Of America's Public Gardens, May 6, 2011

Posted on January 28, 2011 by National Public Gardens Day

American Public Gardens Association Partners With Rain Bird To Pay Tribute To The Important Role of Public Gardens In Promoting Environmental Stewardship, Education, Plant And Water Conservation In Communities Nationwide

AZUSA, CA (February 1, 2011) – Scheduled for May 6th, 2011, the Friday preceding Mother's Day weekend, **National Public Gardens Day** is a national day of awareness in which communities nationwide are invited to visit and learn about the important role their public gardens play in promoting environmental stewardship and awareness, plant and water conservation, and education. Now in its third year celebrating America's public gardens, National Public Gardens Day was created in partnership between the American Public Gardens Association (APGA) and irrigation product and service provider, Rain Bird. The 2011 National Public Gardens Day will showcase the contributions of public gardens with special events at many of the more than 500 North American public gardens.

"National Public Gardens Day is not only a great time for families and enthusiasts to enjoy the gardens, but the public also witnesses the achievements and expertise provided by public gardens, especially in the area of environmental stewardship," said Dan Stark, executive director of the APGA. "Regardless of their size, all public gardens share a common commitment to providing outreach programs aimed at engaging their communities and educating future generations on the irreplaceable value of plants."

National Public Gardens Day will be supported by a local, regional and national awareness and education campaign that includes broadcast public service announcements, media partnerships, local and national spokespeople, online contests, and media tours all focused on communicating the importance of building sustainable environments through improved plant management and water conservation.

"As the event's founding partner, Rain Bird seeks to create awareness of the role that public gardens play in promoting plant and water conservation in their communities," said Dave Johnson, Rain Bird's director of corporate marketing. "Our support of National Public Garden's Day goes hand in hand with our company's Intelligent Use of Water philosophy. We encourage the public to recognize that gardens are not just beautiful places and great sources of inspiration, but they are demonstrations of how green spaces can entertain, educate and inspire us all while positively contributing to the surrounding eco-system."

In celebration of botanical gardens, arboreta, conservatories, educational gardens and historical landscapes, many of the APGA's 500 member institutions will mark the day with special events and activities for schools, families and thousands of visitors. Many of the activities will continue through Mother's Day weekend, offering visitors time to enjoy the beauty of the gardens while learning about each garden's commitment to education, research and environmental stewardship.

For more information on National Public Gardens Day, visit www.NationalPublicGardensDay.org, "LIKE" the National Public Gardens Day **Facebook** page and follow the National Public Gardens Day Twitter feed, **@NPGD.**

ABOUT RAIN BIRD

Based in Azusa, Calif., Rain Bird Corporation is the leading manufacturer and provider of irrigation products and services. Since its beginnings in 1933, Rain Bird has offered the industry's broadest range of irrigation products for farms, **golf** courses, sports arenas, commercial developments and homes in more than 130 countries around the world. Rain Bird has been awarded more than 130 patents, including the first in 1935 for the impact **sprinkler**. Rain Bird and ***The Intelligent Use of Water*** is about using water wisely. Its commitment extends beyond products to education, training and services for the industry and the community. Rain Bird maintains state-of-the-art manufacturing assembly facilities in the United States, France, Sweden and Mexico. www.rainbird.com

ABOUT APGA

Founded in 1940, Pennsylvania-based American Public Gardens Association is an organization devoted to strengthening the public gardens throughout North America. With over 70 years of work increasing cooperation and awareness among the gardens, APGA has built a membership of more than 500 public gardens located in all 50 states, the District of Columbia, Canada and seven other countries. Their members include public gardens as well as arboreta and zoos. APGA has also built up an international network of individual members in the U.S., Canada and 24 other countries. The APGA is committed to increasing public awareness for public gardens and supplying resources to the industry. Through their leadership and advocacy, public gardens have become vital to public appreciation and understanding of the irreplaceable value of plants. www.publicgardens.org

Senator Durbin on the Senate Floor

Posted on December 21, 2010 by National Public Gardens Day

On Senate Record, May 6, 2010:

RECOGNIZING NATIONAL PUBLIC GARDENS DAY

Mr. DURBIN. Mr. President, this May 7 is National Public Gardens Day, a day for us to celebrate the important role public gardens play in our communities and throughout our Nation. Across this great country, more than 500 public gardens are keeping our Nation connected to our natural world, our history, and our culture. These public gardens include arboreta, botanical gardens, zoos, historic landscapes, college campuses, and children's gardens.

Together they form a web that preserves the beauty and complexity of plants and animals and humanity's interaction with them. There is a great thirst for the knowledge and experiences public gardens can provide. Gardening is the most popular hobby in the United States, and more than 70 million people visit public gardens annually. People from all backgrounds, age groups, and geographic regions regularly share in the beauty and serenity of natural spaces such as our public gardens.

Here in Washington, DC, just across the street from the Capitol, is the U.S. Botanic Garden. Called "America's Garden," it is a gateway for people to enjoy the beauty of plants while learning about the role plants play in commerce, culture, and kinship. The United States Botanic Garden is also responsible for helping to preserve and maintain the Capitol Grounds, which are enjoyed by over 3 million people who visit the Capitol every year.

In my own home State of Illinois, our 32 public gardens include wonderful and varied institutions, such as the Morton Arboretum and the Quad City Botanical Center, places such as the Cantigny Foundation and the Skokie Northshore Sculpture Park. Among Illinois' valued public gardens is the Chicago Botanic Garden, which serves nearly 1 million visitors annually.

Its classes are attended by 57,000 visitors, well over half of them schoolage children. Millions of schoolchildren have been educated by public gardens about the wonders of nature and the important role of plants in our everyday lives, from the food we eat, to the clothes we wear, to the homes we live in. The Chicago Botanic Garden has hosted 22,000 children on field trips in the past year, providing opportunities for them to interact with nature—a special opportunity for some who may never otherwise get to see a real meadow or visit a lake.

Public gardens are not only committed to growing plants; they are committed to growing minds. As a result, public gardens everywhere are partnering extensively with local schools, colleges and universities, nonprofit organizations, and civic associations.

Together they have worked on projects ranging from habitat restoration to landscape beautification, as well as on school-based education programs, public health education programs, and community and school gardens.

The Chicago Botanic Garden is a wonderful example of the partnerships occurring between our public gardens and our colleges. Its Windy City Harvest program partners with City Colleges of Chicago to provide summer jobs and hands-on training for teenagers at sustainable agriculture sites within Chicago. Through this partnership, participants

are trained in producing high-value organic produce, which is sold at retail outlets and is made available to local residents. Program participants not only gain important entrepreneurial skills, they learn where their food comes from and the value in nurturing plant life.

We can rely on public gardens to deliver timely and critical resources for plant and water conservation, ecosystem management, green space preservation, and environmental stewardship.

Visitors to public gardens have the opportunity to view regionally appropriate landscapes that preserve our precious natural resources—and give them ideas for creating their own. Public gardens also serve as repositories for rare and endangered plant species. The research conducted by public gardens on these endangered plant species can be crucial to their survival.

Through their conservation and propagation efforts, many plants that would have been lost to us forever through extinction have been saved.

Therefore, this May 7 we should celebrate our public gardens and the many contributions they make to our communities.

What Can I Learn From A Public Garden?

Denver Botanic Gardens

Water Conservation

Public gardens utilize efficient watering practices and have industry insight on responsible irrigation systems. Homeowners can learn how to irrigate their own gardens by exploring and consulting with their local public garden.

Native and Adaptable Plants

Choosing native plants or plants that have adapted to a local environment can ensure a garden will be healthy and require less water. Public gardens have huge collections of native and adaptable plants that homeowners can be assured will work in their own gardens.

Landscape Design

Homeowners can find sources of inspiration in botanic gardens from the design of gardens, the types of plants used in particular environments, the selection of plants that do well in particular geographical locations, and the way gardens are displayed, coordinated, and arranged. Landscaping at public gardens can demonstrate what plants bloom at similar times, what arrangements look well together, and how gardens can be beautifully displayed.

Geographical Considerations

Different plants are healthier in different geographical regions and it is difficult to know before purchasing at a nursery, what plants will do well in a homeowner's garden. Public gardens put on display a broad selection of plants that succeed in a homeowner's region. Knowing that a plant, tree, or flower grows well in a public garden can assist consumers on knowing what will grow well in their own gardens.

Seasonal Considerations

Public gardens have a selection of plants that are perfect for a variety of seasons. Many plants can still thrive in colder and drier seasons. Additionally, blooms can happen year round if the appropriate types of plants or trees are selected. Keeping a homeowner's garden beautiful all year can be accomplished by seeing how public gardens arrange their own collection.

Gardening Methods

Descanso Gardens

Public gardens have staff dedicated to botany and are also home to specialists that understand a particular geographical region very well. Homeowners can access these industry experts at their local public garden and receive advise on gardening techniques for plants they have in their own gardens.

Publications

Public gardens have publications available to visitors and members that provide ample resources on gardening and botany. The average consumer can find a wealth of knowledge in member publications and, in addition, often have access to libraries and bookstores within the public gardens as well.

Plants and Supplies

Public gardens will often sell plants, flowers and trees to garden members during annual festivals, providing top quality additions to homeowner's gardens. With the sale comes professional experience and advice of the sort that cannot be found in nurseries or hardware stores.

The Office of The Mayor
City & Borough of Juneau, Alaska

PROCLAMATION

WHEREAS, the Jensen-Olson Arboretum, is holding a celebration in honor of the inspiration and beauty public gardens bring to every community; and

WHEREAS, May 29, 2010 will be a day of celebration to raise awareness of public gardens and the role they play in promoting environmental stewardship, education, plant conservation, recreation, and research; and

WHEREAS, public gardens are special places that both teach and inspire life-long learning in the natural sciences for thousands of visitors and also preserve the beauty of the landscape for pure aesthetic enjoyment; and

WHEREAS, gardening promotes a healthy lifestyle that lasts a lifetime, helps reduce stress, and teaches that bountiful rewards come from diligent efforts.

NOW, THEREFORE, I, Bruce Botelho, Mayor of the City and Borough of Juneau, Alaska, on behalf of the City and Borough Assembly, do hereby proclaim Saturday, May 29, 2010, as:

Public Gardens Day in Juneau

and call upon the citizens of Juneau to promote stewardship of our bountiful plant and garden resources.

IN WITNESS WHEREOF, I have hereto set my hand and caused the seal of the City and Borough of Juneau, Alaska, to be affixed this 29th day of May, 2010.

JUNEAU - ALASKA'S CAPITAL
THE UNIFIED GOVERNMENT OF ALASKA

Bruce Botelho, Mayor

STATE OF ALASKA

Executive Proclamation
by
Governor Sean Parnell

WHEREAS, Alaska's public gardens teach and inspire interest in the natural sciences, appreciation for the bounty of the earth, and are a place of beauty for the thousands of visitors each year; and

WHEREAS, public gardens promote environmental stewardship, education, outdoor recreation, and research in plant conservation; and

WHEREAS, the exquisite beauty of Alaska's public gardens is the result of the efforts of dedicated caretakers who maintain and care for our gardens, and whose efforts create beautiful public spaces for the enjoyment of all; and

WHEREAS, public gardens provide a unique insight into the cultural and historical significance of Alaska's indigenous plants, serving as a reminder of the landscape that surrounded and sustained our ancestors, and a valuable education tool; and

WHEREAS, by fostering a love of nature in younger generations, we encourage them to grow into responsible, aware citizens; and

WHEREAS, public gardens are an invaluable place of learning, and should be appreciated for their educational value and the beauty they bring to our great state.

NOW, THEREFORE, I, Sean Parnell, Governor of the State of Alaska, do hereby proclaim May 29, 2010 as:

Alaska Public Gardens Day

in Alaska, and encourage citizens to visit the public gardens in their communities, and enjoy the educational and recreational opportunities they offer.

Dated: May 28, 2010

Sean Parnell

Sean Parnell, Governor
who has also authorized the
seal of the State of Alaska to
be affixed to this proclamation.

HB

19

<TARGET><BILL>HB 19</BILL><SUBJECT>HB
19</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 3/25/11

FURTHER: Transportation

DATE TURNED IN TO OFFICE: 4/12/11

State Affairs Committee considered HOUSE BILL NO. 19

HB 19-SPECIAL REQUEST LICENSE PLATES

"An Act relating to special request registration plates; and providing for an effective date."

and recommends:

[✓] be **replaced** with **SCS** HB 19 (STA) [ ] *Same Title* [ ] *Technical Title Change* [ ] *New Title/SCR No.*_____

SCS/CS- Forthcoming

[ ] adopt **previous SCS** _____ _____) [ ] *Same Title* [ ] *Technical Title Change* [ ] *New Title/SCR No.*_____

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
ADM			✓	1

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Parkkum			X	
	Kookesh			X	
	Meyer			X	
	Giessel			X	
CHAIR:	W:\elechowski	X			

27-LS0141\X
Luckhaupt
4/11/11

SENATE CS FOR HOUSE BILL NO. 19(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES LYNN, KELLER, AND GATTO, Peggy Wilson, Johnson, Stoltze

A BILL

FOR AN ACT ENTITLED

"An Act relating to special request registration plates; and providing for an effective date."

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

*** Section 1.** AS 28.10.181 is amended by adding new subsections to read:

(bb) Special request United States flag "In God We Trust" plates. Upon application by the owner of a motor vehicle, the department may issue registration plates with a design incorporating the flag of the United States and the motto "In God We Trust" on the plate. The commissioner shall determine the design and color of the plates. The department may disapprove the issuance of registration plates under this subsection when the requested plates are a duplication of an existing registration.

(cc) Special request Lao veteran plates. Upon application by the owner of a motor vehicle, the department may issue registration plates commemorating the owner's service in military operations in support of the United States in the Kingdom of Laos between February 28, 1961, and May 15, 1975. The commissioner shall

determine the design and color of the Lao veteran plates in consultation with veterans' and Southeast Asian community organizations in the state. To be issued a registration plate under this subsection, the owner must present evidence satisfactory to the department that the owner served in military operations as required by this subsection. The department may disapprove the issuance of registration plates under this subsection when the requested plates are a duplicate of an existing registration.

(dd) Special request plates commemorating the National Rifle Association. Upon application by the owner of a motor vehicle, the department may issue registration plates commemorating the National Rifle Association. The commissioner, after consulting with representatives of the National Rifle Association in Alaska, shall determine the design and color of the plates. The department may disapprove the issuance of registration plates under this subsection when the requested plates are a duplication of an existing registration.

(ee) Special request breast cancer awareness plates. Upon application by the owner of a motor vehicle, the department may issue breast cancer awareness registration plates. The commissioner, after consulting with the Alaska office of the American Cancer Society, shall determine the design and color of the plates. The department may disapprove the issuance of registration plates under this subsection when the requested plates are a duplication of an existing registration.

(ff) Special request specialty organization plates. The department shall adopt regulations to allow for the issuance of special request specialty organization registration plates sponsored by an organization that is based in this state and is tax exempt under 26 U.S.C. 501(c), is an Alaska chapter of a national organization that is tax exempt under 26 U.S.C. 501(c), is a department of the state, or is a municipality of the state. The department shall determine a common design and color for the plates and provide for the placement of the artwork of the organization and a short piece of descriptive text on the plate. The department may disapprove the issuance of registration plates under this subsection when the requested plates duplicate an existing registration. The regulations

(1) must provide that the entity requesting the issuance of the plates

(A) submit an application on a form provided by the

department;

(B) pay an application fee set by the department for issuance of the new registration plates;

(C) submit registration fees for at least 50 motor vehicles before specialty registration plates will be issued;

(D) may not be offensive in purpose, nature, activity, or name;

(E) may charge a fee for issuance of a specialty registration plate in addition to any registration fees set by statute or regulation;

(2) must provide for a minimum number of registrations and renewals of the specialty plate and for cancellation of specialty plates that do not meet that minimum; the regulations must provide that before a specialty plate may be cancelled the entity sponsoring the plate be given notice at least six months before the proposed cancellation;

(3) must establish procedures for owners of vehicles to purchase specialty registration plates under this subsection.

*** Sec. 2.** AS 28.10.421(d)(2) is amended to read:

(2) special request plates for

(A) Alaska National Guard personnel $30;

(B) veterans, [OR] retired veterans**, or Lao veterans** $30;

(C) recipients of the Purple Heart ..... none;

(D) owners of custom collector vehicles $50;

(E) Iditarod race finishers $50;

(F) other special request plates $30;

plus the fee required for that vehicle under (b) of this section; the fee required by this paragraph shall be collected only on the first issuance and on the replacement of special request plates;

*** Sec. 3.** AS 28.10.421(d) is amended by adding new paragraphs to read:

(20) special request United States flag "In God We Trust" plates.. $30

plus the fee required for that vehicle under (b), (c), (h), or (i) of this section; the fee required by this paragraph shall be collected biennially in the same manner as the fee required under (b), (c), (h), or (i) of this section;

(21) special request National Rifle Association plates ..... $50 plus the fee required for that vehicle under (b), (c), (h), or (i) of this section; the $50 fee required by this paragraph shall be collected only on the first issuance and the replacement of the special request plates; a $30 fee shall be collected biennially thereafter in the same manner as the fee required under (b), (c), (h), or (i) of this section; the commissioner shall separately account for the fees received under this paragraph that the department deposits into the general fund; notwithstanding (g) of this section, the annual estimated balance in the account that is in excess of the cost of issuing special request plates may be appropriated by the legislature to establish and maintain a scholastic clay target program and for other youth shooting programs;

(22) special request breast cancer awareness plates..... $50 plus the fee required for that vehicle under (b), (c), (h), or (i) of this section; the $50 fee required by this paragraph shall be collected only on the first issuance and the replacement of the special request plates; the commissioner shall separately account for the fees received under this paragraph that the department deposits into the general fund; notwithstanding (g) of this section, the annual estimated balance in the account that is in excess of the cost of issuing special request plates may be appropriated by the legislature to programs that provide screening for breast and cervical cancer;

(23) special request specialty organization plates under AS 28.10.181(ff) ..... $30 plus the fee required for that vehicle under (b), (c), (h), or (i) of this section; the $30 fee required by this paragraph shall be collected only on the first issuance of and the replacement of the plates; in addition, an entity sponsoring a special request specialty organization plate may charge a fee on first issuance and renewal of the plates.

*** Sec. 4.** This Act takes effect January 1, 2012.

Alaska State Legislature

Chairman
State Affairs Committee

Member
Judiciary Committee
Energy Special Committee
Joint Armed Services Special Committee
Military and Veterans' Affairs Committee

Finance Subcommittees
Administration
Corrections
Military and Veterans' Affairs

A Communication From
REPRESENTATIVE BOB LYNN
District 31 Anchorage

E-Mail: Representative_Bob_Lynn@legis.state.ak.us
"Bob Lynn's Alaska Blog" RepBobLynnBlog.com

Session:
Alaska State Capitol #108
Juneau, AK 99801-1182

Phone: (907) 465-4931
Fax: (907) 465-4316
Toll Free: (800) 870-4391

Interim:
716 W. 4th Ave., #650
Anchorage, AK 99501-2133

Phone: (907) 269-0205
Fax: (907) 269-0207

Sponsor Statement
HB 19
"An Act relating to special request registration plates;"

HB 19 authorizes the Department of Administration-Division of Motor Vehicles to create a special request license plate incorporating the American flag and the phrase "In God We Trust." The specific design is left to DMV's discretion. These special request plates would cost $30 plus the normal fees required to register the vehicle in question. The Act would take effect on January 1, 2012.

Contact: Thomas Reiker thomas_reiker@legis.state.ak.us 465-4965

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 19
(H) Publish Date: 2/9/2011

Identifier (file name): HB019-STA-DOA-DMV-02-04-11
Title: Special Request Plates - In God We Trust
Sponsor: Rep(s) LYNN, KELLER, GATTO
Requester: H (STA)

Dept. Affected: Administration
Appropriation: Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable; initial version

Prepared by: Whitney Brewster
Division: Motor Vehicles
Approved by: John Cramer
Department of Administration

Phone: 907-269-5574
Date/Time: 2/4/11 4:00 PM
Date: 2/4/2011

(Revised 1/27/2011 OMB)

FISCAL NOTE #1

STATE OF ALASKA
2011 LEGISLATIVE SESSION

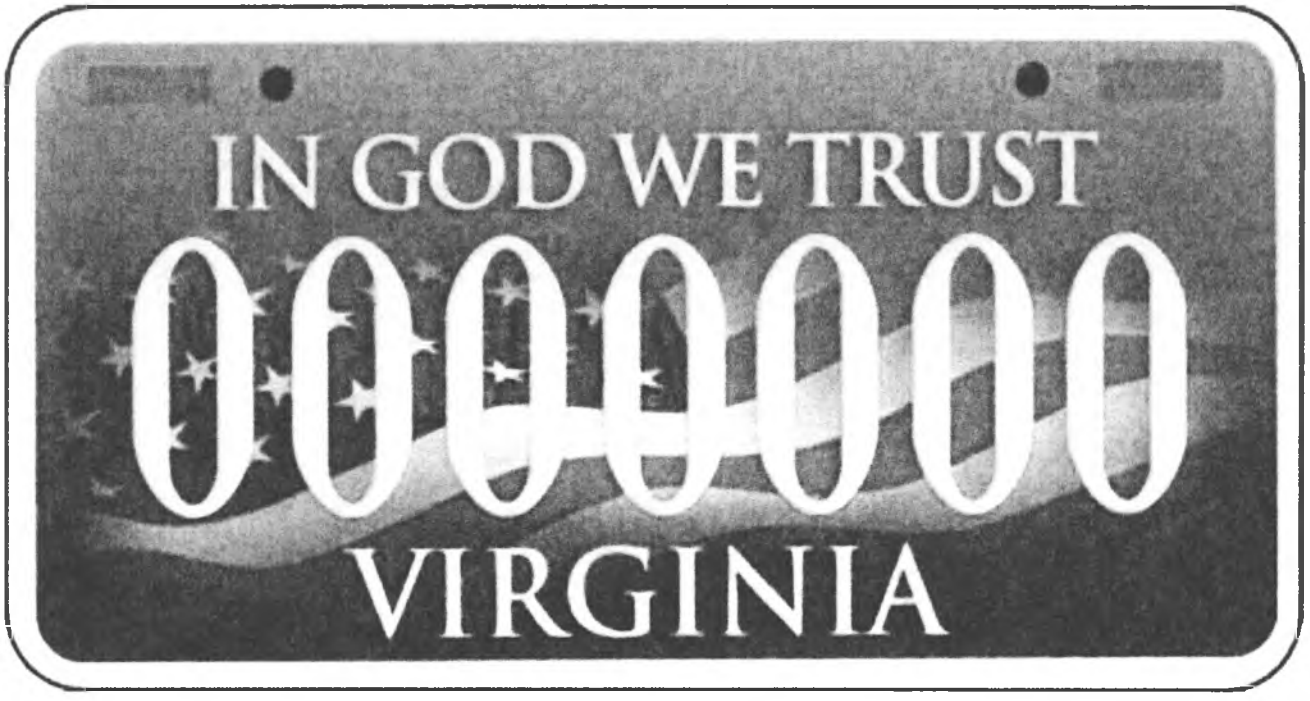
BILL NO. HB 19

Analysis

This bill has no fiscal impact on the Division of Motor Vehicles.

Sample Indiana "In God We Trust" License Plate

Sample Virginia "In God We Trust" License Plate



Sample South Carolina "In God We Trust" License Plate

Alaska State Legislature

Chairman
State Affairs Committee

Member
Judiciary Committee
Energy Special Committee
Joint Armed Services Special Committee
Military and Veterans' Affairs Committee

Finance Subcommittees
Administration
Corrections
Military and Veterans' Affairs

A Communication From
REPRESENTATIVE BOB LYNN
District 31 Anchorage

E-Mail: Representative_Bob_Lynn@legis.state.ak.us
"Bob Lynn's Alaska Blog" RepBobLynnBlog.com

Session:
Alaska State Capitol #108
Juneau, AK 99801-1182

Phone: (907) 465-4931
Fax: (907) 465-4316
Toll Free: (800) 870-4391

Interim:
716 W. 4th Ave., #650
Anchorage, AK 99501-2133

Phone: (907) 269-0205
Fax: (907) 269-0207

March 7, 2011

To: Representative Craig Johnson, Chair
House Rules Committee

Fr: Representative Bob Lynn

Re: Court Opinions on use of "In God We Trust" in Government Documentation

---

"There is an unbroken history of official acknowledgment by all three branches of government of the role of religion in American life from at least 1789."

-Chief Justice Warren Burger, *Lynch v. Donnelly, 465 U.S. 668 (1984)*

"...government declaration of Thanksgiving as a public holiday, **printing of 'In God We Trust' on coins**, and opening court sessions with 'God save the United States and this honorable court.' Those government acknowledgments of religion serve... the legitimate secular purposes of solemnizing public occasions, expressing confidence in the future, and encouraging the recognition of what is worthy of appreciation in society. For that reason, and because of their history and ubiquity, **those practices are not understood as conveying government approval of particular religious beliefs.**"

-Justice Sandra Day O'Connor, *Lynch v. Donnelly, 465 U.S. 668 (concurring)* [emphasis added]

"The government violates [the Establishment Clause] if it **endorses or disapproves** of religion."

-Justice Sandra Day O'Connor, *County of Allegheny v. ACLU, 492 U.S. 573* [emphasis added]

"['In God We Trust'] symbolizes the historical role of religion in our society...formalizes our medium of exchange...fosters patriotism...and expresses confidence in the future.

The motto's primary effect is not to advance religion; instead, it is a form of 'ceremonial deism' which through historical usage and ubiquity cannot be reasonably understood to convey government approval of religious belief...We conclude, therefore, that the statutes establishing 'In God We Trust' as our national motto and providing for its reproduction on United States currency do not violate the Establishment Clause."

-Senior Circuit Judge Deanell Reece Tacha, *Gaylor v. United States, 74 F.3d 214, U.S. Circuit Court of Appeals for the Tenth Circuit*

These opinions highlight the federal courts' history of upholding the constitutionality of our national motto. While none of these cases relates directly to the use of "In God We Trust" on license plates, it seems implausible that the courts would apply a stricter constitutional standard to license plates than to the currency. Citizens wishing to participate in our economy have no choice but to utilize the national currency, but drivers would only receive this license plate if they requested and paid for it. In addition, public funds are utilized to operate the Treasury and print currency containing the national motto, but these license plates will be paid for through user fees.

For more information on the constitutionality of the phrase "In God We Trust" or for copies of the cases cited in this memo, please contact Thomas Reiker at 465-4965 or thomas_reiker@legis.state.ak.us .

HB

28

<TARGET><BILL>HB 28</BILL><SUBJECT>HB
28</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 2/24/11

FURTHER: Labor and Commerce

DATE TURNED IN TO OFFICE: 3-22-11

State Affairs Committee considered CS FOR HOUSE BILL NO. 28(FIN)

HB 28-TEMP LICENSES FOR PROFESSIONALS

"An Act relating to temporary courtesy licenses for certain nonresident professionals and to a temporary exemption from fees and other licensing requirements for active duty members of the armed forces."

and recommends:

[X] be **replaced** with **SCS** HB 28 (STA)

[ ] Same Title [ ] Technical Title Change or [ ] New Title & SCR No._____

[ ] adopt **previous SCS** _____ (_____)

[ ] Same Title [ ] Technical Title Change or [ ] New Title & SCR No._____

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
CED		~~X~~	X	

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Albert Kookesh	Kookesh	X			
Joe Paskvan	PASKVAN	X			
K. Meyer	Meyer	X			
Cathy Giessel	Cathy Giessel	X			
CHAIR:	Wielechowski	✓			

REPRESENTATIVE BILL THOMAS
ALASKA STATE LEGISLATURE DISTRICT 5
e-mail: Representative.Bill.Thomas@legis.state.ak.us
webpage: www.akrepublicans.org/thomas/

State Capitol
Juneau AK, 99801-1182
907-465-3732
888-461-3732
FAX 907-465-2652

Sponsor Statement for CSHB 28
An Act Relating to Temporary Licenses for Certain Nonresident Professionals and to a Temporary Exemption from Fees and other Licensing Requirements for Active Duty Members of the Armed Forces

HB 28 allows the spouses of service members on active duty to obtain a temporary license if they practice in an area that is regulated by the Division of Corporations, Business, and Professional Licensing.

The lives of military families are dominated by frequent deployments, relocations, and extended periods of single parenthood. Military spouses are some of the most mobile populations in our country, making the maintenance of professional licenses a large obstacle. When deciding whether or not to stay in the armed forces, service members often take into account the well being of their spouses and families. Being able to practice in their field of expertise goes a long way towards fulfilling the needs of our military spouses and their families.

CSHB 28 allows a military spouse to obtain a temporary license in their field of practice as long as they meet the professional standards which are already required by law or regulation. The temporary license will be valid for six months at which time the military spouse has the option of obtaining an Alaska license or asking for a renewal of the temporary license.

Military spouses are just like their civilian counterparts. They depend on two incomes and want to achieve their goals and aspirations. CSHB 28 helps to alleviate the hardships that they face due to their highly transient lifestyle. I strongly urge your support of CSHB 28.

REPRESENTATIVE BILL THOMAS
ALASKA STATE LEGISLATURE DISTRICT 5
e-mail: Representative.Bill.Thomas@legis.state.ak.us
webpage: www.akrepublicans.org/thomas/

State Capitol
Juneau AK, 99801-1182
907-465-3732
888-461-3732
FAX 907-465-2652

Professions Covered by HB 28

(1) Acupuncturists;

(2) Architects, Engineers, and Land Surveyors;

(3) Collection Agencies;

(4) Audiologists and speech-language pathologists;

(5) Barbers and Hairdressers;

(6) Big Game Commercial Services;

(7) Concert Promoters;

(8) Chiropractic Examiners;

(9) Construction Contractors;

(10) Dental Examiners;

(11) Dietitians and Nutritionists;

(12) Dispensing Opticians;

(13) Electrical Administrators;

(14) Euthanize Domestic Animals;

(15) Geologists;

(16) Guardians and Conservators;

(17) Hearing Aid Dealers;

attorneys – not regulated by Commerce
+
teachers – already Covered

(18) Home Inspectors_;

(19) Marital and Family Therapists;

(20) Mechanical Administrators;

(21) Medical Board;

(22) Midwives;

(23) Morticians;

(24) Naturopathy;

(25) Nurses Aides;

(26) Nurses;

(27) Nursing Home Administrators;

(28) Optometrists;

(29) Pharmacists;

(30) Physical and Occupational Therapists;

(31) Professional Counselors;

(32) Psychologists and Psychological Associates;

(33) Public Accountants;

(34) Real Estate Appraisers;

(35) Real Estate Commission;

(36) Social Work Examiners

(37) Underground Storage Tank Workers

(38) Veterinary Examiners

(39) Marine Pilots

Working Around the Military

Challenges of Military Spouse Employment

- Save to My RAND
- Email
- Print
- Share

RESEARCH BRIEF RAND NATIONAL DEFENSE RESEARCH INSTITUTE

View the print-friendly version: PDF (0.1 MB)
Visit the National Defense Research Institute

Key findings

Military wives are employed at lower rates and earn less than civilian wives, on average.

Civilian wives with the same characteristics as military wives actually have better employment outcomes than the average civilian wife.

The majority of military spouses believe that the military lifestyle — including frequent moves, deployments and long hours that keep service members from assisting with parenting, and living in areas with poor local labor market conditions — has negatively affected their employment opportunities. Almost half believe that their educational opportunities have suffered.

Military spouses work for different reasons, based on their own education level, their service member's pay grade, and their financial situation.

Successful recruiting and retention of the active duty force depends in large part on the extent to which service members and their spouses are satisfied with the military lifestyle. Prior research suggests both that the most satisfied military families are those with an employed spouse and that the influence of military spouses on service member retention decisions has increased with the proportion of military spouses working outside the home.

The majority of military spouses are employed. Nonetheless, the RAND Corporation finds that they are less likely to be employed, are more likely to be seeking work, and earn less than comparable civilian spouses.

Common explanations for their different employment outcomes are that military spouses tend to be younger, which influences their earnings and employability; that they may choose not to work; or that there may be aspects of the military lifestyle that preclude their employment or affect the types of jobs they accept (and thus their earnings).

To parse these varied explanations and gain a more detailed picture of military spouse employment, RAND researchers characterized military spouse employment based on the analysis of available Census and other data, including the personal perceptions and experiences of military spouses gained from interviews with more than 1,100 military spouses. The goal was to consider the demographics of military spouses, such as age, education level, or number and age of children, as well as less observable factors, such as spouse's interest in work, employer biases against military spouses, or the impact of the military lifestyle on the service member's family.

Who Are Military Spouses?

Military spouses differ from their civilian counterparts in ways that could explain workforce participation levels. For instance, as befits popular conceptions, military spouses are more likely to experience frequent long-distance relocations, and are on average younger and thus more likely to have young children at home. Conventional wisdom also tends to envision these spouses in rural locales that limit their employment options and wages. In reality, however, military wives[1] are more likely than civilian wives to live in metropolitan areas. Moreover, they are more likely to have graduated from high school and to have some college education, which ostensibly would increase their employability. But to what extent, then, are their employment outcomes the result of their age, their frequent moves, or other observable attributes?

To answer that question, researchers compared military spouses with civilian "look-alikes" who share the same age, education level, ethnicity, and even frequency of moves. The comparison revealed that the *look-alikes generally fared both better than the military spouses and better than the civilian average*. In other words, the demographics of military spouses suggest that they should have better employment outcomes and higher wages than the average civilian spouse. Instead, however, they are employed at much lower rates and earn less than both the average civilian spouse and those who exhibit the same characteristics. Moreover, RAND compared military spouses specifically with civilian spouses residing in the same metropolitan areas and found that military spouses earn less than their civilian neighbors.

A View from the Inside: What the Spouses Themselves Say

By eliciting spouses' views about their reasons for working or staying at home, their experiences in or out of the labor market, and what they believe about the impact of military life on their employment and educational opportunities, the interviews done as part of this research paint a richer portrait of the relationship between employment status and the conditions of a military lifestyle.

One size won't fit all. Reasons for working differ among groups of spouses

To formulate policies to improve employment, it is important to understand spouse motivations for working. About three-quarters of interviewed spouses who were either employed or seeking work mentioned financial reasons for working, with working *to pay bills and cover basic expenses* as the most widely cited primary reason. The majority of spouses also discussed nonmonetary motives such as working *to avoid boredom and keep busy*, working for *personal fulfillment or independence*, or working *to maintain skills and career status*. Spouses' motivation for working varied based on the pay grade of the service member, the family's financial situation, and the education and occupation of the military spouse. For example, personal fulfillment or independence was a nonfinancial primary reason for working that was widely cited by better-educated spouses and those married to officers. Spouses with less education, married to more-junior enlisted service members, and in more challenging financial circumstances tended to cite financial necessity as their primary reason for working.

Many spouses opt out of the workforce because of conditions unique to the military lifestyle

Just as revealing are the reasons offered by those spouses who are neither employed nor seeking employment. The vast majority (approximately three-quarters) of spouses out of the labor force mentioned full-time parenting responsibilities as their reason for not working. While some of these spouses prefer to remain out of the labor force, not all stay-at-home spouses lack a "taste" for work. A sizable number of spouses neither working nor seeking work mentioned barriers, including day care

problems, local labor market conditions, or demands of the military lifestyle, that hinder their employment. Although day care and local labor market conditions are issues that large numbers of civilian spouses also face, many military spouses viewed these conditions as the result of their military lifestyle, either because they were removed from extended family that could help with the parenting responsibilities, because they would not have self-selected the location to which the military sent them, or because military demands such as deployments and long hours precluded their service member from assisting them.

A majority believe that military life negatively affected their employment and education
The clearest indicator of the challenges of military spouse employment is the fact that almost two-thirds of those interviewed felt that being a military spouse had a negative impact on their work opportunities. The most frequently cited cause was *frequent and disruptive moves*. Other causes cited were *service member absence and the related heavy parenting responsibilities* as well as *child care difficulties*. These spouses also referred to the inflexibility of the military workplace to accommodate the needs of military parents. Finally, some spouses cited an *employer bias* against or stigmatization of military spouses, often driven by the employer's concern that the spouse will be forced to leave abruptly. As with frequent moves and service member absence, this perceived cause is uniquely military. Many spouses also reported a negative impact on their education. Almost half the spouses believed that their educational opportunities had suffered negatively, once again citing frequent moves and service member absence.

Steps to Improve Employment and Educational Opportunities and Thus Enhance Quality of Life

When asked what the military might do to improve their employment and educational opportunities, the spouses' most common recommendation was that the Department of Defense (DoD) increase the affordability and accessibility of both education and military child care programs.

Given these and other spouse suggestions and this study's findings, RAND researchers generated the following recommendations for DoD to consider in addressing and improving military spouse employment:

- Design employment programs or policies that recognize that different groups of spouses work for different reasons.
- Continue to address military child care availability and affordability, including extended-hours and part-time child care.
- Pursue relationships with local employers and large, nationally prevalent employers to improve hiring conditions for military spouses.
- Consider incentives or requirements for military contractors to prioritize hiring military spouses.
- Reexamine the priority system for civil service jobs, including whether military spouses should receive higher priority than non-retiree veterans.
- **Address licensing and certification hurdles to help relocating spouses continue their careers.**
- Raise awareness about existing spouse employment programs.

- Become a more family-friendly employer, including better informing families about their service member's schedule and creating more ways for service members to help their spouses with the "crises" of parenthood.

Moreover, the researchers recommended that DoD determine its official position on military spouse education and develop a policy statement to reflect this position. The policy statement should be the basis of how, and establish the extent to which, DoD should encourage, support, or even invest in military spouse education. Depending on the extent of DoD support for military spouse education, the department could address spouse education through such means as

- encouraging education providers to maximize the number of classes offered on military bases and ease the administrative difficulty of transferring courses
- pursuing in-state tuition rates for military spouses
- creating online or distance-learning opportunities.

These findings provide an expansive portrait of military spouse living and working conditions. The quantitative data available confirm the perceptions and experiences of many of the military spouses interviewed and demonstrate that many military spouses make personal employment or academic sacrifices to support their service member spouse's career demands. The strains posed by frequent moves, long spouse absences, and related child care dilemmas are products of the military life. And these strains can play a role in service members' leaving the military to pursue what they perceive to be more family-friendly professions. But by taking some or all of these steps, DoD could reap rewards both in terms of concrete quality-of-life improvements and in general perceptions among service members and spouses that the military is listening to, and acting on, their concerns.

---

[1] Due to the small numbers of male spouses, the quantitative analysis of Census and other data included only female spouses of male service members.

Alaska Dental Society
9170 Jewel Lake Road, Suite 203
Anchorage, Alaska 99502-5390
(907) 563-3003 • FAX: 563-3009
info@akdental.org

February 10, 2011

Members of the 27th Alaska Legislature

The Alaska Dental Society urges your support of HB 28 An Act relating to temporary licenses for certain nonresident professionals sponsored by Representatives Thomas and Herron.

HB28 will allow spouses of active duty military personnel transferred to Alaska to utilize their professional skills in the private sector while they complete the process for a regular professional Alaska license. Under HB28 they are eligible for a courtesy license while they are completing the paperwork required to obtain a permanent license. The courtesy license, which requires they have an equivalent license in good standing in another state, will allow these professionals to work in their professional field without delay. Under HB28 the licensees will be required to obtain a permanent license within a year of being issued a courtesy license.

The Alaska Dental society believes professionals who have spouses serving in the armed forces in Alaska should not be needlessly prevented from pursuing their professional careers.

David Logan, DDS
Legislative Chair, Alaska Dental Society

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHB 28(L&C)
(H) Publish Date: 2/9/2011

Identifier (file name) HB028-CCED-CBPL-02-03-11
Dept. Affected: DCCED
Title: Temp Licenses for Professionals
Appropriation: CBPL
Sponsor: Representatives Thomas, Herron, Feige
Allocation: CBPL
Requester: House Labor & Commerce
OMB Component Number: 2360

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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							
1156 Receipt Support Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Prepared by: Don Habeger, Director — Phone: 465-2536
Division: Corporations, Business and Professional Licensing — Date/Time: 2/4/11 3:00 PM
Approved by: Susan K. Bell, Commissioner — Date: 2/4/2011
Commerce, Community and Economic Development

(Revised 12/29/2010 OMB)

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSHB 28(L&C)

Analysis

The legislation would require the Department to implement regulations to establish criteria for issuing a temporary courtesy license to a nonresident so they may lawfully practice their occupation. The agency does not predict a significant fiscal impact as a result of the proposed statute. Accordingly, the agency submits a zero fiscal note.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: **CSHB28(FIN)**
() Publish Date

Identifier (file name) HB028-CCED-CBPL-02-15-11
Dept. Affected: DCCED

Title: Temp Licenses for Professionals
Appropriation: Corporations, Business and Professional Licensing
Allocation: Corporations, Business and Professional Licensing

Sponsor: Representatives Thomas, Herron, Feige
Requester: House Labor & Commerce
OMB Component Number: 2360

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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							
1156 Receipt Support Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

This version updates the anaylsis section to reflect the changes made by the CS.

Prepared by: Don Habeger, Director — Phone: 465-2536
Division: Corporations, Business and Professional Licensing — Date/Time: 2/15/11 3:15 PM
Approved by: Susan K. Bell, Commissioner — Date: 2/15/2011
Commerce, Community and Economic Development

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSHB28(FIN)

Analysis

CSHB 28 allows active duty military or a military spouse to obtain a temporary courtesy license in their field of practice as long as they meet the professional standards which are already required by law or regulation. The temporary courtesy license will be valid for six months at which time the military spouse has the option of obtaining an Alaska license or asking for a renewal of the courtesy license. The agency does not predict a significant fiscal impact as a result of the proposed statute. Accordingly, the agency submits a zero fiscal note.

Cornell University Law School

Search Law School Search Cornell

LII / Legal Information Institute

home search find a lawyer donate

U.S. Code

main page faq index search

§ 112. Certain combat zone compensation of members of the Armed Forces

(a) Enlisted personnel

Gross income does not include compensation received for active service as a member below the grade of commissioned officer in the Armed Forces of the United States for any month during any part of which such member—

(1) served in a combat zone, or

(2) was hospitalized as a result of wounds, disease, or injury incurred while serving in a combat zone; but this paragraph shall not apply for any month beginning more than 2 years after the date of the termination of combatant activities in such zone.

With respect to service in the combat zone designated for purposes of the Vietnam conflict, paragraph (2) shall not apply to any month after January 1978.

(b) Commissioned officers

Gross income does not include so much of the compensation as does not exceed the maximum enlisted amount received for active service as a commissioned officer in the Armed Forces of the United States for any month during any part of which such officer—

(1) served in a combat zone, or

(2) was hospitalized as a result of wounds, disease, or injury incurred while serving in a combat zone; but this paragraph shall not apply for any month beginning more than 2 years after the date of the termination of combatant activities in such zone.

With respect to service in the combat zone designated for purposes of the Vietnam conflict, paragraph (2) shall not apply to any month after January 1978.

(c) Definitions

For purposes of this section—

(1) The term "commissioned officer" does not include a commissioned warrant officer.

(2) The term "combat zone" means any area which the President of the United States by Executive Order designates, for purposes of this section or corresponding provisions of prior income tax laws, as an area in which Armed Forces of the United States are or have (after June 24, 1950) engaged in combat.

(3) Service is performed in a combat zone only if performed on or after the date designated by the President by Executive Order as the date of the commencing of combatant activities in such zone, and on or before the date designated by the President by Executive Order as the date of the termination of combatant activities in such zone; except that June 25, 1950, shall be considered the date of the commencing of combatant activities in the combat zone designated in Executive Order 10195.

(4) The term "compensation" does not include pensions and retirement pay.

(5) The term "maximum enlisted amount" means, for any month, the sum of—

(A) the highest rate of basic pay payable for such month to any enlisted member of the Armed Forces of the United States at the highest pay grade applicable to enlisted members, and

(B) in the case of an officer entitled to special pay under section 310 of title 37, United States Code, for such month, the amount of such special pay payable to such officer for such month.

(d) Prisoners of war, etc.

(1) Members of the Armed Forces

Gross income does not include compensation received for active service as a member of the Armed Forces of the United States for any month during any part of which such member is in a missing status (as defined in section 551 (2) of title 37, United States Code) during the Vietnam conflict as a result of such conflict, other than a period with respect to which it is officially determined under section 552(c) of such title 37 that he is officially absent from his post of duty without authority.

(2) Civilian employees

Gross income does not include compensation received for active service as an employee for any month during any part of which such employee is in a missing status during the Vietnam conflict as a result of such conflict. For purposes of this paragraph, the terms

"active service", "employee", and "missing status" have the respective meanings given to such terms by section 5561 of title 5 of the United States Code.

(3) Period of conflict

For purposes of this subsection, the Vietnam conflict began February 28, 1961, and ends on the date designated by the President by Executive order as the date of the termination of combatant activities in Vietnam. For purposes of this subsection, an individual is in a missing status as a result of the Vietnam conflict if immediately before such status began he was performing service in Vietnam or was performing service in Southeast Asia in direct support of military operations in Vietnam.

LII has no control over and does not endorse any external Internet site that contains links to or references LII.

Study law abroad
Cornell Programs

Cornell University Law School

Search Law School Search Cornell

LII / Legal Information Institute

home search find a lawyer donate

U.S. Code

main page faq index search

§ 5928. Danger pay allowance

An employee serving in a foreign area may be granted a danger pay allowance on the basis of civil insurrection, civil war, terrorism, or wartime conditions which threaten physical harm or imminent danger to the health or well-being of the employee. A danger pay allowance may not exceed 35 percent of the basic pay of the employee, except that if an employee is granted an additional differential under section 5925 (b) of this title with respect to an assignment, the sum of that additional differential and any danger pay allowance granted to the employee with respect to that assignment may not exceed 35 percent of the basic pay of the employee. The presence of nonessential personnel or dependents shall not preclude payment of an allowance under this section. In each instance where an allowance under this section is initiated or terminated, the Secretary of State shall inform the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate of the action taken and the circumstances justifying it.

LII has no control over and does not endorse any external Internet site that contains links to or references LII.

Study law abroad
Cornell Paris Institute

about us sitemap help terms of use friend us follow us contact us

military hub
money. education. lifestyle.

Combat zones are designated by an Executive Order from the President as areas in which the U.S. Armed Forces are engaging or have engaged in combat.

Certificate of Eligibility
You'll need this before you use your VA loan benefits.
GET YOURS
Courtesy of VALoans.com

DD-214 Form
An important part of your military records... don't be without it.
GET YOURS
Courtesy of VALoans.com

INSURANCE topics
EDUCATION topics
VA LOAN topics
MILITARY PAY topics
MONEY topics

MILITARY CREDIT
Military Loans
Credit Scores
Credit Cards
Identity Theft
Military Travel

MILITARY TAXES
Military Tax Breaks
Combat Zone Relief
Disability Exemptions
2008 HEART Act

THE ECONOMY & YOU
Economic Plans
Financial Readiness
Safe Lending
Payday Loans

BANKING topics
LIFESTYLE topics

MILITARY RATES
- A Military Hub Site -
-- Military Pay Charts
-- Drill Pay Charts
-- Local BAH Rates
-- Military Discounts

Combat Zones and Hazardous Duty Designations

Posted: December 8, 2009

Combat zones are designated by an Executive Order from the President as areas in which the U.S. Armed Forces are engaging or have engaged in combat.

There are currently three such combat zones (including the airspace above each):

1. Arabian Peninsula Areas, beginning Jan. 17, 1991 -- the Persian Gulf, Red Sea, Gulf of Oman, the part of the Arabian Sea north of 10° North latitude and west of 68° East longitude, the Gulf of Aden, and the countries of Bahrain, Iraq, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.

2. Kosovo area, beginning Mar. 24, 1999 -- Federal Republic of Yugoslavia (Serbia and Montenegro), Albania, the Adriatic Sea and the Ionian Sea north of the 39th Parallel.

3. Afghanistan, beginning Sept. 19, 2001.

HAZARDOUS DUTY

Public Law 104-117 designates three parts of the former Yugoslavia as a Qualified Hazardous Duty Area, to be treated as if it were a combat zone, beginning Nov. 21, 1995: Bosnia and Herzegovina, Croatia, and Macedonia.

In addition, the Department of Defense has certified these locations for hazardous duty/combat zone tax benefits due to their direct support of military operations, beginning on the listed dates:

In support of Operation Enduring Freedom (Afghanistan combat zone):

-- Pakistan, Tajikistan and Jordan - Sept. 19, 2001

-- Kyrgyzstan and Uzbekistan - Oct. 1, 2001

-- Philippines (only troops with orders referencing Operation Enduring Freedom) - Jan. 9, 2002

-- Yemen - Apr. 10, 2002

-- Djibouti - July 1, 2002

-- Somalia - Jan. 1, 2004

Related Articles:

- Tax Tips for Newly Married, Divorced or Adopted Military
  January 28, 2010
- How to Choose a Tax Preparer
  January 28, 2010
- Exemptions That Reduce Your Military Taxes
  January 28, 2010
- E-Filing Means Instant Tax Rewards
  January 28, 2010
- Tax Deductions for Military Children
  January 28, 2010

RELATED ARTICLES:

Tax Tips for Newly Married, Divorced or Adopted Military

How to Choose a Tax Preparer

Exemptions That Reduce Your Military Taxes

E-Filing Means Instant Tax Rewards

Tax Deductions for Military Children

How Tax Deductions Can Turn Tax Day into Pay Day

New Car Tax Break: Cars, Trucks, Motor Homes

Leveraging the Military Family Tax Relief Act of 2003

The Complete Guide to Filing Military Taxes

Eight Essential Tax Tips to Save Your Money

Every loan is backed by a 15-day, no-cost return policy.

If, for any reason, you are not completely satisfied, you can cancel your loan within 15 days at no cost--guaranteed.

Apply for a Personal Loan!

Provides credit monitoring to its more than 3.1 million members and has delivered more than 14 million credit reports on the web.

MBA

Today's MBA is for today's military. You keep protecting our country; we'll be here, protecting your family's future.

get info!

Military Life Insurance

Armed Forces Insurance

For more than 120 years Armed Forces Insurance has been providing property insurance for military professionals throughout the U.S. and overseas.

get info!

Military Home Insurance
Military Auto Insurance

VALOANS

Complimentary VA loan pre-approvals will give you the comfort you need to shop for your home with confidence. VA refinance loans available.

get info!

VA Home Loans

HB

64

<TARGET><BILL>HB 64</BILL><SUBJECT>HB
64</SUBJECT><COMM>SSTA27</COMM></TARGET>

ALASKA STATE LEGISLATURE

Co-Chair:
House Finance Committee

Chair:
House Finance Subcommittees for;
Department of Public Safety
Department of Law
Alaska Court System

Member:
Legislative Council
Committee on Committees
Legislative Budget & Audit (alt)
House Finance Sub-Committees for:
Governor's Office
Legislature
University of Alaska

BILL STOLTZE
STATE REPRESENTATIVE
Representative_Bill_Stoltze@legis.state.ak.us

Session:
Alaska State Capitol, Rm 515
Juneau, AK 99801-1182
Phone: (907) 465-4958
Fax: (907) 465-4928

District:
600 E. Railroad Ave.
Wasilla, AK 99654
Phone: (907) 376-4958
Fax: (907) 376-4928

Toll Free: 1-866-465-4958

Memorandum

TO: Senator Bill Wielechowski
Senate State Affair Committee Chair

FROM: Rep. Bill Stoltze

DATE: April 6, 2012

RE: Calendar Request for CS HB64 (FIN) "An Act relating to permanent motor vehicle registration; and providing for an effective date."

Mr. Chair,

I request that CS HB64(FIN) be calendared for a hearing before the Senate State Affairs Committee at the earliest possible time. My staff member Darrell Breese will be carrying the bill.

Attached is a sponsor statement, supporting material and a copy of the legislation for consideration.

Co-Chair:
House Finance Committee

Chair:
House Finance Subcommittees for;
Department of Public Safety
Department of Law

Member:
Legislative Council
Legislative Budget & Audit

ALASKA STATE LEGISLATURE

Session:
Alaska State Capitol, Rm 515
Juneau, AK 99801-1182
Phone: (907) 465-4958
Fax: (907) 465-4928

District:
600 E. Railroad Ave.
Wasilla, AK 99654

BILL STOLTZE
STATE REPRESENTATIVE
Representative_Bill_Stoltze@legis.state.ak.us

Sponsor Statement
CS HB 64 (FIN)

"An Act relating to permanent motor vehicle registration; and providing for an effective date."

The purpose of CS HB64 (FIN) is to offer the choice of permanent registration for personal-use, non-commercial trailers and certain motor vehicles when applied for at the Division of Motor Vehicles.

Permanent Motor Vehicle Registration

- Would be available to motor vehicles that are eight years or older
- Would cost $25, in addition to the regular biennial registration fee
- Provide the owner with the option of selecting the regular two-year, biennial, registration
- Is not transferable when ownership of the vehicle changes

Permanent Trailer Registration

- Would allow the owners of non-commercial trailers the same access to permanent registration that the 20th Legislature (HB404) extended to the owners of commercial trailers in 1998
- Provide the owner with the option of selecting the regular two-year, biennial, registration
- Would cost $25, in addition to the regular biennial registration fee
- Is not transferable when ownership of the vehicle changes

If passed, CS House Bill 64 (FIN) will result in a savings of nearly $19 million annually for Alaskan consumers.

Please join me in supporting this important legislation.

27-LS0327\S
Luckhaupt
3/26/12

CS FOR HOUSE BILL NO. 64(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES STOLTZE AND KELLER, Costello, Neuman, Lynn

A BILL

FOR AN ACT ENTITLED

"An Act relating to permanent motor vehicle registration; relating to the registration fee for noncommercial trailers and to the motor vehicle tax for trailers; and providing for an effective date."

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

* **Section 1.** AS 28.10.108(a) is amended to read:

(a) Except for a vehicle registered under AS 28.10.152 **or 28.10.155**, a vehicle required to be registered under this chapter shall be registered under the procedures set out in this section.

* **Sec. 2.** AS 28.10 is amended by adding a new section to read:

Sec. 28.10.155. Permanent motor vehicle registration. (a) The owner of a motor vehicle, other than a commercial motor vehicle, that is required to be registered under this chapter may elect to permanently register the motor vehicle in lieu of registration under AS 28.10.108 if the vehicle is at least eight years old. The permanent registration expires when the owner transfers or assigns the owner's title or

interest in the vehicle. A permanent registration may not be renewed. On receiving the proper application and fees, the department shall issue to the registered owner registration plates, tabs, and a permanent registration form.

(b) The fees for permanent registration must equal the fees that would be applicable if the motor vehicle were registered under AS 28.10.108, plus a permanent registration fee of $25. The motor vehicle registration tax for a permanently registered vehicle is the rate established for permanent motor vehicle registration under AS 28.10.431(j)(2). If a municipality has not established a tax for a permanently registered motor vehicle, the biennial rate established in AS 28.10.431(b) or (j)(1), if any, is levied upon the vehicle and is payable only once at the time a motor vehicle is permanently registered. Except as provided in AS 28.10.423(b), the owner of a permanently registered motor vehicle is not required to pay other registration fees or taxes under this chapter.

*** Sec. 3.** AS 28.10.411(f) is amended to read:

(f) A resident 65 years of age or older on January 1 of the year the vehicle is registered or a resident with a disability that limits or impairs the ability to walk and who provides proof of that disability as provided in 23 C.F.R. 1235.2 is entitled to an exemption from the registration fee required under this section for one vehicle subject to registration under AS 28.10.421(b)(1), (2), **or** (5), or **(i)** [(6)]. An exemption may not be granted except upon written application for the exemption on a form prescribed by the department.

*** Sec. 4.** AS 28.10.421 is amended by adding a new subsection to read:

(j) When a person registers a trailer not used or maintained for the transportation of persons or property for hire or for other commercial use, including a boat trailer, baggage trailer, box trailer, utility trailer, house trailer, travel trailer, or trailer rented or offered for rent, the person may choose to pay a biennial registration fee of $30 or to permanently register the trailer. If the person permanently registers the trailer, the person shall pay the biennial registration fee plus a permanent registration fee of $25. If the person permanently registers the trailer, no additional registration fees are required if the same person who initially registered the trailer continues to own the trailer. A new owner of a trailer previously registered under this subsection

shall register and pay the biennial registration fee or the permanent registration fee as provided in this subsection. The motor vehicle registration tax for a permanently registered trailer is the rate established for permanent trailer registration under AS 28.10.431(j)(3). If a municipality has not established a tax for a permanently registered trailer, the biennial rate established in AS 28.10.431(b) or (j)(1), if any, is levied upon the trailer and is payable only once at the time a trailer is permanently registered. If the person pays the registration tax as required by this subsection and AS 28.10.431, no additional registration taxes are required if the same person who initially registered the trailer continues to own the trailer.

* **Sec. 5.** AS 28.10.423 is amended by adding a new subsection to read:

(b) In addition to the permanent registration fee established in AS 28.10.155, a $2 fee is imposed on the owner of each permanently registered motor vehicle required to be inspected under an emission control program established in AS 46.14.400 or 46.14.510. That fee shall be collected biennially.

* **Sec. 6.** AS 28.10.431(b) is amended to read:

(b) The biennial tax is levied upon motor vehicles subject to the registration fee under AS 28.10.411 and 28.10.421 and is based upon the age of vehicles as determined by model year in the first year of the biennial period, according to the following schedule:

	Tax According to Age of Vehicle Since Model Year:							
	1st	2nd	3rd	4th	5th	6th	7th	8th or over
Motor Vehicle								
(1) motorcycle	$ 17	$ 15	$ 13	$ 10	$ 7	$ 5	$ 4	$ 4
(2) vehicles specified in AS 28.10.421(b)(1)	21	99	77	55	39	28	19	16
(3) vehicles specified in AS 28.10.421(b)(3)	121	99	77	55	39	28	19	16
(4) vehicles specified								

in AS 28.10.421(c)(1)-(4)								
5,000 pounds or less	121	99	77	55	39	28	19	16
5,001-12,000 pounds	198	154	121	99	77	55	33	22
12,001-18,000 pounds	447	392	348	304	260	227	205	194
18,001 pounds or over	546	469	403	348	304	260	216	194
(5) vehicles specified in AS 28.10.421(b)(4)	198	154	121	99	77	55	33	22
(6) vehicles specified in **AS 28.10.421(i)** [AS 28.10.421(b)(6)]	17	15	13	10	7	5	4	4
(7) vehicles specified in AS 28.10.421(d)(8)	121	99	77	55	39	28	19	16
(8) vehicles specified in AS 28.10.421(b)(2)	121	99	77	55	39	28	19	16
(9) vehicles eligible for dealer plates under AS 28.10.421(d)(9).	88							

* **Sec. 7.** AS 28.10.431(c) is amended to read:

(c) **Except as provided in (m) of this section, the** [THE] registration tax shall be levied, collected, enforced and otherwise administered in the same manner as provided for the registration fee in this chapter. Only one registration tax may be collected with respect to the same motor vehicle in the year for which the tax is paid.

* **Sec. 8.** AS 28.10.431(j) is amended to read:

(j) A municipality that imposes a motor vehicle registration tax as described under (a) of this section may also**, by passage of an appropriate ordinance, (1)** increase the scheduled amount of tax described under (b) or (*l*) of this section**, (2) establish a tax for a motor vehicle that is permanently registered under AS 28.10.155, or (3) establish a tax for a trailer that is permanently registered under AS 28.10.421(i)** [BY PASSAGE OF AN APPROPRIATE ORDINANCE]. A municipality that chooses to change the tax imposed under (b) or (*l*) of this section **or**

establishes a tax for permanently registered motor vehicles or trailers shall file a written notice of the change with the department by January 1 of the year preceding the year in which the change in tax is to take effect. A municipality may not change the amount of the tax imposed under this section more than once every two years. The department may charge a municipality a one-time fee to cover the cost to the department of implementing a change under this subsection.

* **Sec. 9.** AS 28.10.431 is amended by adding a new subsection to read:

(m) The department may not collect a registration tax established by a municipality under (j)(2) or (3) of this section for a permanently registered motor vehicle or trailer if the amount of the tax is greater than $100 unless the tax is for a motor vehicle subject to registration under AS 28.10.421(c)(3) and (4).

* **Sec. 10.** AS 28.10.421(b)(6) is repealed.

* **Sec. 11.** This Act takes effect January 1, 2015.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **HB064**
Fiscal Note Number:
() Publish Date:

Identifier (file name): HB064CS(FIN)-DOA-DMV-2-10-2012
Title: Permanent motor vehicle registration
Sponsor: Representatives Stoltze, Keller
Requester: House Finance

Dept. Affected: Administration
Appropriation: Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services			57.2				
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**57.2**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)			57.2				
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**57.2**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES			**3,694.0**	**4,190.0**	**(1,351.0)**	**(1,599.0)**	**(1,599.0)**

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

1) Updated the changes in revenue due to updated vehicle counts.
2) Eliminated reference to the I/M fee, since the I/M program in Alaska will no longer be in effect.

Prepared by: Whitney Brewster, Director — Phone: 907-269-5559
Division: Division of Motor Vehicles — Date/Time: 2/10/12 4:45 PM
Approved by: John Cramer, Deputy Commissioner — Date: 2/10/2012
Department of Admininstration

(Revised 11/18/2011 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** HB064
2012 LEGISLATIVE SESSION

Analysis

The effective date for this bill is January 1, 2014.

Expenditures
The database for Division of Motor Vehicles (DMV) will need programming to allow for permanent registration of non-commercial vehicles.
Estimated hours: 400
Cost per hour: $143
Total programming cost: 400 x $143 = $57,200.

Revenues
Motor Vehicle Registration Tax (MVRT): The DMV collects MVRT for 16 communities: Anchorage, Bethel, Bristol Bay Borough, Cordova, Dillingham, Juneau, Kenai Peninsula Borough, Ketchikan Gateway Borough, Kodiak Island Borough, Matanuska Susitna Borough, Nenana, Nome, Petersburg, Sitka, Unalaksa, and Whittier.

Eight percent of the MVRT collected is retained by the state as collection costs. Although the increase or decrease in revenues from the collection costs are indeterminate, the revenues will change proportionately with the registration fees.

Registration Fees:
Assumptions:
1) 369,500 vehicles will be eligible for permanent registration in 2014 (based on currently-registered vehicles). Half (184.7) will renew in 2014 and half will renew in 2015.

2) Approximately 24,800 vehicles will become eligible each year. This is an average of the number of currently registered vehicles with model years 2007-2011.

3) Only 10% of owners will elect for permanent registration, based on the following:
a) The biennial registration fee established in AS 28.10.421 is $100 for most of the vehicles eligible for permanent registration, making the fee for permanent registration $300.
b) The largest quantity of vehicles in the state are in areas with the highest MVRT. Three times the MVRT for vehicles in Municipality of Anchorage or the Matanuska Susitna Borough would be $210.
c) An owner of an eligible vehicle would have to decide whether a vehicle that's already at least 8 years old will last another 6+ years to justify the additional payment for permanent registration, which would be as high as $340: permanent ($300 reg + $210 MVRT = $510) versus biennial ($100 reg + $70 MVRT = $170).
d) Many owners of older vehicles are likely in the middle to lower income brackets; these owners are less likely to have the extra funds available to opt for permanent registration.
e) It's very likely that a vehicle that is at least 8 years old will have a major component fail within the next six years. An owner who has the financial resources to pay the additional $340 for permanent registration would likely opt to replace the vehicle rather than repair it; consequently, DMV assumes few of those owners would opt for permanent registration.
f) The owners of eligible vehicles who do not opt for permanent registration the first year it's available won't opt for it in subsequent years.

4) All permanently registered vehicles will stay in service for the next 6 years and will not change ownership. Although some vehicles may go out of service, the assumption is that an owner won't opt to pay the extra fees for permanent registration if their vehicle is not in good mechanical shape.

Analysis Continued

Calculations

	2014	2015	2016	2017	2018
2014: 184.7 current vehicles eligible for perm reg					
18.47 opt for perm reg (184.7 x 10%)					
Increase from perm reg (18.47 x $300)	5,541.0				
Loss in biennial fees (18.47 x $100)	(1,847.0)		(1,847.0)		(1,847.0)
2015: 209.5 vehicles eligible for perm reg					
including 24.8 newly eligible					
20.95 opt for perm reg (209.5 x 10%)					
Increase from perm reg (20.95 x $300)		6,285.0			
Loss in biennial fees (20.95 x $100)		(2,095.0)		(2,095.0)	
2016: 24.8 newly eligible for perm reg					
2.48 opt for perm reg (24.8 x 10%)					
Increase from perm reg (2.48 x $300)			744.0		
Loss in biennial fees (2.48 x $100)			(248.0)		(248.0)
2017: 24.8 newly eligible for perm reg					
2.48 opt for perm reg (28.4 x 10%)					
Increase from perm reg (28.4 x $300)				744.0	
Loss in biennial fees (2.48 x $100)				(248.0)	
2018: 24.8 newly eligible for perm reg					
2.48 opt for perm reg (24.8 x 10%)					
Increase from perm reg (2.48 x $300)					744.0
Loss in biennial fees (2.48 x $100)					(248.0)
Total Estimated Revenue Increase/(Decrease)	3,694.0	4,190.0	(1,351.0)	(1,599.0)	(1,599.0)

Performance Measures

The DMV expects this bill will have very little impact on its performance measures.

1) Only about 11% of registration renewals are processed at a DMV office.
2) DMV estimates a maximum of 2,480 newly-eligible vehicles will be placed under permanent registration each year. This would result in a work load reduction of approximately one-tenth of one percent.

Economic Impact

Once the initial vehicles with permanent registration go out of service, there would be an annual increase of revenues of approximately $496 .0 ($744.0 - $248.0), assuming that 10% of owners opt for permanent registration. Since this won't happen until some time after 2018, this can't be reflected on the fiscal note.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **27-LS0327/D**
() Publish Date

Identifier (file name) HB064CS(TRA)-DEC-AQ-03-18-11
Title Permanent Motor Vehicle Registration
Sponsor Representatives Stoltze, Keller
Requester House Finance

Dept. Affected Environmental Conserv
Appropriation Environmental Health
Allocation Air Quality
OMB Component Number 2061

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services	0.0	0.0	0.0	0.0	0.0	60.4	60.4
Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Services	0.0	0.0	113.6	8.0	8.0	28.7	28.7
Commodities	0.0	0.0	0.0	0.0	0.0	7.5	0.0
Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	**0.0**	**0.0**	**113.6**	**8.0**	**8.0**	**96.6**	**89.1**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES 1005 GF/Program Rec	**0.0**	**0.0**	**0.0**	**8.0**	**8.0**	**96.6**	**89.1**

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	113.6	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	8.0	8.0	96.6	89.1
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other (please identify)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**0.0**	**0.0**	**113.6**	**8.0**	**8.0**	**96.6**	**89.1**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time	0.0	0.0	0.0	0.0	0.0	1.0	1.0
Part-time	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Temporary	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Why this fiscal note differs from previous version (if initial version, please note as such)

This fiscal note differs because the new committee substitute of the bill changed the effective date.

Prepared by Alice Edwards, Director
Division Air Quality
Approved by Dan Easton
Deputy Commissioner

Phone (907) 465-5109
Date/Time 3/18/11 4:12pm
Date 3/18/2011

(Revised 1/27/2011 OMB)

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB 64

Analysis

Currently, the local vehicle inspection and maintenance (I/M) programs rely on the vehicle registraion process to notify vehicle owners of I/M testing requirements and to make sure those requirements are met. Elimination of that registration process will require the department to develop a stand-alone system to replace what is being done now as part of the vehicle registration system. Additionally, the department will need to update the State's air quality plan to reflect this change to how the I/M programs operate.

The first-year costs are for contractual services to develop the stand-alone computer programs to generate notifications and to track compliance, and to amend the state air quality plan. This effort is funded with General Funds. FY13 is the latest date these activities can occur and be ready for a January 2014 effective date for permanent vehicle registration. The $8.0 in contractual expenses in FY14 and FY15 will cover off-cycle registration renewals.

Starting in FY16, one new administrative position, and associated one-time start-up costs, is added to implement the revised I/M notification system for permanently registered vehicles. This position will be responsible for notifying over 4,000 vehicle owners monthly of their inspection requirements, checking to see inspections are done and referring violations to the local government and will be funded with General Fund Program Receipts generated through this fee program.

Summary of version
CSHB64 – 27-LS0327\S

Section 2 – Establishes a new fee for Permanent Motor Vehicle Registration
– Establishes that permanent registration is available for non-commercial motor vehicles for vehicles eight years old or older and that transfer of permanent registration is not allowed.
– Sets the fee for permanent registration for eligible vehicles at the biennial fee (currently $100) plus $25 for permanent registration.

- Also establishes that the Motor Vehicle Registration Tax established by municipalities, boroughs or cities is only payable at the time of registration.

Section 3 – Makes reference to the addition of a Motor Vehicle Registration Tax for vehicles permanently registered (Section 8 of the legislation)

Section 4 - Establishes a new fee for Permanent Motor Vehicle Registration
– Establishes that permanent registration is available for non-commercial trailers and that transfer of permanent registration is not allowed.
– Sets the fee for permanent registration for eligible trailers at the biennial fee (currently $30) plus $25 for permanent registration.

- Also establishes that the Motor Vehicle Registration Tax established by municipalities, boroughs or cities is only payable at the time of registration.

Section 5 – Adds permanently registered vehicles and trailers to the list of vehicles required to pay a $2 if they are under an emission control inspection program. (Currently there is nowhere in the state with an I/M program.)

Section 6 – References Section 8 of the legislation (Page 4, line 9) with regards to the base rate for Motor Vehicle Registration Tax set by the state.

Section 7 – References Section 9 of the legislation as it relates to the collection of the Motor Vehicle Registration Tax.

Section 8 – Allows municipalities, boroughs and cities to set a Motor Vehicle Registration Tax rate for vehicles and Trailers that are registered permanently.

- This must be done by the passage of an ordinance by the local governing body and can only be done once every two years.
- The state (Division of Motor Vehicles must be notified of such changes by January 1 of the previous year in which the change takes effect.

Section 9 – Establishes that the State (DMV) may not collect a motor vehicle registration tax, for permanently registered vehicles or trailers, if the rate established by a municipality, borough or city is greater than $100.

Prepared by Rep. Bill Stoltze's Office

ALASKA MUNICIPAL LEAGUE
Alaska Conference of Mayors

217 Second Street, Suite 200 • Juneau, Alaska 99801
Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

March 21, 2011

House Finance Committee
Juneau, Alaska

RE: HB 64 and HB 10

Dear Committee Members,

The Alaska Municipal League originally came out strongly against HB64 and HB10, as they both repealed the authority of municipalities to levy vehicle registration taxes. AML and the municipalities addressed those concerns during hearings in House Transportation committee meetings.

Thanks to the work of the bill's sponsor, this issue has been corrected. Our main issue has been alleviated to a large degree, in that municipalities, under the new CS, would be allowed to adjust rates to compensate for potential losses due to permanent registration. We have received a spread sheet from Mr. Breese, in Rep. Stoltze's office that enables each municipality to get a fairly accurate idea of what that loss might be.

We are not in disagreement that the reduction of time spent in line with DMV could better be spent elsewhere.

While individual municipalities may still have some concerns, AML will attempt to make this legislation work.

Thank you,

Kathie Wasserman

Kathie Wasserman
Executive Director

ALASKA MUNICIPAL LEAGUE
Alaska Conference of Mayors

217 Second Street, Suite 200 • Juneau, Alaska 99801
Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

February 22, 2011

Representative Peggy Wilson
House Transportation Committee
Juneau, Alaska 99811

RE: HB64: An Act relating to Permanent Motor Vehicle Registration and providing for an Effective Date.

Dear Representative Wilson,

The Alaska Municipal League would like to go on record as opposing HB64. While the intent of the bill may be a positive one, the implementation will negatively affect both the State and the municipalities of the State of Alaska that currently realize a tax revenue from vehicle registration fees.

The main purpose stated in the Sponsor Statement is to make the "DMV re-registration process more user-friendly to the owners of qualifying vehicles and lighten the work load for DMV employees."

This fee of $100 (or 5 times the regular registration fee, whichever is less) MAY realize increased revenues during the first year of implementation. However, each year after that, the State of Alaska and the participating municipalities will see revenue losses. It seems amazing to us that legislation would be introduced that would purposely decrease revenue to the State to improve a more "user-friendly process." To stand in line every two years or send in re-registration papers by mail is hardly one of those things that come up on most people's list of "things-most-dreaded." However, to continue to erode the tax base of municipalities, resulting in decreases in basic services, can negatively impact health and safety. This legislation affects approximately 63% of the cars currently on Alaska's roads. It is nearly impossible, however, to estimate the decrease, as each municipality does not necessarily have records that can easily be compiled.

One of the suggestions from the sponsor of the bill is that municipalities could bill for annual taxes. This would add an entirely new database and increased employees to municipal offices.

As supporters of HB 30 and SB37, we also feel that this loss of revenue to the State will severely impact the ability of the proposed Transportation Infrastructure Fund, as registration fees will be used as a potential funding source.

Again, we would request that HB64 not move beyond this committee due to the decreased revenues that will be realized by the State of Alaska and 16 of Alaska's largest communities.

Sincerely,

Kathie Wasserman

Kathie Wasserman
Executive Director

Montana Code pertaining to permanent motor vehicle registration

61-3-562. Permanent registration -- transfer of light vehicle ownership -- rules. (1) (a) The owner of a light vehicle 11 years old or older subject to the registration fee, as provided in 61-3-321(2), may permanently register the light vehicle upon payment of a $87.50 registration fee, the applicable registration and license fees under 61-3-412, if applicable, the administrative fee and the annual one-time-only donation fee for a generic specialty license plate under 61-3-480, and an amount equal to five times the local option motor vehicle tax or flat fee on vehicles under 61-3-537 and, as applicable, either:

(i) (A) the original fee and four times the renewal fee for personalized plates; or

(B) five times the renewal fees for personalized plates; or

(ii) if a new set of license plates is not being issued, an insurance verification fee of $5, which must be deposited in the account established under 61-6-158.

(b) The following series of license plates may not be used for purposes of permanent registration of a light vehicle:

(i) Montana national guard license plates issued under 61-3-458(2)(b);

(ii) reserve armed forces license plates issued under 61-3-458(2)(c);

(iii) amateur radio operator license plates issued under 61-3-422; and

(iv) collegiate license plates issued under 61-3-465.

(2) In addition to the fees described in subsection (1), an owner of a truck with a manufacturer's rated capacity of 1 ton or less that is permanently registered shall pay five times the applicable fees imposed under 61-10-201.

(3) The owner of a motor vehicle that is permanently registered under this section is not subject to additional registration fees or to other motor vehicle registration fees described in this section for as long as the owner owns the vehicle.

(4) The county treasurer shall once each month remit to the state the amounts collected under this section, other than the local option motor vehicle tax or flat fee, for the purposes of 61-3-321(2) and 61-10-201. The county treasurer shall retain the local option motor vehicle tax or flat fee.

(5) (a) The permanent registration of a light vehicle allowed by this section may not be transferred to a new owner. If the light vehicle is transferred to a new owner, the department shall cancel the light vehicle's permanent registration.

(b) Upon transfer of a light vehicle registered under this section to a new owner, the new owner shall apply for a certificate of title under 61-3-201 and 61-3-216 and register the light vehicle under 61-3-303.

History: En. Sec. 3, Ch. 515, L. 1999; amd. Sec. 18, Ch. 191, L. 2001; amd. Sec. 47, Ch. 257, L. 2001; amd. Sec. 7, Ch. 337, L. 2001; amd. Sec. 20, Ch. 13, Sp. L. August 2002; amd. Sec. 3, Ch. 143, L. 2003; amd. Sec. 16, Ch. 280, L. 2003; amd. Sec. 70, Ch. 477, L. 2003; amd. Sec. 9, Ch. 464, L. 2005; amd. Sec. 121, Ch. 542, L. 2005; amd. Sec. 98, Ch. 596, L. 2005; amd. Sec. 33, Ch. 329, L. 2007; amd. Sec. 4, Ch. 392, L. 2007; amd. Sec. 19, Ch. 413, L. 2009.

Tax Office	2010 Total
Anchorage	$ 5,334,694.20
Bethel	$ 61,928.00
Bristol Bay	$ 63,989.00
Cordova	$ 38,076.00
Dillingham	$ 28,637.00
Juneau	$ 517,145.00
Kenai	$ 1,478,524.00
Ketchikan	$ 221,384.00
Kodiak	$ 283,412.00
Mat-Su	$ 4,010,668.00
Nenana	$ 10,520.00
Nome	$ 42,236.00
Petersburg	$ 39,877.00
Sitka	$ 108,543.00
Unalaska	$ 48,723.00
Whittier	$ 4,045.00
Total	**$ 12,292,401.20**

Column B	**Total Motor Vehicle Registration Tax Collected**
Column C	**MVRT paid by vehicle under HB64 at time of registration**
Column D	**MVRT paid by vehicles not eligible under HB64**
Column E	**DMV's estimate of 28350 new vehicles eligible annually for HB64**
Column F	**Net Annual Gain of Loss of MVRT revenue**

HB 10 Change in Registration Fee for Trailers.

			Notes
Current Registered Trailers in Anchorage			
Total Anchorage trailers	34,746		Total registered non commercial trailers in Anchorage in 2010 from DMV web site
One to Three Years Old			
Percent of trailers 1-3 years old	14%		From Fiscal note for HB 10
Total Trailers 1-3 years old	4,695		total trailers 1-3 years old = percent of trailers statewide that are 1-3 years old * total number of registered trailers in Anchorage.. Registrations on half will expire in 2012 and half in 2013
Percent electing permanent registration	50%		From Fiscal note for HB 10
Percent of trailers that leave state or no longer register each year	5%		Assumed. Percent of Trailers that are decommissioned each year and would no longer pay any type of registration fee, either because they no longer function or because they left the state
More than Three Years Old			
Total Trailers more than 3 years old	30,051		total trailers older than 3 years = total registered trailers in Anchorage minus number of registered trailers 1-3 years old. Registrations on half will expire in 2012 and half in 2013.
Percent electing permanent registration	20%		From Fiscal note for HB 10
Percent of trailers that leave state or no longer register each year	10%		Percent of Trailers that are decommissioned each year and would no longer pay any type of registration fee, either because they no longer function or because they left the state
New Trailers in Anchorage			
Number of new trailers each year in state	5000		From Fiscal note for HB 10
Anchorage Share of Trailers in state	31%		From DMV web site
New trailers registered in Anchorage each year	1,529		Total new trailers in state * Anchorage Share
Percent electing permanent registration	75%		From Fiscal note for HB 10
Percent of trailers that leave state or no longer register each year	2%		Percent of Trailers that are decommissioned each year and would no longer pay any type of registration fee, either because they no longer function or because they left the state
Biennial trailer registration fee effective in 2012 in Anchorage	20		Biennial registration fee effective in Anchorage starting in 2012 from Section 16 of AO 2010-81(S)
Permanent registration fee	100		New optional permanent fee starting in 2012 from HB 10

		2012	2013	2014	2015	2016	2017	
Current: Trailers 1-3 years old in Anchorage								
Total Number of trailers 1-3 years old that switch to permanent	1,174							Number of trailers one to three years old opting for permanent registration each year = number of trailers 1 to 3 years old / 2 * percentage electing permanent registration
Revenues received from permanent registrations		117,385	111,516					Gain from permanent registrations = number of trailers opting for permanent registration * permanent registration fee.
Revenues lost from trailers that no longer pay biennial registration		(23,477)	(22,303)	(21,188)	(20,129)	(19,122)	(18,166)	Loss of Biennial Fees = - number opting for permanent registration * biennial fee.
Current Trailers : older than 3 years old in Anchorage								
Total Number of trailers over 3 years old that switch to permanent	3,005							Number of trailers older than three years old opting for permanent registration each year = number of trailers older than three years / 2 * percentage electing permanent registration
Revenues received from permanent registrations		300,506	270,455					Gain from permanent registrations = number of trailers opting for permanent registration * permanent registration fee.
Revenues lost from trailers that no longer pay biennial registration		(60,101)	(54,091)	(48,682)	(43,814)	(39,432)	(35,489)	Loss of Biennial Fees = - number opting for permanent registration * biennial fee.
New Trailers in Anchorage								
Number of New Trailers each year that switch to permanent	1,147							Number of new trailers opting for permanent registration each year = number of new trailers registered each year * percentage electing permanent registration
Revenues received from permanent registrations		114,692	112,399	110,151	107,948	105,789	103,673	Gain from permanent registrations = number of new trailers opting for permanent registration * permanent registration fee.
Revenues lost from trailers that no longer pay biennial registration		(22,938)	(22,480)	(22,030)	(21,590)	(21,158)	(20,735)	Loss of Biennial Fees = - number opting for permanent registration * biennial fee.
Total Change in Revenues		**426,067**	**395,496**	**18,251**	**22,416**	**26,076**	**29,283**	**Sum of all revenue gains and losses for all trailers.**

HB 64 Change in Registration Fee for Old Cars

Currently Registered Old Cars in Anchorage

Total passenger cars in Anchorage of all ages	190768	Total Number of registered passenger cars in 2010 from DMV website
Percent of passenger cars in Anchorage older than 8 years	63%	Percent older than 8 years from Feb 14 email from Alaska Municipal League (Leslie Peters)
Number of cars in Anchorage older than 8 years	120,184	Number of Vehicles in Anchorage currently older than 8 years = percentage over eight years * total number of registered passenger cars.. Half of these currently registered cars would renew their registration in 2012 and half in 2013.
Percent electing permanent registration	40%	Assumed. Change as necessary to investigate alternative scenarios
Percent of old cars that leave state or no longer register each year	10%	Assumed. Change as necessary to investigate alternative scenarios. Percent of current registered old cars that would no longer pay any type of registration fee each year either because they break down or leave the state.

Cars that age to more than 8 years each year in Anchorage

Number of cars that age from seven years old to eight years old each year.	8,823	This is the number of currently registered cars that become eligible for permanent registration each year because they age from seven years to eight years old = (Total number of registered passenger cars minus number of passenger cars more than eight years old) / 8. This assumes that the total cars that are less than eight years old are distributed evenly across each age class. In other words, 1/8 of the cars less than eight years old are one year old, 1/8 are two years old, 1/8 are three years old, and so on.
Percent electing permanent registration	40%	Assumed, Change as necessary for alternative scenarios.
Percent of old cars that leave state or no longer register each year	10%	Percent of current registered old cars that would no longer pay any type of registration fee each year either because they break down or leave the state.
Biennial fee for cars older than 8 years	70	Biennial registration fee effective in Anchorage starting in 2012 from Section 16 of AO 2010-81(S)
Permanent registration fee	100	Optional new permanent fee specified by HB 64. The permanent fee would be the minimum of either $100 or 5 times the biennial fee. Since $100 is less than $350 (=5*$70), the old cars would have the option of paying $100 as the permanent fee in Anchorage.

		2012	2013	2014	2015	2016	2017	
Current: Passenger Cars older than 8 years								
Number of cars that are currently 8 years or older and opt for permanent registration and change each year	24,037							Number of cars opting for permanent registration each year = number of cars older than eight years / 2 * percentage electing permanent registration
Revenues received from permanent registration		2,403,677	2,163,309					Gain of Permanent fees = number that opting for permanent registration * permanent registration fee.
Revenues lost from old cars that no longer pay biennial fee.		(1,682,574)	(1,514,316)	(1,362,885)	(1,226,596)	(1,103,937)	(993,543)	Loss of Biennial Fees = number of cars opting for permanent registration * biennial registration fee.
Additional Passenger Cars that age to more than 8 years								
Number of cars that are currently 8 years or less and age each year to over 8 years and opt for permanent registration	3,529							Number of additional cars that age to more than eight years and opt for permanent registration each year = number of cars that age to more than eight years * percentage electing permanent registration
Revenues received from permanent registration		352,921	317,629	285,866	257,279	231,551	208,396	Gain of Permanent fees = number of cars that age to more than eight years and opt for permanent registration * permanent registration fee.
Revenues lost from old cars that no longer pay biennial fee.		(247,045)	(222,340)	(200,106)	(180,095)	(162,086)	(145,877)	Loss of Biennial Fees = number of cars that age to eight years and opt for permanent registration * biennial registration fee.
Total Change in Revenues		**826,979**	**744,281**	**(1,277,125)**	**(1,149,412)**	**(1,034,471)**	**(931,024)**	**Sum of all revenue losses and gains for all old cars.**

HB 64 Class Codes

Class Code	Fee	HB 64?	Description
AA	$100	Y	UAA Passenger
AB	$100	Y	UAA Pickup
DC	$100	Y	Disabled Veteran Passenger (2nd Set)
DP	$100	Y	Disabled Veteran Pickup & Van (2nd Set)
D1	$100	Y	Disabled Veteran Passenger (No HCP Logo)(2nd Set)
D2	$100	Y	Disabled Veteran Pickup (No HCP Logo)(2nd Set)
FA	$100	Y	UAF Passenger
FB	$100	Y	UAF Pickup
HC	$100	Y	Handicapped Passenger (2nd Set)
HN	$60	Y	Handicapped Motorcycle (2nd Set)
HP	$100	Y	Handicapped Pickup & Van (2nd Set)
JA	$100	Y	UAS Passenger
JB	$100	Y	UAS Pickup
KA	$100	Y	Children's Trust - Passenger
KB	$100	Y	Children's Trust - Truck or Cargo Van
PA	$100	Y	PWS Passenger
PB	$100	Y	PWS Pickup
S1	$100	Y	Support our Troops - Passenger
S2	$100	Y	Support our Troops - Truck or Cargo Van
S3	$60	Y	Support our Troops - Motorcycle
S4	$30	Y	Support our Troops - Trailer
1A	$100	Y	Army Passenger
1B	$100	Y	Army Pickup
1C	$100	Y	Custom Collector Passenger
1D	$100	Y	Alaska Veteran Commemorative - Passenger (See Note)
10	$100	Y	Passenger Personalized
11	$100	Y	Passenger
16	$100	Y	Call Letter Passenger
2A	$100	Y	Navy Passenger
2B	$100	Y	Navy Pickup
2C	$60	Y	Custom Collector Motorcycle
2D	$100	Y	Alaska Veteran Commemorative - Truck / Van (See Note)
2J	$60	Y	Motorcycle - Vet Plates - Army
2K	$60	Y	Motorcycle - Vet Plates - Navy
2M	$60	Y	Motorcycle - Vet Plates - Marines
2N	$60	Y	Motorcycle - Vet Plates - Air Force
2Q	$60	Y	Motorcycle - Vet Plates - Coast Guard
20	$60	Y	Motorcycle Personalized
21	$60	Y	Motorcycle
3A	$100	Y	Marines Passenger
3B	$100	Y	Marines Pickup
4A	$100	Y	Air Force Passenger
4B	$100	Y	Air Force Pickup
4C	$100	Y	Custom Collector Pickup/Truck
40	$100	Y	Non-Commercial Pickup Personalized

HB 64 Class Codes

Class Code	Fee	HB 64?	Description
45	$100	Y	Non-Commercial Pickup and Van (Under 10,000)
46	$100	Y	Call Letter Pickup (No Equipment)
5A	$100	Y	Coast Guard Passenger
5B	$100	Y	Coast Guard Pickup
6A	$100	Y	National Guard Passenger
6B	$100	Y	National Guard Pickup
63	$100	Y	Historic Passenger Vehicle - Normal Use
64	$100	Y	Historic Truck or Cargo Van - Normal Use
65	$60	Y	Historic Motorcycle - Normal Use
7A	$100	Y	Purple Heart Passenger
7B	$100	Y	Purple Heart Pickup

Not included in vehicle counts

28	$88	N	Dealer Motorcycle (1st Set)
29	$50	N	Dealer Motorcycle (2nd Set)
17	$88	N	Dealer Plate (1st Set)
19	$50	N	Dealer Plate (2nd & Subsequent Sets)
2P	$10	N	Exempt Motorcycle (Charitable)
3P	$10	N	Exempt Non-Commercial Trailer (Charitable)
1P	$10	N	Exempt Passenger (Charitable)
4P	$10	N	Exempt Pickup/Truck (Charitable)
61	$68	N	Farm Plates
2G	$10	N	Government Exempt Motorcycle
1G	$10	N	Government Exempt Passenger
4G	$10	N	Government Exempt Pickup/Truck
1M	$10	N	Government Personalized Passenger
4M	$10	N	Government Personalized Pickup
38	$88	N	Transporter (1st Set) (this is a type of Dealer plate)
39	$50	N	Transporter (2nd & Subsequent Sets)

DMV Vehicle Counts - 02/09/2012

Excluding those with exemptions (senior, disabled, government, charitable, etc.)

Model Year	Count	Total Registered 1900-2012	> 8 years old 1900-2004	>11 years old 1900-2001	>15 years old 1900-1997	>18 years old 1900-1994
2012	3,978	563,515	369,452	274,962	169,608	115,544
2011	20,161		65.55%	48.79%	30.09%	20.43%
2010	21,027					
2009	19,845					
2008	31,684					
2007	31,070					
2006	33,563					
2005	32,735					
2004	32,502					
2003	30,946					
2002	31,042					
2001	28,740					
2000	28,928					
1999	25,748					
1998	21,938					
1997	20,570					
1996	16,200					
1995	17,294					
1994	16,556					
1993	12,169					
1992	11,056					
1991	9,962					
1990	11,032					
1989	7,564					
1988	6,107					
1987	4,324					
1986	4,656					
1985	4,036					
1984	3,836					
1983	2,457					
1982	2,023					
1981	1,653					
1980	1,139					
1979	1,742					
1978	1,822					
1977	1,456					
1976	1,261					
1975	882					
1974	873					
1973	833					
1972	1,011					

In it's Fiscal Note the DMV estimates that only 10% of the owners of eligible vehicles will opt to the Premanent registration or 36,945 vehicles will take advantage of the permanent registration in the first year

1971	664
1970	769
1969	779
1968	660
1967	609
1966	606
1965	554
1964	286
1963	240
1962	138
1961	92
1960	103
1959	112
1958	85
1957	187
1956	141
1955	154
1954	76
1953	81
1952	77
1951	87
1950	55
1949	54
1948	53
1947	39
1946	35
1945	4
1944	3
1943	7
1942	15
1941	23
1940	25
1939	15
1938	15
1937	29
1936	19
1935	7
1934	21
1933	15
1932	29
1931	30
1930	34
1929	21
1928	11
1927	9
1926	3
1925	6

1924	1
1923	9
1922	1
1920	1
1919	1
1916	1
1915	2
1914	1
	563,515

DMV Count of trailers registered as of Feb. 1, 2012

Model Year	Count	Total 99,771		
2012	645		1973	441
2011	3520		1972	436
2010	4239		1971	325
2009	3675		1970	375
2008	4993		1969	240
2007	5162		1968	220
2006	5516		1967	167
2005	5198		1966	156
2004	5066		1965	143
2003	4401		1964	122
2002	4318		1963	73
2001	3493		1962	56
2000	3624		1961	61
1999	3374		1960	82
1998	3535		1959	56
1997	2866		1958	39
1996	3015		1957	23
1995	3260		1956	24
1994	2720		1955	17
1993	2343		1954	14
1992	2001		1953	19
1991	1993		1952	23
1990	2226		1951	13
1989	1779		1950	15
1988	1705		1949	6
1987	1288		1948	6
1986	1161		1947	14
1985	1303		1946	9
1984	1150		1945	5
1983	974		1944	3
1982	899		1943	4
1981	775		1942	9
1980	676		1941	5
1979	686		1940	3
1978	789		1939	1
1977	640		1935	1
1976	571		1930	1
1975	530		1900	15
1974	440			

ALASKA STATE LEGISLATURE

Co-Chair:
House Finance Committee

Chair:
House Finance Subcommittees for;
Department of Public Safety
Department of Law
Alaska Court System

Member:
Legislative Council
Committee on Committees
Legislative Budget & Audit (alt)
House Finance Sub-Committees for:
Governor's Office
Legislature
University of Alaska

BILL STOLTZE
STATE REPRESENTATIVE
Representative_Bill_Stoltze@legis.state.ak.us

Session:
Alaska State Capitol, Rm 515
Juneau, AK 99801-1182
Phone: (907) 465-4958
Fax: (907) 465-4928

District:
600 E. Railroad Ave.
Wasilla, AK 99654
Phone: (907) 376-4958
Fax: (907) 376-4928

Toll Free: 1-866-465-4958

Memorandum

TO: Senator Bill Wielechowski
Senate State Affair Committee Chair

FROM: Rep. Bill Stoltze

DATE: April 6, 2012

RE: Calendar Request for CS HB64 (FIN) "An Act relating to permanent motor vehicle registration; and providing for an effective date."

Mr. Chair,

I request that CS HB64(FIN) be calendared for a hearing before the Senate State Affairs Committee at the earliest possible time. My staff member Darrell Breese will be carrying the bill.

Attached is a sponsor statement, supporting material and a copy of the legislation for consideration.

HB

98

<TARGET><BILL>HB 98</BILL><SUBJECT>HB
98</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 2/28/11

FURTHER:

DATE TURNED
IN TO OFFICE: _____

State Affairs Committee considered HOUSE BILL NO. 98

HB 98-HANDLING OF STATE FLAG

"An Act relating to display, folding, presentment, and retirement of the state flag."

and recommends:

[ ] be **replaced** with **SCS** _____ (_____)

[ ] Same Title [ ] Technical Title Change or [ ] New Title & SCR No._____

[ ] adopt **previous SCS** _____ (_____)

[ ] Same Title [ ] Technical Title Change or [ ] New Title & SCR No._____

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	PASKVAN	X			
	Meyer	X			
	Giessel	X			
CHAIR:	Wielechowski	X			

ALASKA STATE LEGISLATURE

Interim:
716 West 4th Avenue
Anchorage, Alaska 99501
Phone (907) 269-0200
Fax (907) 269-0204
Rep.Craig.Johnson@legis.state.ak.us

Session:
State Capitol Building
Juneau, Alaska
99801-1182
Phone (907) 465-4993
Fax (907) 465-3872

REPRESENTATIVE CRAIG JOHNSON
RULES COMMITTEE CHAIRMAN

MEMORANDUM

TO: SEN. BILL WIELECHOWSKI, CHAIR
SENATE STATE AFFAIRS COMMITTEE

FROM: REP. CRAIG JOHNSON, CHAIR
HOUSE RULES COMMITTEE

DATE: FEBRUARY 25, 2011

SUBJECT: REQUEST FOR HEARING

I respectfully request that HB 98, relating to display, folding, presentation, and retirement of the state flag be scheduled for a hearing in the Senate State Affairs Committee.

We will need to be teleconferenced. The number of testifiers will most likely be two and a five-minute DVD presentation will be introduced by one of the testifiers.

Please feel free to contact me, or my aide, Jeanne Ostnes, with questions or thoughts at 465-6871.

ALASKA STATE LEGISLATURE

Interim:
716 West 4th Avenue
Anchorage, Alaska 99501
Phone (907) 269-0200
Fax (907) 269-0204
Rep.Craig.Johnson@legis.state.ak.us

Session:
State Capitol Building
Juneau, Alaska
99801-1182
Phone (907) 465-4993
Fax (907) 465-3872

REPRESENTATIVE CRAIG JOHNSON
RULES COMMITTEE CHAIRMAN

Sponsor Statement
HB 98

House Bill 98 adds two sub-sections to AS 44 Chapter 09.030 and two new sections, .032 and .034. This legislation will standardize procedures for the display, folding and an additional method for the retirement of our state flag. It is designed to ensure consistent, respectful and appropriate procedures for the handling of our state flag.

As part of Junior Reserve Officers Training Corps (JROTC) curriculum, "Service Learning Project", the cadets of the A. J. Dimond High School JROTC Program realized there were several issues concerning the handling of Alaska's state flag, including statutory omissions. Based on their research, the following three issues were identified and are recommended for inclusion in statute:

1). Proper display of the flag against a wall: Currently there is no specified proper method stipulated for displaying the flag against a wall. This has caused a great deal of confusion and non-uniformity in how institutions are displaying the flag. This lack of guidance has resulted in a random and inconsistent manner of display that shows no respect to our state flag. This legislation would address that by amending AS 44.09.030 with new subsections (d) and (e).

2) Proper folding of the state flag: Currently there is not a method stipulated for folding the flag, so Dimond JROTC opted to fold our state flag in a rectangle. Their motivation for establishing consistency is a passionate belief in the uniqueness of Alaska and a desire to reflect that distinctiveness in the manner we fold our flag. After much trial and error, they developed a technique that is neither complicated nor cumbersome and yet, when done properly, results with the North Star – the defining emblem of our state – being displayed on top of the flag when it is presented to another. The effect is both striking and symbolic. This legislation would address that by adding the new section 44.09.032.

3) Flag Retirement Ceremony: Dimond ROTC also recommended the manner of retirement also needed more ceremony when practicable. They recommended an additional statutory section that encourages that retirement of our state flag be a public ceremony under the direction of uniformed personnel representing a state or national military service or a patriotic society. However, the state flag may still be retired in a private ceremony. Under this legislation the current statute, AS 44.09.030 is amended with a new section .032.

HOUSE BILL NO. 98

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES JOHNSON, Hawker

Introduced: 1/18/11
Referred: State Affairs

Would this prohibit using a flag bandana? No penalties for not doing this way.

in a public place

A BILL

FOR AN ACT ENTITLED

"An Act relating to display, folding, presentment, and retirement of the state flag."

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

* **Section 1.** AS 44.09.030 is amended by adding new subsections to read:

(d) When displayed horizontally, the flag shall be positioned with the hoist on the left and the North Star in the upper right corner.

(e) When displayed vertically, the flag shall be positioned with the hoist at the top and the North Star in the lower right corner.

* **Sec. 2.** AS 44.09 is amended by adding new sections to read:

Sec. 44.09.032. Folding and presenting the state flag. (a) When folding the state flag, the following procedure shall be followed, whenever possible:

(1) hold the flag waist-high with another person, so that the flag is parallel to the ground and the hoist is on the left;

(2) fold the flag lengthwise, with the open edge up;

(3) holding the edges securely, rotate the flag so that five stars are facing up;

(4) fold the flag lengthwise a second time, with the open edge up;

(5) holding the edges securely, rotate the flag so that two stars are facing up;

(6) fold the flag widthwise, with the North Star facing down and the hoist on the right;

(7) holding the edges securely, fold the flag widthwise a second time, with the North Star facing down and the hoist on the right;

(8) fold the flag widthwise a third time, with the North Star facing up.

(b) When presenting the folded flag to another person, the folded flag should be turned so that the North Star is nearest the receiver.

Sec. 44.09.034. Retirement of the state flag. An official flag of the state that is no longer a fitting emblem for display because it is worn, tattered, or otherwise damaged may be respectfully retired by fire in a ceremony or other dignified manner honoring the flag as a fitting emblem for the state. When practicable, retirement of the state flag should occur in a public ceremony under the direction of uniformed personnel representing a state or federal military service or a patriotic society. If a formal ceremony is not practicable, a private ceremony is acceptable.

* **Sec. 3.** AS 44.09.030(c) is repealed.

NOTES TO DECISIONS

Applied in Alaskans for Efficient Gov't, Inc. v. Knowles, 91 P.3d 273 (Alaska 2004).

Sec. 44.06.060. Commission. The legislature shall establish a commission composed of nine members, including a chairperson and two persons from each judicial district, appointed by the governor and confirmed by the legislature, to determine the costs required by initiatives or legislative enactments authorizing relocation of any of the present functions of state government. (§ 3 1994 Ballot Measure No. 5)

NOTES TO DECISIONS

Constitutionality. — This section does not violate Alaska Const., art. XI, § 7, because it does not specify procedural requirements that could be placed upon the initiative process; further, Alaska Const., art. XI, § 6 provides that additional procedures for the initiative and referendum can be prescribed by law. Alaskans for Efficient Gov't, Inc. v. Knowles, 91 P.3d 273 (Alaska 2004).

Appointment of commission. — The governor is required to appoint a FRANK Commission only if voters first pass the relocation initiative. Alaskans for Efficient Gov't, Inc. v. Knowles, 91 P.3d 273 (Alaska 2004).

Secs. 44.06.100 — 44.06.299. Capital relocation, expenditures, planning. [Repealed, § 1 ch 54 SLA 1981.]

Chapter 07. Alaska Capital City Development Corporation.

Revisor's notes. — Section 1, ch. 143, SLA 1978 added a new chapter, designated AS 44.63 and renumbered in 1978 as AS 44.07. Chapter 143, however, had a conditional effective date and that condition has never been met. Section 7, ch. 143, SLA 1978 provided that the Act would take "effect 30 days after certification that a bond issue for costs of relocation of the capital has been adopted by the voters of the state." In November 1978, the voters rejected a bond issue for costs of relocation of the capital. Chapter 54, SLA 1981, placed a ballot question before the voters related to the relocation of the capital. At the November 1982 general election that ballot measure failed, and by the conditions of ch. 54, SLA 1981 all other provisions related to capital relocation were repealed. The failure to include the repeal of ch. 143, SLA 1978 may have been intentional, because the law had not gone into effect and, therefore, did not need to be repealed. All other provisions of the Alaska Statutes that would have been affected by ch. 143, SLA 1978 have subsequently been repealed or amended by the legislature. For the text of the law enacted by ch. 143, SLA 1978, see either the 1980 or 1984 pamphlets for this title, or the 1978 Session Laws of Alaska.

Chapter 08. Relocation Indemnification.

[Repealed, § 1 ch 54 SLA 1981.]

Chapter 09. State Seal, Flag, and Emblems.

Section		Section	
10.	State seal	75.	State marine mammal
15.	Use of seal without permission prohibited	78.	State land mammal
17.	Commemorative gold and silver medallions	80.	State fish
20.	State flag	85.	State sport
30.	Display and retirement of flags	90.	State medal for heroism
40.	State song	100.	State gem
45.	State motto	110.	State mineral
50.	State flower	120.	State fossil
60.	State bird	130.	State insect
70.	State tree	140.	State dog

Sec. 44.09.010. State seal. The official seal of the State of Alaska is comprised of two concentric circles between which appear the words "The Seal of the State of Alaska" and within the inner circle is the design of the seal corresponding to the representation in this section.

(§ 2 ch 141 SLA 1960)

Collateral references. — 68 Am. Jur. 2d, Seals, § 10.

79 C.J.S., Seals, § 1 et seq.

Sec. 44.09.015. Use of seal without permission prohibited. (a) A person may not use or make a die or impression of the state seal for any advertising or commercial purpose, unless written permission has first been obtained from the lieutenant governor.

(b) Violation of this section is a misdemeanor, and upon conviction is punishable by a fine of not more than $500, or by imprisonment for not more than six months, or by both. (§ 1 ch 90 SLA 1968)

Revisor's notes. — Formerly AS 11.60.225. Renumbered in 1978.

NOTES TO DECISIONS

Constitutionality. — Since a statute forbidding the use of the official state seal "for any advertising or commercial purpose" does not impact any non-commercial use of the seal, and since the state has a legitimate governmental interest in regulating the commercial use of that seal, there was no constitutional bar to the prosecution of the defendant for marketing commemorative coins bearing the seal. State v. Robart, 988 P.2d 1114 (Alaska Ct. App. 1999).

No preemption by federal copyright law. — Federal copyright law did not preempt this section, as it was clear that states had the power to protect symbols of their sovereignty, state seals appeared to be more akin to trademarks or service marks than they were to the type of work Congress intended copyrights to cover, and it seemed evident that Congress, by protecting specific important federal seals that were left unprotected by copyright law and by federal trademark law, did not intend to prohibit states from protecting seals that represented state sovereignty. Robart v. State, 82 P.3d 787 (Alaska Ct. App. 2004), cert. denied, 543 U.S. 940, 125 S. Ct. 310, 160 L. Ed. 2d 249 (2004).

Jury instructions. — Instructions given by the judge adequately informed the jury as to what constituted a "writing" under the statute, and as to what "acting reasonably" meant, and from this, defendant was allowed to argue that a letter from the governor, despite its lack of relevant language, was a "writing." Robart v. State, 82 P.3d 787 (Alaska Ct. App. 2004), cert. denied, 543 U.S. 940, 125 S. Ct. 310, 160 L. Ed. 2d 249 (2004).

Sec. 44.09.017. Commemorative gold and silver medallions. (a) The Department of Administration shall contract or otherwise arrange for the minting and sale of Alaska commemorative medallions minted only from .999 fine gold and silver in weights determined by the commissioner of administration. Gold and silver mined in Alaska shall be used in the production of the medallions. The state shall receive a royalty from the sale of the medallions. The amount of the royalty shall be determined by the commissioner of administration.

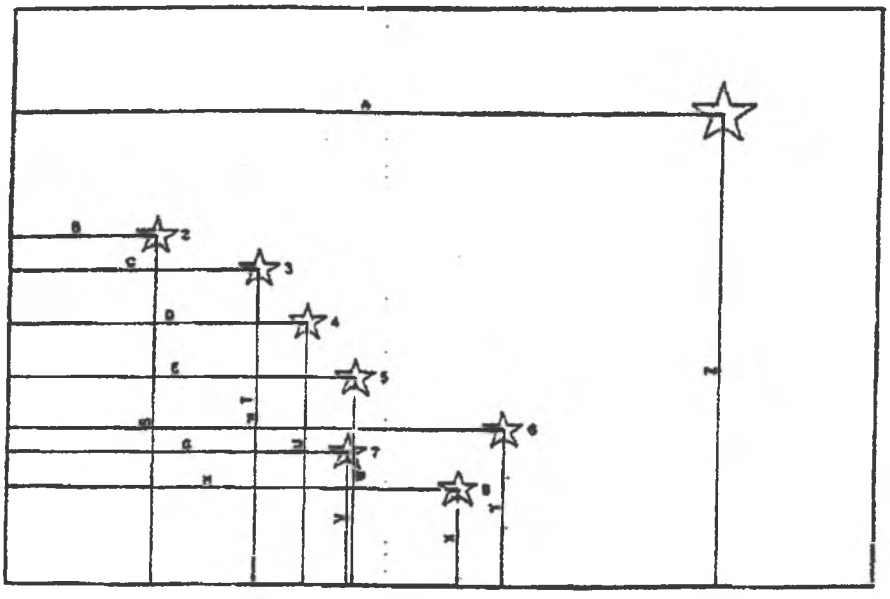
(b) One side of the commemorative medallions minted under this section shall contain the state seal. The design for the other side shall be determined in an annual contest conducted by the contractor under the supervision of the Department of Administration. Only designs using an Alaska theme and submitted by an Alaska resident may be considered in the contest. Payment for the winning design may not exceed $1,000.

(c) *[Repealed, § 35 ch 126 SLA 1994.]* (§ 1 ch 2 SLA 1988; am § 35 ch 126 SLA 1994)

Sec. 44.09.020. State flag. The design of the official flag is eight gold stars in a field of blue, so selected for its simplicity, its originality, and its symbolism. The blue, one of the national colors, typifies the evening sky, the blue of the sea and of mountain lakes, and of wild flowers that grow in Alaskan soil, the gold being significant of the wealth that lies hidden in Alaska's hills and streams.

The stars, seven of which form the constellation Ursa Major, the Great Bear, the most conspicuous constellation in the northern sky, contains the stars which form the "Dipper," including the "Pointers" which point toward the eighth star in the flag, Polaris, the North Star, the ever constant star for the mariner, the explorer, hunter, trapper, prospector, woodsman, and the surveyor. For Alaska the northernmost star in the galaxy of stars represents Alaska, the forty-ninth star in the national emblem.

The flag of the Territory of Alaska is the official flag of the state. The standard proportions and size graphically delineated herein shall be used in the manufacture of the official flag of Alaska. The stars shall be the color of natural yellow gold and the field of blue shall be of the same shade of blue used in the official manufacture of the national emblem of the United States. The design, standard proportions, and size are as follows:



STATE PROPORTIONS AND SIZE

HOIST (WIDTH VERT.)	1.000
FLY (LENGTH HORZ.)	1.416
DIAM. LARGE STAR	.104
DIAM. SMALL STARS	.062

1		2		3		4		5		6		7		8	
A	Z	B	S	C	T	D	U	E	W	F	Y	G	V	H	X
1.158	.818	.229	.504	.396	.542	.479	.463	.563	.360	.813	.271	.552	.229	.740	.167

(§ 1-1-4 ACLA 1949; am § 1 ch 29 SLA 1959; am § 1 ch 3 SLA 2007)

Revisor's notes. — The official flag described in this section was the winning design of the flag contest held in 1927 by the American Legion, Department of Alaska, in the public, private, and Native schools of the territory.

Effect of amendments. — The 2007 amendment, effective June 13, 2007, substituted "represents Alaska" for "and which at some future time will take its place as" in the last sentence of the second paragraph.

Sec. 44.09.030. Display and retirement of flags. (a) The official flag of the state shall be displayed with the flag of the United States only from sunrise to sunset, or between the hours designated by proper authority. However, the flag may be displayed after sunset upon special occasions when it is desired to produce a patriotic effect.

(b) The flag of the United States and the flag of the State of Alaska shall be displayed daily, weather permitting, in the following places:

(1) on or near the main administration building of every institution under the authority or control of the state government;

(2) in or near every schoolhouse during school days.

(c) An official flag of the state that is no longer a fitting emblem for display because it is worn, tattered, or otherwise damaged may be respectfully retired by fire. (§ 1-1-3 ACLA 1949; am § 1 ch 26 SLA 1955; am § 2 ch 3 SLA 2007)

Effect of amendments. — The 2007 amendment, effective June 13, 2007, added subsection (c).

Sec. 44.09.040. State song. The song "Alaska's Flag," with music composed by Elinor Dusenbury and words by Marie Drake, is the official song of the state. The words of the official song are as follows:

Alaska's Flag

Eight stars of gold on a field of blue —
Alaska's flag. May it mean to you
The blue of the sea, the evening sky,
The mountain lakes, and the flow'rs nearby;
The gold of the early sourdough's dreams,
The precious gold of the hills and streams;
The brilliant stars in the northern sky,
The "Bear" — the "Dipper" — and, shining high,
The great North Star with its steady light,
Over land and sea a beacon bright.
Alaska's flag — to Alaskans dear,
The simple flag of a last frontier.

(§ 1 ch 6 SLA 1955)

Sec. 44.09.045. State motto. The official motto of the State of Alaska is: North to the Future. (§ 1 ch 36 SLA 1967)

Sec. 44.09.050. State flower. The wild native forget-me-not is the state flower and floral emblem. (§ 1-1-5 ACLA 1949)

Sec. 44.09.060. State bird. The Alaska Willow Ptarmigan (Lagopus lagopus alascensis Swarth) is the official bird of the state. (§ 1 ch 1 SLA 1955)

Sec. 44.09.070. State tree. The Sitka spruce (picea sitchenensis), which is recognized as the most valuable tree species in Alaska and which is found in both national forests of the state, is the official tree of the state. (§ 1 ch 12 SLA 1962)

Sec. 44.09.075. State marine mammal. The bowhead whale is the state marine mammal. (§ 2 ch 88 SLA 1983)

Sec. 44.09.078. State land mammal. The moose (Alces alces) is the state land mammal. (§ 1 ch 17 SLA 1998)

Sec. 44.09.080. State fish. The king salmon (Oncorhynchus tshawytscha) is the official fish of the state. (§ 1 ch 20 SLA 1963)

Sec. 44.09.085. State sport. Dog mushing is the official sport of Alaska. (§ 1 ch 38 SLA 1972)

Sec. 44.09.090. State medal for heroism. (a) The governor is authorized to award a state medal for heroism directly or posthumously to any citizen of the state in recognition of a valorous and heroic deed performed in the saving of a life or for injury or death or threat of injury or death incurred in the service of the state or the citizen's community or on behalf of the health, welfare, or safety of other persons. The medal shall be awarded by the governor with an appropriate ceremony.

(b) The governor shall make arrangements for the designing of the medal for heroism through a statewide design competition participated in by the school children of the state. (§ 1 ch 12 SLA 1965)

Sec. 44.09.100. State gem. Jade is the official state gem. (§ 1 ch 51 SLA 1968)

Sec. 44.09.110. State mineral. Gold is the official state mineral. (§ 1 ch 50 SLA 1968)

Sec. 44.09.120. State fossil. The woolly mammoth (Mammuthus primigenius) is the official state fossil. (§ 2 ch 31 SLA 1986)

Cross references. — For legislative intent, see § 1, ch. 31, SLA 1986, in the Temporary and Special Acts.

Sec. 44.09.130. State insect. The four spot skimmer dragonfly is the official state insect. (§ 1 ch 49 SLA 1995)

Sec. 44.09.140. State dog. The Alaskan Malamute is the official state dog. (§ 1 ch 17 SLA 2010)

Effective dates. — Section 1, ch. 17, SLA 2010, which enacted this section, is effective August 10, 2010.

A.J. DIMOND JUNIOR RESERVE OFFICERS TRAINING CORPS

Concept of the Briefing

While doing research last school year for a flag retirement ceremony, our JROTC program became aware of two glaring omissions from the state statutes which govern our flag:

- There is no proper method stipulated for displaying the flag against a wall
- There is no proper method stipulated for folding the flag

The purpose of this briefing is to discuss these two omissions and to recommend solutions to improve our statutes.

The format used will be the military Problem-Discussion-Recommendation format.

Problem – How to display the flag

The Alaska Statutes – which are listed on the following slide- do not give an explanation for displaying the State Flag against a wall. This has caused a great deal of confusion and non-uniformity in how institutions are displaying the flag. It seems that each facility is basically left to its own devices to determine how to display the flag.

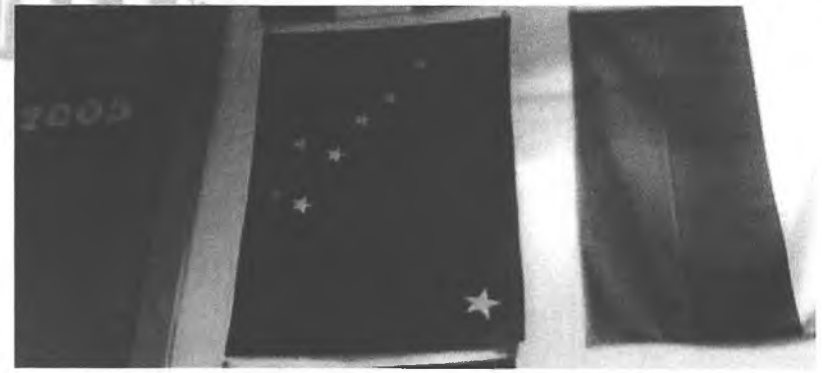
Problem – How to display the flag

- **AS 44.09.030. Display and Retirement of Flags.**
- **(a)** The official flag of the state shall be displayed with the flag of the United States only from sunrise to sunset, or between the hours designated by proper authority. However, the flag may be displayed after sunset upon special occasions when it is desired to produce a patriotic effect.
- **(b)** The flag of the United States and the flag of the State of Alaska shall be displayed daily, weather permitting, in the following places:
- **(1)** on or near the main administration building of every institution under the authority or control of the state government;
- **(2)** in or near every schoolhouse during school days.
- **(c)** An official flag of the state that is no longer a fitting emblem for display because it is worn, tattered, or otherwise damaged may be respectfully retired by fire.

Problem – How to display the flag

Schools with the North Star displayed to the observers' right

Dimond High School



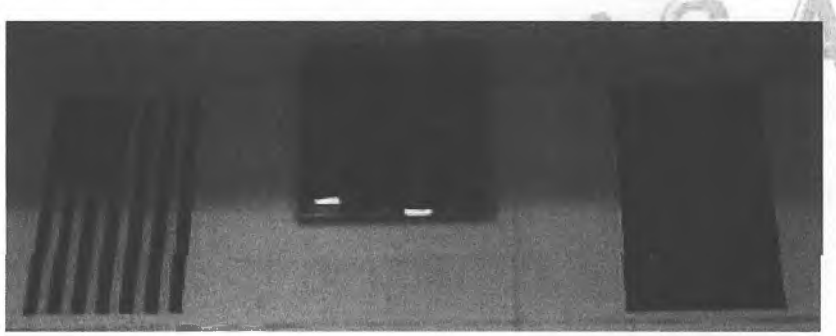
Grace Christian School

Chugiak High School

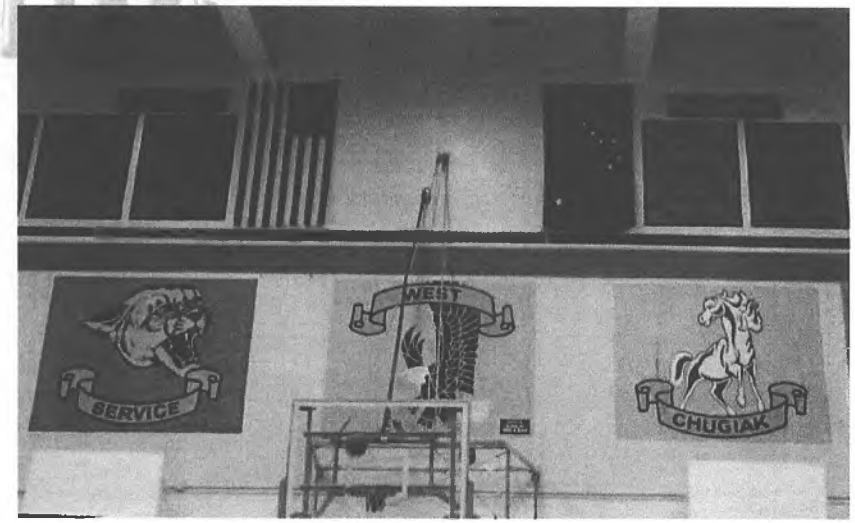
Bartlett High School

Problem – How to display the flag

Schools with the North Star displayed to the observers' left



East High School



Service High School

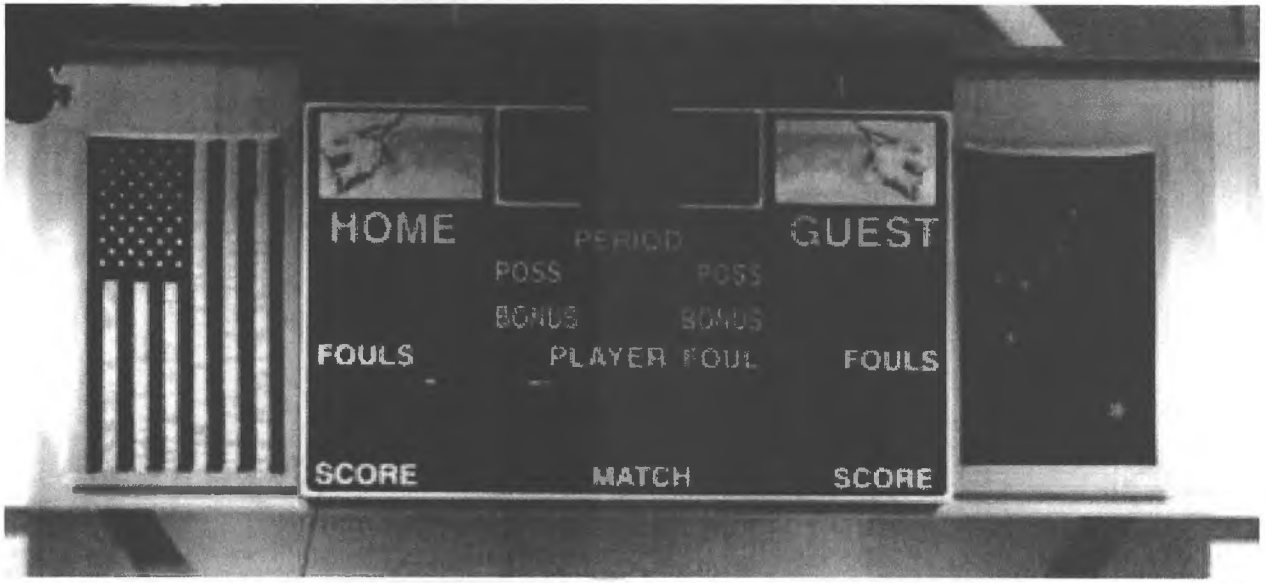
Discussion

It should be noted that in the photos above none of the schools are incorrect in how they displayed the flag. As the state has not mandated the correct way for it to be hung, there is by logical extension no incorrect way.

This lack of guidance has resulted in a random and inconsistent manner of display that renders our state flag no respect. For the sake of being consistent in our method of display, it is essential that our state legislature establish a statue that will result in a uniform method of displaying the flag.

Recommendation

While neither method of display seems to have significant advantages over the other, the cadets of Dimond JROTC would like to recommend that the statute be worded to mandate that when hung vertically from a wall, that the North Star be displayed to the observer's right (a.k.a. "the flag's own left") as in the photo below.



Problem – How to fold the flag

The Alaska Statutes (listed above) also do not give an explanation for how to properly fold the state flag. Generally, there are two common options.

•Fold the flag in a triangle utilizing the same techniques used to fold our national colors

•Fold the flag in a rectangle

As was the case with displaying the flag, This has caused confusion and non-uniformity in how institutions are folding the flag. It seems that each facility is basically left to its own devices to do what it thinks is best.

Discussion

As was the case with the display of the flag, neither options seems to have significant advantages over the other. Certainly it seems a logical extension to use the same method of folding the national colors when folding our state flag. But also, it seems fitting to keep that method "sacred" and reserve it for our national colors only, and to use a "lessor" technique for our state flag.

Recommendation

After much thought and deliberation, the cadets of Dimond JROTC would like to recommend that the triangle technique used for our national colors be reserved for it alone, and we opt to fold our state flag in a rectangle.

Part of our motivation in this recommendation is respect for our national flag, and part is a passionate belief in the uniqueness of Alaska and a desire to reflect that in how we fold our flag. After much trial and error, we have developed a technique that is neither complicated or cumbersome, and yet when done properly, results with the North Star – the defining emblem of our state – being displayed on top of the flag. The slides that follow describe how this is done.

Recommendation

With the flag held horizontally and with the north star in the upper right corner from the camera's perspective…

Recommendation

Fold the flag width-wise.

Recommendation

When done, the open edge is away from and the folded edge is toward the camera.

Recommendation

Fold the flag width-wise a second time.

Recommendation

As before, when done, the open edge is away from and the folded edge is toward the camera.

Recommendation

Fold the flag length-wise.

Recommendation

When done, the open edge is to the right and the folded edge is to the left as viewed by the camera.

Recommendation

Fold the flag length-wise a second time.

Recommendation

(Continued)

Recommendation

As before, when done, the open edge is to the right and the folded edge is to the left as viewed by the camera.

Recommendation

Fold the flag length-wise a third time.

Recommendation

As before, when done, the open edge is to the right and the folded edge is to the left as viewed by the camera.

Recommendations

When properly folded, the North Star will be visible on the top of the flag.

Summary

Through our research and experience, we have seen that the Alaskan flag has no proper method of display or folding. This can be seen in many schools and other public institutions regulated by the government.

Just as the United States has a thorough flag code, we would like to propose putting in a more valid and descriptive flag code for the state of Alaska.

This in turn would remedy the confusion of how to display and fold the flag create and create uniformity throughout our public and governmental institutions.

We firmly believe that this project would provide for the betterment of our school, community, and state. We urge you to consider our proposal and help guide us in this matter.

Alaska Association of Secondary School Principals P.O. Box 83530 Fairbanks, AK 99708

AASSP Resolution in Support of the Dimond HS JROTC Flag Project

Whereas Alaska statutes that govern the state flag currently contain no instruction on how to fold the flag, and

Whereas Dimond HS ROTC cadets have identified a lack of uniformity in how schools hang the flag against a wall (some hang with the North Star to the right, and some to the left), and

Whereas the cadets have identified a need for uniformity and procedures for handling and hanging the flag as part of their "service learning project" that is part of the JROTC curriculum, and

Whereas the cadets are prepared to research this issue, produce recommendations and seek a sponsor to introduce legislation to correct the current omissions in Alaska law by proposing legislation to amend the statutes,

Now therefore be it resolved that the Board of Directors of the Alaska Association of Secondary School Principals expresses its interest in and support for this project of the Dimond HS JROTC.

P. Andre' Layral — 7-31-2010

AASSP Executive Director
Andre' Layral — July 31, 2010

7-31-10

AASSP President
Alan Fields — July 31, 2010

Alaska State Legislature

Date: June 14, 2010 ~ Flag Day

Alaska's Flag Etiquette

Initiated by the A. J. Dimond High School Junior Reserve Officers Training Corps

in cooperation with

Representative Craig Johnson

Senator Lesil McGuire

Representative Mia Costello

Distributed by

Rep. Johnson

Alaska's Flag

Words by Marie Drake and music by Elinor Dusenbury

Eight stars of gold on a field of blue–
Alaska's flag. May it mean to you
The blue of the sea, the evening sky,
The mountain lakes, and the flow'rs nearby;
The gold of the early sourdough's dreams,
The precious gold of the hills and streams;
The brilliant stars in the northern sky,
The "Bear" –the "Dipper"– and, shining high,
The great North Star with its steady light,
O'er land and sea a beacon bright.
Alaska's flag–to Alaskans dear,
The simple flag of a last frontier.

Words and Music to
Alaska's Flag: Copyright 1985
The University of Alaska Foundation.
All rights reserved

Booklet edited by Jeanne Ostnes

HOISTING AND LOWERING; PASSING IN PARADE OR REVIEW

(a) The state flag should be hoisted briskly and lowered ceremoniously.

(b) During the ceremony of hoisting or lowering the state flag or if the flag is passing in a parade or in review:

(1) each citizen of this state who is present and not in uniform should:

(a) face the state flag and stand at attention with the person's right hand over the heart ; and

(b) if wearing a head covering that is easy to remove, remove the head covering with the right hand and hold it at the person's left shoulder, with the person's hand over the heart;

(2) each person who is present and in uniform should make a military salute; and

(3) each person who is present but not a citizen of this state should stand at attention.

(c) The salute to the state flag in a moving column shall be made at the moment the state flag passes that person.

RETIREMENT OF STATE FLAG MANNER OF RETIREMENT

(a) If a state flag is no longer useful due to fading, damage or wear and tear it should be destroyed by burning, in a ceremony or dignified way that emphasizes its honor as a fitting symbol for this state.

(b) It is recommended that retirement of the state flag be a public ceremony under the direction of uniformed personnel representing a state or national military service or a patriotic society, but the state flag may be retired in a private ceremony.

DISPLAY LIMITATIONS

(a) The state flag should not:

(1) touch anything beneath it, including the ground or floor;

(2) be dipped to any person or thing, except as a mark of honor for the United States flag;

(3) trail in water;

(4) have placed on any part of it, or attached to it, any mark, word, figure, design, picture, device or drawing;

(5) be used or stored in a manner in which it can easily be soiled or damaged;

(6) be used as a receptacle for receiving, holding, carrying, or delivering anything;

(7) be displayed on a float in a parade, except from a staff or in the manner provided by horizontal or vertical section of this statute

(8) be draped over the hood, top, side, or back of any motor vehicle, train, boat, or aircraft;

(9) be used as bedding, clothing, drapery or used as bunting;

(10) be festooned or drawn back or up in folds, but instead allowed to fall free; or

(11) be used as a covering for a ceiling.

(b) Advertising should not be fastened to a flagpole, flagstaff, or halyard on which the state flag is displayed.

STATE FLAG AS FEATURE OF UNVEILING CEREMONY

(a) The state flag should form a distinctive feature of the ceremony of unveiling a statue or monument.

(b) The state flag should not be used as the covering for the statue or monument.

Table of Contents

Display State Flag Mounted on Flagstaff ____ Page 06

Display Outdoors ____ Page 06

Display on Flagpole or Flagstaff with other Flag: in General ____ Page 06

Display on Flagpole or Flagstaff with Flag of United States ____ Page 07

Display on Flagpole or Flagstaff with Flags of Municipalities, Localities or Organizations ____ Page 07

Display on Flagpole or Flagstaff with Flags of Other Nations or International Organizations ____ Page 08

Display with Other Flag on Crossed Flagstaffs ____ Page 08

Display on Flagpole or Flagstaff with Flags of Other States ____ Page 09

Display Horizontal or Vertical ____ Page 09

Display from or in a Building ____ Page 09

Display over a Street ____ Page 10

Display on Speaker's Platform ____ Page 10

Display on a Casket ____ Page 10

Carrying in Procession with Other Flags ____ Page 10

Carrying of State Flag: In General ____ Page 11

Folding the State Flag for Presentation ____ Page 11 - 13

Display Limitations ____ Page 12 14

State Flag as a Feature of Unveiling Ceremony ____ Page 12 14

Hoisting and Lowering: Passing in Parade or Review ____ Page 12 15

Retirement of State Flag and Manner of Retirement ____ Page 12 15

History of the Alaska Flag Project

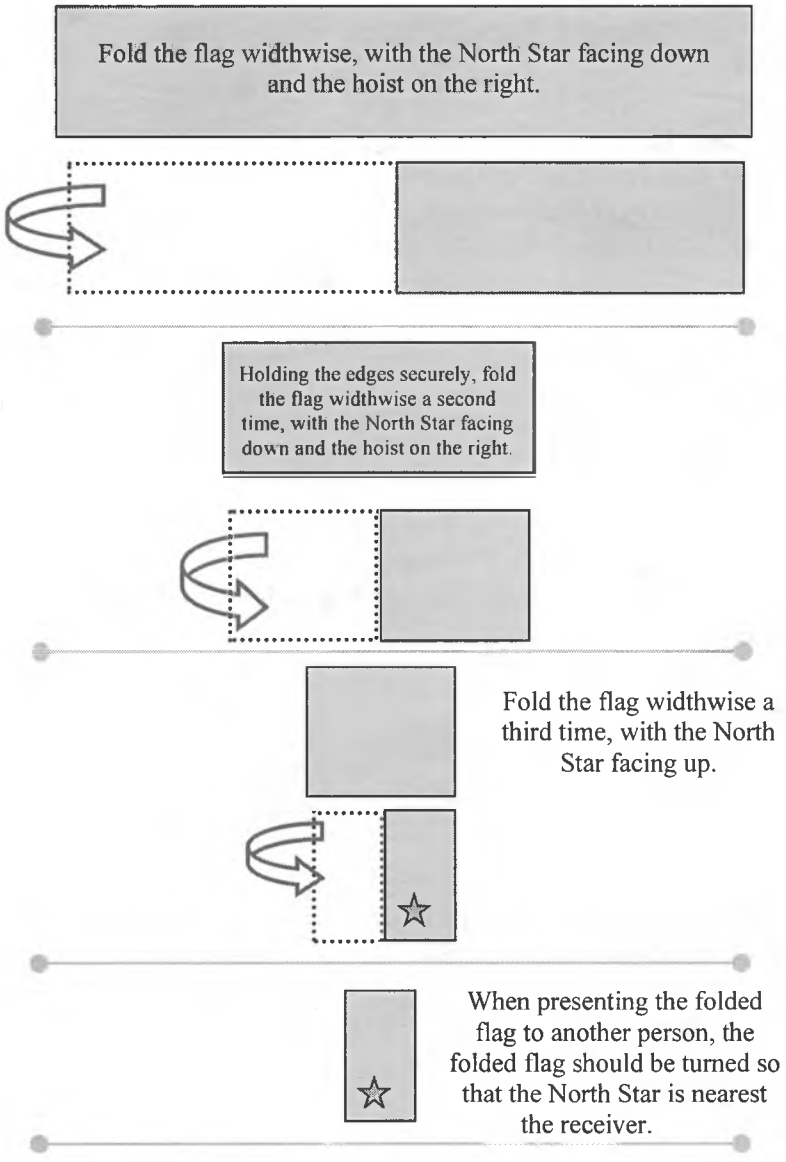
As part of JROTC curriculum, "Service Learning Project", the cadets of the A. J. Dimond High School Junior Reserve Officers Training Corps (JROTC) Program realized there were several issues concerning the handling of Alaska's state flag. While doing research during the 2009 school year for a flag retirement ceremony JROTC became aware of omissions from state statutes governing Alaska's flag. The following three items are recommended for inclusion in statute:

1. There is no proper method stipulated for displaying the flag against a wall. This has caused a great deal of confusion and non-uniformity in how institutions are displaying the flag. This lack of guidance has resulted in a random and inconsistent manner of display that shows no respect to our state flag.

2. Since there is no proper method stipulated for folding the flag, they opted to fold our state flag in a rectangle. Part of the motivation is a passionate belief in the uniqueness of Alaska and a desire to reflect that distinctiveness in how we fold our flag. After much trial and error, they developed a technique that is neither complicated or cumbersome and yet, when done properly, results with the North Star – the defining emblem of our state – being displayed on top of the flag when it is presented to another.

3. The manner of retirement needed more ceremony. They felt that it should be encouraged that retirement of the state flag be a public ceremony under the direction of uniformed personnel representing a state or national military service or a patriotic society. However, as in the current statute, the state flag may be retired in a private ceremony.

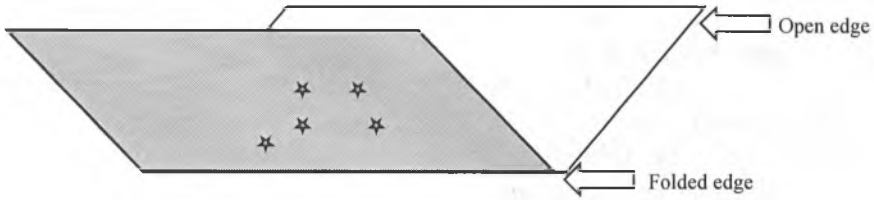
Steps 4, 5, 6 and 7



Step 1

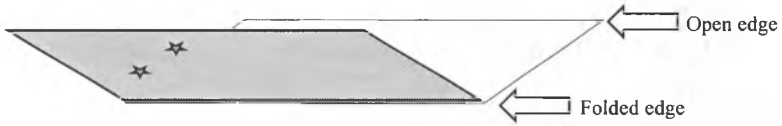
To properly fold the flag, begin holding the flag waist-high with another person, so that the flag is parallel to the ground and the hoist is on the left; the North Star is in the upper right corner from the observer's frontal view.

Step 2



Fold the flag lengthwise with the open edge up. Holding edges securely, rotate the flag so that five stars are facing up.

Step 3



Fold the flag lengthwise a second time, with the open edge up. Holding the edges securely, rotate the flag so that two stars a facing up.

Just as the United States has a thorough flag code, this booklet proposes putting in a more valid and descriptive flag etiquette code for the State of Alaska.

This in turn would remedy the confusion of how to display the state flag in numerous situations, fold the flag and dispose of a flag to create uniformity throughout our public and governmental institutions.

The local chain of command for this project is:

- Senior Army Instructor MSG Shelley, LET 2s, 3s & 4s
- Army Instructor MSG Watts, LET 2s & 3s
- Army Instructor SFC Ortiz, LET 1s
- And the Battalion Command Students

Eight Stars of Gold: The Story of Alaska's Flag

"The story of Alaska's flag is a unique and important part of 20th century Americana. What began in 1927 as a flag design contest resulted in the remarkable story of 13-year old Benny Benson and how his winning entry provided a flag for Alaska and a symbol of independence during the statehood campaign. Benny's design was simple yet elegant: eight stars of gold in the shape of the Ursa Major constellation (the Big Dipper) set against a deep blue backdrop representing Alaska's sky and forget-me-not flower. Benny's creation helped designate the forget-me-not as the Alaska state flower. This inspired Marie Drake to write a poem and, later, Elinor Dusenbury to set it to music and create Alaska's official song: Alaska's Flag."

India Spartz, Guest Curator
Alaska State Museums

DISPLAY STATE FLAG MOUNTED ON FLAGSTAFF

(a) If the state flag is mounted on a flagstaff:

(1) the flag should be attached at the peak of the staff;

(2) the staff should be at least 2-1/2 times as long as the flag's hoist; and

(3) if the staff has a finial, the finial should be a spear-head or a spade.

(b) If the state flag is permanently mounted on a flagstaff:

(1) the flag may be decorated with gold fringe.

DISPLAY OUTDOORS

(a) The state flag should not normally be displayed outdoors before sunrise or after sunset.

(b) For patriotic effect, the state flag may be displayed outdoors:

(1) 24 hours a day, if properly illuminated during darkness; or

(2) in the same circumstances that the flag of the United States may be displayed.

(c) The flag of the United States and the flag of the State of Alaska shall be displayed daily, weather permitting, in the following places:

(1) on or near the main administration building of every institution under the authority or control of the state government;

(2) in or near every schoolhouse during school days.

DISPLAY ON FLAGPOLE OR FLAGSTAFF WITH OTHER FLAG: IN GENERAL

(a) A flag or pennant, other than the flag of the United States, displayed with the state flag:

(1) should not be above the state flag; or

(2) if the other flag or pennant is at the same height as the state flag, it should not be, from the perspective of an observer, to the left of the state flag.

CARRYING OF STATE FLAG: IN GENERAL

(a) The state flag should, when practicable, be carried aloft and free, not flat or horizontally.

FOLDING THE STATE FLAG FOR PRESENTATION:

(a) When folding the state flag, the following procedure shall be followed, whenever possible:

(1) hold flag waist-high with an assistant, so that the flag is parallel to the ground and the hoist is on the left; the North Star in the upper right corner from an observer's view;

(2) fold the flag lengthwise with the open edge up;

(3) folding edges securely, rotate the flag so that five stars are facing up;

(4) fold the flag lengthwise a second time, with the open edge up;

(5) folding the edges securely, rotate the flag so that two stars are facing up;

(6) fold the flag widthwise, with the North Star facing down and the hoist on the right;

(7) holding the edges securely, fold the flag widthwise a second time, with the North Star facing down and the hoist on the right;

(8) fold the flag widthwise a third time, with the North Star facing up.

(b) When presenting the folded flag to another person, the folded flag should be turned so that the North Star is nearest the receiver.

(See Illustrations, pages 12 and 13)

DISPLAY OVER A STREET

(a) If the state flag is displayed over a street, the flag should be suspended vertically with the hoist on top. If the street is an east-west street the North Star should be south. If the street is a north-south street the North Star should be east.

DISPLAY ON SPEAKER'S PLATFORM

(a) If the state flag is displayed flat on a speaker's platform, the flag should be displayed above and behind the speaker.

(b) If the state flag and the flag of the United States are displayed on a speaker's platform, the state flag should be, from the perspective of an observer, to the right of the United States flag.

DISPLAY ON A CASKET

(a) If the state flag is used to cover a casket, the flag should be placed so that:

(1) the hoist is at the head of the casket; and

(2) the North Star is over the left side of the casket looking head to toe.

(b) The state flag should not be lowered in the grave or allowed to touch the ground.

CARRYING IN PROCESSION WITH OTHER FLAGS.

(a) If the state flag is carried in a procession with another flag, other than the flag of the United States, the state flag should be on the marching right. If there is a line of other flags in the procession, the state flag should be in front of the center of that line.

(b) If the flag of the United States is carried in a procession with the state flag, the flag of the United States should be on the marching right.

DISPLAY ON FLAGPOLE OR FLAGSTAFF WITH FLAG OF UNITED STATES

(a) If it is necessary for the state flag and the flag of the United States to be displayed on the same flagpole or flagstaff, the United States flag should be above the state flag.

(b) If the state flag and the flag of the United States are displayed on flagpoles or flagstaffs at the same location:

(1) the flags should be displayed on flagpoles or flagstaffs of the same height;

(2) the flags should be of approximately equal size;

(3) the flag of the United States should be, from the perspective of an observer, to the left of the state flag;

(4) the flag of the United States should be hoisted before the state flag is hoisted; and

(5) the state flag should be lowered before the flag of the United States is lowered.

DISPLAY ON FLAGPOLE OR FLAGSTAFF WITH FLAGS OF MUNICIPALITIES, OR LOCALITIES, OR ORGANIZATIONS

(a) If the state flag is displayed on a flagpole or flagstaff with a group of flags or pennants of municipalities, localities, or organizations that are displayed on flagpoles or flagstaffs, the state flag should be at the center and at the highest point of the group.

(b) If the state flag is displayed on the same halyard as a flag or pennant of a municipality, locality, or organization, the state flag should be at the peak.

(c) If the state flag and the flag or pennant of a municipality, locality, or organization are displayed on adjacent flagpoles or flagstaffs:

(1) the state flag should be to the left of the flag or pennant of the municipality, locality, or organization;

(2) the state flag should be hoisted before the flag or pennant of the municipality, locality, or organization is hoisted; and

(3) the flag or pennant of the municipality, locality, or organization should be lowered before the state flag is lowered.

DISPLAY ON FLAGPOLE OR FLAGSTAFF WITH FLAGS OF OTHER NATIONS, OR INTERNATIONAL ORGANIZATIONS.

(a) If the state flag is displayed with the flag of another nation other than the United States, or of an international organization:

(1) the nation's or international organization's flag should be to the left of the state flag;

(2) the state flag should not be above the other flag on the same flagpole or flagstaff or on a taller flagpole or flagstaff than the flagpole or flagstaff on which the other flag is displayed.

(b) This section does not apply to the United States, including the armed services, if federal custom or practice requires another manner of display.

DISPLAY WITH OTHER FLAG ON CROSSED FLAGSTAFFS

(a) If the state flag is displayed with another flag, other than the flag of the United States, against a wall on crossed flagstaffs, the state flag should:

(l) be, from the perspective of an observer, to the left of the other flag; and

(2) have its flagstaff in front of the flagstaff of the other flag.

(b) If the state flag and the flag of the United States are displayed against a wall on crossed flagstaffs, the state flag should:

(l) be, from the perspective of an observer, to the right of the flag of the United States; and

(2) have its flagstaff behind the flagstaff of the United States flag.

DISPLAY ON FLAGPOLE OR FLAGSTAFF WITH FLAGS OF OTHER STATES

(a) If the state flag is displayed with the flag of another state of the United States, the state flag:

(1) should be, from the perspective of an observer, to the left of the other flag on a separate flagpole or flagstaff.

DISPLAY HORIZONTAL AND VERTICAL

(a) Horizontal display of the flag shows the North Star in the upper right corner

(b) Vertical display of the flag shows the hoist to the top and the North Star to the right of the observer's frontal view.

DISPLAY FROM OR IN A BUILDING

(a) If the state flag is displayed from a flagstaff that projects horizontally or at an angle from a building, the top of the flag should be placed at the peak of the staff unless the flag is at half staff.

(b) If the state flag is suspended over a sidewalk from a rope that extends from a building to a pole at the edge of a sidewalk, the flag should be hoisted from the building so the North Star is nearest to the pole.

(c) If the state flag is suspended across a corridor or lobby in a building that has only one main entrance, the flag should be suspended vertically with the hoist at the top and the North Star to the right of the observer entering the building. If the building has more than one main entrance, the state flag should be suspended vertically near the center of the corridor or lobby. If the entrances are on the east and west faces of the building, the North Star should be to the east. If the entrances are on the north and south faces of the building the North Star should be to the east. If the entrances on more than two faces of the building the North Star should be to the east.

(d) If the state flag is displayed in a window, the North Star should be on the right side from the perspective of an observer who is outside the window.

HB 101

<TARGET><BILL>HB 101</BILL><SUBJECT>HB 101</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 4/1/11

FURTHER:

DATE TURNED IN TO OFFICE: 4-12-11

State Affairs Committee considered CS FOR HOUSE BILL NO. 101(STA)

HB 101-TED STEVENS DAY

"An Act establishing the fourth Saturday of July each year as Ted Stevens Day."

and recommends:

[ ] be **replaced** with **SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
LEG			V	1

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Kookesh	V			
	PASKVAN	X			
	Meyer	X			
	Giessel	X			
CHAIR:	Wielechowski	D			

ALASKA STATE LEGISLATURE
HOUSE RULES COMMITTEE
REPRESENTATIVE CRAIG JOHNSON, CHAIRMAN
State Capitol Room 216, Juneau, AK 99801-1182 (907) 465-4993, (907) 465-3872 Fax
716 W. 4th Ave., Ste. 640, Anchorage, AK 99501 (907) 269–0200, (907) 269-0204 Fax

MEMORANDUM

TO: Senator Bill Wielechowski, Chair
Senate State Affairs Committee

FROM: Representative Craig Johnson, Chair
House Rules Committee

DATE: March 29, 2011

SUBJECT: Scheduling Request for CSHB 101 (STA) Pending Referral

---

On behalf of House Rules, I respectfully request that CSHB 101 (STA) "An Act establishing Ted Stevens Day," be considered for scheduling in your committee at your earliest convenience.

At the Stevens family's request, the date has been changed from the late Senator's birthday to the fourth Saturday of July, which is reflected in the CS for HB 101 (STA).

Attached is the CSHB 101 (STA), a copy of the original bill, the sponsor statement and backup documentation.

If you have any questions or need additional information, feel free to contact me or my staff, Erin Shine, at 465-4993.

Thank you for your consideration of this request.

Alaska House of Representatives
Representative Craig Johnson
House Rules Chairman

Session Contact
State Capitol Room 216
Juneau AK, 99801
Phone: 907-465-4993
Fax: 907-465-3872

Interim Contact
716 W. 4th Ave. Suite 640
Anchorage AK, 99501-2133
Phone: 907-269-0200
Fax: 907-269-0204

Sponsor Statement for Committee Substitute for House Bill 101(STA)

Ted Stevens Day

On August 9, 2010 Alaska lost Senator Theodore "Ted" Fulton Stevens, a man who dedicated his life to Alaska. He continually fought to build a better future for Alaskans during his six decades of public service, including 40 years in the United States Senate.

CSHB 101 (STA) establishes the fourth Saturday of every July as "Ted Stevens Day." In 2010 Governor Parnell proclaimed Senator Stevens' birthday, November 18th as "Senator Ted Stevens Day." While Senator Ted Stevens' loved ones consider this a great way of remembering him, they have asked that we observe "Ted Stevens Day" in the summer where Alaskans can spend the day honoring his memory in the outdoors. The date change has been approved by House State Affairs Committee.

It seems only right and fitting that we should honor Senator Ted Stevens with a day of remembrance and celebration when Alaska's great outdoors is in full bloom. Amidst unparalleled beauty from majestic fjords and mountain peaks to salmon streams and fish camps, Alaskans will pause and remember this Great Alaskan – who was as grand as any who have come before, or any who will ever come again.

Alaskans will be eternally indebted to "Uncle Ted" for always putting Alaska first. By doing so with unwavering dedication and tremendous skill and energy, Senator Ted Stevens transformed Alaska into the great place it is today. His accomplishments are as legendary as he was – and made possible opportunities for future generations of Alaskans.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHB 101(STA)
(H) Publish Date: 3/29/11

Identifier (file name): HB101-LEG-COU-03-28-2011
Title: "Ted Stevens Day"
Sponsor: House Rules Committee
Requester: House State Affairs

Dept. Affected: Legislature
Appropriation: Legislative Council
Allocation: Session Expenses
OMB Component Number: 782

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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 Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Initial Version

Prepared by: Shane Miller, Finance Manager — Phone: 465-6626
Division: Administrative Services Division — Date/Time: 3/28/11 10:34 AM
Approved by: Pamela Varni, Executive Director — Date: 3/28/2011
Legislative Affairs Agency

(Revised 12/29/2010 OMB)

FISCAL NOTE #1

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSHB 101(STA)

Analysis

This fiscal note has zero impact on the Legislative Affairs Agency.

STATE OF ALASKA

Executive Proclamation by Governor Sean Parnell

WHEREAS, motivated by a desire to serve and a passion for the state he called home, United States Senator Theodore "Ted" Fulton Stevens dedicated his life to building a better future for Alaskans; and

WHEREAS, following the call to duty, a young Ted Stevens joined the Army Air Corps during World War II. His passion and respect for the United States Armed Services shaped his later career in the United States Senate, where he established a reputation as a staunch supporter for America's military, and an advocate for our men and women in uniform; and

WHEREAS, from his position in the United States Department of the Interior in President Eisenhower's administration, Senator Stevens advanced Alaska's bid for statehood, and his efforts helped to secure Alaska's place as the 49th star on the United States flag; and

WHEREAS, the Senator's efforts to strengthen Alaska's economy, including the timber, oil and gas, fishing, and telecommunications industries brought prosperity, jobs, and opportunities to the state, and his dedication to the passage of such landmark legislation as the Trans Alaska Pipeline Authorization Act ensured the development of Alaska's natural resources; and

WHEREAS, in addition to building Alaska's economy, Senator Stevens was committed to protecting the rights of Alaska's indigenous peoples, and worked hard to gain passage of the Alaska Native Claims Settlement Act of 1971 just three years after he joined the Senate; and

WHEREAS, a dedicated husband, father, grandfather, and friend, Senator Stevens treated all Alaskans as though they were his family, protecting and fighting for our futures, jobs, and rights. Known as "Uncle Ted," all Alaskans are indebted to the man who put his state first and built a better future for all.

NOW, THEREFORE, I, Sean Parnell, Governor of the State of Alaska, do hereby proclaim November 18, 2010 as:

Senator Ted Stevens Day

in Alaska, and encourage all citizens to honor the memory of Alaska's former Senator by gathering to remember the spirit and vigor with which he served Alaskans for six decades, and to give thanks for his service and the future he forged for Alaskans.

Dated: August 18, 2010

Sean Parnell, Governor
who has also authorized the seal of the State of Alaska to be affixed to this proclamation.

THE ALASKA LEGISLATURE

* HONORING *

* SENATOR TED STEVENS *

The Twenty-sixth Alaska State Legislature recognizes United States Senator Ted Stevens for over 40 years of distinguished service to the state of Alaska and the United States of America.

Senator Stevens dedicated his life to public service. In World War II he flew planes in support of the legendary Flying Tigers and in recognition of his bravery received the Distinguished Flying Cross and an Air Medal. He served as U.S. Attorney in Fairbanks, after being nominated by President Eisenhower. He later transferred to the Department of the Interior where he served as Legal Counsel and Solicitor General. He was elected twice to the Alaska House of Representatives and served a term as Majority Leader. In 1968, he was appointed to the United States Senate by Governor Hickel to finish the term of Senator Bob Bartlett, and was re-elected six times.

"Uncle Ted" played key roles in legislation that shaped Alaska's development, including the Alaska Native Claims Settlement Act, the Trans-Alaska Pipeline Authorization Act, and the Alaska National Interest Lands Conservation Act. His contributions didn't end there.

Recognizing the importance of a military presence in Alaska, he has educated the national public on the geographic importance our state plays on the world stage and secured funding and support for the military in Alaska, including National Guard operations.

Always at the forefront of safe and conscientious resource development, Senator Stevens led the fight for Congressional authorization of the Trans-Alaska oil pipeline and has helped secure federal permits and a federal loan guarantee for the Alaska natural gas pipeline. In addition to these efforts, Senator Stevens promoted safer oil transport through laws requiring double hulled tankers, got funding for an extensive Department of Defense environmental restoration program and promoted sound fishing practices through the Magnuson-Stevens Act, which extended U.S. fishery jurisdiction to 200 miles offshore and established the regional fishery management system.

Whether people remember him for his continued work on the opening of ANWR to responsible development or championing issues such as Title IX which secured equal access for women to education and sports, everyone can be sure that when he dons his Hulk tie, he will aggressively and tenaciously work for what's right for Alaskans. As his motto, "To hell with politics, do what's right for Alaska," can attest.

Senator Stevens' longtime friend Democratic Senator Daniel Inouye, Hawaii, refers to Senator Stevens as "brother." We should only be so lucky. It is with highest respect and admiration that the Twenty-sixth Alaska State legislature salutes Senator Ted Stevens for his 40 plus years of continued service and dedication to the great state of Alaska and the United States of America.

MIKE CHENAULT
SPEAKER OF THE HOUSE

GARY STEVENS
PRESIDENT OF THE SENATE

REP. CHARISSE MILLETT
PRIME SPONSOR

SEN. LESIL MCGUIRE
PRIME SPONSOR

Date: April 10, 2009

Cosponsors: Representatives Chenault, Austerman, Buch, Cissna, Coghill, Crawford, Dahlstrom, Doogan, Edgmon, Fairclough, Foster, Gara, Gardner, Gatto, Gruenberg, Guttenberg, Harris, Hawker, Herron, Holmes, Johansen, Johnson, Joule, Kawasaki, Keller, Kelly, Kerttula, Lynn, Muñoz, Neuman, Olson, Petersen, Ramras, Salmon, Seaton, Stoltze, Thomas, Tuck, Wilson; Senators Meyer, Stevens, Bunde, Davis, Dyson, Ellis, French, Hoffman, Huggins, Kookesh, Menard, Olson, Paskvan, Stedman, Therriault, Thomas, Wagoner, Wielechowski

Alaska House of Representatives
Representative Craig Johnson
House Rules Chairman

Session Contact
State Capitol Room 216
Juneau AK, 99801
Phone: 907-465-4993
Fax: 907-465-3872

Interim Contact
716 W. 4th Ave. Suite 640
Anchorage AK, 99501-2133
Phone: 907-269-0200
Fax: 907-269-0204

Changes from HB 101 to CS HB 101(STA)

Ted Stevens Day

1. In HB 101 on line 1 the date in the title was changed from "November 18 of" to "the fourth Saturday of July" in CS HB 101on line 1.

2. In HB 101 on line 5 the date was change from "November 18 of" to "the fourth Saturday of July" in CS HB 101(STA) on lines 4 &5.

HB 129

<TARGET><BILL>HB 129</BILL><SUBJECT>HB 129</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 4/14/11

FURTHER: Finance

DATE TURNED IN TO OFFICE: 3-27-11

State Affairs Committee considered CS FOR HOUSE BILL NO. 129(FIN)

HB 129 DECEASED VETERAN DEATH CERTIFICATE

"An Act relating to providing a death certificate for a deceased veteran without charge."

and recommends:

[ ] be **replaced** with **SCS** HB 129 (STA) [ ] *Same Title* [ ] *Technical Title Change* [X] *New Title/SCR No.*_____

[ ] adopt **previous SCS** _____ (_____) [ ] *Same Title* [ ] *Technical Title Change* [ ] *New Title/SCR No.*_____

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
DHS	✓			

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Kookesh	Kookesh	✓			
Paskvan	Paskvan	✓			
	Wielechowski	X			
Meyer	Meyer	X			
Giessel	Giessel	X			
CHAIR:					

Member

Standing Committees:
Judiciary
State Affairs
Transportation
Rules

Finance Subcommittees:
Transportation
Courts
Law

Alaska State Legislature

House of Representatives

Representative Max F. Gruenberg, Jr.
House District 20
Anchorage (Mountain View, Russian Jack, East Anchorage)
House Minority Floor Leader

Interim:
716 W 4th Avenue, Rm 350
Anchorage, Alaska 99501-2133
Phone: (907) 269-0123
Fax: (907) 269-0124

Session:
Alaska State Capitol, Rm 110
Juneau, Alaska 99801-1182
Phone: (907) 465-4940
Toll Free: (866) 465-4940
Fax: (907) 465-3766

Email:
Rep.Max.Gruenberg@legis.state.ak.us

MEMORANDUM

TO: Senator Bill Wielechowski, Chair
Senate State Affairs Committee

FROM: Representative Max Gruenberg

DATE: April 13, 2011

RE: HB 129 – Deceased Veteran Death Certificate

****

Please consider this memo as a request for House Bill 129 to be heard in the Senate State Affairs Committee. Accompanying this memo are the following documents:

- CSHB 129(FIN) (27-LS0450\I)
- CSHB 129(MLV) (27-LS0450\B)
- HB 129 (27-LS0450\A)
- Sponsor Statement
- Explanation of Changes
- Example Death Certificate
- Fiscal Note

Thank you for considering my request for a hearing on HB 129. Please contact my legislative aide, Gretchen Staft, at 465-4940 with any questions.

Member

Standing Committees:
Judiciary
Rules
State Affairs
Transportation

Alaska State Legislature
House of Representatives

Representative Max F. Gruenberg, Jr.
House District 20
Anchorage (Mountain View, Russian Jack, East Anchorage)
House Minority Floor Leader

Interim:
716 W 4th Avenue, Rm 350
Anchorage, Alaska 99501-2133
Phone: (907) 269-0123
Fax: (907) 269-0124

Session:
Alaska State Capitol, Rm 110
Juneau, Alaska 99801-1182
Phone: (907) 465-4940
Toll Free: (866) 465-4940
Fax: (907) 465-3766

Email:
Rep.Max.Gruenberg@legis.state.ak.us

House Bill 129:
Deceased Veteran Death Certificate

Explanation of Changes
CS for HB 129 (FIN) (27-LS0450\I) to SCS for CS for HB 129( ) (27-LS0450\D)

There were three changes from the House Finance Committee version introduced before the committee to the most recent blank Senate Committee Substitute.

1. The title (page 1, line 1) was changed to reflect that more than one death certificate would be produced free of charge.

2. Language on page 2, lines 22-25 of both versions was clarified to show that there would be only four free death certificates given out per deceased veteran. The previous language was unclear as to whether four free death certificates were to be given per deceased veteran or whether four free death certificates were to be given per claimant (i.e. whether for the same decedent, a wife, a mother, a son, etc. could each get four). The CS makes it clear that only a total of four free death certificates can be given out for each deceased veteran.

3. Language was added (page 2, line 26-page 3, line 2 of the "D" version) to clarify that only certain individuals could claim the deceased veteran's free death certificates. These individuals are:

    - A personal representative of the veteran's estate;
    - A trustee of a revocable trust of which the veteran was the settlor; or
    - A person who needs a copy of the veteran's death certificate to claim a benefit related to the death of the veteran.

    These claimants are not prioritized; the first in time will prevail.

Member

Standing Committees:
Judiciary
State Affairs
Transportation
Rules

Finance Subcommittees:
Corrections
Courts
Law

Alaska State Legislature

House of Representatives

Representative Max F. Gruenberg, Jr.
House District 20
Anchorage (Mountain View, Russian Jack, East Anchorage)
House Minority Floor Leader

Interim:
716 W 4th Avenue, Rm 350
Anchorage, Alaska 99501-2133
Phone: (907) 269-0123
Fax: (907) 269-0124

Session:
Alaska State Capitol, Rm 110
Juneau, Alaska 99801-1182
Phone: (907) 465-4940
Toll Free: (866) 465-4940
Fax: (907) 465-3766

Email:
Rep.Max.Gruenberg@legis.state.ak.us

HB 129
DEATH CERTIFICATES FOR DECEASED VETERANS

Sponsor Statement

House Bill 129 provides a death certificate, without cost, to a surviving spouse, next of kin, or other relative of a deceased veteran. The bill is modeled after an Arizona statute and will provide one copy to the eligible recipient. HB 129 demonstrates the state's respect for Alaska's veterans and their families and will provide a valuable service to military families in their time of bereavement.

If you have any questions about the bill, please contact my legislative aide, Gretchen Staft, at 465-4940.

Thank you for your consideration of House Bill 129.

Member

Standing Committees:
Judiciary
State Affairs
Transportation
Rules

Finance Subcommittees:
Corrections
Courts
Law

Alaska State Legislature
House of Representatives

Representative Max F. Gruenberg, Jr.
House District 20
Anchorage (Mountain View, Russian Jack, East Anchorage)
House Minority Floor Leader

Interim:
716 W 4th Avenue, Rm 350
Anchorage, Alaska 99501-2133
Phone: (907) 269-0123
Fax: (907) 269-0124

Session:
Alaska State Capitol, Rm 110
Juneau, Alaska 99801-1182
Phone: (907) 465-4940
Toll Free: (866) 465-4940
Fax: (907) 465-3766

Email:
Rep.Max.Gruenberg@legis.state.ak.us

HB 129
DEATH CERTIFICATES FOR DECEASED VETERANS

Explanation of Changes

Changes between HB 129 (27-LS0450\A) and CSHB 129(MLV) (27-LS0450\B):

Paragraph (i) on page 3, lines 4-10 of HB 129 was restructured, incorporating the following changes:

1) References to the Coast Guard and Coast Guard Reserves were omitted in the CS because they are a branch of the "armed services," which is already included in the paragraph.

2) References in HB 129 to "Alaska Army National Guard" and "Alaska Air National Guard" were eliminated in the CS, and "National Guard" was substituted as an umbrella term.

These are stylistic changes and are in no way intended to exclude any service members covered in the original bill.

Changes between CSHB 129(MLV) (27-LS0450\B) and CSHB 129(FIN) (27-LS0450\I):

Page 2, lines 22-25: Instead of issuing one free death certificate to each eligible recipient, the Bureau of Vital Statistics is authorized to issue up to four free certified copies of a death certificate for a deceased veteran, regardless of who makes the request.

The definition of "eligible recipient" was deleted (page 2, line 26 to page 3, line 2 of CSHB 129 (MLV)).

CERTIFICATION OF VITAL RECORD

STATE OF ARIZONA

ORIGINAL STATE COPY

STATE OF ARIZONA
DEPARTMENT OF HEALTH SERVICES - OFFICE OF VITAL RECORDS

CERTIFICATE OF DEATH

DEATH NO. D 102-

NAME OF DECEASED: AKA	A. FIRST: SEYMOUR	B. MIDDLE	C. LAST: EPSTEIN	SEX	DATE OF DEATH: MONTH	DAY	YEAR
1. SIMON			EPSTEIN	2. MALE	3. JANUARY	31	2004

RACE (e.g., white, black, American Indian, (specify tribe) etc.) SPECIFY: 4A. WHITE	WAS DECEDENT OF HISPANIC ORIGIN? (SPECIFY YES OR NO): B. NO	IF YES, INDICATE MEXICAN, SPANISH, PUERTO RICAN, CUBAN, ETC.: C.	WAS DECEASED EVER IN U.S. ARMED FORCES? (SPECIFY YES OR NO): 5. YES

PLACE OF DEATH: A. COUNTY: 6. YAVAPAI	B. TOWN OR CITY: PRESCOTT VALLEY	C. HOSPITAL OR INSTITUTION (IF RESIDENCE, GIVE STREET ADDRESS): PRESCOTT VALLEY SAMARITAN CENTER	D. ☐ DOA ☐ OP EMER ☒ IN PATIENT

DATE OF BIRTH: MONTH	DAY	YEAR	AGE (YEARS LAST BIRTHDAY): 8A. 83	IF UNDER 1 YEAR: MOS. B	DAYS / HRS C	IF UNDER 1 DAY: MIN
7. NOVEMBER	7	1920				

MARRIED, NEVER MARRIED, WIDOWED, DIVORCED (SPECIFY): 9. WIDOWED	SURVIVING SPOUSE (IF WIFE, GIVE MAIDEN NAME): 10.			

STATE AND CITY OF BIRTH (if not in USA, name country): 11. ILLINOIS CHICAGO	CITIZEN OF WHAT COUNTRY? SPECIFY: 12. U.S.A.	SOCIAL SECURITY NO.: 13. 322 14 1666	USUAL OCCUPATION (Give kind of work done most of working life, even if retired): 14A. SHEET METAL WORKER	KIND OF BUSINESS OR INDUSTRY: B. SHEET METAL

USUAL RESIDENCE: A. STATE	B. COUNTY	C. TOWN OR CITY	D. ZIP CODE	HOW LONG IN ARIZONA?	EDUCATION: HIGHEST GRADE COMPLETED
15. ARIZONA	YAVAPAI	PRESCOTT VALLEY	86314	16. 28 YEARS	17.

STREET ADDRESS OF R.F.D.: 15E. 3380 NORTH WINDSONG	INSIDE CITY LIMITS? (SPECIFY Yes or No): 15F. YES	ON RESERVATION (SPECIFY Yes or No): 15G. NO	PREVIOUS STATE OF RESIDENCE: 18. CALIFORNIA	ELEMENTARY SECONDARY (0-12): A.	COLLEGE (1-4 or 5 +): B. 2

FATHER'S NAME: A. FIRST	B. MIDDLE	C. LAST	MOTHER'S MAIDEN NAME: A. FIRST	B. MIDDLE	C. LAST		
19. MAX		EPSTEIN	20. ANNIE		RABKIN		

INFORMANT'S SIGNATURE: Kylie Malyneux	RELATIONSHIP TO DECEASED: 22. RELATIVE	ADDRESS: STREET NO.	CITY AND STATE	ZIP CODE
21. ▶ KAYLA EPSTEIN		23. 4801 KENAI AVENUE	ANCHORAGE, ALASKA	99508

BURIAL, CREMATION, REMOVAL, OTHER (Specify): 24. REMOVAL/BURIAL	DATE: 25. FEBRUARY 6, 2004	CEMETERY OR CREMATORY - NAME/LOCATION: 26. NATIONAL MEMORIAL CEMETERY OF ARIZONA PHOENIX, ARIZONA	EMBALMER'S SIGNATURE: 27A. ▶ NOT EMBALMED	CERT. NO. B.

FUNERAL HOME: NAME	STREET ADDRESS	CITY AND STATE		FUNERAL DIRECTOR SIGNATURE (MONEY LINE): 28A. ▶ GARY A. GRAVELINE, SR.	CERT. NO. B. 0939
28. ARIZONA WAKELIN BRADSHAW,	8480 EAST VALLEY ROAD,	PRESCOTT VALLEY, AZ 86314			

To be completed by CERTIFYING PHYSICIAN ONLY:
TO THE BEST OF MY KNOWLEDGE, DEATH OCCURRED AT THE TIME, DATE AND PLACE AND DUE TO THE CAUSE(S) STATED
30. SIGNATURE ▶ AND TITLE: Sam W Downing MD
DATE SIGNED (Mo., Day, Year): 31. FEBRUARY 2, 2004
HOUR OF DEATH: 32. 0635
NAME OF ATTENDING PHYSICIAN IF OTHER THAN CERTIFIER (Type or print): 33.

To be completed by MEDICAL EXAMINER OR TRIBAL LAW ENFORCEMENT AUTHORITY ONLY:
ON THE BASIS OF EXAMINATION AND/OR INVESTIGATION, IN MY OPINION DEATH OCCURRED AT THE TIME, DATE AND PLACE DUE TO THE CAUSE(S) AND MANNER STATED
34. SIGNATURE AND TITLE ▶
DATE SIGNED (Mo., Day, Year): 35.
HOUR OF DEATH: 36.
PRONOUNCED DEAD (Mo., Day, Year): 37.
PRONOUNCED DEAD (Hour): 38. AT

NAME AND ADDRESS OF CERTIFIER, PHYSICIAN, MEDICAL EXAMINER OR TRIBAL LAW ENFORCEMENT AUTHORITY (Type or Print): 39. SAM W. DOWNING, MD, 215 NORTH MCCORMICK, PRESCOTT, ARIZONA 86301
AUTHORIZED FOR ISSUANCE (SPECIFY): 40.
MEDICAL EXAMINER'S SIGNATURE: 41.

DATE REGISTERED: 42. 2/5/04	REG. FILE NO.: 43. 171	REGISTRAR'S SIGNATURE:	REG. DISTRICT: 45. 13	DATE REC'D. IN STATE OFFICE: 46.

47. PART I — SEQUENTIALLY LIST CONDITIONS, IF ANY, GIVING IMMEDIATE CAUSE (A) FIRST, (B) AND (C) UNDERLYING CAUSES LAST. ENTER UNDERLYING CAUSE OR INJURY THAT INITIATED EVENTS RESULTING IN DEATH)

A. IMMEDIATE CAUSE (FINAL DISEASE OR CONDITION RESULTING IN DEATH): Aspiration Pneumonia		WEEKS
B. DUE TO OR AS A CONSEQUENCE OF: Cerebral Bleed (Accident)		APPROXIMATE INTERVAL BETWEEN ONSET AND DEATH
C. DUE TO OR AS A CONSEQUENCE OF:		

PART II — Other significant conditions contributing to death but not resulting in the underlying cause given in Part I

	AUTOPSY (Specify Yes or No): 49. NO	WAS CASE REFERRED TO MEDICAL EXAMINER (Specify Yes or No): 50. NO

MANNER OF DEATH: ☐ NATURAL CAUSES ☐ HOMICIDE ☐ PENDING INVESTIGATION ☐ SUICIDE ☐ UNDETERMINED	DATE OF INJURY (Mo., Day): 52.	YR	HOUR: 53.	INJURY AT WORK? (Specify Yes or No): 54.	DESCRIBE HOW INJURY OCCURRED: 55.	
PLACE OF INJURY (At home, farm, street, factory, office building, etc.) SPECIFY: 56.				WHERE LOCATED? STREET ADDRESS: 57.	CITY OR TOWN	STATE

SUPPLEMENTARY ENTRIES: 58. MORTUARY CORRECTED BOXES 1 & 14A. 2-5-2004 SF

GOVERNMENT USE ONLY
FOR
Pursuant to A.R.S. 39-122. A this copy has been issued free of charge for the purpose of applying for and obtaining Veteran's or Social Security Benefits and shall not be valid for any other purpose.

CERTIFIED COPY OF VITAL RECORDS

STATE OF ARIZONA } ss
COUNTY OF YAVAPAI

DATE ISSUED FEB 06 2004

This is a true and exact reproduction of the document officially registered and placed on file in the VITAL RECORDS SECTION, DEPARTMENT OF HEALTH SERVICES, PHOENIX, ARIZONA. Issued under the authority of A.R.S. 36-341, and by direction of:

Marcia M Jacobson

MARCIA MORAN JACOBSON
YAVAPAI COUNTY REGISTRAR
YAVAPAI COUNTY HEALTH DEPARTMENT

152164

This copy not valid unless prepared on engraved border displaying county seal in color and raised seal of issuing agency.

YAVAPAI COUNTY 1865 ARIZONA

ANY ALTERATION OR ERASURE VOIDS THIS CERTIFICATE

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: **CSHB 129(MLV)**
(H) Publish Date: **2/23/11**

Identifier (file name): HB129-DHSS-BVS-2-21-2011
Title: Deceased Veteran Death Certificate
Sponsor: Rep. Max Gruenberg
Requester: House MLV Commitee

Dept. Affected: Health and Social Services
Appropriation: Public Health
Allocation: Bureau of Vital Statistics
OMB Component Number: 961

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES	**(75.0)**		**(80.0)**	**(85.0)**	**(90.0)**	**(95.0)**	**(100.0)**

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF	75.0	0.0	80.0	85.0	90.0	95.0	100.0
1005 GF/Program Receipts	(75.0)	0.0	(80.0)	(85.0)	(90.0)	(95.0)	(100.0)
1037 GF/Mental Health							
Other (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost: 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable. Initial version.

Prepared by: Ward Hurlburt, M.D. MPH - Chief Medical Officer / Director — Phone 269-6680
Division: Public Health — Date/Time 2/21/11 12:00 PM
Approved by: Alison Elgee, Assistant Commissioner — Date 2/21/2011
DHSS Finance & Management Services

(Revised 1/27/2011 OMB)

FISCAL NOTE #1

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSHB 129(MLV)

Analysis:

Under this bill family members or representatives (executors, etc.) of deceased veterans may each request one free certified copy of the veteran's death certificate. This bill would allow many members or representatives of the veteran's family to separately request a free death certificate.

This bill will reduce the Bureau of Vital Statistics (BVS) program receipts/fees by an estimated $75.0 in the first year, increasing each year to a projected loss of $100.0 by Year 5. Because BVS relies substantially on fees to support its operating costs, any loss of these program receipts will have an immediate impact on staffing and quality of service to the public if not replaced by general funds. About 3% of the FY11 budget for BVS is GF ($91.1). In contrast, 80% of the BVS budget for FY11 comes from program receipts (GF/Pgm).

The Bureau estimates that initially 75% of veteran's families will be aware of the bill, increasing to nearly 100% over five years. About 30 percent (approximately 1000 deaths) of total deaths in Alaska per year indicate the decedent was a veteran. It is estimated that between three to five family members (or executors) will qualify for a death certificate at no charge (families have been known to request as many as 40 copies of a death certificate). Assuming 3 to 4 certificates per death, the impact to the Bureau is projected to be between 3,000 to 4,000 certificates issued at no charge annually. The fee for a death certificate is $25. It is anticipated the impact would be comparatively less for the first few years and then increase as more families become aware of the new law.

The fiscal impact will be approximately $75.0 for the first year the legislation is in effect ($25 x 3,000 certified copies, assuming just 750 families will request on average four certificates each in the first year), increasing to $100.0 by Year 5 ($25 x 4,000 certified copies) as more people become aware of the new benefit provided by this law. The Bureau will experience a greater loss of revenue if this bill generates more than four requests per death, or if the number of decedents who are veterans exceeds 1000 in a year. If the current level of staffing and service to the public is to be maintained, these lost program receipts will have to be replaced with GF.

HB 169

<TARGET><BILL>HB 169</BILL><SUBJECT>HB 169</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 4/8/11

FURTHER: Judiciary

DATE TURNED IN TO OFFICE: 4/10/12

State Affairs Committee considered HOUSE BILL NO. 169

HB 169-LAA REVIEW OF PROPOSED REGULATIONS

"An Act relating to the review of proposed regulations by the Legislative Affairs Agency; and providing for an effective date."

and recommends:

[ ] be **replaced** with **SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
LEG			✓	2

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Gilbert Kookesh	Kookesh	✓			
Giessel	Giessel	✓			
CHAIR:	Wielechowski	✓			

ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
JUDICIARY COMMITTEE
REPRESENTATIVE CARL GATTO, CHAIR

COMMITTEE MEMBERS:
REP. STEVE THOMPSON, VICE CHAIR
REP. BOB LYNN
REP. WES KELLER
REP. LANCE PRUITT
REP. LINDSEY HOLMES
REP. MAX GRUENBERG

STATE CAPITOL BUILDING, RM 120
JUNEAU, AK 99801-1182
PHONE: 907-465-4990
FAX: 907-465-2381
HOUSE_JUDICIARY@LEGIS.STATE.AK.US

TO: Senator Bill Wielechowski, Chair
Senate State Affairs Committee

FROM: Representative Carl Gatto, Chair
House Judiciary Committee

DATE: January 18, 2012

RE: Request for a hearing of HB 169

Enclosed is the committee packet for HB 169, "*an Act relating to the review of proposed regulations by the Legislative Affairs Agency; and providing for an effective date*" also called "LAA Review of Proposed Regulations." I have included a sponsor statement, the original version of the bill, and a memo from Legal Services.

I would appreciate a hearing before the State Affairs Committee at your earliest convenience. I appreciate your time and look forward to your reply.

Please contact my staff member, Melanie Lesh at 465-4990, with any questions or comments regarding this request.

Thank you for your consideration.

1. HB169 Bill Packet Contents
2. HB169 Sponsor Statement 03-08-11
3. HB169 Version A 02-23-11
4. HB169 Relevant Statutes 24.20.105
5. HB169 Fiscal Note-LEG-COU 03-10-2011
6. HB169 Supporting Documents-Memo Legal Services 02-18-11

ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
JUDICIARY COMMITTEE
REPRESENTATIVE CARL GATTO, CHAIR

COMMITTEE MEMBERS:
REP. STEVE THOMPSON, VICE CHAIR
REP. BOB LYNN
REP. WES KELLER
REP. LANCE PRUITT
REP. LINDSEY HOLMES
REP. MAX GRUENBERG

STATE CAPITOL BUILDING, RM 120
JUNEAU, AK 99801-1182
PHONE: 907-465-4990
FAX: 907-465-2381
HOUSE_JUDICIARY@LEGIS.STATE.AK.US

Sponsor Statement
HB 169

"An Act relating to the review of proposed regulations by the Legislative Affairs Agency; and providing for an effective date."

HB 169 closes gaps in the regulation review statutes. The Legislative Affairs Agency (LAA) attorneys review proposed regulations, including those from newly enacted legislation and at the request of a standing committee, the Administrative Regulations Review Committee, and the Legislative Council. However, if the attorney finds that the proposed regulations fail to meet statutory standards, the only legislative entities they are allowed to notify are the Administrative Regulation Review Committee, the Speaker of the House, and the President of the Senate. Additionally, LAA cannot currently notify anyone if the regulation meets statutory standards.

HB 169 allows LAA to notify the committee or council that requested the review that the regulations do not meet statutory standards. In addition, if the proposed regulation implements newly passed legislation, LAA would be able to consult with and notify the prime sponsor of that legislation, if the prime sponsor is still a sitting legislator. Finally, HB 169 allows LAA to notify the requester of the review if the attorney determines that the regulations meet statutory standards.

HB 169 is a simple fix to two minor problems in an otherwise functioning review system. It will give the benefits of the review process to those who need it most.

Sarah Munson
(907) 465-4990
27-LS0559\A
03/08/11

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **HB 169**
() Publish Date

Identifier (file name) HB169-LEG-COU-03-10-2011
Title "LAA Review of Proposed Regulations"
Sponsor House Judiciary Committee
Requester House State Affairs & House Judiciary Committees

Dept. Affected Legislature
Appropriation Legislative Council
Allocation Legal and Research Services
OMB Component Number 2028

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 Interagency Receipts							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Initial Version

Prepared by Shane Miller, Finance Manager
Division Administrative Services Division
Approved by Pamela Varni, Executive Director
Legislative Affairs Agency

Phone 465-6626
Date/Time 3/10/11 1:22 PM
Date 3/10/2011

(Revised 12/29/2010 OMB)

Analysis

This fiscal note has zero impact on the Legislative Affairs Agency.

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 February 18, 2011

SUBJECT: Review of Proposed Regulations by the Legislative Affairs Agency (Work Order No. 27-LS0559\A)

TO: Representative Carl Gatto
Chair of the House Judiciary Committee

FROM: Terri Lauterbach
Legislative Counsel

Enclosed is a draft of a bill you requested to "fix some flaws" in AS 24.20.105, as we discussed after the meeting of the Administrative Regulation Review Committee (ARRC) on Tuesday.[1]

Section 1. This section of the bill accomplishes several things:

(1) The new language on page 1 allows the reviewing attorney in LAA to consult with the prime sponsor of the relevant bill if the attorney is reviewing proposed regulations that implement newly enacted legislation. You only asked specifically for the prime sponsor to get copies of memos denoting possible legal flaws determined in these kinds of reviews, but I thought it was probably in keeping with your goal to also add this consultation aspect as well. Let me know if I erred in this regard and I can remove the language. Also, please note that I have limited this consultation requirement to situations when the prime sponsor is still a member of the legislature. In addition to the logistics that may be difficult when the prime sponsor is no longer a member, it seems to me in keeping with the confidential nature of these reviews that only sitting legislators be included in the review process under AS 24.20.105.

(2) The first two lines on page 2 allow LAA review memos to be sent to a standing committee or to the Legislative Council if they have requested a review of some proposed regulations because of their "major policy implications." Under current law,

---

[1] Although I drafted the enclosed bill, Lisa Kirsch's name appears in the upper right-hand corner of page 1. This has been done so that, if you introduce the bill, legislators and staff will have a full-time attorney to call with questions or amendments related to the bill. As I mentioned at the ARRC meeting, I am only half-time. Lisa Kirsch reviewed proposed regulations under AS 24.20.105 for most of the past three years, and is knowledgeable about the issues addressed in this bill draft. Feel free to call either one of us about the draft.

these entities can request a review and that request is given priority status under AS 24.20.105(b)(2), but the law, through an oversight in the original legislation, does not allow them to get the memo that could result from the review. Current law allows these memos to go only to the Department of Law, the state agency proposing the regulations, the ARRC, the senate president, and the speaker of the house. (See AS 24.20.105(e) and the restriction on LAA's disclosure under AS 24.20.105(g).)

(3) Lines 3 - 7 on page 2 allow LAA review memos to be sent to the prime sponsor of the relevant legislation if a review of proposed regulations that implement newly enacted legislation shows legal problems of the type described in AS 24.20.105(d). As with the consultation requirement for prime sponsors described above in (1), I have limited this memo-sharing requirement to prime sponsors who are still sitting legislators.

(4) Lines 7 - 10 on page 2 require LAA to communicate to a standing committee or the Legislative Council the results of a review that was requested by either of them in situations where the reviewer has not found legal flaws. Currently, AS 24.20.105 only allows LAA to communicate with respect to reviews where legal flaws are perceived, and that makes sense with respect to the vast number of reviews, as the relevant entities would normally be interested only if the reviewing attorney sees problems. However, with respect to a review requested under AS 24.20.105(b)(2), it seems to me that it would make sense for LAA to be able to respond that a review has been completed but that no problems were found. I have deliberately not required this communication to be in writing so that a phone call could suffice; the requester, of course, could always request that the "no problems" response be in writing.

Sec. 2. This section clarifies that the new provisions of section 1 apply to any reviews ongoing in LAA at the time the bill takes effect even if the notice of proposed regulations was issued before the effective date of the bill.

Sec. 3. This section gives the bill an immediate effective date. There are no impediments I can think of that would keep LAA from immediately being able to implement any of the new provisions of section 1.

TML:LMK:ljw
11-115.ljw

Enclosure

Sec. 24.20.105. Review of proposed regulations.

(a) The Legislative Affairs Agency may review each proposed regulation that is subject to AS 44.62.010 - 44.62.300 (Administrative Procedure Act). A review of proposed regulations under this section must be conducted by an attorney employed by that agency.

(b) Reviews shall be conducted under (a) of this section in the following order of priority:

(1) proposed regulations that would implement newly enacted legislation;

(2) proposed regulations requested in writing to be reviewed by a standing committee, the Administrative Regulation Review Committee, or the legislative council as implicating major policy development.

(c) Under AS 44.62.190(a)(7), the notice of proposed action, along with a copy of the proposed regulation, shall be furnished electronically by the state agency to the

(1) Legislative Affairs Agency;

(2) chairs of the standing committees with jurisdiction over the subject of the proposed regulation;

(3) Administrative Regulation Review Committee;

(4) legislative council.

(d) Within available staff resources and priorities set by the legislative council, the Legislative Affairs Agency shall assign one or more attorneys to conduct a review of proposed regulations. The review shall evaluate

(1) the legality and constitutionality of the proposed regulation;

(2) whether the state agency has statutory authority to adopt the proposed regulation to implement, interpret, make specific, or otherwise carry out a statute; and

(3) whether the proposed regulation is consistent with the applicable statutes.

(e) In conducting its review under this section, the assigned attorney may consult with the Department of Law, the committee or council that requests the review under (b)(2) of this section, and the state agency proposing the regulation change. If the assigned attorney determines that the proposed action fails to meet the standards set out in (d) of this section, the assigned attorney shall notify, in writing, the Department of Law, the state agency, the Administrative Regulation Review Committee, the president of the senate, and the speaker of the house of representatives.

(f) In addition to the review specified in (d) of this section, the assigned attorney shall notify the Administrative Regulation Review Committee, the president of the senate, and the speaker of the house of representatives of any provision of the proposed regulation that may be inconsistent with legislative intent and appropriate for additional legislative oversight as a result.

(g) Except as provided in this section, the Legislative Affairs Agency may not release any information regarding its review of a proposed regulation under this section.

(h) The process of review of a proposed regulation under this section does not affect a state agency's authority to complete its proposed action regarding the regulation. Suggestions for changes to a proposed regulation made by the Legislative Affairs Agency are not binding on a state agency.

(i) No action may be brought for the failure of the Legislative Affairs Agency to conduct a legal review under this section.

(j) The provisions of (b) - (i) of this section do not apply to proposed regulations of the Board of Game or the Board of Fisheries.

(k) In this section, "proposed regulation" means a proposed adoption, amendment, or repeal of a regulation.

History -

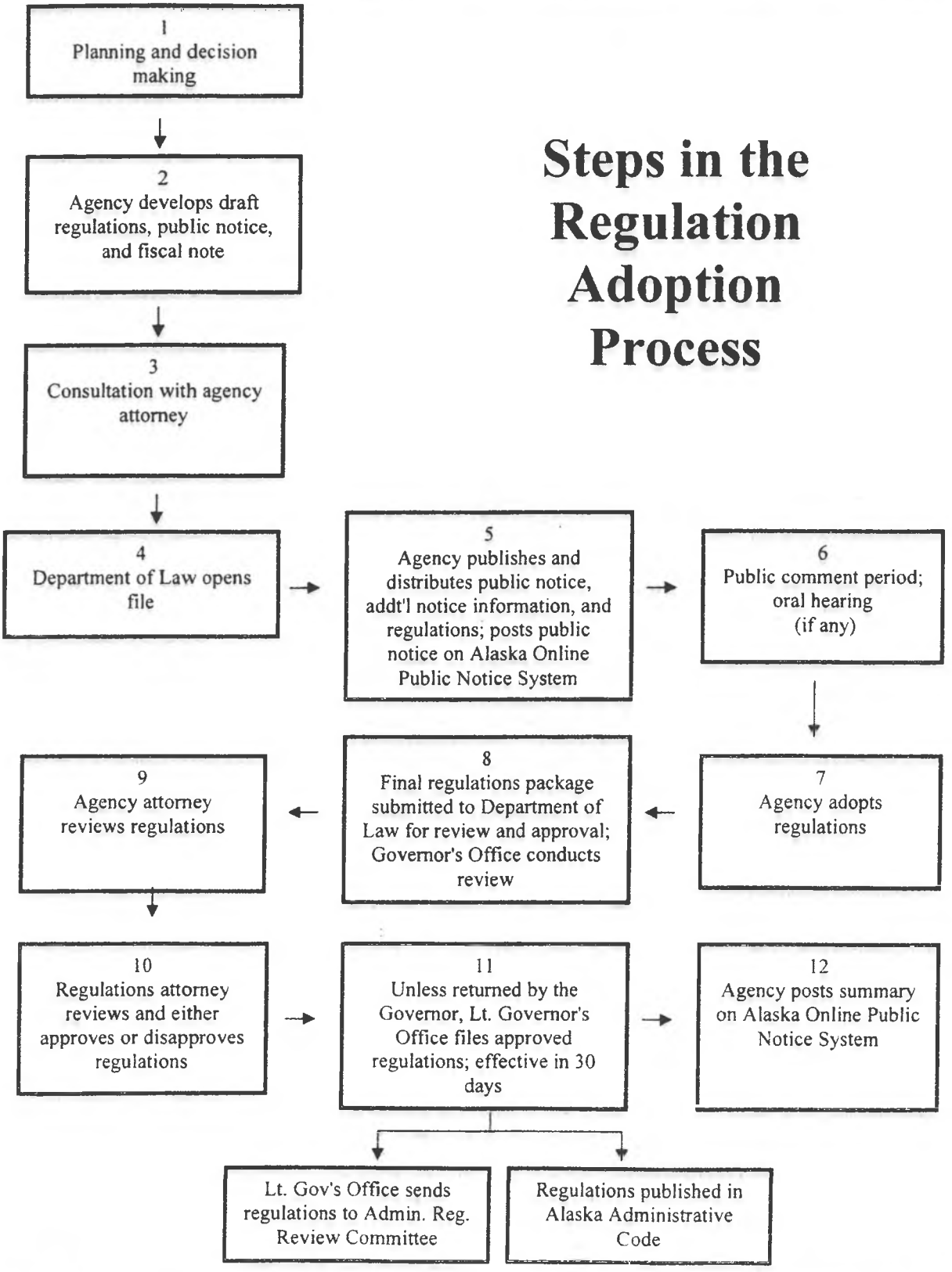
(Sec. 2 ch 164 SLA 2004)

Cross References -

For provision exempting written notification provided under (e) of this section from the general right to inspect public records, see AS 40.25.120(a)(11).

* * * *

Steps in the Regulation Adoption Process



HB

180

<TARGET><BILL>HB 180</BILL><SUBJECT>HB
180</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 2/13/12

FURTHER: Finance

DATE TURNED IN TO OFFICE: 4/5/12

State Affairs Committee considered CS FOR HOUSE BILL NO. 180(FIN)

HB 180-VETERAN DESIGNATION ON DRIVER'S LICENSE

"An Act authorizing the Department of Administration to note a person's status as a retired veteran or a veteran discharged under honorable conditions on the person's driver's license or identification card, to provide certain information to the Department of Military and Veterans' Affairs, and to charge a fee for replacing a valid driver's license or identification card with a new license or card that includes the veteran designation; and providing for an effective date."

and recommends:

[✓] be **replaced** with **SCS** HB 180 (STA) *[X] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous SCS** SCS/CS- Forthcoming (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____ Letter of Intent

[ ] further referral to _____ Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
ADM	✓			3

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Albert Kookesh	Kookesh	✓			
K. Meyer	Meyer	✓			
Giessel	Giessel	✓			
Joe Paskvan	PASKVAN	x			
CHAIR:	Wielechowski	✓			

27-LS0589\O
Luckhaupt
3/23/12

SENATE CS FOR CS FOR HOUSE BILL NO. 180( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES SADDLER, Feige, Herron, Fairclough, Lynn, Petersen, Gara, Gruenberg, Gardner, Muñoz, Costello, Guttenberg, Tammie Wilson, Stoltze, Thomas, Kerttula, Miller, Holmes, Tuck, Johnson, Millett, Pruitt, Kawasaki

A BILL

FOR AN ACT ENTITLED

"An Act authorizing the Department of Administration to note a person's status as a retired veteran or a veteran discharged under honorable conditions on the person's driver's license or identification card, to provide certain information to the Department of Military and Veterans' Affairs, and to charge a fee for replacing a valid driver's license or identification card with a new license or card that includes the veteran designation; and providing for an effective date."

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

*** Section 1.** AS 18.65.310 is amended by adding a new subsection to read:

(*l*) At the request of the person, the department shall provide a veteran designation and United States flag replica on an identification card identifying the person as a retired veteran or a veteran of the armed forces of the United States discharged under honorable conditions. The department may not charge a fee solely for the designation. To receive a veteran designation, the person shall provide proof of

veteran status that shows the person is retired or discharged under honorable conditions. With the approval of the person, the department shall make available to the Department of Military and Veterans' Affairs the name and address of a person receiving a veteran designation under this subsection. Notwithstanding (a) of this section, the department may charge a fee of $5 for replacement of a valid identification card with a new identification card with a veteran designation.

* **Sec. 2.** AS 28.15.111 is amended by adding a new subsection to read:

(c) At the request of an applicant, the department shall provide a veteran designation and United States flag replica on a license identifying the driver as a retired veteran or a veteran of the armed forces of the United States discharged under honorable conditions. The department may not charge a fee solely for the designation. To receive a veteran designation, the driver shall make available proof of veteran status that shows that the person is retired or discharged under honorable conditions. With the approval of the applicant, the department shall make available to the Department of Military and Veterans' Affairs the name and address of a driver receiving a veteran designation under this subsection. The department may charge a fee of $5 for replacement of a valid driver's license with a new license with a veteran designation. A replacement license with a veteran designation issued for $5 under this subsection shall retain the expiration date of the license it replaces.

* **Sec. 3.** This Act takes effect March 1, 2013.

ALASKA STATE LEGISLATURE

Session:
State Capitol, Room 409
Juneau, AK 99801-1182
Phone: (907) 465-3783
Fax: (907) 465-2293
Toll Free: (877) 460-3783

Interim:
10928 Eagle River Road, Ste. 238
Eagle River, AK 99577
Phone: (907) 622-3783
Fax: (907) 622-3784
Toll Free: (877) 460-3783

REPRESENTATIVE DAN SADDLER

MEMORANDUM

DATE: February 17, 2012

TO: Senator Bill Wielechowski, Chair, Senate State Affairs

FROM: Representative Dan Saddler jmc for Rep. Saddler

RE: Request for Hearing, HB 180, Veteran Designation on Driver's License

PAGES: 1

I respectfully request a hearing for HB 180, Veteran Designation on Driver's License, in the Senate State Affairs Committee at your earliest convenience.

We will not need any special equipment for the bill hearing.

Please see the attached PDF files with the necessary components for the bill packet.

Please contact Jane Conway in my office for any additional information you may need at 465-6598.

Dan Saddler

Rep. Dan Saddler

ALASKA STATE LEGISLATURE

Session:
State Capitol, Room 409
Juneau, AK 99801-1182
Phone: (907) 465-3783
Fax: (907) 465-2293
Toll Free: (877) 460-3783

Interim:
10928 Eagle River Road, Ste. 238
Eagle River. AK 99577
Phone: (907) 622-3783
Fax: (907) 622-3784
Toll Free: (877) 460-3783

REPRESENTATIVE DAN SADDLER

Sponsor Statement CSHB 180 (FIN)

House Bill 180 seeks to help Alaska veterans receive more of the benefits they have earned through their sacrifice and service in uniform, and to which they are entitled by law and custom. With the approval of the person/applicant, this bill would allow the Division of Motor Vehicles (DMV) to add the United States Flag background to state drivers' licenses or identification cards signifying the holder's status as a veteran, and would allow DMV (with permission of person/applicant) to share that information with the state's veterans benefit office.

Alaska is among the most veteran-friendly states in the Union. Many businesses and organizations demonstrate their appreciation by offering various discounts, preferences and other benefits to *bona fide* veterans. However, veterans must usually prove they qualify by presenting certified copies of their discharge documents – the DD-214, DD-215, or NGB-22 forms, exposing these critical documents to wear, damage or loss.

By giving veterans a way to carry reliable and convenient proof of their status on state-issued cards, this bill would help them more easily enjoy the full range of personal, business and social benefits offered to them by a grateful state.

HB 180 could also help relieve the situation in which tens of thousands of Alaska veterans may be missing out on significant government benefits, because they have no contact with the state's Office of Veterans Affairs. Should a an applicant express interest and permission, HB 180 would allow DMV to provide the names and addresses of those who are issued veteran-designated driver's licenses or ID cards to the state veterans' office. That office could then reach out to make more veterans aware of programs available to them, and to help them receive any benefits owed to them.

I respectfully request your support for House Bill 180.

Thank you.

ALASKA STATE LEGISLATURE

Session:
State Capitol, Room 409
Juneau, AK 99801-1182
Phone: (907) 465-3783
Fax: (907) 465-2293
Toll Free: (877) 460-3783

Interim:
10928 Eagle River Road, Ste. 238
Eagle River, AK 99577
Phone: (907) 622-3783
Fax: (907) 622-3784
Toll Free: (877) 460-3783

REPRESENTATIVE DAN SADDLER

Explanation of Changes in CSHB 180(FIN)

"An Act authorizing the Department of Administration to note a person's status as a retired veteran or a veteran discharged under honorable conditions on the person's driver's license or identification card, to provide certain information to the Department of Military and Veterans' Affairs, and to charge a fee for replacing a valid driver's license or identification card with a new license or card that includes the veteran designation; and providing for an effective date."

CS for HB 180 adopted the following changes from the State Affairs Version:

- In both sections we added provisions that the applicant or person must give *permission* to the DMV to

  (a) receive the designation on their license or ID card

  (b) forward their names/addresses to Veterans Affairs to assist in their efforts to disseminate information to all known veterans in Alaska

- In this version the Finance Committee added that it be a United States Flag designation on the card that signifies their veteran status

- CSHB 180 also allows DMV to charge $5 for the card upon renewal, a reduction from the standard $15 replacement fee

- The effective date was changed to March 2013, giving the Department of Motor Vehicles ample time to implement the technology necessary to redesign the cards and data programs for the new designation

CS FOR HOUSE BILL NO. 180(MLV)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON MILITARY AND VETERANS' AFFAIRS

Offered:
Referred:

Sponsor(s): REPRESENTATIVES SADDLER, Feige, Herron, Fairclough

A BILL

FOR AN ACT ENTITLED

"An Act authorizing the Department of Administration to note a person's status as a retired veteran or a veteran discharged under honorable conditions on the person's driver's license or identification card and to provide certain information to the Department of Military and Veterans' Affairs; and providing for an effective date."

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

* **Section 1.** AS 18.65.310 is amended by adding a new subsection to read:

(*l*) The department shall provide a designation on an identification card identifying the person as a retired veteran or a veteran of the armed forces of the United States discharged under honorable conditions. The department may not charge a fee solely for the designation. To receive a veteran designation, the person shall provide a United States Department of Defense form DD-214 or DD-215 or a National Guard Bureau form NGB-22 to the department as proof of veteran status that shows the person is retired or discharged under honorable conditions. The department shall provide the name and address of a person receiving a veteran designation under this

subsection to the Department of Military and Veterans' Affairs.

* **Sec. 2.** AS 28.15.111 is amended by adding a new subsection to read:

(c) The department shall provide a designation on a license identifying the driver as a retired veteran or a veteran of the armed forces of the United States discharged under honorable conditions. The department may not charge a fee solely for the designation. To receive a veteran designation, the driver shall provide a United States Department of Defense form DD-214 or DD-215 or a National Guard Bureau form NGB-22 to the department as proof of veteran status that shows that the person is retired or discharged under honorable conditions. The department shall provide the name and address of a driver receiving a veteran designation under this subsection to the Department of Military and Veterans' Affairs.

* **Sec. 3.** This Act takes effect March 1, 2012.

FISCAL NOTE

STATE OF ALASKA cost ≠ codes
2012 LEGISLATIVE SESSION

Bill Version: **CSHB180**
Fiscal Note Number:
Publish Date:

Identifier (file name): HB180CS(FIN)-DOA-DMV-1-17-2012
Title: Veteran Designation on Driver's License
Sponsor: Rep. Saddler, Feige, Herron, Fairclough, Lynn, Petersen,
Requester: House Finance

Dept. Affected: Administration
Appropriation: Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services	57.2		0.0	0.0	0.0	0.0	0.0
Commodities	8.7		17.5	0.0	0.0	0.0	0.0
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**65.9**	**0.0**	**17.5**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)	65.9		17.5	0.0	0.0	0.0	0.0
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**65.9**	**0.0**	**17.5**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES	**154.0**		**308.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimated SUPPLEMENTAL (FY12) operating costs ☐ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs ☐ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Update for 2012 Session
1) Assumes change in effective date to 03/01/2013.
2) Corrected calculation error in duplicate license costs.

Prepared by: Whitney Brewster, Director — Phone: 907-269-5559
Division: Motor Vehicles — Date/Time: 1/17/12 11:00 AM
Approved by: John Cramer, Deputy Commissioner — Date: 1/17/2012
Department of Administration

(Revised 8/17/2011 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** CSHB180
2012 LEGISLATIVE SESSION

Analysis

The effective date of this bill is March 1, 2012. For purposes of this fiscal note, the Division of Motor Vehicles (DMV) assumes the bill will be amended to take effect March 1, 2013.

Expenditures

1) The DMV's antiquated database is almost 30 years old; the way it was programmed makes it difficult to effect even minor changes.
   a) Add a 'veteran' field to DMV's database - **160 contract hours**
   The field must be added to 40-50 programs within the database; each program will have to be tested prior to deployment. Since DMV shares data with Dept of Public Safety, a field will also need to be added to the shared program, then tested and deployed.
   b) Redesign the driver's licenses and ID cards to accommodate the designation - **160 contract hours**
   With the current license/ID design, there is no space to add a designation. Either the font will need to be reduced and/or items rearranged to accommodate the veteran designation. DMV issues 40 different types of licenses and IDs. Each type will have to be modified, tested, and deployed.
   c) Create a reporting feature for notification to DMVA - **80 contract hours**
   The bill does not specify exactly what would be required. The 80 hour estimate is based on producing a scheduled weekly mainframe report showing additions only.

Total estimated contract hours: 400
Cost per hour: $143 (this is the contract rate per the State's task order system for IT professional services
Total programming cost: 400 x $143 = $57,200

2) Cost to produce duplicate licenses/IDs for existing population of Alaska veterans. DMV anticipates that 50% of qualified veterans will opt for the designator within the first year. Of those who opt for the designation in the first 12 months after the March 1, 2013, effective date, approximately one-fifth will have licenses/IDs that expire within those first 12 months; DMV will be required to issue duplicate licenses/IDs to the remaining four-fifths of veterans opting for the designator within the first 12 months.

77,000	Quantity of veterans in Alaska as of 09/30/10 per U.S. Dept. of Veterans Affairs
x 50%	Estimated percentage of veterans opting for the designator in the first 12 months
38,500	Quantity of veterans opting for the designation
-7,700	20% of veterans whose license/IDs expire within the 12 month period; DMV assumes they will NOT come in for a duplicate, but will have the desigator added at the time of renewal.
30,800	Quantity of veterans obtaining replament licenses/IDs in the first 12 months
x $.85	Cost per license/ID for printer ribbon, laminate, and card
$ 26,180	Total cost to produce replacement driver's licenses /IDs in the first 12 months (03/01/13-02/28/13)
$ 8,727	$26,180/12 x 4 months - Cost to produce replacement cards in **FY13** (03/01/13-06/30/13)
$ 17,453	$26,180/12 x 8 months - Cost to produce replacement cards in **FY14** (07/01/14-02/28/14)

Revenue

30,800	Quantity of veterans obtaining replacement licenses in the first 12 months
x $15	Duplice License fee
$ 462,000	Estimated additional revenue collected in the first 12 months (03/01/13-02/28/14)
$ 154,000	$462,000/12 x 4 months Estimated additional revenue collected in **FY13** (03/01/13-06/30/13)
$ 308,000	$462,000/12 x 8 months Estimated additional revenue collected in **FY14** (07/01/14-02/28/14)

Performance Measures

DMV currently produces about 270,000 driver's licenses and identification cards each year. The anticipated additional 30,800 customers in the twelve months following implementation may impact DMV's ability to meet the performance measure of serving customers in an average of 20 minutes or less.

Military Discounts

15 February 2011

Here are 199 stores and services doing their part to make life easier by offering discounts to active, reserve, and retired members of the US Military and their immediate family members. Two important caveats for this list. First, some stores offer discounts only at the owner's discretion and other discounts vary by state. Second, many stores that give a military discount don't advertise it. It is always worth asking a store whether they have one or not and to have your military ID on you.

A&W – Discount varies, simply ask and have a valid military ID with you.
Advance Auto – 10% off with military ID
Agentsource.com – Up to 40% off standard real estate closing costs for Active duty men and women moving in the United States or Canada
All State – Allstate Funding proudly offers all U.S. Military personnel a $250 credit towards the appraisal of a residential property. Ends 12/31/2010
American Airlines – Discount varies, requires military ID
American Video Productions -10% off to active duty, retired, families of military and dependents. Call and ask for the discount http://www.americanvideoproductions.net/
Amtrak – 10% off
Anheuser – Busch Amusement Parks – Discount varies, simply ask and have a valid military ID with you.
Anna's Linens - 10% off any purchase with Valid Military ID in store only
Apple Computers - The discount varies, you need to sign up here – http://www.apple.com/r/store/government/
Applebee's – Discount varies per location, simply ask and have a valid military ID with you
Arby's - Discount varies per location, simply ask and have a valid military ID with you.
Ashford University – Discounted tuition at $250 a credit, books are covered for all required courses, waived application fee, waived technology fee and more! Benefits apply to all Active Duty, National Guard, Reservists and spouses, dependents eligible for survivor benefits, plus civilian DOD employees & separated vets/retirees still using their GI Bill.
ASMBA – Armed Services Mutual Benefit Association – Membership in the non-profit association is free, and, when you join, you'll get $3,000 of free AD&D coverage.
AT&T – Discount varies, simply ask and have a valid military ID with you.
Auto Zone – Varies Per Store - Discount varies, simply ask and have a valid military ID with you.
Avis – 25% off, online you should use this coupon AWD # A555084
Azamara Cruises – Discounts vary, 800-338-4962

Back Yard Burgers – Discount varies, simply ask and have a valid military ID with you.
Banana Republic – 10% military discount 1st of every month (may vary by location; in-store only).

Compiled by Saddler office

Barnes and Noble – 6% off regular price plus free shipping, check out www.bn.com/militarycity
Barnhill's – Discount varies, simply ask and have a valid military ID with you.
Bass Pro Shops – 10% off from the 15th to 22nd of each month
Bed & Breakfast Inns – On November 10th, over 500 Bed and Breakfasts are offering a free night stay to to veterans. Click here for the list of participating B&B's.
Best Inns and Suites – Varies, must present Military ID with check-in
Best Western - Rates within allowable per diem, must present military ID with check in
Beyond Blossoms - 20% off all flower orders throughout the year 12/31/2010
Big 10 Tires – Discount varies, simply ask and have a valid military ID with you.
Blockbuster – Discount varies, simply ask and have a valid military ID with you.
Bob Evan's – 20% off with military ID
Boscov's- 15% off in-store purchases with military ID everyday.
Boston Bill Sunglasses – 10% off
Boston Market – 20% with military ID.
Bronson Labratories - 10% off on all vitamin and supplement orders, for active, retired, and reserve and their families Call 1-800-235-3200 or use online code AF2004, ends 1/21/2011
Buckle – 10% off, Free Shipping on all military orders
Budget – Varies, up to 25% off time and mileage Store, requires military ID to redeem
Budget Truck Rental – Discount varies, simply ask and have a valid military ID with you.
Burger King – Discount varies, simply ask and have a valid military ID with you.
Busch Gardens- One day complimentary admission for members of the military and 3 direct dependents in 2010. Here's to the Heroes

Camino Real Apartments – 5% military discount
Captain D's – Discount varies, simply ask and have a valid military ID with you.
Carl's Jr. – Discount varies, simply ask and have a valid military ID with you.
Century 21 – FREE Century 21 AON Home Protection Plan when they buy or sell a home through Molly Kucharski ONLY paid for at settlement. Value = $399.00, call 1(800) 952-2516
Champs Sports – Discount varies, simply ask and have a valid military ID with you.
Checker Auto Parts – Discount varies, simply ask and have a valid military ID with you.
Chevy's Fresh Mex – 20%, simply ask and have a valid military ID with you.
Chick Fil A – Varies, Discount with ID card (location dependent), discount varies, simply ask and have a valid military ID with you.
Chipotle – Discount varies, simply ask and have a valid military ID with you.
Choice Hotels – Rates at or below per diem depending on location. Discounts may vary and depend on availability. Must present military ID.
Ci-Ci's Pizza – Discount varies, dependent on location, must present military ID
Cingular – 17 to 18% Discount off your bill and 25% off accessories
Clarion Inn – Rates within allowable per diem while on travel orders. Must present valid military ID with check-in
Coldstone – Discount varies, must present military ID
Comfort Inn – Rates within allowable per diem while on travel orders. Must Present valid military ID with check-in
Coolmilitary.com – 10% off, online, ends 12/31/10

Copeland's Sports - Discount varies per location
D.S.W. Shoe Warehouse – 10% military discount

Dairy Queen - 10% off, location dependent
Days Inn – Rates within allowable per diem. Must present valid military ID with check-in
Dell Computers – Discount varies, simply ask and have a valid military ID with you.
Denny's – Discount varies, simply ask and have a valid military ID with you.
Dick's Sporting Goods – Discount varies, simply ask and have a valid military ID with you.
Discovery Channel Store – Discount varies, simply ask and have a valid military ID with you.
Disney Resorts – Discount varies, simply ask and have a valid military ID with you.
Disneyland - Military discounts are available only for tickets purchased at installation MWRs. Prices vary per date and length of visit
Dollar Car Rental – Allowable per diem rates
Dunkin' Donuts – Veterans advantage members save 10% on all online orders. They also send free coffee to the troops oversees.
DZ Web Design – 15% off, discount ends 12/31/2010

Earthly Herbs – 25% off, discount ends 12/31/10.
El Molino Coffee Shop - Free Shipping, online
Express Clothing Store- 10% off on top of other coupons as well with military ID
Extreme Outfitters -10-20% on miiltary Gear, online and in Store
Eyeware - Discount varies, get the discount online at http://www.afeyewear.com/ – This site offers military discounts for a wide range of eyeglass companies

Foot Action – 20% off with military ID
Foot Locker – 20% off with military ID
Ford – Discount varies, http://www.encs.com/ford/
Forget me not Jewelry – 30% off, ends 12/31/10. Online, use code militarygen100 at www.forgetmenotjewelry.com
Friendly's Ice Cream Stores – Discount varies, simply ask and have a valid military ID with you.

Gander Mountain – 5% off
Gap – 10% military discount 1st of every month (may vary by location; in-store only).
Geico – 2% to 15% in all states except Georgia, Indiana, Maine, Massachusetts, Michigan, Mississippi, New Jersey, New Mexico, Tennessee and Texas
GM – Varies, always well below MSRP. You can sign in online at https://www.exclusivegmoffer.com/ip-gmpop/initPop.do?program=mpp
GNC – Discount varies, simply ask and have a valid military ID with you.
Golden Corral – Discount varies, simply ask and have a valid military ID with you.
Great Wolf Lodge – Up to 33% off, discount varies however. Must book room over the phone rather than the internet.
GuideToMilitaryTravel.com – Another great site for military families to go to when looking for travel discounts.

Haber Vision – 50% discount on all sunglasses. Online at http://www.habervision.com/CodeResult.aspx?code=JB10222Q
Hanes Outlet Store – 10% off with Military ID
Hard Rock Cafe – 10% – 15% off. Varies for each location.
Hertz – Allowable per diem rates. Show valid military ID
Hewlett-Packard – Log on to website and click on New User Registration: Enter first and last name, user name, password and email address. Use company code: 2727. Discounts vary. Online only.
HickoryFarms.com - 10 percent Military discount – Enter 892848 in code box on online order form
Home Depot – 10% off Year Round, to active duty, active reserve, retired military, and immediate family. In-Store, just bring valid military ID
Hooters – 10% off with military ID
Hot Topic – 10-20% off with military ID

IAVA – IAVA, Iraq and Afghanistan Veterans of America, is a veterans organization that looks to help take care of the newest generation of American veterans. They also are working with companies, such as JC Penney, to provide up to $200 in vouchers to certain retail stores.
IHOP – 20% with Military ID at owners discretion
Imax – $1 off movie tickets with Military ID
Inkshouse.com – 20% off $50 or more, use cod Mil20
istudysmart.com – Free Shipping for Military Families, Online, 9/15 – 10/14

Java Cafe – Discount varies, simply ask and have a valid military ID with you.
Jeep – $500 for active military, reserves and retired reserves or active after 20 years of service. Requires military ID
Jiffylube – 10% off with valid Military ID
Jockey – 10% off with valid Military ID
Jones New York Outlet Store – 10% off with valid Military ID

KB Toys – 15% off during advertised Military Days
KFC – Discount varies, simply ask and have a valid military ID with you.
Kragen Auto Parts – Discount varies, simply ask and have a valid military ID with you.

Lady Foot Locker – 20% off with military ID
Leslie Pool Supplies- 10% off with military ID
Lerner – 15% off
Long John Silver's – Discount varies, simply ask and have a valid military ID with you.
Longhorn Steakhouse – 10% military discount
Lowes – 10% off year round to active duty, active reserve, retired military, and immediate family. Just bring in a valid military ID. The military discount, however, cannot be combined with other coupons they may be offering.

Macy's – 10% off on the first Tuesday of every month, 15% with a Macy's card. Here are more Macy's Coupons.
Maurices – 10% off with valid military I.D.

Marriott Hotels – It's the Per Diem amount the government picks up, whatever that amount is. Just call and place the reservation over the phone and ask for that discount. Online at http://www.marriott.com/reservation/worldnum.mi
Mary Kay Cosmetics – Military personnel and dependents receive 10 % on online orders. Reference your service affiliation and status, and ask for additional free gift and bigger discounts by contacting website.
McDonald's – Discount varies, simply ask and have a valid military ID with you.
Meineke – 10% off parts. In store only. Simply ask and have a valid military ID with you.
Michaels - 10% off every Wednesday.
Midas – 10% off
MLB Hall of Fame – Discount varies, simply ask and have a valid military ID with you.
Movie Theaters – Discount varies, simply ask and have a valid military ID with you.
Mrs. Fields- 10% off with military ID, coupon link
My Cruise Club – 9% off on all cruises, ends 12/31/10, www.militarycruisedeals.com

NAPA Auto Parts – Discount varies, simply ask and have a valid military ID with you.
Nautica - 10% off with military ID
National – No fee for additional drivers, and special off duty rates per location. Service members receive full loss damage waivers
National Credit Solutions – 25% discount, call toll free at 866-485-2540 x109, and for a direct line please call 972-746-4209
New York and Company - 15% off military discount
Nextel – 18% Discount, call 1-800-639-6111
Nickelodeon Hotels – Reduced rates and perks, online and in store, www.nickhotel.com/military , 877-NICK-111 and ask for the Military Family Package.
Nike – 10% off, In-Store. For official company policy please check out http://www.nikebiz.com/customer_service/discounts.html
Nuvo - $30 off Ritmo Pregnancy Sound System. You can call 1-888-688-6462, or use coupon code MILITARY99 online at http://www.nuvo-group.com. Valid military ID required for in-store purchase.

O'Reilly Auto Parts – Discount varies, simply ask and have a valid military ID with you.
Oakley – There is a website you register with that offers Oakleys at a discounted price. It doesn't say how much that price is though. Check it out online at https://secure.usstandardissue.com/
Old Navy – 10% military discount 1st of every month (may vary by location; in-store only).

Pac Sun – Discount varies per location, just bring in a vaild military ID and ask
Panchero's Mexican Grill – Discount varies, simply ask and have a valid military ID with you.
Pancho's Mexican Buffet – Discount varies, simply ask and have a valid military ID with you.
Panda Express – Discount varies, simply ask and have a valid military ID with you.
Paradise Bakery- 40% off meals for military members with military ID. Does not extend to family.
Paradise Limousine – $25 Off Limousine Service Coupon Code: 1369 for service members
Pep Boys – 10% off with valid military ID
Pizza Hut – Discount varies, simply ask and have a valid military ID with you.

Play It Again Sports – Discount varies, simply ask and have a valid military ID with you.
Professional Sports teams – Discount varies, simply ask and have a valid military ID with you.
Pure Beauty – Discount varies, simply ask and have a valid military ID with you.

Quizno's – Discount varies, simply ask and have a valid military ID with you.

Race-Depot – 10% off, use code 10MILCITY
Rack Room Shoes – 15% discount. Bring in valid military ID
Raising Cane's Chicken – Discount varies, simply ask and have a valid military ID with you.
Ralph Lauren Outlet Store – 10% off with Military ID
Ramada – 15% to 30% – depending on availability. Must present military I.D. upon check in.
Red Robin – Discount varies, simply ask and have a valid military ID with you.
Regal Movie Theaters – Matinee prices for all show times. Requires Military ID
Ripley's attractions and museums – Discount varies, simply ask and have a valid military ID with you.
Rocky Mountain Chocolate Factory – 10% military discount
Rocky Mountain Tracking – 5% off any tracking inc. Use code USMILITARY, http://www.rmtracking.com/

S & K Men's Wear – 8% Discount on all items free shipping on orders over $99 & APO/FPO shipping. To access the military site at S&K you must go through their AAFES Exchange Mail Online service. http://bdeal.me/aCVq2X
Sally Beauty Supply – Discount varies, simply ask and have a valid military ID with you.
Samsonite- 15% off with military ID
Sea World -One day complimentary admission for members of the military and 3 direct dependents in 2010. Here's to the Heroes
Sesame Park Place- One day complimentary admission for members of the military and 3 direct dependents in 2010. Here's to the Heroes
Shedd Aquarium in Chicago- Free general admission with military ID. On the Shedd Aquarium page that is hyper linked here, scroll down to "Other Discounts" to find out more information.
Shoe Carnival – 10% off with military ID
Shoe Department – 10% off with military ID
Sierra Suites – Rates at or below per diem depending on location. Discounts may vary and depend on availability. Must present military I.
Simone Protective Health – 20% off their nutritional hydration drink.
Six Flags Mountain Magic – Service members receive special discounts on admission for special events and specific dates. Tickets must be purchased in advance MWR and ITT 143. Recreation offices, not at the park.
Sizzler – Discount varies, simply ask and have a valid military ID with you.
Sonic – Discount varies, simply ask and have a valid military ID with you.
Soutwest Airlines – Varies, it's a dollar amount, not a percentage. Not available on all flights, you'll have to call Southwest and simply just ask.
Spencer's Gifts – Discount varies, simply ask and have a valid military ID with you.
SportsMemorabilia.com – 10% off at checkout, use code mili10 online
Sprint – 10-18% off. Sprint will also put a "hold" on your line when you are deployed, if you

provide a copy of your orders, so you still have the same number when you come back and you do not have to pay for the time your gone as well.
Sprint Business – 15% to 20% Discount, 1-888-788-4727
Suzuki – $500 off for you and immediate family. Requires military ID
Sweet Tomatoes – 10% off with military ID
Szul- Free shipping to Military APO/FPO destinations until 12/31/10. http://bdeal.me/dnZ6Fb

Taco Bell – Discount varies, simply ask and have a valid military ID with you.
Texas Road House – 30% military discount
The Finish Line – 20 percent military discount off select items at special locations
The Melting Pot – Discount varies, simply ask and have a valid military ID with you.
Timberland Outlets – 15%, bring in valid military ID
Tommy Hilfiger – 10% with valid military ID
Toyota – $500 off + $500 for firs time buyers. Requires military ID
Travelodge – Rates within allowable per diem. Discounts may vary and depend on availability. Must present military I.D

Under Armor Outlet Store – 10% off with military ID
United Artist Movie Theaters – Matinee prices for all show times. Requires Military ID.

Verizon – 23% discount on monthly bills. Applies only to the military member's primary line.

Walgreens – 10% with military ID every Tuesday
Wendy's – Discount varies, simply ask and have a valid military ID with you.
Wildlife Conservation Society's Bronx Zoo – Free admission ticket for active duty or reserve member of the military, also allows 50% discount in admission for up to 3 family members
Wildlife Conservation Society's New York Aquarium – Enrolled military get in for free and 50% off for up to 3 family members http://www.nyaquarium.com/
Wing Zone – 10% military discount in Alabama. Ends 12/31/2015
World of Coca Cola – $2 off standard admission price for service member with I.D. and up to four guests.
Wyndham Hotels – Discounts vary by 140 locations. Also depend on availability. Must present military I.D. upon check in.

Zaxby's – 10% off with military ID

[Source: http://blog.bradsdeals.com/2010/09/22/160-stores-with-military-discounts Feb 2011 ++]

RESOLUTION NUMBER 12-01

RESOLUTION TO ENDORSE LEGISLATION ADDING VETERAN DESIGNATION TO ALASKA DRIVERS LICENSES AND IDENTIFICATION CARDS

WHEREAS, the Alaska Veterans Advisory Council consists of members from veterans organizations, state agencies, and the general public who are familiar with veterans issues;

WHEREAS, it is the responsibility of the Alaska Veterans Advisory Council to advise the Department of Military and Veterans Affairs, and through the Governor, other departments and agencies of the state on matters concerning veterans, their dependents, and their survivors;

WHEREAS, the Alaska Veterans Advisory Council has noted the difficulties many Alaska veterans have in affirming their veteran status;

WHEREAS, the Alaska Veterans Advisory Council recognizes the need for veterans to have multiple avenues in distinguishing this status;

WHEREAS, the Alaska Veterans Advisory Council concludes adding a veteran designation on Alaska Drivers Licenses and Identification Cards will be beneficial to the veteran in their communities and statewide and aid in providing better service to our veterans;

NOW THEREFORE BE IT RESOLVED that the Alaska Veterans Advisory Council supports legislation to add veteran designation to Alaska Drivers Licenses and Identification Cards.

CERTIFICATION
The Alaska Veterans Advisory Council unanimously adopted this resolution at its meeting held 31 January 2012.

Signed this 21st day of February 2012.

Joseph N. Fields III, Chair
Alaska Veterans Advisory Council

RESOLUTION NUMBER 12-02

RESOLUTION TO SUPPORT A STUDY TO DETERMINE THE NEED FOR SPECIALIZED HOUSING OPPORTUNITIES FOR YOUNGER VETERANS

WHEREAS, the Alaska Veterans Advisory Council consists of members from veterans organizations, state agencies, and the general public who are familiar with veterans issues;

WHEREAS, it is the responsibility of the Alaska Veterans Advisory Council to advise the Department of Military and Veterans Affairs, and through the Governor, other departments and agencies of the state on matters concerning veterans, their dependents, and their survivors;

WHEREAS, the Alaska Veterans Advisory Council has noted a possible lack of specialized housing opportunities in the state for younger veterans;

WHEREAS, the Alaska Veterans Advisory Council notes that Alaska's official Veteran Home is designated for an older population;

WHEREAS, the Alaska Veterans Advisory Council notes there is only one state-approved home for the older veteran population;

WHEREAS, the Alaska Veterans Advisory Council acknowledges the population of younger veterans needing specialized housing opportunities may be increasing with those returning home from current conflicts with serious physical and emotional injuries;

NOW THEREFORE BE IT RESOLVED that the Alaska Veterans Advisory Council supports the Department of Military and Veterans Affairs in conducting a study to quantify the need for specialized housing for younger veterans.

CERTIFICATION
The Alaska Veterans Advisory Council unanimously adopted this resolution at its meeting held 31 January 2012.

Signed this 21st day of February 2012.

Joseph N. Fields III, Chair
Alaska Veterans Advisory Council

RESOLUTION NUMBER 12-03

RESOLUTION IN SUPPORT OF VETERANS FIRST PRIORITY
FOR JOBS, HOUSING AND EDUCATION

WHEREAS, the Alaska Veterans Advisory Council consists of members from veterans organizations, state agencies, and the general public who are familiar with veterans issues;

WHEREAS, it is the responsibility of the Alaska Veterans Advisory Council to advise the Department of Military and Veterans Affairs, and through the Governor, other departments and agencies of the state on matters concerning veterans, their dependents, and their survivors;

WHEREAS, the Alaska Veterans Advisory Council acknowledges the service and sacrifice made by veterans and their families for our great nation;

WHEREAS, the Alaska Veterans Advisory Council believes this service warrants veteran priority in the job market, housing and education, and believes those that raise their hand to serve our country should be first in line for such opportunities;

WHEREAS, the Alaska Veterans Advisory Council recognizes the significant positive statewide economic impact incurred through Veteran Retirements, Medical Entitlements, Employment, Housing and Education.

WHEREAS, the Alaska Veterans Advisory Council recognizes there are challenges for veterans securing employment, housing and educational opportunities;

WHEREAS, the Alaska Veterans Advisory Council believes employers, landlords and educators need to be engaged on this issue and participate in creating solutions;

NOW THEREFORE BE IT RESOLVED that the Alaska Veterans Advisory Council supports efforts to give veterans first priority in employment, housing and educational opportunities.

CERTIFICATION
The Alaska Veterans Advisory Council unanimously adopted this resolution at its meeting held 1 February 2012.

Signed this 21st day of February 2012.

Joseph N. Fields III, Chair
Alaska Veterans Advisory Council

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version	**CSHB 180(FIN)**
Fiscal Note Number	**3 **CORRECTED****
(H) Publish Date	**2/10/12**

Identifier (file name)	HB180CS(FIN)-DOA-DMV-2-8-2012	Dept. Affected	Administration
Title	Veteran Designation on Driver's License	Appropriation	Motor Vehicles
		Allocation	Motor Vehicles
Sponsor	Representative Saddler		
Requester	House Finance	OMB Component Number	2348

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services	24.2		0.0	0.0	0.0	0.0	0.0
Commodities	8.7		17.5	0.0	0.0	0.0	0.0
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**32.9**	**0.0**	**17.5**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)	32.9		17.5	0.0	0.0	0.0	0.0
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**32.9**	**0.0**	**17.5**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES	**51.3**		**102.7**	**0.0**	**0.0**	**0.0**	**0.0**

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

1) Eliminated cost of redesigning the cards.
2) Reduced the estimated revenue to reflect the change in the fee from $15 to $5 to obtain a replacement card.

Prepared by	Whitney Brewster, Director	Phone	907-269-5559
Division	Motor Vehicles	Date/Time	2/8/12 8:30 AM
Approved by	John Cramer, Deputy Commissioner	Date	2/8/2012
	Department of Administration		

(Revised 1/17/2012 OMB)

FISCAL NOTE #3 **CORRECTED**

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. CSHB 180(FIN)

Analysis

The effective date of this CS is March 1, 2013.

Expenditures

1) The Division of Motor Vehicles' (DMV) antiquated database is almost 30 years old; the way it was programmed makes it difficult to effect even minor changes.
   a) Add a 'veteran' field to DMV's database - **109 contract hours**
      The field must be added to 40-50 programs within the database; each program will have to be tested prior to deployment. Since DMV shares data with Department of Public Safety, a field will also need to be added to the shared program, then tested and deployed.
   b) Create a reporting feature for notification to Department of Military & Veterans Affairs - **60 contract hours**
      The bill does not specify exactly what would be required. The 60 hour estimate is based on producing a scheduled weekly mainframe report showing additions only.

Total estimated contract hours: 169
Cost per hour: $143 (contract rate per the State's task order system for IT professional services)
Total programming cost: 169 x $143 = $24,167

2) Cost to produce replacement licenses/IDs for existing population of Alaska veterans. DMV anticipates that 50% of qualified veterans will opt for the designator within the first year. Of those who opt for the designator in the first 12 months after the March 1, 2013, effective date, approximately one-fifth will have licenses/IDs that expire within those first 12 months; DMV will be required to issue replacement licenses/IDs to the remaining four-fifths of veterans opting for the designator within the first 12 months.

77,000	Quantity of veterans in Alaska as of 09/30/10 per U.S. Dept. of Veterans Affairs
x 50%	Estimated percentage of veterans opting for the designator in the first 12 months
38,500	Quantity of veterans opting for the designation
-7,700	20% of veterans whose license/IDs expire within the 12 month period; DMV assumes they will NOT come in for a replacement, but will have the designator added at the time of renewal.
30,800	Quantity of veterans obtaining replacement licenses/IDs in the first 12 months
x $.85	Cost per license/ID for printer ribbon, laminate, and card
$ 26,180	Total cost to produce replacement driver's licenses /IDs in the first 12 months (03/01/13-02/28/13)
$ 8,727	$26,180/12 x 4 months - Cost to produce replacement cards in **FY13** (03/01/13-06/30/13)
$ 17,453	$26,180/12 x 8 months - Cost to produce replacement cards in **FY14** (07/01/14-02/28/14)

Revenue

30,800	Quantity of veterans obtaining replacement licenses in the first 12 months
x $5	Replacement fee
$ 154,000	Estimated additional revenue collected in the first 12 months (03/01/13-02/28/14)
$ 51,300	$154,000/12 x 4 months Estimated additional revenue collected in **FY13** (03/01/13-06/30/13)
$ 102,700	$154,000/12 x 8 months Estimated additional revenue collected in **FY14** (07/01/14-02/28/14)

Performance Measures

DMV currently produces about 270,000 driver's licenses and identification cards each year. The anticipated additional 30,800 customers in the twelve months following implementation may impact DMV's ability to meet the performance measure of serving customers in an average of 20 minutes or less.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: CSHB 180(STA)
(H) Publish Date: 4/1/11

Identifier (file name): CSHB180-DOA-DMV-03-25-11
Title: Veteran Designation on Driver's License
Sponsor: Representative(s) Saddler, Feige, Herron, Fairclough, Lynn
Requester: House State Affairs

Dept. Affected: Administration
Appropriation: Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services	57.2		0.0	0.0	0.0	0.0	0.0
Commodities	8.3		17.9	0.0	0.0	0.0	0.0
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**65.5**		**17.9**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES 1005 GF/PR	**154.0**		**308.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts	65.5		17.9	0.0	0.0	0.0	0.0
1037 GF/Mental Health							
Other (please identify)							
TOTAL	**65.5**		**17.9**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

1) Provided additional information on programming costs.
2) Reduced the estimated percentage of qualifying veterans who opt for the designation from 75% to 50%, based on comments made in the House Military & Veterans' Affairs committee meeting. This reduces both the cost for duplicate cards and the revenue from providing duplicates.
3) Allocation of costs and revenue between FY12 and FY13 resulting from the change in effective date.

Prepared by: Whitney Brewster, Director — Phone: 907-269-5574
Division: Motor Vehicles — Date/Time: 3/25/11 12:30 PM
Approved by: John Cramer, Deputy Commissioner — Date: 3/25/2011
Department of Administration

(Revised 1/27/2011 OMB)

FISCAL NOTE #2

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSHB 180(STA)

Analysis

Expenditures

1) The Division of Motor Vehicles' (DMV) antiquated database is almost 30 years old; the way it was programmed makes it difficult to effect even minor changes.
   a) Add a 'veteran' field to DMV's database - 160 contract hours
      The field must be added to 40-50 programs within the database; each program will have to be tested prior to deployment. Since DMV shares data with Dept of Public Safety, a field will also need to be added to the shared program, then tested and deployed.
   b) Redesign the driver's licenses and ID cards to accommodate the designation - 160 contract hours
      With the current license/ID design, there is no space to add a designation. Either the font will need to be reduced and/or items rearranged to accommodate the veteran designation. DMV issues 40 different types of licenses and IDs. Each type will have to be modified, tested, and deployed.
   c) Create a reporting feature for notification to DMVA - 80 contract hours
      The bill does not specify exactly what would be required. The 80 hour estimate is based on producing a scheduled weekly mainframe report showing additions only.

   Estimated hours: 400
   Cost per hour: $143 (this is the contract rate per the State's task order system for IT professional services)
   Total programming cost: 400 x $143 = $57,200

2) Cost to produce duplicate licenses/IDs for existing population of Alaska veterans. DMV anticipates that 50% of qualified veterans will opt for the designator within the first year. Of those who opt for the designation in the first 12 months after the March 1, 2012 effective date, approximately one-fifth will have licenses/IDs that expire within those first 12 months; DMV will be required to issue duplicate licenses/IDs to the remaining four-fifths of veterans opting for the disignator within the first 12 months.

77,000	Quantity of veterans in Alaska as of 09/30/10 per U.S. Dept. of Veterans Affairs
x 50%	Estimated percentage of veterans opting for the designator in the first 12 months
38,500	Quantity of veterans opting for the designation
x 80%	Percentage of veterans who will obtain duplicate licenses/IDs (the designation will be added on the license/ID of 20% when the veteran comes in for renewal during the first 12 months)
30,800	Quantity of veterans obtaining duplicate licenses/IDs in the first 12 months
x $.85	Cost per license/ID for printer ribbon, laminate, and card
$ 26,180	Total cost to produce duplicate driver's licenses /IDs in the first 12 months (03/01/12-02/28/13)
$ 8,268	Cost to produce duplicate cards in **FY12** (03/01/12-06/30/12)
$ 17,912	Cost to produce duplicate cards in **FY13** (07/01/12-02/28/13)

Revenue

30,800	Quantity of veterans obtaining duplicate licenses in the first 12 months
x $15	Duplicate license fee
$ 462,000	Estimated additional revenue collected in the first 12 months (03/01/12-02/28/13)
$ 154,000	Estimated additional revenue collected in **FY12** (03/01/12-06/30/12)
$ 308,000	Estimated additional revenue collected in **FY13** (07/01/12-02/28/13)

Performance Measures

DMV currently produces about 270,000 driver's licenses and identification cards each year. The anticipated additional 30,800 customers in the twelve months following implementation will impact DMV's ability to meet the performance measure of serving customers in an average of 20 minutes or less.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHB 180(MLV)
(H) Publish Date: 3/18/11

Identifier (file name): HB180-DOA-DMV-03-11-11
Title: Veteran Designation on Driver's License
Sponsor: Rep. Saddler, Feige, Herron, Fairclough
Requester: House Military & Veterans Affairs

Dept. Affected: Administration
Appropriation: Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services	57.2		0.0	0.0	0.0	0.0	0.0
Commodities	39.3		0.0	0.0	0.0	0.0	0.0
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**96.5**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
CAPITAL EXPENDITURES							
CHANGE IN REVENUES 1005 GF/PR	**693.0**		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts	96.5		0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health							
Other (please identify)							
TOTAL	**96.5**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable; initial version

Prepared by: Whitney Brewster, Director
Division: Motor Vehicles
Phone: 907-269-5574
Date/Time: 3/11/11 3:00 PM

Approved by: John Cramer, Deputy Commissioner
Department of Administration
Date: 3/11/2011

(Revised 1/27/2011 OMB)

FISCAL NOTE #1

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. CSHB 180(MLV)

Analysis

This bill would require the Division of Motor Vehicles (DMV) to print a designator on a driver's license identifying the driver as a veteran. This bill would also require DMV to provide the name and address of the license holder to the Department of Military and Veterans' Affairs (DMVA).

Expenditures

1) Programming will be required to:
   a) add a 'veteran' field to DMV's database;
   b) redesign the driver's license to accommodate a designation; and
   c) produce a reporting feature for notification to DMVA.

   Estimated hours: 400
   Cost per hour: $143
   Total programming cost: 400 x $143 = $57,200

2) Cost to produce duplicate licenses for existing population of Alaska veterans. If the designator will provide benefits to the veteran, such as store discounts, DMV anticipates that 75% of qualified drivers will opt for the designator within the first year. Of those, approximately one-fifth will have licenses that expire in FY12.

77,000	Quantity of veterans in Alaska as of 09/30/10 per U.S. Dept. of Veterans Affairs
x 75%	Estimated percentage of veterans opting for the designator
57,750	Quantity of veterans opting for the designation
x 80%	Percentage of veterans who will obtain duplicate licenses (the designation will be added on the license of 20% when the veteran comes in for renewal during FY12)
46,200	Quantity of veterans obtaining duplicate licenses in FY12
x $.85	Cost for license (printer ribbon, laminate, and card)
$39,270	Total Estimated cost to produce duplicate driver's licenses in FY12

Revenue

The bill states, "The department may not charge a fee for the designation." It is unclear from this statement whether or not DMV may collect the standard fee for a driver's license per AS 28.15.271. DMV is making the assumption that the standard fees do apply.

46,200	Quantity of veterans obtaining duplicate licenses in FY12
x $15	Cost of a duplicate license
$ 693,000	Estimate additional revenue collected in FY12

Performance Measures

DMV currently produces about 270,000 driver's licenses and identification cards each year. The anticipated additional 46,200 customers in FY12 will impact DMV's ability to meet the performance measure of serving customers in an average of 20 minutes or less.

HB

182

<TARGET><BILL>HB 182</BILL><SUBJECT>HB 182</SUBJECT><COMM>SSTA27</COMM></TARGET>

Alaska State Legislature

Interim:
50 Front Street, Suite 203
Ketchikan, AK 99901
Phone: (907) 247-4672
Fax: (907) 225-7157

Session:
State Capitol, Room 114
Juneau, AK 99801-1182
Phone: (907) 465-3424
Fax: (907) 465-3793

Representative Kyle Johansen
House District 1

DATE: April 6th, 2012

TO: Senator Bill Wielechowski, Chair, Senate State Affairs Committee

FROM: Rep. Kyle Johansen KJ

RE: Hearing request for House Bill 182, "An Act relating to distribution of annual reports by state agencies."

I kindly request a hearing for HB 182 in the Senate State Affairs Committee.

Alaska State Legislature

Interim:
50 Front Street, Suite 203
Ketchikan, AK 99901
Phone: (907) 247-4672
Fax: (907) 225-7157

Session:
State Capitol, Room 114
Juneau, AK 99801-1182
Phone: (907) 465-3424
Fax: (907) 465-3793

Representative Kyle Johansen

House District 1

House Bill 182 Sponsor Statement

HB 182 - "An Act relating to distribution of annual reports by state agencies."

This bill changes the publication requirements for all departments and state agencies, from a printed document to an electronic format that is posted on the agency's website and is easily accessible to the public. HB 182 also grants municipalities the authority to pass an ordinance that will allow electronic foreclosure notice to taxpayers on the municipality's public Internet website instead of newspaper publication.

Most of the statutes that provide for a printed document were written long before the advent of the modern technology that makes the reports accessible online today. The printed publishing of reports costs Alaska taxpayers over $1.6 million annually. These reports cost up to $25 per copy and are automatically delivered to all 60 legislative offices and many other offices in the government system. The vast majority of these reports go unused as the information is readily accessible in an online format.

To ensure proper distribution to all Alaskans, each commissioner is able to make a determination for physical creation and distribution of reports. Additionally, there is language in the bill that protects the State Library's Data Distribution Center, ensuring that it still receives 4 copies of every publication. These copies are sent to the statewide Data Distribution Centers and can be mailed to any library or household in the state.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **CSHB 182(FIN)**
Fiscal Note Number: **2**
(H) Publish Date: **3/19/12**

Identifier (file name): HB182CS(STA)-GOV-OMB-03-13-2012
Dept. Affected: All
Title: An Act relating to distribution of annual reports by state agencies.
Appropriation:
Allocation:
Sponsor: Johansen
Requester: (H) FIN
OMB Component Number:

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	***	**0.0**	***	***	***	***	***

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		***	**0.0**	***	***	***	***	***

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

This note was updated to correct language in the analysis section.

Prepared by: Arnold Liebelt, Policy Analyst — Phone: 907-465-4676
Division: Office of Management and Budget — Date/Time: 3/13/12 1:30 PM
Approved by: Karen Rehfeld, Director — Date: 3/13/2012
Office of Management and Budget

(Revised 1/10/2012 OMB)

FISCAL NOTE #2

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. CSHB 182(FIN)

Analysis

This legislation requires that reports required by statute for all state agencies of the executive branch be made available electronically. An agency may not produce printed copies of reports except as required under AS 14.56.120, by agreement, or by federal law, or as approved by the commissioner of the department. A person may obtain a print copy of a report from the State Library Distribution and Data Access Center.

In preparing this fiscal note, the following types of documents were not included since they are not commonly statutorily required: brochures, handouts, flyers, advertisements, action plans, manuals (e.g. student manuals, driver manuals), and newsletters.

This legislation will, overall, result in a cost savings to the state, but the extent of the savings is inconclusive. The annual cost for printing state agency reports is estimated at $220,000 statewide. Some departments currently distribute reports only electronically and do not realize contracted printing costs, such as DMVA, and other agencies already post reports as PDF documents on their websites.

This note is indeterminate because it is unknown how many reports will still be printed and distributed under section (a) of the bill.

Also, under section (a), AS 14.56.120(a) requires each state agency to provide at least four copies of each of its "state publications" to the State Library Distribution and Data Access Center, and additional copies of each publication may be requested by the center for deposit in quantities necessary to meet the needs of the depository library system and to provide inter-library service to those libraries not having depository status. This requirement will continue to be a cost to agencies.

Finally, if persons want a printed copy of a report, they can obtain a copy from the State Library Distribution and Data Access Center. The additional requests that libraries may receive for printed reports and the cost to libraries of fulfilling those requests is unknown.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **HB 182**
() Publish Date

HB182-GOV-OMB-3-27-11
Dept. Affected All
Title An Act relating to distribution of annual reports by state agencies
Appropriation
Allocation
Sponsor Representative Johansen
Requester House State Affairs
OMB Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
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 (please identify)							
TOTAL	***	***	***	***	***	***	***

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Prepared by Arnold Liebelt, Senior Policy Analyst
Phone 465-4676
Division Office of Management and Budget
Date/Time
Approved by Karen Rehfeld, Director
Date 3/26/2011
Office of Management and Budget

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB 182

Analysis

This legislation requires that annual reports of all state agencies may only be made available electronically. An agency may not produce printed copies of annual reports unless specifically requested by an individual or if conflicts exist with provisions of law.

The cost for this note is indeterminate. The estimated cost for printing state agency annual reports is $133.5. This includes over 28,000 copies from agencies that currently print and distribute annual reports. Several Departments currently distribute annual reports only electronically and do not realize printing costs. These include the Department of Law, the Alaska Judicial Council, the Department of Corrections and the Alaska Court System. Most Departments post annual reports as PDF documents on their websites. Other agencies, such as the Alaska Commission on Judicial Conduct, send notifications informing people that their reports can be downloaded from their website and that a report will only be sent to them if requested.

This fiscal note is indeterminate because the cost for producing annual reports is not linear. The fewer reports that are produced, the greater the cost per report. The cost is attributed to the required setup by the printer, not so much the actual printing. If the number of copies is reduced from 1,000 to 100, there will most likely be a reduction in the overall cost, but the amount saved is inconclusive since the cost per copy will be greater.

Alaska State Legislature

Interim:
50 Front Street, Suite 203
Ketchikan, AK 99901
Phone: (907) 247-4672
Fax: (907) 225-7157

Session:
State Capitol, Room 114
Juneau, AK 99801-1182
Phone: (907) 465-3424
Fax: (907) 465-3793

Representative Kyle Johansen
House District 1

Sectional for HB 182 - "An Act relating to distribution of annual reports by state agencies."

Section 1. Grants municipalities the authority to pass an ordinance that will allow electronic notice to taxpayers on the municipality's public Internet website instead of newspaper publication of the amount of state aid a municipality receives and the millage equivalent.

Section 2. Allows a municipality to meet notice requirements by posting its foreclosure list for delinquent taxes on the municipality's public Internet website.

Section 3. Allows a municipality to electronically post notice that the redemption period following foreclosure will expire in 30 days on its public Internet website.

Section 4. Creates a new article requiring electronic production and distribution of agency reports if the agency has the technological capability to do so. Requires that reports must be posted for one year or until superseded. Creates exceptions where printing is required by other law, agreement or requested. Allows electronic distribution to fulfill any agency obligation to publish, prepare, present, or submit a report. Clarifies that print copies of reports may be requested from a library distribution and data access center. Defines "report" and "state agency".

LEGISLATIVE RESEARCH REPORT

NOVEMBER 3, 2005

REPORT NUMBER 06.032

ANNUAL REPORT DISTRIBUTION REQUIREMENTS

PREPARED FOR REPRESENTATIVE MAX GRUENBERG

BY BECKY TAYLOR, LEGISLATIVE ANALYST

You asked about annual report distribution by state agencies and departments. Specifically, you wished to know what the distribution requirements are for these reports, whether the law requires reports to be printed, and if distributing reports electronically would be more cost effective.

DISTRIBUTION REQUIREMENTS FOR ANNUAL REPORTS

As you know, Alaska laws require certain state agencies to produce annual reports. These laws often establish what information the report must contain, and to whom it must be distributed. Distribution requirements vary; however, often agencies must distribute reports to the Legislature, the Governor, and the public. The majority of statutes on the subject do not specify what form an annual report must take, and we were unable to identify any general requirement that all agencies produce a printed report. AS 44.99.200 authorizes the Department of Administration to establish standards for the production of state publications, which are outlined in the publication section of the Alaska Administrative Manual (AAM 83). These standards are focused on printing methods and do not address distribution requirements or methods. AS 44.99.200 does state that the standards "shall be designed to promote simplicity, low cost, and consistency." Many of the statutes and regulations regarding annual reports may have been written before electronic distribution was a possibility.[1]

We identified a number of specific instances in which an organization is required by law or regulation to produce an annual report in a certain format. For example, AS 41.08.030 requires the Division of Geological and Geophysical Surveys to print and publish their annual report. Pursuant to 23 AAC 40.010, the Office of Victim's Rights must post an annual report on their web

[1] Personal Communication from Vern Jones, chief procurement officer, Division of General Services, Department of Administration. Mr. Jones can be reached at (907) 465-5684.

site. Many statutes contain language that is not specific about the format of the report, such as the following section of AS 37.13.170, relating to the Permanent Fund Corporation:

> By September 30 of each year, the board shall publish a report of the fund for distribution to the governor and the public. The board shall notify the legislature that the report is available. The report shall be written in easily understandable language.[2]

The only statute that we identified that applies generally to the distribution of annual reports is the requirement under AS 14.56.120 that state agencies submit several copies of any publication they produce to the Alaska State Library (ASL) for the State Publication Program. The State Library then distributes these documents to Alaska Depository Libraries in Juneau, Anchorage, Fairbanks, and Washington, D.C. One of the goals of the program is to ensure that state publications are accessible to all Alaskans. Alaskans can request to have materials sent to their local library through inter-library loan. The Publication Program also maintains older state documents that an agency may no longer be able to provide. [3]

According to ASL personnel, the library distribution requirement can be satisfied with electronic documents. One librarian, nevertheless, expressed concern that digital materials may be more difficult to preserve, and that some constituents who request materials through inter-library loan may have difficulty with the format.[4]

THE IMPACT OF TECHNOLOGY

Many organizations that are mandated by Alaska law to produce annual reports already post the documents on-line. Agencies that post their annual reports on-line may also produce a printed copy, but some agencies appear to be cutting back on the number of printed copies they generate. According to Michael Matthews, with the Alaska Bureau of Vital Statistics, his agency has reduced the number of printed copies they produce as more people have started using the Internet.[5] The Regulatory Commission of Alaska (RCA) has cut the number of annual reports that it prints in half in recent years. The RCA still mails printed copies of their annual report to all Alaska Legislators, although AS 42.05.211 and AS 42.06.220 appear to require that the agency only, "notify" the legislature that the report is available.[6]

---

[2] The word "publish" is frequently included in similar statutes. While "publish" may imply print, the relevant definition in *Black's Law Dictionary* is simply, to "distribute" copies of a work to the public. Bryan A. Garner, ed., *Black's Law Dictionary*, 8th ed., St. Paul, MN, West, 2004, p. 1268.

[3] For more information about the Alaska State Publications Program, see the Alaska State Library website at *http://www.library.state.ak.us/asp/*.

[4] Personal communication from Daniel Cornwall, government publications librarian, Alaska State Library. Mr. Cornwall can be reached at (907) 465-2927.

[5] Personal communication from Michael Matthews, research analyst, Bureau of Vital Statistics, Alaska Department of Health and Social Services. Mr. Matthews can be reached at (907) 465-8602.

[6] Personal communication from Grace Salazar, chief of Consumer Protection & Information, Regulatory Commission of Alaska. Ms. Salazar can be reached at (907) 263-2134.

A number of agencies are saving money by reducing the number of printed copies they produce. For example, printing costs for the RCA annual report are as follows:

Regulatory Commission of Alaska Annual Report Printing Costs			
Fiscal Year	Reports Printed	Cost per Copy	Total Cost
2003	400	$11.09	$4,436
2004	200	$6.62	$1,324
		Cost Reduction	$3,112

Source: Cost per copy is included in the FY2003 and FY2004 annual reports available at http://www.state.ak.us/rca/AnnualReport/. The number of copies produced was provided by Grace Salazar.

Similarly, we show printing costs for the Alaska Permanent Fund Corporation (APFC) below:

Alaska Permanent Fund Corporation Annual Report Printing Costs			
Fiscal Year	Reports Printed	Cost per Copy	Total Cost
2004	2,500	$7.85	$19,625
2005	1,500	$7.24	$10,860
		Cost Reduction	$8,765

Source: Cost per copy is included in the FY2004 and FY 2005 annual reports available at http://www.apfc.org/publications/AnRptArch.cfm. The number of copies produced was provided in a personal communication from Laura Achee, director of communications, Alaska Permanent Fund Corporation. Ms. Achee can be reached at (907) 465-2047.
Note: Costs for printing the APFC annual report are paid with Permanent Fund earnings, and do not come out of the general fund.

The Alaska Housing Finance Corporation (AHFC) posts the annual report on-line, and distributes the document on compact discs (CDs) which are easy to circulate, and can also be used as a marketing tool. The AHFC estimates that switching from printed reports to CDs has saved $10,000 to $15,000 a year. A printed annual report costs $8 to $12 to produce, while producing a CD and cover costs only $1.70. Corporate communications officer, Sherrie Simmonds, notes that because of the large file size, sending the extensive report by email would not be feasible. The AHFC will print a hard copy of the annual report in-house for anyone who requests one; however, they only receive one or two requests a year for paper copies.[7] The Alaska Division of Oil & Gas also mails copies of its annual report on CD to individuals who are not able to download the large files from the division's website.[8]

In addition to reducing printing costs, increased use of technology may be helping to reduce postage costs as well. Some agencies are shortening their mailing lists in response to the increased use of on-line documents. For example, The RCA stopped routinely mailing annual reports to regulated utilities several years ago; now they only mail reports to utilities that

[7] Personal communication from Sherrie Simmonds, corporate communications officer, Alaska Housing Finance Corporation. Ms. Simmonds can be reached at (907) 330-8447.

[8] Personal communication from Brian Havelock, natural resources specialist, Division of Oil & Gas, Alaska Department of Natural Resources. Mr. Havelock can be reached at (907) 269-8807.

specifically request a printed copy.[9] According to personnel in several agencies we contacted, while the use of electronic distribution can help reduce printing and postage costs, the majority of the cost of generating an annual report is the amount of staff time needed to gather and arrange all of the information.

CHALLENGES TO ELECTRONIC DISTRIBUTION

Electronic distribution could be more cost effective than printing and mailing documents for state agencies that already possess the technological resources necessary to send files by email or post them on their website. Indeed, it seems that several state agencies have recognized the opportunity to cut costs by relying more heavily on technology in their distribution of reports. Electronic distribution, however, could potentially be more costly for recipients of the documents, particularly in rural areas that may rely on slow, long distance dial up services. Distributing annual reports on CD provides a way around the challenge of opening large documents with a slow Internet service, but still requires recipients to have computer access. The consumer would also bear any printing cost.

Some agencies expressed concern that switching to electronic distribution exclusively would prevent certain constituents from having access to the reports, or make the reports difficult to read. For example, the Bureau of Vital Statistics sends copies of its annual report to rural health care facilities, many of which may have slow, unreliable Internet connections.[10] Laura Achee, the director of communications for the APFC, commented as follows:

> State law directs us to "publish the report for distribution to . . . the public." Not every Alaskan has easy access to a computer and printer, so we will always have to have print copies available for those who request one. State law also directs us to write the report in "easily understood language." I think following the spirit of that means we should also be able to provide the report in an easily accessible format for each Alaskan, which for many may be print. The size and complexity of the document can make it difficult to review online.

A number of agencies already use electronic distribution to reduce printing costs. It appears that state agencies could distribute reports solely in electronic form; however, this could transfer printing and access costs from the agency to the recipient, and may adversely impact residents who lack the necessary technology.

I hope you find this information to be useful. Please do not hesitate to contact us if you have questions or need additional information.

[9] Grace Salazar.

[10] Michael Matthews.

OMB Report - 2011

Statewide - Publications Spreadsheet
AS 44.99.220
February 28, 2011

	Department	Total Cost of Production	Quantity Produced	Number of Publications	
1	Administration	$380,174	604,739	37	
2	Commerce	$95,215	108,598	42	
3	Corrections	$0	0	3	
4	Education	$0	278,840	146	
5	Environmental	$4,750	295	6	
6	Fish and Game	$267,500		188	
7	Health	$61,381	94,569	219	
8	Labor	$198,747	417,437	72	
9	Law	$0	201	3	
10	Military	$0	6,000	2	
11	Natural Resources	$39,697	11,850	27	
12	Public Safety	$172,750	12,408	213	
13	Revenue	$33,532	9,853	20	
14	Transportation	$77,484	46,890	94	
15	AK Judicial Council/Commission on Judicial Conduct	$2,217	500	2	
16	* Alaska Court System	$0	0	39	
17	University	$321,930	377,853	57	
	Grand Total	**$1,655,376**	**1,970,033**	**1,170**	
	* All publications are posted on line and all are produced in house.				

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	Administration	Alaska Public Office Commission	Biennial Report	Biennial	$0.00	7
2	Administration	Alaska Public Office Commission	Directory of Registered Lobbyists	As needed	$0.00	8
3	Administration	Alaska Public Office Commission	APOC Disclosure Laws Manuals	As needed	$0.00	20
4	Administration	Alaska Public Office Commission	APOC Newsletter	Quarterly	$0.00	6
5	Administration	Victim of Crimes Compensation Board	Annual Report	Annual	$0.00	100
6	Administration	General Services	Procurement Report	Biennial	$250.00	1
7	Administration	Finance	Comprehensive Annual Financial Report	Annual	$7,643.25	315
8	Administration	Finance	Travel and Compensation Report	Annual	$0.00	Online
9	Administration	Finance	Checkbook Online Spreadsheet of Expenditures	Annual	$0.00	Online
10	Administration	Finance	Pocket Guide to Travel Regulations	Updated as needed	$0.00	Online
11	Administration	Finance	Alaska Administrative Manual	Updated as needed	$0.00	Online
12	Administration	Finance	Payroll Procedures Manual	Updated as needed	$0.00	Online
13	Administration	Finance	Accounting Procedures Manual	Updated as needed	$0.00	Online
14	Administration	Finance	AKSAS Handy Guide	Updated as needed	$0.00	Online
15	Administration	Risk Management	Annual Report	Annual	$336.00	12
16	Administration	Risk Management	Acturial Report	Annual	$0.00	The actuarial report is provided as part of a professional services contract for the annual actuarial study. There is no additional cost for the production of the report.
17	Administration	Office of Administrataive Hearings (OAH)	Annual Report	Annual	$0.00	Triplicate originals are printed in house-report is web posted for reference by others
18	Administration	Retirement & Benefits	Affirmative Action Plan	Annual	$694.00	30
19	Administration	Personnel & Labor Relations	Workplace Profile	Annual	$0.00	Online
20	Administration	Personnel & Labor Relations	Progress Report on Equal Employment Opportunity and Affirmative Action in State Government	Annual	$1,205.00	110
21	Administration	Motor Vehicles	Driver Manual	As needed	$31,150.00	10,000
22	Administration	Motor Vehicles	Motorcycle Manual	As needed	$3,206.25	15,000
23	Administration	Motor Vehicles	Commercial Driver License Manual	As needed	$15,412.80	24,000
24	Administration	Motor Vehicles	Disability Parking is a Privilege	As needed	$87.50	5,000
25	Administration	Motor Vehicles	Provisional Licenses for Teens	As needed	$1,024.00	8,000

26	Administration	Motor Vehicles	Customer Survey Cards	As needed	$266.00	7,000
27	Administration	Motor Vehicles	Hazmat Brochure	As needed	$216.00	5,000
28	Administration	Motor Vehicles	DUI Tickets are Bad & Costly	As needed	$1,259.00	10,000
29	Administration	Motor Vehicles	Online Skills Testing Schedule	As needed	$175.00	10,000
30	Administration	Motor Vehicles	Mandatory Ins/Financial Responsibility	As needed	$1,002.00	60,000
31	Administration	Motor Vehicles	No Hassle Flyers	As needed	$4,400.00	440,000
32	Administration	Motor Vehicles	Commercial Motor Vehicle Info	As needed	$200.00	10,000
33	Administration	Retirement & Benefits	Comprehensive Annual Financial Report - TRS	Annual	$1,600.00	65
34	Administration	Retirement & Benefits	Comprehensive Annual Financial Report - PERS	Annual	$1,600.00	65
35	Administration	Retirement & Benefits	Misc Brochures**	Ongoing as needed	$40,000.00	**Statute requires positive notification that an information handbook for each plan in the system be published. This line includes brochures applicable to plans we administer.
36	Administration	Retirement & Benefits	Misc Newsletters - Employers Edge, Newsbreak PERS, Newsbreak TRS, HealthMatters AlaskaCare, Health Matters, Soc Sec, 1099-R	monthly, quarterly, trimester, one yearly	$231,500.00	**Statute requires positive notification that an information handbook for each plan in the system be published. This line includes brochures applicable to plans we administer.
37	Administration	Retirement & Benefits	Misc Handbooks and Booklets**	Ongoing as needed	$36,947.50	**Statute requires positive notification that an information handbook for each plan in the system be published. This line includes brochures applicable to plans we administer.
				Total:	**$380,174**	**604,739**

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	Commerce Community & Economic Development	Alaska Aerospace Development Corporation	Annual Report	Annually	$12,954	1000
2	Commerce Community & Economic Development	Alaska Energy Authority	Capital Reserve Fund shortfall	Annually	$0	
3	Commerce Community & Economic Development	Alaska Energy Authority	Annual report	Annually	$18,835	1500
4	Commerce Community & Economic Development	Alaska Industrial Development and Export Authority	Capital Reserve Fund shortfall	Annually	$0	75
5	Commerce Community & Economic Development	Alaska Industrial Development and Export Authority	Annual review of assets	Annually	$0	75
6	Commerce Community & Economic Development	Alaska Industrial Development and Export Authority	Annual report	Annually	$14,290	1500
7	Commerce Community & Economic Development	Alaska Seafood Marketing Institute	Annual report	annual	$5,000	1200
8	Commerce Community & Economic Development	Banking, Securities and Corporations	BIDCO report of economic growth.	Annually	$0	
9	Commerce Community & Economic Development	Banking, Securities and Corporations	Comparative statement of banks and credit unions in Alaska		$0	
10	Commerce Community & Economic Development	Banking, Securities and Corporations	Alaska Directory of Banks and Financial Institutions	spring/fall	$0	
11	Commerce Community & Economic Development	CBPL	Disciplinary Actions	Monthly	$0	
12	Commerce Community & Economic Development	CBPL	Annual Performance Reports	Annual	$0	
13	Commerce Community & Economic Development	CBPL	Disciplinary Actions	Annual	$0	
14	Commerce Community & Economic Development	CBPL	Disciplinary Actions	As needed	$0	13
15	Commerce Community & Economic Development	Regional Affairs	Alaska Taxable	annually	$1,075	250
16	Commerce Community & Economic Development	Regional Affairs	NPR-A Impact Mitigation Grant Program	annually	$728	100
17	Commerce Community & Economic Development	Regional Affairs	Local Boundary Commission annual report	annually	$1,115	95
18	Commerce Community & Economic Development	Regional Affairs	Fuel Prices Across Alaska	twice yearly	$0	
19	Commerce Community & Economic Development	Regional Affairs	Lien Watch	Bi-Monthly	$0	
20	Commerce Community & Economic Development	Regional Affairs	RUBA Program Report	Quarterly	$0	By Request
21	Commerce Community & Economic Development	Regional Affairs	Community Development Resource	annually	$0	By Request
22	Commerce Community & Economic Development	Regional Affairs	Title 29	annually	$4,355	400
23	Commerce Community & Economic Development	Insurance	Director's Annual Report	annual	$1,510	200
24	Commerce Community & Economic Development	Insurance	Auto Rating Guide	Annually	$119	50
25	Commerce Community & Economic Development	Insurance	Homeowners Rating Guide	Annually	$636	300

26	Commerce Community & Economic Development	Insurance	Medicare Supplement Rating Guide	As needed	$0	
27	Commerce Community & Economic Development	Insurance	Consumer Guide	As needed (last printed in 2010)	$17,625	99,800
28	Commerce Community & Economic Development	Insurance	A Consumer Guide to Choosing an Insurance Company	As needed	$0	
29	Commerce Community & Economic Development		State Loans report	Annually	$0	2 The Speaker and Senate President receive a letter from the Commissioner with this information
30	Commerce Community & Economic Development		Reinstatements report	Annually	$0	2 The Speaker and Senate President receive a letter from the Commissioner with this information
31	Commerce Community & Economic Development		Establishing a Business in Alaska	Annually	$0	N/A
32	Commerce Community & Economic Development		Fisheries Enhancement Program Overview	Every 3 years	$0	
33	Commerce Community & Economic Development		Operating Budget Handout	Annually	$70	75
34	Commerce Community & Economic Development	Statistics for Loan Servicing		monthly	$0	
35	Commerce Community & Economic Development		Alaska Economic Performance report	annually	$120	120
36	Commerce Community & Economic Development		ARDOR report	annually	$0	5
37	Commerce Community & Economic Development		Alaska Film Office report	annually	$0	80
38	Commerce Community & Economic Development		Cruise Ship Head Tax report	Annually	$0	60

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	Corrections		Prisoner Handbook			
2	Corrections		Re-entry Manuals			
3	Corrections		Annual Offender Profile			

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	Education & Early Development	Alaska Student Loan Corporation	Meeting Minutes	with each meeting		2
2	Education & Early Development	Alaska Student Loan Corporation	Annual audit	annually		10
3	Education & Early Development	Alaska Commission on Postsecondary Education	Directory of Authorized Institutions in Alaska	Following each Commission meeting		
4	Education & Early Development	ESS	Capital Improvement Project Grant Schedule	Annual		100
5	Education & Early Development	ESS	Minimum Expenditure for Instruction	Annual		1
6	Education & Early Development	Arts Council	Reports	Not Specified, generally every other year		100
7	Education & Early Development	Professional Teaching Practices Commission	Annual Report	Annual		80
8	Education & Early Development	Professional Teaching Practices Commission	Newsletter	2-3 times a year		2300
9	Education & Early Development	Professional Teaching Practices Commission	Handbook for Alaska Educators	when requested		600
10	Education & Early Development	Administrative Services Division	Annual Budget	Annual		20
11	Education & Early Development	Mount Edgecumbe High School	The Channel Light (student newspaper)	Annual		500
12	Education & Early Development	Mount Edgecumbe High School	MEHS Student Handbook	Annual		500
13	Education & Early Development	Mount Edgecumbe High School	MEHS Parent Handbook	Annual		500
14	Education & Early Development	Mount Edgecumbe High School	MEHS Admissions Packet	Annual		450
15	Education & Early Development	Mount Edgecumbe High School	MEHS Application Packet	Annual		500
16	Education & Early Development	Mount Edgecumbe High School	MEHS Viewbook	Annual		2500
17	Education & Early Development	Mount Edgecumbe High School	MEHS Informational Brochure	Annual		1500
18	Education & Early Development	Mount Edgecumbe High School	MEHS Endowment Brochure	Annual		1500
19	Education & Early Development	Mount Edgecumbe High School	MEHS Yearbook	Annual		450
20	Education & Early Development	Alaska Commission on Postsecondary Education	Agency Annual Report	Annual		500
21	Education & Early Development	Alaska Commission on Postsecondary Education	Agency Loan Info Cards	Annual		10000

22	Education & Early Development	Alaska Commission on Postsecondary Education	*Going to College in Alaska* Magazine	Annual		22000
23	Education & Early Development	Alaska Commission on Postsecondary Education	Alaska career information system (AKCIS) newsletter	Annual		1000
24	Education & Early Development	Alaska Commission on Postsecondary Education	*What's Your Story?* Middle School Newspaper-Fall/Spring Editions	Annual		30000
25	Education & Early Development	Alaska Commission on Postsecondary Education	Alaska Performance Scholarship high schools postcards	Annual		10000
26	Education & Early Development	Alaska Commission on Postsecondary Education	College Goal Sunday Postcards	Annual		11000
27	Education & Early Development	Alaska Commission on Postsecondary Education	*College is 4 U* middle school posters	Annual		3000
28	Education & Early Development	Alaska Commission on Postsecondary Education	Agency calendars	Annual		4000
29	Education & Early Development	Alaska Commission on Postsecondary Education	College & Career high school prep checklist	Annual		8000
30	Education & Early Development	Alaska Commission on Postsecondary Education	AKCIS Student Brochure	Annual		15000
31	Education & Early Development	Alaska Commission on Postsecondary Education	AKCIS Teacher Brochure	Annual		1000
32	Education & Early Development	Alaska Commission on Postsecondary Education	Lower Your College Costs flyer	Annual		3000
33	Education & Early Development	Alaska Commission on Postsecondary Education	Understanding Your Credit flyer	Annual		2500
34	Education & Early Development	Teaching & Learning Support	Alaska's Public Schools: A Report Card to the Public	Annual		
35	Education & Early Development	Teaching & Learning Support	DIASA Handbook	Annual		
36	Education & Early Development	Teaching & Learning Support	Fall OASIS Data Handbook	Annual		
37	Education & Early Development	Teaching & Learning Support	Fall OASIS Data Handbook File Specs	Annual		
38	Education & Early Development	Teaching & Learning Support	Summer OASIS Data Handbook	Annual		

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	Environmental Conservation	Water	Alaska Clean Water Fund Report to the Legislature	Biennial	$100	10
2	Environmental Conservation	Spill Prevention and Response	State Master Plan Revisions	Whenever the State Master Plan is revised	$2,500	90 copies @ $52.12 each Total Cost $4,691
3	Environmental Conservation	Spill Prevention and Response	Regional Master Plan Revisions (Subarea Contingency Plans)	Whenever the Regional Master Plan is revised	$1,500	100 copies @ $48.50 each Total Cost $4,850
4	Environmental Conservation	Spill Prevention and Response	Oil & Hazardous Substance Release Prevention & Response Fund Biennial Report	Biennial	$500	75 copies @ $8.40 each Total Cost $630
5	Environmental Conservation	Air Quality	Emission Fee Report	Every four years	$50	20
6	Environmental Conservation	Water	APDES Status	Annual	$100	10
				Total:	**$4,750.00**	**295**

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	Fish & Game	Administrative Services	Fish and Game Fund Analysis	Annual	$0	
2	Fish & Game	Boards	Board of Fisheries Summary of Actions	After board meetings	$0	
3	Fish & Game	Boards	Board of Game Summary of Actions	After board meetings	$0	
4	Fish & Game	Commercial Fisheries	Alaska Salmon Enhancement Program Annual Report	Annual	$1,500	
5	Fish & Game	Commercial Fisheries	Annual fishery management reports	Annual	$8,000	
6	Fish & Game	Commercial Fisheries	Annual Mariculture Report	Annual	$1,000	
7	Fish & Game	Commercial Fisheries	Federal Grant Semi-Annual and Annual Performance Reports	Annually and semi-annually	$1,000	
8	Fish & Game	Commercial Fisheries	Fish and Game Fund Project Expenditures	Annual	$0	
9	Fish & Game	Commercial Fisheries	Reports to the Alaska Board of Fisheries	Reports from each fishery management area are	$10,000	
10	Fish & Game	Commercial Fisheries	Various scientific and technical reports on fishery management field projects, data collection projects,	Not specified, but often annually	$10,000	
11	Fish & Game	Commercial Fisheries Entry Commission	Limited entry	Annual	$0	
12	Fish & Game	Habitat	Anadromous Waters Catalog and Atlas	Annual	$15,000	
13	Fish & Game	Habitat	Annual Report to the Board of Forestry	Annual	$0	
14	Fish & Game	Habitat	Critical Habitat Areas	Annual	$0	
15	Fish & Game	Habitat	Various technical reports on monitoring projects associated with development activities	Annual or at a fixed end point	$2,000	
16	Fish & Game	Sport Fisheries	Sport Fishing Regulation Booklets	Annual	$109,000	
17	Fish & Game	Sport Fisheries	Fish and Game Fund Project Expenditures	Annual	$0	
18	Fish & Game	Subsistence	Annual & Performance Reports	Twice per year for each project	$0	
19	Fish & Game	Subsistence	Research Reports and Technical Papers	As needed to report research results from division projects	$0	
20	Fish & Game	Wildlife Conservation	Endangered species	Every two years	$0	
21	Fish & Game	Wildlife Conservation	Fish and Game Fund Project Expenditures	Annual	$0	

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	Health & Social Services	Commissioner's Office	Improving Health, Protecting Alaskans - Annual Report 2009	Annual	$1,722.50	2,500
2	Health & Social Services	Governor's Council on Disabilities & Special Education	News on disability issues around the state	Quarterly		Deployed digitally - 4 issues per year
3	Health & Social Services	Public Assistance	Life without limits	Quarterly		Deployed digitally - 4 issues per year
4	Health & Social Services	Health Information Technologies	Alaska Electronic Health Record (EHR) Survey for health care professional providers and hospitals - flyer, web site			
5	Health & Social Services	Office of Children's Services	Community Café logo design + posters		$520.25	500
6	Health & Social Services	Office of Children's Services	Reach out Foster a Child brochure		$2,486.25	25,000
7	Health & Social Services	Office of Children's Services	Strengthening Families Campaign - flyers, tradeshow posters		$1,002.32	350
8	Health & Social Services	Office of Children's Services	Invitations to Foster Family event		$281.00	400
9	Health & Social Services	Office of Children's Services	Stepping Ahead Books	As needed	$4,159.00	5,000
10	Health & Social Services	Governor's Council on Disabilities & Special Education	Annual Report	Annual	$0.00	Printed in-house as needed
11	Health & Social Services	Governor's Council on Disabilities & Special Education	Where to Turn		$0.00	0
12	Health & Social Services	Office of Children's Services	Residential Youth Care Facilities		$0.00	0
13	Health & Social Services	Office of Children's Services	The Pipeline, Newsletter	Monthly	$0.00	Deployed digitally, 12 copies per year
14	Health & Social Services	Commissioner's Office	Summer Update	Bi-Annual	$3,437.37	2,500
15	Health & Social Services	Commissioner's Office	Winter Update	Bi-Annual	$3,684.00	2,500
16	Health & Social Services	Commissioner's Office	Streamline	5 issues per year	$0.00	Deployed digitally - 5 issues a year
17	Health & Social Services	Governor's Council on Disabilities & Special Education	DD, ED, Leg Committee Brochures		$1,698.00	6,000
18	Health & Social Services	Behavioral Health	DBH Plan to Reduce & Prevent Underage Drinking		$3,840.00	1,000
19	Health & Social Services	Senior & Disability Services	ADRC Brochure and Poster		$0.00	Printed in-house
20	Health & Social Services	Office of Children's Services	Program and Mission Statements			
21	Health & Social Services	Governor's Council on Disabilities & Special Education	AADSC Recruitment Manual		$3,618.00	2,000
22	Health & Social Services	Governor's Council on Disabilities & Special Education	AADSC Rack Cards		$1,738.00	14,000
23	Health & Social Services	Office of Children's Services	Family to Family Newsletter	Quarterly	$0.00	Digitally delivered - Quarterly

24	Health & Social Services	Senior & Disabilities Services	Aging & Disability Resource Centers		$0.00	0
25	Health & Social Services	Governor's Council on Disabilities & Special Education	AADSC Totes, Pens, Banner			
26	Health & Social Services	Health Care Services	MMIS E-News		$0.00	0
27	Health & Social Services	Office of Children's Services	Infant Learning Program, IFSP Guidelines booklet			
28	Health & Social Services	Commissioner's Office	SHARE Campaign	Annual	$0.00	0
29	Health & Social Services	Governor's Council on Disabilities & Special Education	Career Exploration Day	Annual	$0.00	0
30	Health & Social Services	Office of Children's Services	Statistical Information	Monthly	$0.00	0
31	Health & Social Services	Office of Children's Services	Engaging with Parents Self-Study Guid			
32	Health & Social Services	Office of Children's Services	Guidelines for the Alaska Individualized Family Services Plan			
33	Health & Social Services	Office of Children's Services	EI/ILP Parent Brochures, Rackcards, Posters			
34	Health & Social Services	Office of Children's Services	Alaska 's Families Need You		$0.00	0
35	Health & Social Services	Office of Children's Services	E-Announcement		$0.00	0
36	Health & Social Services	Office of Children's Services	Children's Trust annual			
37	Health & Social Services	Office of Children's Services	Practice Model		$0.00	0
38	Health & Social Services	Commissioner's Office	Peak Performance Awards	Annual	$0.00	0

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	Labor & Workforce Development	Commissioner's Office	Alaska Labor Relations Agency Annual Report	Annual	$80.00	55
2	Labor & Workforce Development	Administrative Services	NonResidents Working in AK	Annual	$1,170.00	300
3	Labor & Workforce Development	Administrative Services	Population Overview	Bi-annual	$6,752.40	1,020
4	Labor & Workforce Development	Administrative Services	Unemployment Insurance Actuarial	Annual	$1,210.00	200
5	Labor & Workforce Development	Administrative Services	AK Economic Trends	Monthly	$44,075.00	36,500
6	Labor & Workforce Development	Workers' Compensation	Gulde for Preparing Reemployment Eligibility Evaluations	Upon Request		
7	Labor & Workforce Development	Workers' Compensation	Do you need Workers' Compensation Insurance?	Upon Request	$800.00	2,000
8	Labor & Workforce Development	Workers' Compensation	Workers' Compensation and You	Upon Request		
9	Labor & Workforce Development	Workers' Compensation	Simplified Claims Process	Upon Request		
10	Labor & Workforce Development	Workers' Compensation	Fishermen's Fund Brochure	Upon Request	$1,115.00	3,000
11	Labor & Workforce Development	Workers' Compensation	Workers' Compensation Rate Tables	Annual		
12	Labor & Workforce Development	Workers' Compensation	Workers' Compensation Cost of Living Multipliers	Once every three years		
13	Labor & Workforce Development	Workers' Compensation	Workers' Compensation Annual Report	Annual		
14	Labor & Workforce Development	Workers' Compensation	Workers' Compensation Medical Fee Schedule	Annual (If HB13 passes)	Unknown	Unknown
15	Labor & Workforce Development	Workers' Compensation	2010 Annual Report - Alaska Workers' Compensation Appeals Commission	Annual		

16	Labor & Workforce Development	Workers' Compensation	Instructions for Pro Se Litigants, Appellant Packet - Alaska Workers' Compensation Appeals Commission	As appeal procedures change	Unknown	
17	Labor & Workforce Development	Workers' Compensation	Instructions for Pro Se Litigants, Appellee Packet - Alaska Workers' Compensation Appeals Commission	As appeal procedures change	Unknown	
18	Labor & Workforce Development	Labor Standards and Safety	Alaska Occupational Safety and Health Annual Report and Annual Plan	Annual		
19	Labor & Workforce Development	Labor Standards and Safety	Youth Safety brochure		$829.00	1,000
20	Labor & Workforce Development	Labor Standards and Safety	Know Your Rights brochure		$1,444.00	13,000
21	Labor & Workforce Development	Labor Standards and Safety	Summary of Wage and Hour Act poster		$482.36	5,000
22	Labor & Workforce Development	Labor Standards and Safety	Pamphlet 200 - Employment of Children		$2,950.00	4,000
23	Labor & Workforce Development	Labor Standards and Safety	Pamphlet 400 - Public Contracts		$1,781.00	1,500
24	Labor & Workforce Development	Labor Standards and Safety	Pamphlet 100 Employment Practices and Working Conditions		$4,840.00	3,000
25	Labor & Workforce Development	Labor Standards and Safety	Employee Most Frequently Asked Questions		$425.00	5,000
26	Labor & Workforce Development	Labor Standards and Safety	Pamphlet 600 - Laborers' & Mechanics Minimum Rates of Pay		$825.00	1,000
27	Labor & Workforce Development	Labor Standards and Safety	Summary of Alaska Child Labor Law poster		$750.00	2,500
28	Labor & Workforce Development	Labor Standards and Safety	Alaska Online Payroll Filing system brochure		$1,049.00	2,500
29	Labor & Workforce Development	Employment Security	Unemployment Insurance General Info Brochure		$905.00	1,500
30	Labor & Workforce Development	Employment Security	Unemployment Insurance Tax Newsletter	Quarterly	$1,663.00	18,300
31	Labor & Workforce Development	Employment Security	Unemployment Insurance Handbook		$16,965.00	90,000

32	Labor & Workforce Development	Employment Security	Unemployment Insurance Tax First Time Filers manual		$2,494.00	5,000
33	Labor & Workforce Development	Employment Security	Unemployment Insurance Tax Employer Handbook		$2,991.00	1,000
34	Labor & Workforce Development	Employment Security	How to File Unemployment Insurance Cards		$996.00	25,000
35	Labor & Workforce Development	Employment Security	Unemployment Insurance Facts & Figures card (1/09-12/09)	Bi-annual	$381.00	350
36	Labor & Workforce Development	Employment Security	Unemployment Insurance Quality Control Employer Brochure		$1,014.00	1,500
37	Labor & Workforce Development	Employment Security	Unemployment Insurance Quality Control Claimant Brochure		$726.00	500
38	Labor & Workforce Development	Employment Security	Workforce Investment Act Grievance Brochure	Various	$1,053.00	2,000

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	Law	Civil	Uniform Law commissioner's report	Annual	$0.00	1
2	Law	Civil/Criminal	Annual Report	Annual	$0.00	200
3	Law	Civil	Landlord and tenant rights	As Usefull or Necessary	$0.00	
				Total:	**$0**	**201**

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	Military and Veteran's Affairs		Warrior Magazine	Quarterly		5,000
2	Military and Veteran's Affairs		Annualy Report	Annually		1,000
				Total:	**$0**	**6,000**

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	Natural Resources	Division of Oil and Gas	5 year plan Div. of Oil and Gas		$2,100	200
2	Natural Resources	Division of Oil and Gas	ACMP Analysis		$560	100
3	Natural Resources	Division of Oil and Gas	Best Interest Findings		$4,325	100
4	Natural Resources	Division of Oil and Gas	Notice Sales		$166	550
5	Natural Resources	Division of Oil and Gas	AK peninsula & Cook Inlet Call for new information		$480	795
6	Natural Resources	Division of Oil and Gas	AK Facts and Figures		$50	150
7	Natural Resources	Div of Geological & Geophysical Surveys	Alaska Division of Geological & Geophysical Surveys Annual Report		$2,810	300
8	Natural Resources	Div of Geological & Geophysical Surveys	Alaska's mineral industry 2008 (produced in cooperation with Division of Economic Development		$8,520	1500
9	Natural Resources	Agriculture	Alaska Farmers Market Resource Manual/Fed Grant			
10	Natural Resources	Agriculture	Alaska Peony Growers Association Pamphlet/Federal Grant			
11	Natural Resources	Agriculture	Peony Rack Card display cards/Federal Grant			
12	Natural Resources	Agriculture	Plant Materials Center (PMC) Revegetation Manual/Fed Grant			
13	Natural Resources	Agriculture	PMC Coastal Revegetation & Erosion Control Guide/Fed Funding			
14	Natural Resources	Agriculture	PMC Native Plant Directory/Fed Funding			
15	Natural Resources	Agriculture	PMC Plant Flyers: Use and Cultivation/ Fed Funding			
16	Natural Resources	Agriculture	Alaska Brand Book/general funds			
17	Natural Resources	Agriculture	Alaska Grown Source Book/general funds			
18	Natural Resources	Division of Coastal and Ocean Mgmt	Annual Calendar/Fed grant	Annual	$3,924	
19	Natural Resources	Division of Coastal and Ocean Mgmt				
20	Natural Resources	Alaska Gas Pipeline Coordinator's Office	Semi-annual report to the legislature	Bi-Annual	$2,800	
21	Natural Resources	State Pipeline Coordinators Office	SPCO Annual Report	Annual	$4,000	280
22	Natural Resources	MiningLandWtr, Land Sales and Contract Admin	Sealed Bid Auction Brochure	Annual	$3,126	3250
23	Natural Resources	MiningLandWtr, Land Sales and Contract Admin	Remote Recreational Cabin Sites brochure	Annual	$3,076	4500
24	Natural Resources	MiningLandWatr, Resource Dev & Assessment Section	land use or management plans, $20-30 each plan	Every two years	$3,000	125
25	Natural Resources	Parks	Park restrictions	Annual	$0	
26	Natural Resources	Parks	Campsite permits for disabled vets	Annual	$760	
27	Natural Resources	MiningLandWtr		Annual	$0	
				Total:	**$39,697**	**11,850**

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	Public Safety		"Fire in Alaska"		$1,000.00	50
2	Public Safety		"Portable Fire Extinguisher Permit Program"		$0.00	None
3	Public Safety		"History of the Division of Fire Prevention"		$0.00	None
4	Public Safety		"Training Program Accreditation & Course Approval Manual"		$0.00	None
5	Public Safety		"Carbon Monoxide Alarms"		$0.00	None
6	Public Safety		Assisted Living Home Checklist"		$0.00	None
7	Public Safety		"Fire Flyer"		$0.00	None
8	Public Safety		"Raven Island"		$0.00	None
9	Public Safety		"Selecting a Safe Assisted Living Home"		$0.00	None
10	Public Safety		"What's On Your Wall?"		$0.00	None
11	Public Safety		"Alaska Home Fire Safety"		$0.00	None
12	Public Safety		"Home Fire Safety Improvement Project"		$0.00	None
13	Public Safety		"Fair and Exhibition Fire Safety Improvement Project"		$0.00	None
14	Public Safety		Various division press releases		$0.00	None
15	Public Safety		DFLS Standard Operating Guidelines		$500.00	39
16	Public Safety		"List of Fire Extinguisher Permit Holders"		$0.00	None
17	Public Safety		"List of Fire System Permit Holders"		$0.00	None
18	Public Safety		"List of Approved Fire Protection Systems"		$0.00	None
19	Public Safety		"Fire Department Directory"		$0.00	None
20	Public Safety		Application for Certification		$360.00	1200
21	Public Safety		Airport Firefighter Certification Program		$12.50	5
22	Public Safety		Airport Firefighter Training Record		$0.00	None
23	Public Safety		Airport Firefighter Skill Sheets		$0.00	None
24	Public Safety		Alaska Standard for Live Fire Training Evolutions		$0.00	None
25	Public Safety		Apprentice Firefighter Certification Program		$0.00	None
26	Public Safety		Apprentice Firefighter Skill Sheets		$0.00	None
27	Public Safety		Certified Fire Investigator Program		$12.50	5
28	Public Safety		Certified Fire Investigator Training Record		$0.00	None
29	Public Safety		Certified Fire Investigator Skill Sheets		$0.00	None
30	Public Safety		Emergency Vehicle Driver Certification Program		$0.00	None
31	Public Safety		Emergency Vehicle Driver Training Record		$0.00	None
32	Public Safety		Emergency Vehicle Driver Instructor Program		$0.00	None
33	Public Safety		Basic Firefighter Certification Program		$0.00	None
34	Public Safety		Basic Firefighter Skill Sheets		$0.00	None
35	Public Safety		Basic Firefighter Training Record		$0.00	None
36	Public Safety		Firefighter Certification Program		$30.00	12
37	Public Safety		Firefighter I Skill Sheets		$48.00	60
38	Public Safety		Firefighter I Training Record	Total:	$0.00	None

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	Revenue	Permanent Fund Dividend Division	Charitable Contributions	Annually	$0.00	3
2	Revenue	Alaska Permanent Fund Corp.	Annual Report	Annually	$6.64	1,500
3	Revenue	Alaska Mental Health Trust Authority	Annual Report to the Governor	Annually	$1.02	6,000
4	Revenue	Treasury Division	Annual Debt Report	Annually	$0.00	On-line only
5	Revenue	Treasury Division	CBRF Balance Report to the Legislature	Annually	$0.00	
6	Revenue	Alaska Municipal Bond Bank Authority	Annual Report	Annually	$6,974.00	200
7	Revenue	Alaska Retirement Management Board	Quarterly Updates on Investments	Quarterly	$0.00	
8	Revenue	Alaska Retirement Management Board	Reporting Requirement Fulfilled by Retirement and Benefits	Annually	$0.00	
9	Revenue	Alaska Natural Gas Development Authority	Financial Reports	Annually	$50.00	On-line only
10	Revenue	Alaska Natural Gas Development Authority	Quarterly Financial Reports	Quarterly		
11	Revenue	Tax Division	Revenue Source Book	Annually	$1,500.00	150
12	Revenue	Tax Division	Annual Report	Annually	$0.00	As Requested
13	Revenue	Tax Division	Annual Production Tax Report	Annually	$0.00	On-line only
14	Revenue	Tax Division	Gaming Report	Annually	$0.00	On-line only
15	Revenue	Tax Division	Education Credit Report	Annually		
16	Revenue	Tax Division	Commercial Passenger Vessel and Gambling Tax Report	Annually		
17	Revenue	Tax Division	Salmon Price and Products Report	Annually	$0.00	On-line only
18	Revenue	Tax Division	Shared Taxes	Annually	$0.00	On-line only
19	Revenue	Tax Division	Prevailing values for ANS, Cook Inlet Gas	Annually	$0.00	On-line only
20	Revenue	Alaska Housing Finance Corporation	Revolving Fund-Complete Accounting of all Assets.	Annually	$25,000.00	2,000
				Total:	**$33,532**	**9,853**

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	Transportation	Statewide Aviation	AK Airports & Aviation Annual Report	annually	Printed in-house	500
2	Transportation	Fairbanks International Airport	FAI Flight Lines	quarterly	$0	
3	Transportation	Anchorage International Airport	Economic Engine Brochure	TBD	$1,500	2,000
4	Transportation	Anchorage International Airport	Quarterly Newsletter	Quarterly	$0	N/A
5	Transportation	Anchorage International Airport	News Bulletin	Quarterly	$0	N/A
6	Transportation	Alaska Int'l Airports System	Audited Financial Statements	annual	$225	50
7	Transportation	Alaska Int'l Airports System	Passenger Facilities Charges Audited Report	annual	$113	25
8	Transportation	Alaska Int'l Airports System	Bond Issuance Official Statements	in conjunction with debt issuance	$1,250	50
9	Transportation	AK Marine Hwy System	Annual Financial Report	Annual	$1,300	150
10	Transportation	AK Marine Hwy System	Annual Traffic Volume Report	Annual	$1,700	150
11	Transportation	AK Marine Hwy System	New Employee Handbook	Annual	$800	100
12	Transportation	AK Marine Hwy System	Ticket Jackets	Annual	$12,000	30,000
13	Transportation	AK Marine Hwy System	Schedules	Semi-Annual	None	130,000 Summer/Fall 40,000 Winter/Spring
14	Transportation	AK Marine Hwy System	Military Direct Mail	Annual	$3,337	6,900
15	Transportation	AK Marine Hwy System	30% Off Brochure	Annual	$1,654	3,100
16	Transportation	AK Marine Hwy System	Umbrella Brochure	Annual	$2,575	2,575
17	Transportation	Administrative Services/Finance	Executive Compensation & Travel Report	annual		
18	Transportation	Administrative Services/Finance	Cash Management Improvement Act (CMIA): Percentage of Personal Services to Total Expenditures on FAA, FHWA (including AMHS) funded projects.	annual		
19	Transportation	Administrative Services/Finance	Cash Management Improvement Act (CMIA): report on payments that the state received either late or prematurely	annual		
20	Transportation	Administrative Services/Finance	Indirect Cost Allocation Plan	annual		
21	Transportation	Administrative Services/Finance	FAA Airport Financial Reports	annual		
22	Transportation	Administrative Services/Finance	Federal and State Pass Thru Report	annual		
23	Transportation	Administrative Services/Finance & State	Highway Equipment Working Capital Fund (HEWCF)	annual		
24	Transportation	Administrative Services/Finance	Capital Asset Report	annual		
25	Transportation	Administrative Services/Finance	Loan Receivable & Accrued Interest Report	annual		
26	Transportation	Administrative Services/Finance	Capital and Operating Lease Report	annual		

27	Transportation	Administrative Services/Finance	Petty Cash and Change Fund Report	annual		
28	Transportation	Administrative Services/Budget & OMB	Capital Appropriation Status Report (CASR)	Annual		
29	Transportation	Administrative Services/Information Technology	Annual Information Technology Plan	annual		
30	Transportation	Administrative Services/Budget	Fee Report	annual		
31	Transportation	Administrative Services/Budget & Planning/Program Development	Capital Budget	annual		
32	Transportation	Administrative Services/Budget	Operating Budget	annual		
33	Transportation	Administrative Services	Performance Measurement	beginning of session and semi-		
34	Transportation	Administrative Services/Budget	10 Year Fiscal Plan	annual		
35	Transportation	Administrative Services/Finance	Comprehensive Annual Financial Report (CAFR)	annual		
36	Transportation	KABATA	Knik Arm Bridge and Toll Authority Annual Report (KABATA)	annually		
37	Transportation	Program Development; Statewide Plan	*Let's Get Moving 2030* Alaska Statewide Transportation Policy Plan 2030 (2008)	At least every 4 years;		
38	Transportation	Program Development; Statewide Plan	Non-Metropolitan Local Official Consultation Process (2011)	At least every 4 years;		

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	Courts		Profile of the Alaska Court System (blue)			
2			Bail (blue)			
3			What is a Guardian Ad Litem? (peach)			
4			Anchorage Traffic Court (tan)			
5			Child In Need of Aid Proceedings (gray)			
6			Mental Health Commitments (blue)			
7			Misdemeanor Arraignments (goldenrod)			
8			DUI (green)			
9			Depositing Your Will (red)			
10			What is Mediation (gray)			
11			Child Custody and Visitation Investigations (tan)			
12			Grievance Procedures (yellow cvr)			
13			Minor Offense Pamphlet (tan)			
14			How to Represent Yourself in Alaska's Domestic Violence Protective Order Process (cherry cvr)			
15			Como Representarse En El Proceso De Una Orden De Proteccion De Violencia Domesitca De Alaska (yellow cvr)			
16			Child in Need of Aid Mediation and Family Conferencing Program (bl)			
17			Child Custody and Visitation Mediation Program (peach)			
18			Judicial Independence (gray)			
19			Boney Courthouse Artwork (tan)			
20			Alaska Landlord and Tenant Act (white)			
21			Rabinowitz Courthouse Artwork (buff)			
22			Teaching Kids About Court (buff)			
23			Connecting Courts and Community (blue)			
24			Nesbett Courthouse Artwork (ivory)			
25			Guardianship and Conservatorship Mediation Program (ivory)			

26			Alaska State Court Library (natural)			
27			Poster: How the Clerk's Can & Cannot Help You			
28			Helping You Child Through Divorce/Separation – Workshop for Parents (Fairbanks only)			
29			Helping Your Child Through Divorce/Separation – A Guide for Parents (Juneau only)			
30			Anchorage Coordinated Resource Project			
31			Palmer Coordinated Resource Project			
32			Anchorage Felony DUI Court			
33			Anchorage Felony Drug Court			
34			Anchorage Wellness Court			
35			Ketchikan Therapeutic Court			
36			Juneau Therapeutic Court			
37			Bethel Therapeutic Court			
38			Anchorage Family Care Court			

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	University of Alaska	Statewide	University of Alaska Report to the Legislature	Annual	$140	20
2	University of Alaska	Statewide	Alaska's University of Alaska's Schools	Annual	$1,000	30
3	University of Alaska	Statewide	Approved Operating and Capital Budgets (Yellowbook)	Annual	$1,593	150
4	University of Alaska	Statewide	UA in Review	Annual	$2,684	280
5	University of Alaska	Statewide	UAR Executive Review	Annual	$2,601	50
6	University of Alaska	Statewide	Budget Books	Annual	$313	8
7	University of Alaska	Statewide	BOR Operating & Capital Budget Request (Redbook)	Annual	$1,041	150
8	University of Alaska	Statewide	Gov.'s Proposed Operating & Capital Budget Request	Annual	$1,097	200
9	University of Alaska	Statewide	President's Report	Annual	$3,872	1,000
10	University of Alaska	Statewide	Foundation Report	Annual	$12,220	2,500
11	University of Alaska	Statewide	Budget Summary	Annual	$995	500
12	University of Alaska	Statewide	Many Traditions	Annual	$1,721	500
13	University of Alaska	Statewide	System Directory	Annual	$4,084	1,400
14	University of Alaska	Anchorage	Accolades Fall 2010	Annual	$22,397	35,400
15	University of Alaska	Anchorage	Accolades Spring 2011 (est'd)	Annual	$24,300	36,000
16	University of Alaska	Anchorage	Impact of Giving	Annual	$3,491	3,200
17	University of Alaska	Anchorage	UAA Fast Facts	Annual	$1,133	1,000
18	University of Alaska	Anchorage	College of Business and Public Policy Networker	Annual	$3,078	6,100
19	University of Alaska	Anchorage	CAS Arts & Sciences newsletter Fall 2010	Annual	$1,964	12,000
20	University of Alaska	Anchorage	College of Education newsletter Aug 2010	Annual	$1,360	5,200
21	University of Alaska	Anchorage	Reprints of CoE newsletter (Aug 2010 ed.)	Annual	$390	200
22	University of Alaska	Anchorage	Athletics Wolftracks newsletter Oct 2010	Annual	$1,081	2,000
23	University of Alaska	Anchorage	School of Engineering newsletter Nov 2010	Annual	$1,154	2,200
24	University of Alaska	Anchorage	School of Nursing Vitals newsletter Sept 2010	Annual	$1,094	3,600
25	University of Alaska	Anchorage	Campus Security & Fire Report	Annual	$1,629	450
26	University of Alaska	Anchorage	Students of Concern & Their Behavior Report	Annual	$157	60
27	University of Alaska	Anchorage	Sanction Completion Guides	Annual	$257	200
28	University of Alaska	Anchorage	Student Code of Conduct Brochures	Annual	$692	500
29	University of Alaska	Anchorage	21st Birthday Cards	Annual	$392	1,200
30	University of Alaska	Anchorage	Counselor Handbill	Annual	$466	1,000
31	University of Alaska	Anchorage	Students in Crisis or Conflict brochure	Annual	$745	250

32	University of Alaska	Anchorage	Navigation Guides	Annual	$4,769	13,000
33	University of Alaska	Anchorage	Career Clusters	Annual	$23,069	52,300
34	University of Alaska	Anchorage	View Books	Annual	$3,400	5,000
35	University of Alaska	Anchorage	Domestic Tri-folds	Annual	$9,928	26,000
36	University of Alaska	Anchorage	Fact Finder	Annual	$16,900	7,000
37	University of Alaska	Anchorage	Guide to Living on Campus	Annual	$5,300	1,200
38	University of Alaska	Anchorage	Student Showcase Journal	Annual	$3,310	350

	Department	Division	Name of Report	Frequency of Report	Cost of Report	Number of Copies Produced
1	AK Judicial Council		Annual Report	Annually	$1,516.50	450
2	Alaska Commission on Judicial Conduct		Annual Report	Annually	$700.00	50
					$2,216.50	500

Statewide - Publications Spreadsheet
AS 44.99.220
February 28, 2011

	Department	Total Cost of Production	Quantity Produced	Number of Publications	
1	Administration	$380,174	604,739	37	
2	Commerce	$95,215	108,598	42	
3	Corrections	$0	0	3	
4	Education	$0	278,840	146	
5	Environmental	$4,750	295	6	
6	Fish and Game	$267,500		188	
7	Health	$61,381	94,569	219	
8	Labor	$198,747	417,437	72	
9	Law	$0	201	3	
10	Military	$0	6,000	2	
11	Natural Resources	$39,697	11,850	27	
12	Public Safety	$172,750	12,408	213	
13	Revenue	$33,532	9,853	20	
14	Transportation	$77,484	46,890	94	
15	AK Judicial Council/Commission on Judicial Conduct	$2,217	500	2	
16	* Alaska Court System	$0	0	39	
17	University	$321,930	377,853	57	
	Grand Total	**$1,655,376**	**1,970,033**	**1,170**	
*	All publications are posted on line and all are produced in house.				

Michelle Sydeman

om: Sen. Bill Wielechowski
Sent: Tuesday, April 10, 2012 10:22 AM
To: Nancy McGuire
Cc: Michelle Sydeman
Subject: RE: HB 182

Thank you Nancy.

Bill

Senator Bill Wielechowski
Representing Northeast Anchorage

State Capital Bldg. Rm 101
907.465.2435

From: Nancy McGuire [mailto:nancym@nomenugget.com]
Sent: Monday, April 09, 2012 2:23 PM
To: Sen. Bill Wielechowski
Subject: HB 182

ear Senator:

House Bill 182 apparently eliminates the requirement for publication of foreclosure lists in newspapers.

This certainly does not serve the public, nor does it serve the state or municipality.

As a businessperson I would want to know who is in foreclosure.

This is not a good piece of legislation and needs to be stopped.

Nancy McGuire

Publisher

Nome Nugget

HB 190

<TARGET><BILL>HB 190</BILL><SUBJECT>HB 190</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 4/10/12

FURTHER:

DATE TURNED IN TO OFFICE: 4-12-12

State Affairs Committee considered CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 190(FIN)

HB 190 PFD ALLOWABLE ABSENCE

"An Act relating to allowable absences from the state for purposes of eligibility for permanent fund dividends; and providing for an effective date."

and recommends:

[✓] be **replaced** with **SCS** HB 190 (STA) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous SCS** __ SCS/CS- Forthcoming _____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
REV			✓	1

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Kookesh	✓			
	Parkinson	X			
	Meyer	✓			
	Giessel	✓			
CHAIR:	Wielechowski	X			

27-LS0564\Y
Kirsch
4/10/12

SENATE CS FOR CS FOR SS FOR HOUSE BILL NO. 190(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES FEIGE, Chenault, Herron, Peggy Wilson, Johnson, Muñoz, Lynn

A BILL

FOR AN ACT ENTITLED

"An Act relating to allowable absences from the state for purposes of eligibility for permanent fund dividends; and providing for an effective date."

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

*** Section 1.** AS 43.23.008(a) is amended to read:

(a) Subject to (b)**,** [AND] (c)**, and (e)** of this section, an otherwise eligible individual who is absent from the state during the qualifying year remains eligible for a current year permanent fund dividend if the individual was absent

(1) receiving secondary or postsecondary education on a full-time basis;

(2) receiving vocational, professional, or other specific education on a full-time basis for which, as determined by the Alaska Commission on Postsecondary Education, a comparable program is not reasonably available in the state;

(3) serving on active duty as a member of the armed forces of the United States or accompanying, as that individual's spouse, minor dependent, or

disabled dependent, an individual who is

(A) serving on active duty as a member of the armed forces of the United States; and

(B) eligible for a current year dividend;

(4) serving under foreign or coastal articles of employment aboard an oceangoing vessel of the United States merchant marine;

(5) receiving continuous medical treatment recommended by a licensed physician or convalescing as recommended by the physician who treated the illness if the treatment or convalescence is not based on a need for climatic change;

(6) providing care for a parent, spouse, sibling, child, or stepchild with a critical life-threatening illness whose treatment plan, as recommended by the attending physician, requires travel outside the state for treatment at a medical specialty complex;

(7) providing care for the individual's terminally ill family member;

(8) settling the estate of the individual's deceased parent, spouse, sibling, child, or stepchild, provided the absence does not exceed 220 cumulative days;

(9) serving as a member of the United States Congress;

(10) serving on the staff of a member from this state of the United States Congress;

(11) serving as an employee of the state in a field office or other location;

(12) accompanying a minor who is absent under (5) of this subsection;

(13) accompanying another eligible resident who is absent for a reason permitted under (1), (2), (5) - (12), (16), or (17) of this subsection as the spouse, minor dependent, or disabled dependent of the eligible resident;

(14) serving as a volunteer in the federal peace corps program;

(15) because of training or competing as a member of the United States Olympic Team;

(16) participating for educational purposes in a student fellowship sponsored by the United States Department of Education or by the United States Department of State;

(17) for any reason consistent with the individual's intent to remain a state resident, provided the absence or cumulative absences do not exceed

(A) 180 days in addition to any absence or cumulative absences claimed under (3) of this subsection if the individual is not claiming an absence under (1), (2), or (4) - (16) of this subsection;

(B) 120 days in addition to any absence or cumulative absences claimed under (1) - (3) of this subsection if the individual is not claiming an absence under (4) - (16) of this subsection but is claiming an absence under (1) or (2) of this subsection; or

(C) 45 days in addition to any absence or cumulative absences claimed under (1) - (16) of this subsection if the individual is claiming an absence under (4) - (16) of this subsection.

*** Sec. 2.** AS 43.23.008(c) is amended to read:

(c) An otherwise eligible individual who has been eligible for the immediately preceding 10 dividends despite being absent from the state for more than 180 days in each of the related 10 qualifying years is only eligible for the current year dividend if the individual was absent 180 days or less during the qualifying year. This subsection does not apply to an absence under (a)(9) or (10) of this section or to an absence under (a)(13) of this section if the absence is to accompany an individual who is absent under (a)(9) or (10) of this section. **This subsection does not apply to an absence under (a)(3) of this section.**

*** Sec. 3.** AS 43.23.008 is amended by adding new subsections to read:

(e) After an individual has been absent from the state for more than 180 days in each of the five preceding qualifying years, the department shall presume that the individual is no longer a state resident. Subject to the limitation in (c) of this section, the individual may rebut this presumption by providing proof to the department that establishes, by clear and convincing evidence, that

(1) the individual was physically present in the state for at least 30 cumulative days during the past five years; and

(2) the individual is a state resident as defined in AS 43.23.095(7).

(f) To determine whether an individual intends to return and remain in the

state indefinitely, the factors the department shall consider include

(1) the length of time the individual was absent from the state compared to the length of time the individual was physically present in the state;

(2) the frequency and duration of voluntary return trips to the state during the past five years;

(3) whether the individual's intent to return to and remain in the state is conditioned on future events beyond the individual's control, such as the financial circumstances of the individual or the ability of the individual to find employment in the state;

(4) the ties the individual has established with the state or another jurisdiction, as demonstrated by

(A) maintenance of a home;

(B) payment of resident taxes;

(C) registration of a vehicle;

(D) registration to vote and voting history;

(E) acquisition of a driver's license, business license, or professional license; and

(F) receipt of benefits under a claim of residency in the state or another jurisdiction;

(5) the priority that the individual gave the state on an employment assignment preference list, including a list used by military personnel;

(6) whether the individual made a career choice or chose a career path that does not allow the individual to reside in or return to the state.

* **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to read:

RETROACTIVITY. Sections 1 - 3 of this Act are retroactive to January 1, 2012.

* **Sec. 5.** This Act takes effect immediately under AS 01.10.070(c).

REPRESENTATIVE
ERIC FEIGE
House District 12

House Resources Committee Co-Chair
Education Committee
Transportation Committee
Joint Armed Services Committee

Alaska State Legislature

House of Representatives

During Session:
State Capitol Room 126
Juneau, Alaska 99801-1182
(907) 465-4859
Fax (907) 465-3799
1-888-465-4859

SPONSOR STATEMENT HB 190

An Act relating to the allowable absence for active duty service members of the armed forces for purposes of permanent fund dividend eligibility.

With great dismay, on February 13, 2011, I, along with other members of the legislature, received an e-mail from Lt. Cmdr. Tiko Crofoot about the denial of his Permanent Fund Dividend. An Alaskan, who joined the U.S. Navy, Lt. Cmdr. Crofoot has been stationed outside of Alaska for more than ten years. Military service is an allowable absence for continuation of eligibility of a Permanent Fund Dividend. The justification for the denial occurs only because Lt. Cmdr. Crofoot and others have sacrificed not just three, five, or seven years serving our country, but have made a career serving our country in the armed forces.

According to current statute, anyone on an approved absence from the state, except members of Congress, congressional staff, and their families, is denied a permanent fund dividend after ten years of absence from the state.

Although these individuals choose to serve in the Armed Forces of the United States, once they are sworn into service, they do not have the option to choose to be physically present in Alaska.

It is time to correct this injustice and allow Alaska residents who decide to join the military the opportunity to continue to receive their deserved Permanent Fund Dividend.

We sleep soundly in our beds because rough men stand ready in the night to visit violence on those who would do us harm.

Winston Churchill

Email: Representative.Eric.Feige@legis.state.ak.us

REPRESENTATIVE
ERIC FEIGE
House District 12

House Resources Committee Co-Chair
Education Committee
Transportation Committee
Joint Armed Services Committee

Alaska State Legislature

House of Representatives

During Session:
State Capitol Room 126
Juneau, Alaska 99801-1182
(907) 465-4859
Fax (907) 465-3799
1-888-465-4859

Sectional Analysis

HB 190 – 27-LS0564\L

Sec. 1 – Contains conforming language changing the reference in AS 43.23.008(a) pertaining to allowable absences from (c), which is appealed in Sec. 3 of this bill, to (e), which is established in Sec. 2 of this bill.

Sec. 2 – Establishes in law a presumption that someone who is absent from the state for more than 180 days in each of the previous five years does not plan to return to the state and thus, not eligible to receive a Permanent Fund Dividend. This section also provides a method for an individual who is denied a Permanent Fund Dividend because of this presumption to rebut the presumption.

Sec. 3 – Repeals AS 43.23.008(c) that eliminates allowable absences after ten years except for members of Congress, congressional staff, and family members.

Sec. 4 – Allows someone who was previously denied a dividend under the ten year bright line rule to apply for a 2012 dividend during the 90 days following the enactment of this bill into law.

Sec. 5 – Makes the new law retroactive to Jan. 1, 2012.

Sec. 6 – Makes the bill effective immediately.

Prepared by the office of Rep. Eric Feige, April 10, 2012

Email: Representative.Eric.Feige@legis.state.ak.us

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **HB 190**
() Publish Date

Identifier (file name) HB190-DOR-PFD-3-24-11
Title PFD Allowable Absence for Certain Armed Forces Members
Sponsor Representative Feige
Requester House State Affairs

Dept. Affected Revenue
Appropriation Taxation and Treasury
Allocation Permanent Fund Dividend Division
OMB Component Number 981

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services	5.0						
Travel							
Services							
Commodities	25.0						
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**30.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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							
1050 PFD Funds	30.0						
TOTAL	**30.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial fiscal note

Prepared by Deborah M. Bitney, Director
Division Permanent Fund Dividend
Approved by Ginger Blaisdell, Director Administrative Services Division
Department of Revenue

Phone 465-4785
Date/Time 3/25/11; 10:23am
Date 3/25/11; 12:07pm

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB 190

Analysis

House Bill 190 changes the allowable absence rules for certain members of the armed forces for the purpose of determining eligiblity for permanent fund dividends. It exempts those who received three dividends prior to entering the armed forces from the rule that would disqualify them automatically after absence from Alaska of 10 years. It is estimated that 100 hours of programmer time will be necessary to make these changes.

The Information & Instruction books must be changed in order to reflect changes to eligibility rules. The cost of printing and distributing new Information & Instruction books to the more than 280 distribution sites around Alaska is a direct increased cost to the division.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **SSHB 190**
Fiscal Note Number:
() Publish Date:

Identifier (file name): HB190SS-DOR-PFD-2-07-12
Title: PFD Allowable Absence
Sponsor: Representative Feige
Requester: House State Affairs

Dept. Affected: Revenue
Appropriation: Tax and Treasury
Allocation: Permanent Fund Dividend Division
OMB Component Number: 981

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Updated for new bill version X.

Prepared by: Deborah M. Bitney, Director — Phone: 465-4785
Division: Permanent Fund Dividend — Date/Time: 2/7/12 1:56pm
Approved by: Jerry Burnett, Director Administrative Services Division — Date: 2/7/2012
Department of Revenue

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SSHB 190

Analysis

Repeal of the 10 year rule reduces the number of cases that require eligibility determinations each year.

Additionally, moving the 5 year presumption * in 15 AAC 23.163(f) to statute makes clear the requirements needed to overcome it and makes determining eligibility less subjective.

*The 5 year presumption of 15 AAC 23.163(f) presumes that an individual who has been absent from Alaska for more than 180 days in the preceding 5 years does not intend to return.

Programming is not required since a similar 5 year presumption is already being applied. Minimal changes are anticipated to division publications.

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 18, 2011

SUBJECT: Equal Protection Concerns -- HB 190
(Work Order No. 27-LS0564\M)

TO: Representative Eric Feige
Attn: Michael Paschall

FROM: Lisa Moritz Kirsch
Legislative Counsel

I spoke to Michael Paschall on the phone about equal protection concerns for this bill. After I spoke with him about the possible problems I did additional research. Equal protection is an area where judges often disagree (I have noted an unusually high number of concurring and dissenting opinions), which makes it difficult to predict the outcome in specific cases. However, I believe the requirement that service members receive dividends for three years in order to get the benefit of the exception to the ten-year rule may create problems.

Under the state equal protection clause, a statute is evaluated on a sliding scale under which the goal of the legislation and the importance of the individual rights affected are considered.[1] As the importance of the individual rights affected increases, then the burden increases on the state to show that the state's goal justifies the intrusion on the individual's interests in equal treatment and that the state's goal is substantially related to the means chosen to achieve the goal. An individual's interest in receiving a permanent fund dividend is accorded a low level of protection under the state equal protection clause, because only an economic interest is implicated and that interest is not based on the need of the applicant.[2] At the low end of the scale, the state must show the enactment is fairly and substantially related to a legitimate state interest.

The primary state concern in granting PFDs is that the recipient of a PFD is a bona fide resident of the state. To be an Alaska resident a person must have the intent to remain in Alaska indefinitely. The state has a legitimate interest in preventing temporary residents motivated by the financial benefit from making false claims of residency. To separate these two groups, the state currently uses various indicia of residency including a

---

[1] *State v. Anthony*, 810 P.2d 155 (Alaska 1991); *State, Dept. of Transportation v. Enserch Alaska Const., Inc.*, 787 P.2d 624 (Alaska 1990).

[2] *Underwood v. State*, 881 P.2d 322 (Alaska 1994).

durational residency requirement of one year to determine whether an applicant has the intent to remain.[3]

The statutory change in HB 190 creates two applicant classes who are treated differently: (1) applicants who qualify for allowable absences, but are subject to the ten-year limit, (2) active duty service members who received three dividends in Alaska before being inducted into the military, who are not subject to the ten-year limit, and continue to receive PFDs based on allowable absences. The question here is whether the state's interest in granting PFDs only to residents with a genuine intent to remain in the state is fairly and substantially related to a limitation of ten years for allowable absences unless you are on active duty or in Congress, or the spouse, dependent, or staff of someone in Congress or on active duty.

Arguably, members of Congress and active duty military are somewhat unique in that their career choices put them in the position of serving government in a place other than their chosen state of residence. Also, Congressional and military service are more likely to span a term longer than a decade when compared with education or illness related absences. This particular question of differential treatment for members of Congress has not been addressed by the courts, and although the result of a court's equal protection analysis is particularly difficult to predict, at this low level of scrutiny it seems likely that the nexus between the state's purpose of excluding long absent residents who no longer intend to return and the means of providing the exception to members of the military and Congress is sufficiently close to be found constitutional.

However, there is also an equal protection issue raised by the requirement that military members were residents long enough to receive three PFDs before they were inducted. The issue of durational residency has been addressed by the courts. In *Zobel v. Williams*, the United States Supreme Court invalidated a prior scheme of PFD distribution rewarding residents incrementally higher dividends based on the length of their residency in Alaska.[4] That Court held that the state could not distinguish between old and new residents in this way without violating the federal equal protection clause.[5]

In *Zobel,* the Court did not invalidate a threshold waiting period like the one proposed in this bill or under existing AS 43.23.005(3), and the concurring opinions in *Zobel* acknowledge that some durational residency requirements may be constitutional.[6] In other cases, residency requirements appear to be generally disfavored, but have been upheld where the individual interest is less significant and the state interest bears a

---

[3] AS 43.23.005.

[4] *Zobel v. Williams*, 102 U.S. 2309, 72 L.Ed.2d 672 (1982).

[5] *Zobel v. Williams*, 102 U.S. at 2315.

[6] *Zobel* at 2318 and 2322, n. 8.

substantial relationship to the requirement.[7] Although I have not done exhaustive research, there appears to be a general trend to limit durational requirements to one year. For example, in an unreported opinion Judge Dana Fabe (now an Alaska Supreme Court Justice) disallowed a two-year residency requirement, but upheld a one-year requirement.[8] In this opinion she found that:

> The problematic provision of this statute is the two-year residency requirement. One-year residency requirements have been found to be rationally related to a state's purpose to establish bona fide residency. The United States Supreme Court has affirmed a one-year residency or waiting requirement for in-state tuition, upholding lower court findings that it is reasonable to presume that a person who has not resided within a state for a year is a non-resident[.][9]

Although the majority rejected the argument, an alternative constitutional argument addressed in the concurring opinions in *Zobel* was that durational residency requirements ran afoul of the privileges and immunities clause, or "the right to travel." It seems unlikely that the right to travel could be applied here because both classes affected by the exception to the ten-year rule are residents, and the impairment of rights can be cured whereas the invalidated distinctions between residents in *Zobel* were permanent.[10]

Here it could be argued that a three-year durational requirement is substantially related to the state's legitimate interest in establishing that a service member who has been out of the state for half of the year for ten years still has the intention to return. A service member who was well established in Alaska through several years of residency before joining the military may have lasting contacts that will induce permanent residency. The state has a legitimate interest in preventing fraudulent claims of residency, but whether three years of dividend eligibility to establish intent to return after ten years of long

---

[7] *Church v. State, Dept. of Revenue*, 973 P.2d 1125 (1999); *Schikora v. State, Dept. of Revenue,* 7 P.3d 938 (Alaska 1991) (no more than 180 days out of state upheld); *Sosna v. Iowa,* 419 U.S. 393, 95 S.Ct. 553 (1975) (one year residency for divorce jurisdiction upheld), *But see, State v. Adams,* 522 P.2d 1125 (Alaska 1974) (one year residency found unconstitutional; state interests in regulating divorce did not outweigh litigant's interest in access to the courts).

[8] *Lindley v. Malone*, 3AN-90-2821 CI (July 18, 1990).

[9] Citing, *Starns v. Milkerson*, 401 U.S. 985 (1971); *Sturgis v. Washington*, 414 U.S. 1057 (1973).

[10] For example, residents present in the state at statehood would have received a larger PFD forever.

absences will justify the infringement of the rights of a service member with only two years of eligibility and thwart an equal protection challenge is unclear.[11]

Please feel free to contact me if you have questions, or want me to draft an amendment to remove the three-year eligibility requirement.

LMK:plm
11-160.plm

[11] It is worth noting that service members must qualify for the initial dividend, so a member who has received a PFD for three years has four years of residency.

04603

Alaska Department of Revenue
Permanent Fund Dividend Division

PFD Division Use Only

20110

2011 Extended Absence Questionnaire

For individuals who were absent from Alaska more than 180 days for five or more consecutive years.

First Name	M.I	Last Name	Social Security Number	Date of Birth

Address	Daytime phone number	Message phone number

City	State	Zip Code	E-mail Address

Your Permanent Fund Dividend application has been selected for an eligibility determination because you have not lived in Alaska for at least 6 months in over five years. In accordance with 15 AAC 23.163(f) an individual with an absence totaling more than five years is presumed not to have the intent to return to Alaska and remain indefinitely in Alaska. You are not eligible for the 2011 dividend unless you provide documentation that demonstrates, to the department's satisfaction an intent at all times during your absence to return to Alaska and remain indefinitely.

The department will give greater weight to the claim of an individual who makes frequent return trips to Alaska for noncompulsory reasons than that of an individual who did not. An individual who has not been present in Alaska for 30 cumulative days in the past five years has generally not demonstrated the continuous intention to return to Alaska and remain indefinitely.

If you could not return to Alaska due to unavoidable circumstances, attach an explanation and supporting documentation.

1. **List the longest period of time you physically lived in Alaska before departing on your absence.**

   I lived in Alaska **From:** ____/____/____/ **To:** ____/____/____

2. **List the dates below when you physically returned to Alaska during your absence. Begin with the most recent dates you were here and proceed backward to your departure.**

If you completed this form last year and reported absences last year, include only returns in 2010.

Returned to Alaska			Left Alaska			Returned to Alaska			Left Alaska		
Month	Day	Year	Month	Day	Year	Month	Day	Year	Month	Day	Year

3. **Is your ultimate return to Alaska to remain indefinitely conditioned upon future events such as securing employment in Alaska or receiving an assignment to Alaska by your employer?** ☐ Yes ☐ No

4. **Have you sought employment in Alaska?** ☐ Yes ☐ No

Complete both sides

Confidential

If yes, list the specific employer(s) who you contacted in Alaska and when you contacted them.

Name	
Address	Date Contacted
Telephone	____/____/____
Name	
Address	Date Contacted
Telephone	____/____/____

5. Have you sought employment outside of Alaska? ☐ Yes ☐ No

If yes, explain how your seeking employment outside of Alaska is consistent with your statement that you intend to return to Alaska to remain indefinitely.

6. Have you maintained a home outside of Alaska since your departure? ☐ Yes ☐ No

If yes, do you own this home? ☐ Yes ☐ No

7. Have you maintained a home in Alaska since your departure? ☐ Yes ☐ No

If yes, do you own this home? ☐ Yes ☐ No

If you own this home, do you lease or rent it to someone? ☐ Yes ☐ No

If you do not own this home, explain who owns this home and why you consider it your home.

8. If you are employed by the State of Alaska or the U.S. Armed Forces outside of Alaska, have you requested to be returned to Alaska by your employer? ☐ Yes ☐ No

If yes, attach a copy of your request.

If no, explain why you have not submitted a request even though you have stated that you intend to return to Alaska to remain indefinitely.

9. Is your choice of careers one which does not allow you to reside or return to Alaska until retirement or until you make a personal choice to change careers in order to return to Alaska? ☐ Yes ☐ No

10. Explain below why your absence should be considered allowable, and how you have demonstrated that your intent, at all times during your absence, has been to return to Alaska to remain indefinitely.

Attach additional pages if necessary.

I certify under penalty of law that to the best of my knowledge and belief, all the information on this questionnaire, including any attachments, are true and complete.

Signature	Date

Sec. 43.23.008. Allowable absences.

(a) Subject to (b) and (c) of this section, an otherwise eligible individual who is absent from the state during the qualifying year remains eligible for a current year permanent fund dividend if the individual was absent

(1) receiving secondary or postsecondary education on a full-time basis;

(2) receiving vocational, professional, or other specific education on a full-time basis for which, as determined by the Alaska Commission on Postsecondary Education, a comparable program is not reasonably available in the state;

(3) serving on active duty as a member of the armed forces of the United States or accompanying, as that individual's spouse, minor dependent, or disabled dependent, an individual who is

(A) serving on active duty as a member of the armed forces of the United States; and

(B) eligible for a current year dividend;

(4) serving under foreign or coastal articles of employment aboard an oceangoing vessel of the United States merchant marine;

(5) receiving continuous medical treatment recommended by a licensed physician or convalescing as recommended by the physician who treated the illness if the treatment or convalescence is not based on a need for climatic change;

(6) providing care for a parent, spouse, sibling, child, or stepchild with a critical life-threatening illness whose treatment plan, as recommended by the attending physician, requires travel outside the state for treatment at a medical specialty complex;

(7) providing care for the individual's terminally ill family member;

(8) settling the estate of the individual's deceased parent, spouse, sibling, child, or stepchild, provided the absence does not exceed 220 cumulative days;

(9) serving as a member of the United States Congress;

(10) serving on the staff of a member from this state of the United States Congress;

(11) serving as an employee of the state in a field office or other location;

(12) accompanying a minor who is absent under (5) of this subsection;

(13) accompanying another eligible resident who is absent for a reason permitted under (1), (2), (5) - (12), (16), or (17) of this subsection as the spouse, minor dependent, or disabled dependent of the eligible resident;

(14) serving as a volunteer in the federal peace corps program;

(15) because of training or competing as a member of the United States Olympic Team;

(16) participating for educational purposes in a student fellowship sponsored by the United States Department of Education or by the United States Department of State;

(17) for any reason consistent with the individual's intent to remain a state resident, provided the absence or cumulative absences do not exceed

(A) 180 days in addition to any absence or cumulative absences claimed under (3) of this subsection if the individual is not claiming an absence under (1), (2), or (4) - (16) of this subsection;

(B) 120 days in addition to any absence or cumulative absences claimed under (1) - (3) of this subsection if the individual is not claiming an absence under (4) - (16) of this subsection but is claiming an absence under (1) or (2) of this subsection; or

(C) 45 days in addition to any absence or cumulative absences claimed under (1) - (16) of this subsection if the individual is claiming an absence under (4) - (16) of this subsection.

(b) An individual may not claim an allowable absence under (a)(1) - (16) of this section unless the individual was a resident of the state for at least six consecutive months immediately before leaving the state.

(c) An otherwise eligible individual who has been eligible for the immediately preceding 10 dividends despite being absent from the state for more than 180 days in each of the related 10 qualifying years is only eligible for the current year dividend if the individual was absent 180 days or less during the qualifying year. This subsection does not apply to an absence under (a)(9) or (10) of this section or to an absence under (a)(13) of this section if the absence is to accompany an individual who is absent under (a)(9) or (10) of this section.

(d) For purposes of (a)(7) of this section, "family member" means a person who is

(1) legally related to the individual through marriage or guardianship; or

(2) the individual's sibling, parent, grandparent, son, daughter, grandson, granddaughter, uncle, aunt, niece, nephew, or first cousin.

History -

(Sec. 5 ch 44 SLA 1998; am Sec. 1 ch 71 SLA 1999; am Sec. 1 ch 69 SLA 2003; am Sec. 1, 2 ch 116 SLA 2003; am Sec. 20, 21 ch 42 SLA 2006; am Sec. 1, 2 ch 36 SLA 2008)

Cross References -

For provisions extending to September 15, 2008, the date by which individuals who may qualify for a permanent fund dividend for 2006, 2007, and 2008 because of the 2008 addition of (a)(16) of this section may apply for the dividend, see Sec. 3, ch. 36, SLA 2008 in the 2008 Temporary and Special Acts.

Amendment Notes -

The 1999 amendment, effective January 1, 2000, added present paragraph (4), redesignated subsequent paragraphs accordingly, inserted internal references in paragraph (13), and made internal reference substitutions throughout.

The first 2003 amendment, effective June 12, 2003, in paragraph (a)(3) added the language beginning "or accompanying" to the end of the introductory language and added subparagraphs (A) and (B); updated paragraph references in paragraph (a)(13); and rewrote subparagraphs (a)(14)(A) and (B).

The second 2003 amendment, effective January 1, 2004, substituted "family member" for "parent, spouse, sibling, child, or stepchild" in paragraph (a)(7) and added subsection (d).

The 2006 amendment, effective May 26, 2006, added paragraphs (a)(14) and (a)(15), and made related changes.

The 2008 amendment, effective May 23, 2008, substituted "(16), or (17)" for "or (16)" in paragraph (a)(13), inserted paragraph (a)(16), and changed references to former paragraph (a)(15) to present paragraph (a)(16) four times in paragraph (a)(17) and once in subsection (b).

Editors Notes -

Section 35, ch. 42, SLA 2006, makes the 2006 amendments to subsections (a) and (b) of this section retroactive to January 1, 2006.

Section 4, ch. 36, SLA 2008 makes the 2008 amendments of (a) and (b) of this section retroactive to January 1, 2005.

Decisions -

Cited in State v. Andrade, 23 P.3d 58 (Alaska 2001).

Construction with Federal Soldiers' and Sailors' Civil Relief Act. - Servicemember, who had been discharged from the Navy, was not eligible to claim a Permanent Fund Dividend (PFD) for a certain year where he failed to overcome presumption that he had not been a resident of Alaska for the last five years; servicemember's argument that the Federal Soldiers' and Sailors' Civil Relief Act preempted state law in that area was not persuasive, as that act applied to only two areas, taxation and voting, and PFD was not a tax but a benefit. Eagle v. Dep't of Revenue, 153 P.3d 976 (Alaska 2007).

15 AAC 23.143. Establishing and maintaining Alaska residency

Statute text

(a) An individual's intent to establish residency, remain indefinitely in Alaska, or to return to Alaska and remain indefinitely is demonstrated through the establishment and maintenance of customary ties indicative of Alaska residency and the absence of those ties elsewhere. Acts that are required by law or contract or are routinely performed by temporary residents of Alaska are not by themselves evidence of residency. In evaluating whether an individual claiming Alaska residency has demonstrated an intent to remain indefinitely in Alaska, the department will consider whether or not an individual has:

(1) taken steps to establish Alaska residency and sever residency in a previous state or country;

(2) ties to another state or country that indicate continued residency in the other state or country; and

(3) taken other action during the qualifying year, through the date of application, that is inconsistent with an intent to remain in Alaska indefinitely.

(b) An individual may not become a resident while absent from Alaska.

(c) Physical presence in Alaska is not, by itself, sufficient to establish residency. Before January 1 of the qualifying year, an individual must have taken at least one step beyond physical presence in Alaska to establish residency. The department will not consider external indicators, including those listed in 15 AAC 23.173(g), established less than six months before December 31 of the qualifying year as evidence of the establishment of Alaska residency in time to qualify for the current year dividend.

(d) An individual is not eligible for a dividend if, at any time from January 1 of the qualifying year through the date of application, the individual has

(1) maintained the individual's principal home in another state or country, regardless of whether the individual spent a majority of time at that home, except while absent for a reason listed

(A) in AS 43.23.008(a)(1) - (3), (9) - (11), or (16); or

(B) in AS 43.23.008(a)(13), if the eligible resident whom the individual accompanies is absent for a reason listed in (A) of this paragraph;

(2) claimed or maintained a claim of residency in another state or country in the individual's employment personnel records; if the individual claims an error or a delay was made in processing by the personnel office, the individual must submit

(A) from the personnel office, a certified copy of the individual's request to change the individual's state of legal residence; or

(B) a sworn statement from the personnel officer who has specific knowledge that the personnel office made an error, or caused a delay, in processing the individual's personnel

records; the personnel officer must state the exact date the records show the original request was received and why the request was not processed timely;

(3) claimed a non-resident motor vehicle tax exemption in Alaska;

(4) accepted full-time, permanent employment in another state or country except while on an absence listed

(A) in AS 43.23.008(a)(1) - (3), (9) - (11), or (16); or

(B) in AS 43.23.008(a)(13), if the eligible resident whom the individual accompanies is absent for a reason listed in (A) of this paragraph;

(5) filed a resident or part-year resident income, excise, or personal property tax return in another state or country and the claim of residency on the return is for any period of time beginning January 1 of the qualifying year through the date of application, unless the individual

(A) was required by the other state or country to file a return claiming resident tax status in that state or country even though the individual was a state resident as defined in AS 43.23.095; or

(B) files in the other state or country an amended return claiming nonresident tax status and provides proof to the department that the amended return was actually filed in the other state or country;

(6) claimed or maintained a claim of a homestead or homeowner's property tax exemption in another state or country, that required the individual to be a resident of that state or country, unless the individual

(A) files an amended homestead or homeowner's property tax exemption claim deleting the claim of residency; and

(B) provides evidence from the other state or country that the individual filed an amended homestead or homeowner's property tax exemption claim deleting the claim of residency;

(7) applied for or received an education loan from another state or country that required an individual to be a resident of that state or country;

(8) disclosed in a court proceeding or affidavit that the individual is a resident of another state or country;

(9) executed a will that described residency in another state or country;

(10) moved from Alaska,

(A) for a reason other than one listed

(i) in AS 43.23.008(a)(1) - (3), (9) - (11), or (16); or

(ii) in AS 43.23.008(a)(13), if the eligible resident whom the individual accompanies is absent for a reason listed in (i) of this subparagraph; and

(B) claiming moving expenses as a deduction on the individual's federal income tax return, unless the individual

(i) files an amended federal income tax return deleting the claimed moving expenses as a deduction; and

(ii) provides proof from the Internal Revenue Service that the individual filed an amended return;

(11) accepted admission under resident tuition provisions to a college or university in another state or country, unless

(A) there was no difference between resident and nonresident tuition;

(B) nonresident tuition was waived as part of an interstate exchange agreement such as the Western Interstate Commission for Higher Education (WICHE) student exchange program or the Washington Wyoming Alaska Montana Idaho (WWAMI) medical education program; or

(C) the individual was granted admission under resident tuition provisions for any other reason that did not require the individual to be a resident of the state or country in which the college or university is located;

(12) registered to vote in another state or country, except if the individual

(A) registered to vote in another state no more than 60 days before a presidential election solely for the purpose of voting in that election and did not vote in any other election in another state other than for president of the United States; or

(B) registered to vote in another country for which the individual was not required to claim residency of the country in order to register to vote;

(13) voted in another state's or country's state, country, or local election, except if the individual voted in an election described in this paragraph and the individual was not required to claim residency in order to vote;

(14) obtained a resident hunting, fishing, or trapping license from another state or country;

(15) filed for divorce, dissolution, or legal separation in another state or country that required the individual to be a resident of that state or country in order to file the action;

(16) repealed 1/1/2010;

(17) obtained any other benefit or benefits as a result of establishing or maintaining any claim of residency in another state or country or by disclaiming Alaska residency, except that the department will not deny a dividend to an individual solely because the individual received Medicaid benefits from another state if the individual's application for Medicaid was consistent with the intent to maintain residency in Alaska.

(e) Regardless of alienage, a child born outside Alaska to an eligible resident on an allowable absence, adopted by an eligible resident, or whose adoption by an eligible resident is pending during the qualifying year, establishes Alaska residency in the child's own right immediately upon the child's arrival in Alaska if the child's custodial parent or guardian is an eligible resident at the time of the child's arrival in Alaska.

(f) An individual absent from Alaska as a dependent of an eligible resident who as soon as reasonably possible, as determined by the department, after emancipation does not return to Alaska and establish Alaska residency as an adult is not eligible for a dividend. A newly emancipated individual who was absent from Alaska as a dependent of an eligible resident who returns to Alaska as soon as reasonably possible, as determined by the department, after emancipation and who establishes external indicators of Alaska residency as an individual is not subject to the six month physical presence requirements of 15 AAC 23.163(b).

(g) A resident who marries a nonresident while physically present in Alaska is considered to have the intent to remain indefinitely in Alaska until the resident takes steps or actions to depart Alaska.

(h) An individual who on the date of application knows the individual will be moving from Alaska at a specific time to a specific destination for a reason other than one allowed by AS 43.23.008(a) does not have the intent to remain indefinitely in Alaska and is not eligible for a dividend.

(i) The eligibility of a resident who marries a nonresident while absent from Alaska is not changed by the marriage, so long as the resident is absent for the resident's own allowable reason.

(j) The fact that an individual's spouse has not declared Alaska residency does not establish a presumption that an individual is not a resident.

(k) Repealed 1/1/2000.

15 AAC 23.163. Allowable absences

(a) Except as provided in AS 43.23.005(c), an individual who has never been physically present in Alaska may not claim an allowable absence under AS 43.23.008.

(b) An individual who was absent from Alaska for more than 180 days is not eligible for a dividend if the individual

(1) was not a state resident for at least 180 days immediately before departure from Alaska;

(2) repealed 1/1/2000.

(c) For purposes of

(1) AS 43.23.008(a)(1), receiving secondary or postsecondary education on a full-time basis means enrollment and attendance in good standing as a full-time student where participation requires absence from this state

(A) at an academic institution for any of the 7th - 12th grades consistent with (d) of this section;

(B) for the purpose of pursuing a vocational certificate, associate, baccalaureate, or graduate degree, as a full-time student at a college, university, junior or community college, or postsecondary vocational institution accredited by an accrediting agency that the United States Secretary of Education recognizes under 34 C.F.R. Part 602, or full-time participation in an internship program if the internship is required by the college or university as part of the student's academic program; for the purposes of this subparagraph, an individual in the last academic year before graduation who was carrying enough credits to graduate, but fewer than full-time credits for any one term, semester, or quarter, is considered to have been a full-time student at that time; or

(C) for the purpose of pursuing a vocational certificate, associate, baccalaureate, or graduate degree, as a full-time student

(i) at a Title IV institution recognized under 20 U.S.C. 1001 - 1155 (The Higher Education Act of 1965) and 34 C.F.R., Part 600; or

(ii) at a non-accredited college or university if students attending the college or university may qualify as eligible to receive a student loan from Nellie Mae, or if the college or university's credits or degrees are accepted by at least three Title IV institutions recognized under 20 U.S.C. 1001 - 1155 (the Higher Education Act of 1965) and 34 C.F.R., Part 600;

(D) for the purposes of completing an internship or residency program at a hospital or medical clinic;

(2) AS 43.23.008(a)(2), receiving vocational, professional, or other specific education on a full-time basis means attending a program for which, as determined by the Alaska Commission on Postsecondary Education, a comparable program is not reasonably available in the state at an educational institution eligible to participate in financial aid programs administered by the Alaska Commission on Postsecondary Education.

(d) An individual clearly demonstrates that the primary reason for the individual's absence is to obtain a secondary education by living at a boarding school while attending grades 7 - 12 at an out-of-state institution. An individual who lives with an ineligible parent or ineligible permanent legal guardian while attending an out-of-state institution has not demonstrated that the primary reason for the individual's absence is to obtain a secondary education.

(e) Repealed 10/8/94.

(f) An individual whose absence or combination of absences, under a provision of AS 43.23.008 other than AS 43.23.008(a)(9) - (10) and (13), if the eligible resident whom the individual accompanies is absent for a reason specified in AS 43.23.008(9) or (10), totals more than five consecutive years is presumed not to have the intent to return to Alaska and remain indefinitely in Alaska. In such a case, the individual is not eligible for a dividend payment unless the individual provides, with the individual's application or in a timely response to a request by the department, documentation that demonstrates to the department's satisfaction an intent at all times during the absence or absences to return to Alaska and remain indefinitely in Alaska.

(g) When considering whether an individual who has been absent for more than five years has rebutted the presumption that the individual does not have the intent to return to Alaska and remain indefinitely in Alaska, the department will consider one or more of the following factors, as applicable:

(1) the length of the individual's absence compared to the time the individual spent in Alaska before departing on the absence;

(2) the frequency and duration of return trips to Alaska during the absence; the fact that the individual has returned to Alaska in order to meet the physical presence requirement of AS 43.23.005(a)(4) is not sufficient in itself to rebut the presumption of ineligibility;

(3) whether the individual's intent to return or remain is conditioned upon future events beyond the individual's control, such as economics or finding a job in Alaska;

(4) any ties the individual has established outside Alaska, such as maintenance of homes, payment of resident taxes, vehicle registrations, voter registration, driver's licenses, or receipt of benefits under a claim of residency in another state;

(5) the priority the individual gave Alaska on an employment assignment preference list, such as those used by military personnel;

(6) whether the individual made a career choice or chose a career path that does not allow the individual to reside in Alaska or return to Alaska; and

(7) any ties the individual has maintained in Alaska, such as ownership of real and personal property, voter registration, professional and business licenses, and any other factors demonstrating the individual's intent.

(h) When considering whether an individual who has been absent for more than five years has rebutted the presumption that the individual does not have the intent to return to Alaska and remain indefinitely in Alaska,

(1) the department will give greater weight to the claim of an individual who makes frequent voluntary return trips to Alaska during the period of the individual's absence than to the claim of an individual who does not;

(2) the department will generally consider that an individual who has not been physically present in Alaska for at least 30 cumulative days during the past five years has not rebutted the presumption; however, this consideration does not apply if the individual shows to the department's satisfaction that unavoidable circumstances prevented that individual from returning for at least 30 cumulative days during the past five years.

(i) Repealed 1/1/2000.

(j) The department will count whole days when determining the number of days an individual was absent from Alaska. The department will count the day an individual arrives or returns to Alaska as a day absent unless the individual previously left Alaska that same day. The department will count the day an individual leaves Alaska as a day an individual was in Alaska, unless the individual previously arrived or returned to Alaska that same day.

(k) For the purposes of AS 43.23.008(c), an individual is not considered otherwise eligible if the individual was absent from the state for more than 180 days in each of the preceding 10 qualifying years.

27-LS0564\K
Kirsch
4/11/12

SENATE CS FOR CS FOR SS FOR HOUSE BILL NO. 190( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES FEIGE, Chenault, Herron, Peggy Wilson, Johnson, Muñoz, Lynn

A BILL

FOR AN ACT ENTITLED

"An Act relating to allowable absences from the state for purposes of eligibility for permanent fund dividends; and providing for an effective date."

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

* **Section 1.** AS 43.23.005(a) is amended to read:

(a) An individual is eligible**, or conditionally eligible under AS 43.23.009,** to receive one permanent fund dividend **for** each year in an amount to be determined under AS 43.23.025 if the individual

(1) applies to the department;

(2) is a state resident on the date of application;

(3) was a state resident during the entire qualifying year;

(4) has been physically present in the state for at least 72 consecutive hours at some time during the prior two years before the current dividend year;

(5) is

(A) a citizen of the United States;

(B) an alien lawfully admitted for permanent residence in the United States;

(C) an alien with refugee status under federal law; or

(D) an alien that has been granted asylum under federal law;

(6) was, at all times during the qualifying year, physically present in the state or, if absent, was absent only as allowed in AS 43.23.008 **and met the requirements of AS 43.23.009**; and

(7) was in compliance during the qualifying year with the military selective service registration requirements imposed under 50 U.S.C. App. 453 (Military Selective Service Act), if those requirements were applicable to the individual, or has come into compliance after being notified of the lack of compliance.

*** Sec. 2.** AS 43.23.008(a) is amended to read:

(a) Subject to (b)**,** [AND] (c)**, and (e)** of this section, an otherwise eligible individual who is absent from the state during the qualifying year remains eligible for a current year permanent fund dividend if the individual was absent

(1) receiving secondary or postsecondary education on a full-time basis;

(2) receiving vocational, professional, or other specific education on a full-time basis for which, as determined by the Alaska Commission on Postsecondary Education, a comparable program is not reasonably available in the state;

(3) serving on active duty as a member of the armed forces of the United States or accompanying, as that individual's spouse, minor dependent, or disabled dependent, an individual who is

(A) serving on active duty as a member of the armed forces of the United States; and

(B) eligible for a current year dividend;

(4) serving under foreign or coastal articles of employment aboard an oceangoing vessel of the United States merchant marine;

(5) receiving continuous medical treatment recommended by a licensed physician or convalescing as recommended by the physician who treated the illness if the treatment or convalescence is not based on a need for climatic change;

(6) providing care for a parent, spouse, sibling, child, or stepchild with a critical life-threatening illness whose treatment plan, as recommended by the attending physician, requires travel outside the state for treatment at a medical specialty complex;

(7) providing care for the individual's terminally ill family member;

(8) settling the estate of the individual's deceased parent, spouse, sibling, child, or stepchild, provided the absence does not exceed 220 cumulative days;

(9) serving as a member of the United States Congress;

(10) serving on the staff of a member from this state of the United States Congress;

(11) serving as an employee of the state in a field office or other location;

(12) accompanying a minor who is absent under (5) of this subsection;

(13) accompanying another eligible resident who is absent for a reason permitted under (1), (2), (5) - (12), (16), or (17) of this subsection as the spouse, minor dependent, or disabled dependent of the eligible resident;

(14) serving as a volunteer in the federal peace corps program;

(15) because of training or competing as a member of the United States Olympic Team;

(16) participating for educational purposes in a student fellowship sponsored by the United States Department of Education or by the United States Department of State;

(17) for any reason consistent with the individual's intent to remain a state resident, provided the absence or cumulative absences do not exceed

(A) 180 days in addition to any absence or cumulative absences claimed under (3) of this subsection if the individual is not claiming an absence under (1), (2), or (4) - (16) of this subsection;

(B) 120 days in addition to any absence or cumulative absences claimed under (1) - (3) of this subsection if the individual is not claiming an absence under (4) - (16) of this subsection but is claiming an absence under (1) or (2) of this subsection; or

(C) 45 days in addition to any absence or cumulative absences claimed under (1) - (16) of this subsection if the individual is claiming an absence under (4) - (16) of this subsection.

* **Sec. 3.** AS 43.23.008(a), as amended by sec. 2 of this Act, is amended to read:

(a) Subject to (b), (c), and (e) of this section, an otherwise eligible individual who is absent from the state during the qualifying year remains eligible**, or conditionally eligible under AS 43.23.009,** for a current year permanent fund dividend if the individual was absent

(1) receiving secondary or postsecondary education on a full-time basis;

(2) receiving vocational, professional, or other specific education on a full-time basis for which, as determined by the Alaska Commission on Postsecondary Education, a comparable program is not reasonably available in the state;

(3) serving on active duty as a member of the armed forces of the United States or accompanying, as that individual's spouse, minor dependent, or disabled dependent, an individual who is

(A) serving on active duty as a member of the armed forces of the United States; and

(B) eligible for a current year dividend;

(4) serving under foreign or coastal articles of employment aboard an oceangoing vessel of the United States merchant marine;

(5) receiving continuous medical treatment recommended by a licensed physician or convalescing as recommended by the physician who treated the illness if the treatment or convalescence is not based on a need for climatic change;

(6) providing care for a parent, spouse, sibling, child, or stepchild with a critical life-threatening illness whose treatment plan, as recommended by the attending physician, requires travel outside the state for treatment at a medical specialty complex;

(7) providing care for the individual's terminally ill family member;

(8) settling the estate of the individual's deceased parent, spouse, sibling, child, or stepchild, provided the absence does not exceed 220 cumulative days;

(9) serving as a member of the United States Congress;

(10) serving on the staff of a member from this state of the United States Congress;

(11) serving as an employee of the state in a field office or other location;

(12) accompanying a minor who is absent under (5) of this subsection;

(13) accompanying another eligible resident who is absent for a reason permitted under (1), (2), (5) - (12), (16), or (17) of this subsection as the spouse, minor dependent, or disabled dependent of the eligible resident;

(14) serving as a volunteer in the federal peace corps program;

(15) because of training or competing as a member of the United States Olympic Team;

(16) participating for educational purposes in a student fellowship sponsored by the United States Department of Education or by the United States Department of State;

(17) for any reason consistent with the individual's intent to remain a state resident, provided the absence or cumulative absences do not exceed

(A) 180 days in addition to any absence or cumulative absences claimed under (3) of this subsection if the individual is not claiming an absence under (1), (2), or (4) - (16) of this subsection;

(B) 120 days in addition to any absence or cumulative absences claimed under (1) - (3) of this subsection if the individual is not claiming an absence under (4) - (16) of this subsection but is claiming an absence under (1) or (2) of this subsection; or

(C) 45 days in addition to any absence or cumulative absences claimed under (1) - (16) of this subsection if the individual is claiming an absence under (4) - (16) of this subsection.

*** Sec. 4.** AS 43.23.008(c) is amended to read:

(c) An otherwise eligible individual who has been eligible for the immediately preceding 10 dividends despite being absent from the state for more than 180 days in each of the related 10 qualifying years is only eligible for the current year dividend if

the individual was absent 180 days or less during the qualifying year. This subsection does not apply to an absence under (a)(9) or (10) of this section or to an absence under (a)(13) of this section if the absence is to accompany an individual who is absent under (a)(9) or (10) of this section. **This subsection does not apply to an absence under (a)(3) of this section.**

*** Sec. 5.** AS 43.23.008 is amended by adding new subsections to read:

(e) After an individual has been absent from the state for more than 180 days in each of the five preceding qualifying years, the department shall presume that the individual is no longer a state resident. Subject to the limitation in (c) of this section, the individual may rebut this presumption by providing proof to the department that establishes, by clear and convincing evidence, that

(1) the individual was physically present in the state for at least 30 cumulative days during the past five years; and

(2) the individual is a state resident as defined in AS 43.23.095.

(f) To determine whether an individual intends to return and remain in the state indefinitely, the factors the department shall consider include

(1) the length of time the individual was absent from the state compared to the length of time the individual was physically present in the state;

(2) the frequency and duration of voluntary return trips to the state during the past five years;

(3) whether the individual's intent to return to and remain in the state is conditioned on future events beyond the individual's control, such as the financial circumstances of the individual or the ability of the individual to find employment in the state;

(4) the ties the individual has established with the state or another jurisdiction, as demonstrated by

(A) maintenance of a home;

(B) payment of resident taxes;

(C) registration of a vehicle;

(D) registration to vote and voting history;

(E) acquisition of a driver's license, business license, or

professional license; and

(F) receipt of benefits under a claim of residency in the state or another jurisdiction;

(5) the priority that the individual gave the state on an employment assignment preference list, including a list used by military personnel;

(6) whether the individual made a career choice or chose a career path that does not allow the individual to reside in or return to the state.

*** Sec. 6.** AS 43.23 is amended by adding a new section to read:

Sec. 43.23.009. Dividends of individuals with allowable absences. (a) Notwithstanding other provisions regarding eligibility for and payment of dividends, the dividend of an individual who was absent from the state during six or more qualifying years, as allowed in AS 43.23.008(a)(1) - (16), shall be paid to that individual on the first subsequent year that the individual is eligible for a dividend without claiming an allowable absence under AS 43.23.008(a)(1) - (16).

(b) If an individual who is conditionally eligible for a dividend that has not become payable under (a) of this section fails to be eligible for a subsequent year dividend, the individual's conditional eligibility for the dividend that has not become payable under (a) of this section is terminated, and that dividend may not be paid.

(c) If an individual who is conditionally eligible for a dividend that has not become payable under (a) of this section dies before conditional eligibility for the dividend is terminated under (b) of this section, the department shall pay the dividend to a personal representative of the estate.

(d) Notwithstanding other provisions, a dividend that has not become payable to an individual under (a) of this section is not subject to levy, execution, garnishment, attachment, or any other remedy for the collection of debt until that dividend becomes payable or is paid to the individual.

(e) If an individual who is conditionally eligible for a dividend under (a) of this section has an allowable absence from the state under AS 43.23.008(a) for 20 or more years, the individual's conditional eligibility is terminated.

*** Sec. 7.** AS 43.23.025(a) is amended to read:

(a) By October 1 of each year, the commissioner shall determine the value of

each permanent fund dividend for that year by

(1) determining the total amount available for dividend payments, which equals

(A) the amount of income of the Alaska permanent fund transferred to the dividend fund under AS 37.13.145(b) during the current year;

(B) plus the unexpended and unobligated balances of prior fiscal year appropriations that lapse into the dividend fund under AS 43.23.045(d);

(C) less the amount necessary to pay prior year dividends from the dividend fund in the current year under AS 43.23.005(h), **43.23.009,** 43.23.021, and 43.23.055(3) and (7);

(D) less the amount necessary to pay dividends from the dividend fund due to eligible applicants who, as determined by the department, filed for a previous year's dividend by the filing deadline but who were not included in a previous year's dividend computation;

(E) less appropriations from the dividend fund during the current year, including amounts to pay costs of administering the dividend program and the hold harmless provisions of AS 43.23.075;

(2) determining the number of individuals eligible to receive a dividend payment for the current year and the number of estates and successors eligible to receive a dividend payment for the current year under AS 43.23.005(h); and

(3) dividing the amount determined under (1) of this subsection by the amount determined under (2) of this subsection.

*** Sec. 8.** The uncodified law of the State of Alaska is amended by adding a new section to read:

RETROACTIVITY. Sections 2, 4, and 5 of this Act are retroactive to January 1, 2012.

*** Sec. 9.** Sections 1, 3, 6, and 7 of this Act take effect January 1, 2014.

*** Sec. 10.** Except as provided in sec. 9 of this Act, this Act takes effect immediately under AS 01.10.070(c).

DENALI BOROUGH

P. O. Box 480 • Healy, Alaska 99743
Phone (907) 683-1330 • Fax (907) 683-1340
dbgovt@mtaonline.net
www.denaliborough.govoffice.com

David M. Talerico, Mayor

March 14, 2011

Representative Eric Feige
State Capitol Room 126
Juneau, Alaska 99801

Dear Representative Feige,

It is my privilege to write this letter of support for House Bill 190. I have personal knowledge of someone who was recently denied his Permanent Fund Dividend although he is a 1997 graduate of Tri-Valley High School in Healy, Alaska, and has dedicated over a decade of his life serving our country as a NAVY SEAL.

After graduation, this fine young man went on to college and has since committed his life to defend our freedom, but Alaska is still his home.

I can think of very few who deserve the courtesy of receiving a PFD more than this fine individual. If HB190 can accomplish this task, I encourage everyone's wholehearted support.

Thank you for sponsoring this bill.

Sincerely,

David M Talerico, Mayor
Denali Borough

Permanent Fund Dividend
Allowable Absences

Allowable Absence 1982

- Sec. 43.23.095. DEFINITIONS.
- (7) "state resident" means an individual who is physically present in the state with the intent to remain permanently in the state or, if the individual is not physically present in the state, intends to return to the state and is absent only for any of the following reasons:
- (A) vocational, professional, or other specific education for which a comparable program was not reasonably available in the state;
- (B) secondary or postsecondary education;
- (C) military service;
- (D) medical treatment;
- (E) service in Congress; or
- (F) other reasons which the commissioner may establish by regulation;

Allowable Absence 1997

- Sec. 43.23.095. Definitions.
- (8) "state resident" means an individual who is physically present in the state with the intent to remain permanently in the state under the requirements of AS 01.10.055 or, if the individual is not physically present in the state, intends to return to the state and remain permanently in the state under the requirements of AS 01.10.055, and is absent only for any of the following reasons:
    - (A) vocational, professional, or other specific education for which a comparable program was not reasonably available in the state;
    - (B) secondary or postsecondary education;
    - (C) military service;
    - (D) medical treatment;
    - (E) service in Congress;
    - (F) other reasons which the commissioner may establish by regulation;
    - (G) service in the Peace Corps;
    - (H) to care for the individual's terminally ill parent, spouse, sibling, child, or stepchild;
    - (I) for up to 220 days to settle the estate of the individual's deceased parent, spouse, sibling, child, or stepchild; or
    - (J) to care for a parent, spouse, sibling, child, or stepchild with a critical life-threatening illness whose treatment plan, as recommended by the attending physician, requires travel outside the state for treatment at a medical specialty complex;

Allowable Absence 1997

- Sec. 01.10.055. Residency.
- (a) A person establishes residency in the state by being physically present in the state with the intent to remain in the state indefinitely and to make a home in the state.
- (b) A person demonstrates the intent required under (a) of this section
- (1) by maintaining a principal place of abode in the state for at least 30 days or for a longer period if a longer period is required by law or regulation; and
- (2) by providing other proof of intent as may be required by law or regulation, which may include proof that the person is not claiming residency outside the state or obtaining benefits under a claim of residency outside the state.
- (c) A person who establishes residency in the state remains a resident during an absence from the state unless during the absence the person establishes or claims residency in another state, territory or country, or performs other acts or is absent under circumstances that are inconsistent with the intent required under (a) of this section to remain a resident of this state.

Allowable Absence 1998

- Sec. 43.23.095. Definitions.
- (7) "state resident" means an individual who is physically present in the state with the intent to remain indefinitely in the state under the requirements of AS 01.10.055 or, if the individual is not physically present in the state, intends to return to the state and remain indefinitely in the state under the requirements of AS 01.10.055;

Allowable Absence 1998

Sec. 43.23.008. Allowable absences.

- (a) Subject to (b) and (c) of this section, an otherwise eligible individual who is absent from the state during the qualifying year remains eligible for a current year permanent fund dividend if the individual was absent
- (1) receiving secondary or postsecondary education on a full-time basis;
- (2) receiving vocational, professional, or other specific education on a full-time basis for which, as determined by the Alaska Commission on Postsecondary Education, a comparable program is not reasonably available in the state;
- (3) serving on active duty as a member of the armed forces of the United States;

Allowable Absence 1998

Sec. 43.23.008. Allowable absences. *(continued)*

- (4) receiving continuous medical treatment recommended by a licensed physician or convalescing as recommended by the physician that treated the illness if the treatment or convalescence is not based on a need for climatic change;
- (5) providing care for a parent, spouse, sibling, child, or stepchild with a critical life-threatening illness whose treatment plan, as recommended by the attending physician, requires travel outside the state for treatment at a medical specialty complex;
- (6) providing care for the individual's terminally ill parent, spouse, sibling, child, or stepchild;
- (7) settling the estate of the individual's deceased parent, spouse, sibling, child, or stepchild, provided the absence does not exceed 220 cumulative days;

Allowable Absence 1998

- Sec. 43.23.008. Allowable absences. *(continued)*
- (8) serving as a member of the United States Congress;
- (9) serving on the staff of a member from this state of the United States Congress;
- (10) serving as an employee of the state in a field office or other location;
- (11) accompanying a minor who is absent under (4) of this subsection;
- (12) accompanying another eligible resident who is absent for a reason permitted under this subsection as the spouse, minor dependent, or disabled dependent of the eligible resident;

Allowable Absence 1998

Sec. 43.23.008. Allowable absences. *(continued)*

- (13) for any reason consistent with the individual's intent to remain a state resident, provided the absence or cumulative absences do not exceed
  - (A) 180 days if the individual is not claiming an absence under (1) - (12) of this subsection;
  - (B) 120 days in addition to any absence or cumulative absences claimed under (1) or (2) of this subsection if the individual is not claiming an absence under (3) - (12) of this subsection; or
  - (C) 45 days in addition to any absence or cumulative absences claimed under (1) - (12) of this subsection.

Allowable Absence 1998

Sec. 43.23.008. Allowable absences. *(continued)*

- (b) An individual may not claim an allowable absence under (a)(1) - (12) of this section unless the individual was a resident of the state for at least six consecutive months immediately before leaving the state.
- (c) An otherwise eligible individual who has been eligible for the immediately preceding 10 dividends despite being absent from the state for more than 180 days in each of the related 10 qualifying years is only eligible for the current year dividend if the individual was absent 180 days or less during the qualifying year. This subsection does not apply to an absence under (a)(8) or (9) of this section or to an absence under (a)(12) of this section if the absence is to accompany an individual who is absent under (a)(8) or (9) of this section.

Allowable Absence 2011

- Sec. 43.23.008. Allowable absences.
- (a) Subject to (b) and (c) of this section, an otherwise eligible individual who is absent from the state during the qualifying year remains eligible for a current year permanent fund dividend if the individual was absent
- (1) receiving secondary or postsecondary education on a full-time basis;
- (2) receiving vocational, professional, or other specific education on a full-time basis for which, as determined by the Alaska Commission on Postsecondary Education, a comparable program is not reasonably available in the state;
- (3) serving on active duty as a member of the armed forces of the United States or accompanying, as that individual's spouse, minor dependent, or disabled dependent, an individual who is
- (A) serving on active duty as a member of the armed forces of the United States; and
- (B) eligible for a current year dividend;

Allowable Absence 2011

Sec. 43.23.008. Allowable absences. *(continued)*

- (4) serving under foreign or coastal articles of employment aboard an oceangoing vessel of the United States merchant marine;
- (5) receiving continuous medical treatment recommended by a licensed physician or convalescing as recommended by the physician who treated the illness if the treatment or convalescence is not based on a need for climatic change;
- (6) providing care for a parent, spouse, sibling, child, or stepchild with a critical life-threatening illness whose treatment plan, as recommended by the attending physician, requires travel outside the state for treatment at a medical specialty complex;

Allowable Absence 2011

- Sec. 43.23.008. Allowable absences. *(continued)*
- (7) providing care for the individual's terminally ill family member;
- (8) settling the estate of the individual's deceased parent, spouse, sibling, child, or stepchild, provided the absence does not exceed 220 cumulative days;
- (9) serving as a member of the United States Congress;
- (10) serving on the staff of a member from this state of the United States Congress;
- (11) serving as an employee of the state in a field office or other location;
- (12) accompanying a minor who is absent under (5) of this subsection;

Allowable Absence 2011

- Sec. 43.23.008. Allowable absences. *(continued)*
- (13) accompanying another eligible resident who is absent for a reason permitted under (1), (2), (5) - (12), (16), or (17) of this subsection as the spouse, minor dependent, or disabled dependent of the eligible resident;
- (14) serving as a volunteer in the federal peace corps program;
- (15) because of training or competing as a member of the United States Olympic Team;
- (16) participating for educational purposes in a student fellowship sponsored by the United States Department of Education or by the United States Department of State;

Allowable Absence 2011

- Sec. 43.23.008. Allowable absences. *(continued)*
- (17) for any reason consistent with the individual's intent to remain a state resident, provided the absence or cumulative absences do not exceed
- (A) 180 days in addition to any absence or cumulative absences claimed under (3) of this subsection if the individual is not claiming an absence under (1), (2), or (4) - (16) of this subsection;
- (B) 120 days in addition to any absence or cumulative absences claimed under (1) - (3) of this subsection if the individual is not claiming an absence under (4) - (16) of this subsection but is claiming an absence under (1) or (2) of this subsection; or
- (C) 45 days in addition to any absence or cumulative absences claimed under (1) - (16) of this subsection if the individual is claiming an absence under (4) - (16) of this subsection.

Allowable Absence 2011

- Sec. 43.23.008. Allowable absences. *(continued)*
- (b) An individual may not claim an allowable absence under (a)(1) - (16) of this section unless the individual was a resident of the state for at least six consecutive months immediately before leaving the state.
- (c) An otherwise eligible individual who has been eligible for the immediately preceding 10 dividends despite being absent from the state for more than 180 days in each of the related 10 qualifying years is only eligible for the current year dividend if the individual was absent 180 days or less during the qualifying year. This subsection does not apply to an absence under (a)(9) or (10) of this section or to an absence under (a)(13) of this section if the absence is to accompany an individual who is absent under (a)(9) or (10) of this section.
- (d) For purposes of (a)(7) of this section, "family member" means a person who is
- (1) legally related to the individual through marriage or guardianship; or
- (2) the individual's sibling, parent, grandparent, son, daughter, grandson, granddaughter, uncle, aunt, niece, nephew, or first cousin.

Allowable Absence After HB 190

- Sec. 43.23.008. Allowable absences.
- (a) Subject to (b) and (e) of this section, an otherwise eligible individual who is absent from the state during the qualifying year remains eligible for a current year permanent fund dividend if the individual was absent
- (1) receiving secondary or postsecondary education on a full-time basis;
- (2) receiving vocational, professional, or other specific education on a full-time basis for which, as determined by the Alaska Commission on Postsecondary Education, a comparable program is not reasonably available in the state;
- (3) serving on active duty as a member of the armed forces of the United States or accompanying, as that individual's spouse, minor dependent, or disabled dependent, an individual who is
- (A) serving on active duty as a member of the armed forces of the United States; and
- (B) eligible for a current year dividend;

Allowable Absence After HB 190

- Sec. 43.23.008. Allowable absences. *(continued)*
- (4) serving under foreign or coastal articles of employment aboard an oceangoing vessel of the United States merchant marine;
- (5) receiving continuous medical treatment recommended by a licensed physician or convalescing as recommended by the physician who treated the illness if the treatment or convalescence is not based on a need for climatic change;
- (6) providing care for a parent, spouse, sibling, child, or stepchild with a critical life-threatening illness whose treatment plan, as recommended by the attending physician, requires travel outside the state for treatment at a medical specialty complex;

Allowable Absence After HB 190

- Sec. 43.23.008. Allowable absences. *(continued)*
- (7) providing care for the individual's terminally ill family member;
- (8) settling the estate of the individual's deceased parent, spouse, sibling, child, or stepchild, provided the absence does not exceed 220 cumulative days;
- (9) serving as a member of the United States Congress;
- (10) serving on the staff of a member from this state of the United States Congress;
- (11) serving as an employee of the state in a field office or other location;
- (12) accompanying a minor who is absent under (5) of this subsection;

Allowable Absence After HB 190

- Sec. 43.23.008. Allowable absences. *(continued)*
- (13) accompanying another eligible resident who is absent for a reason permitted under (1), (2), (5) - (12), (16), or (17) of this subsection as the spouse, minor dependent, or disabled dependent of the eligible resident;
- (14) serving as a volunteer in the federal peace corps program;
- (15) because of training or competing as a member of the United States Olympic Team;
- (16) participating for educational purposes in a student fellowship sponsored by the United States Department of Education or by the United States Department of State;

Allowable Absence After HB 190

- Sec. 43.23.008. Allowable absences. *(continued)*
- (17) for any reason consistent with the individual's intent to remain a state resident, provided the absence or cumulative absences do not exceed
- (A) 180 days in addition to any absence or cumulative absences claimed under (3) of this subsection if the individual is not claiming an absence under (1), (2), or (4) - (16) of this subsection;
- (B) 120 days in addition to any absence or cumulative absences claimed under (1) - (3) of this subsection if the individual is not claiming an absence under (4) - (16) of this subsection but is claiming an absence under (1) or (2) of this subsection; or
- (C) 45 days in addition to any absence or cumulative absences claimed under (1) - (16) of this subsection if the individual is claiming an absence under (4) - (16) of this subsection.

Allowable Absence After HB 190

- Sec. 43.23.008. Allowable absences. *(continued)*
- (b) An individual may not claim an allowable absence under (a)(1) - (16) of this section unless the individual was a resident of the state for at least six consecutive months immediately before leaving the state.
- (d) For purposes of (a)(7) of this section, "family member" means a person who is
- (1) legally related to the individual through marriage or guardianship; or
- (2) the individual's sibling, parent, grandparent, son, daughter, grandson, granddaughter, uncle, aunt, niece, nephew, or first cousin.

Allowable Absence After HB 190

- Sec. 43.23.008. Allowable absences. *(continued)*
- (e) After an individual has been absent from the state for more than 180 days in each of the five preceding qualifying years, the department shall presume that the individual is no longer a state resident. The individual may rebut this presumption by providing documentation to the department that establishes, by clear and convincing evidence, that
- (1) the individual was physically present in the state for at least 30 cumulative days during the past fie years; and
- (2) the individual is a state resident as defined in AS 43.23.095(7).

Allowable Absence After HB 190

- Sec. 43.23.008. Allowable absences. *(continued)*
- (f) To determine whether an individual intends to return and remain in the state indefinitely, the department shall consider
- (1) the length of time the individual was absent from the state compared to the length of time the individual was physically present in the state;
- (2) the frequency and duration of voluntary return trips to the state during the past five years;
- (3) whether the individual's intent to return to and remain in the state is conditioned on future events beyond the individual's control, such as the financial circumstances of the individual or the ability of the individual to find employment in the state;

Allowable Absence After HB 190

- Sec. 43.23.008. Allowable absences. *(continued)*
- (4) the ties the individual has established with the state or another jurisdiction, as demonstrated by
- (A) maintenance of a home;
- (B) payment of resident taxes;
- (C) registration of a vehicle;
- (D) registration to vote and voting history;
- (E) acquisition of a driver's license, business license, or professional license; and
- (F) receipt of benefits under a claim of residency in the state or another jurisdiction;

Allowable Absence After HB 190

- Sec. 43.23.008. Allowable absences. *(continued)*
- (5) the priority that the individual gave the state on an employment assignment preference list, including a list used by military personnel;
- (6) whether the individual made a career choice or chose a career path that does not allow the individual to reside in or return to the state.

HB 204

<TARGET><BILL>HB 204</BILL><SUBJECT>HB 204</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 4/12/11

FURTHER: Finance

DATE TURNED IN TO OFFICE: 4/10/12

State Affairs Committee considered HOUSE BILL NO. 204

HB 204 STATE PROCUREMENT CODE

"An Act relating to the State Procurement Code, including the use of small procurement provisions for certain amounts of leased space, the requirement of Alaska business license proof for Alaska bidder and other procurement preferences, the registration of construction contract bidders and offerors, the establishment and maintenance of lists of persons who want to provide supplies or services to the state, state agencies, and state instrumentalities, electronic bids and proposals, small procurements, and writings; and providing for an effective date."

and recommends:

[ ] be **replaced** with **SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
ADM			✓	2

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Albert Kookesh	Kookesh	✓			
Bert Giessel	Giessel	✓			
CHAIR:	Wielechowski	✓			

Alaska State Legislature

Representative Anna Fairclough – House District 17

DATE: April 12, 2011

TO: Senator Bill Wielechowski
Chair, Senate State Affairs Committee

FROM: Representative Anna Fairclough

RE: HB 204 & 205 Hearing Request

I am requesting a hearing for two bills I introduced this legislative session. I would like both bills to move along in the process together; therefore I am requesting the bills to be scheduled for the same committee hearing.

HB 204- "An act relating to the State Procurement Code, including the use of small procurement provisions for certain amounts of leased space, the requirement of Alaska business license proof for Alaska bidder and other procurement preferences, the registration of construction contract bidders and offerors, the establishment and maintenance of lists of person who want to provide supplies or services to the state, state agencies, and state instrumentalities, electronic bids and proposals, small procurements, and writings; and providing for an effective date."

HB 205- "An act relating to state and public entity procurement, including the State Procurement Code, procurement preferences and contract awards; relating to the meaning of 'Alaska bidder'; and providing for an effective date."

Thank you for your consideration and attention to my legislation. Should you have any questions please contact Kim Skipper or Laura Pierre in my office.

Session: Alaska State Capitol • Juneau, AK 99801 • 907-465-3777 • Fax 907-465-2819
Interim: 10928 Eagle River Road, Suite 238 • Eagle River, AK 99577 • 907-694-8944 • Fax 907-694-8945
Representative_Anna_Fairclough@legis.state.ak.us

Alaska State Legislature

Representative Anna Fairclough – House District 17

Sponsor Statement

House Bill 204

"An Act relating to the State Procurement Code, including the use of small procurement provisions for certain amounts of leased space, the requirement of Alaska business license proof for Alaska bidder and other procurement preferences, the registration of construction contract bidders and offerors, the establishment and maintenance of lists of persons who want to provide supplies or services to the state, state agencies, and state instrumentalities, electronic bids and proposals, small procurements, signatures, and writings; and providing for an effective date."

House Bill 204 makes changes to the state's procurement code. Collectively, these changes streamline the procurement code to ensure consistent application of the law, and results in a more understandable, efficient procurement process. These changes are needed to prevent failed procurements and provide modern procurement tools and techniques to the State's workforce.

This legislation would clarify Alaska business license requirements for competitive sealed bids and proposals and qualification for the Alaska bidder preference, which should reduce the number of bids and proposals the state currently disqualifies on technical grounds.

The dollar threshold for informal or small procurements is increased, which will simplify many purchases that are now procured via time consuming and more complex formal procurement rules.

HB 204 updates our Procurement Code and provides tools and techniques to our employees. The bill allows for electronic receipt of bids and signatures. The bill also eliminates the requirement to maintain outdated vendor lists in a time when commerce is moving online.

It has been many years since our procurement code has been modernized. These changes will position us to become more efficient and effective in our purchasing and contracting.

I appreciate your support and consideration of this legislation.

Session: Alaska State Capitol • Juneau, AK 99801 • 907-465-3777 • Fax 907-465-2819
Interim: 10928 Eagle River Road, Suite 238 • Eagle River, AK 99577 • 907-694-8944 • Fax 907-694-8945
Representative_Anna_Fairclough@legis.state.ak.us

Alaska State Legislature

Representative Anna Fairclough – House District 17

HB 204 Sectional Analysis

*** Section 1:** Amends AS 36.30.080(f)

Increases the threshold limit for small procurements of leased space from 3,000 square feet to 7,000 square feet, consistent with section 7.

*** Section 2:** Amends AS 36.30.110(b)

Clarifies Alaska business license requirements for competitive sealed bids and qualification for the Alaska bidder preference. Change would require bidders to show proof of their Alaska Business License prior to award, but would require the license at the time of bid submission in order to qualify for the Alaska bidder preference.

*** Section 3:** Amends AS 36.30.130(a)

Eliminates reference to a procurement officer's use of vendor lists, reflecting the repeal of the statute establishing the vendor lists, consistent with section 10.

*** Section 4:** Amends AS 36.30.210(b)

Clarifies construction contractor registration requirements, now explicitly requiring registration before award of a contract.

*** Section 5:** Amends AS 36.30.210(e)

Clarifies Alaska business license requirements for competitive sealed proposals and qualification for the Alaska bidder preference using language consistent with that used in section 2.

*** Section 6:** Amends AS 36.30 by adding a new section 36.30.290

Adds a new section allowing an agency to accept electronic bids and proposals.

Session: Alaska State Capitol • Juneau, AK 99801 • 907-465-3777 • Fax 907-465-2819
Interim: 10928 Eagle River Road, Suite 238 • Eagle River, AK 99577 • 907-694-8944 • Fax 907-694-8945
Representative_Anna_Fairclough@legis.state.ak.us

* **Section 7:** Amends AS 36.30.320(a)

Increases the threshold under which a state agency may use informal procurement process to $100,000 for goods and professional services, to $200,000 for construction, and 7,000 square feet for lease of space.

* **Section 8:** Amends AS 36.30.655

Eliminates reference to the removal of debarred or suspended persons from vendor lists, reflecting the repeal of a law establishing the vendor lists, consistent with section 10.

* **Section 9:** Amends AS 36.30.990

Adds new definitions for "in writing" and "written."

* **Section 10:** Repeals statute establishing the vendor list.

* **Section 11:** Amends the uncodified law of the State of Alaska

Clarifies the application of the procurement act to pending solicitations during transition period.

* **Section 12:** Effective Date

Language making the procurement act effective immediately.

Session: Alaska State Capitol • Juneau, AK 99801 • 907-465-3777 • Fax 907-465-2819
Interim: 10928 Eagle River Road, Suite 238 • Eagle River, AK 99577 • 907-694-8944 • Fax 907-694-8945
Representative_Anna_Fairclough@legis.state.ak.us

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **HB204\I**
() Publish Date

Identifier (file name) HB204A-DOA-PUR-03-23-11
Title An act relating to the state procurement code...effective date
Sponsor Representatives FAIRCLOUGH, Neuman
Requester House State Affairs

Dept. Affected Administration
Appropriation Centralized Administrative Services
Allocation Purchasing
OMB Component Number 60

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**0.0**		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial version

Prepared by Vern Jones
Division General Services
Approved by John Cramer, Deputy Commissioner
Department of Administration

Phone 465-5684
Date/Time 3/23/11 2:30 PM
Date 3/23/2011

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB204\I

Analysis

This bill makes changes to the State Procurement code that simplifies state procurement. The Department of Administration, Division of General Services does not anticipate any fiscal impact from the proposed legislation.

HB 205

<TARGET><BILL>HB 205</BILL><SUBJECT>HB 205</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 4/12/11

FURTHER: (Finance)

DATE TURNED IN TO OFFICE: 4/10/12

State Affairs Committee considered HOUSE BILL NO. 205

HB 205 PUBLIC PROCUREMENT

"An Act relating to state and public entity procurement, including the State Procurement Code, procurement preferences, and contract awards; relating to the meaning of 'Alaska bidder'; and providing for an effective date."

and recommends:

[ ] be **replaced** with **SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
AOM			✓	2
LWF			✓	3

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Elliott Kookesh	Kookesh	✓			
Giessel	Giessel	✓			
CHAIR:	Wielechowski	✓			

Alaska State Legislature

Representative Anna Fairclough – House District 17

Sponsor Statement

House Bill 205

"An Act relating to state and public entity procurement, including the State Procurement Code, procurement preferences, and contract awards; relating to the meaning of 'Alaska bidder'; and providing for an effective date."

House Bill 205 makes changes to the state's procurement code. Collectively, these changes streamline the procurement code to ensure consistent application of the law, and results in a more understandable, efficient procurement process for the state's business partners as well as our employees who conduct procurements.

Streamlining is accomplished by simplifying the application of our many preferences, which is currently complex and confusing for employees and vendors requiring a certain level of expertise. The bill makes application of the preferences uniform – currently, preferences do not contain the same language so they must be applied differently. It also clarifies which preferences are cumulative and those that may not be combined.

House Bill 205 would add a new section to the procurement code consolidating the Alaska bidder preference, Alaska veterans' preference, and other preferences formerly at AS 36.30.170(b). This section also simplifies the qualification for the disability and employment program preferences and eliminates the seldom used employers of people with disabilities preference.

With the passage of this legislation, our procurement process will be simplified and more user friendly to Alaska business owners and our state workers.

I appreciate your support and consideration of this legislation.

Session: Alaska State Capitol • Juneau, AK 99801 • 907-465-3777 • Fax 907-465-2819
Interim: 10928 Eagle River Road, Suite 238 • Eagle River, AK 99577 • 907-694-8944 • Fax 907-694-8945
Representative_Anna_Fairclough@legis.state.ak.us

Alaska State Legislature

Representative Anna Fairclough — House District 17

HB 205 Sectional Analysis

*** Section 1:** Amends AS 24.55.275

Updates a citation to reflect the renumbering of a preference.

*** Section 2:** Amends AS 36.15.050(a)

Amends the local agricultural preference to grant a seven percent cost preference to the qualifying bid rather than to the low bid, making this preference consistent with other procurement preferences.

*** Section 3:** Amends AS 36.15.050(b)

Amends the local fisheries preference to grant a seven percent cost preference to the qualifying bid rather than to the low bid, making this preference consistent with other procurement preferences.

*** Section 4:** Amends AS 36.15.050 by adding a new subsection (h)

Amends the local agricultural and fisheries preferences to disallow a bidder from being granted both a local agricultural/fisheries preference and an Alaska product preference under another statute.

*** Section 5:** Amends AS 36.30.015(e)

Updates a citation to reflect the renumbering of a preference.

*** Section 6:** Amends AS 36.30.015(f)

Updates a citation to reflect the renumbering of a preference.

*** Section 7:** Amends AS 36.30.015(h)

Updates a citation to reflect the renumbering of a preference.

Session: Alaska State Capitol • Juneau, AK 99801 • 907-465-3777 • Fax 907-465-2819
Interim: 10928 Eagle River Road, Suite 238 • Eagle River, AK 99577 • 907-694-8944 • Fax 907-694-8945
Representative_Anna_Fairclough@legis.state.ak.us

* **Section 8:** Amends AS 36.30.020

Updates a citation to reflect the renumbering of a preference.

* **Section 9:** Amends AS 36.30.030

Updates a citation to reflect the renumbering of a preference.

* **Section 10:** Amends AS 36.30.170

Updates a citation to reflect the renumbering of the Alaska bidder preference.

* **Section 11:** Amends AS 36.30 by adding a new section 36.30.321

Adds a new section consolidating the Alaska bidder preference, Alaska veterans' preference, and other preferences formerly at AS 36.30.170(b). This section also simplifies the qualification for the disability and employment program preferences, eliminates the seldom used employers of people with disabilities preference, and excludes real estate leases from application of procurement preferences.

* **Section 12:** Amends AS 36.30.322(a)

Modifies the use of local forest products statute to grant a seven percent cost preference to the qualifying bid rather than to the low bid, making this preference consistent with other preferences.

* **Section 13:** Amends AS 36.30.336 by repealing and reenacting

Clarifies which preferences are cumulative and which may not be combined. (example: bidders can not claim both an employment program preference and a disabled bidder preference)

* **Section 14:** Amends AS 36.30.990 by adding a new paragraph

Moves the definition for "Alaska bidder" (formerly contained in 36.30.170(b).

* **Section 15:** Amends AS 36.90.049(a)

Updates a citation to reflect the renumbering of a preference.

* **Section 16:** Amends AS 38.35.017(a)

Updates a citation to reflect the renumbering of a preference.

* **Section 17:** Repeals statute establishing the veteran preference because it has been relocated to AS 36.30.321(f). Also repeals employment program language (not the preference itself) and relationship to other preferences.

Session: Alaska State Capitol • Juneau, AK 99801 • 907-465-3777 • Fax 907-465-2819
Interim: 10928 Eagle River Road, Suite 238 • Eagle River, AK 99577 • 907-694-8944 • Fax 907-694-8945
Representative_Anna_Fairclough@legis.state.ak.us

* **Section 18:** Amends the uncodified law of the State of Alaska

Clarifies the application of the procurement act to pending solicitations during transition period.

* **Section 19:** Effective Date

Language making the procurement act effective immediately.

Session: Alaska State Capitol • Juneau, AK 99801 • 907-465-3777 • Fax 907-465-2819
Interim: 10928 Eagle River Road, Suite 238 • Eagle River, AK 99577 • 907-694-8944 • Fax 907-694-8945
Representative_Anna_Fairclough@legis.state.ak.us

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version **HB205\M**
() Publish Date

Identifier (file name) HB205-DOA-PUR-03-23-11
Title An act relating to the state and public entity procurement... date
Sponsor Representative(s) FAIRCLOUGH, Neuman
Requester House State Affairs

Dept. Affected Administration
Appropriation Centralized Administrative Services
Allocation Purchasing
OMB Component Number 60

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**0.0**		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial version.

Prepared by Vern Jones
Division Division of General Services
Approved by John Cramer, Deputy Commissioner
Department of Administration

Phone 465-5684
Date/Time 3/23/11 2:30 PM
Date 3/23/2011

(Revised 1/27/2011 OMB)

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HB205\M

Analysis

This bill reorganizes and provides consistent language for state procurement preferences, making them simpler to understand and apply. The Department of Administration, Division of General Services does not anticipate any fiscal impact from the proposed legislation.

HB 216

<TARGET><BILL>HB 216</BILL><SUBJECT>HB 216</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 3/5/12

FURTHER: Judiciary

DATE TURNED IN TO OFFICE: 4|10|12

State Affairs Committee considered CS FOR HOUSE BILL NO. 216(FIN)

HB 216-REGULATIONS: INFORMATIVE SUMMARY/BILLS

"An Act relating to fiscal notes for bills directing or resulting in the adoption, amendment, or repeal of regulations, and to the notice required for the proposed adoption, amendment, or repeal of a regulation; and providing for an effective date."

and recommends:

[✓] be **replaced** with **SCS** HB 216 (STA) *[✓] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

SCS/CS- Forthcoming

[ ] adopt **previous SCS** _____ __) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
GOV			✓	2

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Elliott Kookan	Kookan	✓			
Giessel	Giessel	✓			
CHAIR:	Wielechowski	✓			

ALASKA STATE LEGISLATURE

Interim:
P.O. Box 109
Wrangell, AK 99929
Phone: (907) 874-3088
Fax: (907) 874-3055

Session:
State Capitol, Room 406
Juneau, AK 99801-1182
Phone: (907) 465-3824
1-800-686-3824
Fax: (907) 465-3175

REPRESENTATIVE PEGGY WILSON
HOUSE DISTRICT 2

MEMORANDUM

Date: March 5, 2012

To: Senator Bill Wielechowski

From: Representative Peggy Wilson PW

RE: **Hearing Request for HB 216 "Regulations: Informative Summary/Bills"**

I respectfully request a hearing in the Senate State Affairs Committee for HB 216, "An Act relating to fiscal notes for bills directing or resulting in the adoption, amendment, or repeal of regulations, and to the notice required for the proposed adoption, amendment, or repeal of a regulation; and providing for an effective date

Attached are:

- HB 216 version S
- HB 216 Sponsor Statement
- HB 216 Fiscal Note
- HB 216 Support letter from AML

The contact for HB 216 is Sheila Finkenbinder, 465-6887.

Thank you for considering this important piece of legislation.

27-LS0701\L
Bannister
4/6/12

SENATE CS FOR CS FOR HOUSE BILL NO. 216(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES PEGGY WILSON, Lynn, Costello, Kawasaki, Kerttula, Johnson

A BILL

FOR AN ACT ENTITLED

"An Act relating to fiscal notes for bills directing or resulting in the adoption, amendment, or repeal of regulations, and to the notice required for the proposed adoption, amendment, or repeal of a regulation; and providing for an effective date."

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

* **Section 1.** AS 24.08.035 is amended by adding new subsections to read:

(f) In addition to the other requirements of this section, if a bill directs an agency in the executive branch of state government to adopt, amend, or repeal a regulation or will result in an agency's adopting, amending, or repealing a regulation, the department affected shall include in the fiscal note for the bill a specific time by which the agency shall adopt, amend, or repeal the regulation. If the agency is not able to meet the deadline set in the fiscal note, the agency shall

(1) set a new deadline; and

(2) report to the Administrative Regulation Review Committee the new deadline and the reasons for being unable to meet the deadline set in the fiscal

note.

(g) In (f) of this section, "agency" includes the Alaska Housing Finance Corporation, the Alaska Industrial Development and Export Authority, the Alaska Energy Authority, the Alaska Public Offices Commission, and the Alaska Oil and Gas Conservation Commission, but does not include other boards or commissions.

*** Sec. 2.** AS 44.62.200 is amended by adding a new subsection to read:

(d) When a state agency, other than the Regulatory Commission of Alaska, the Board of Fisheries, or the Board of Game, posts, furnishes, or otherwise provides a notice of the proposed adoption, amendment, or repeal of a regulation under AS 44.62.190, a brief description of the changes made by the proposed adoption, amendment, or repeal must accompany the notice. However, if, under AS 44.62.190(a), the notice is published in a newspaper or trade or industry publication or is broadcast, this subsection does not require that the brief description otherwise required by this subsection accompany the publication or the broadcast. To the extent practicable, the brief description shall be written in clear, easily readable language that a person without a legal background is able to understand. Notwithstanding AS 44.62.300, an action may not be brought for failure of the brief description to comply with the requirements of this subsection relating to the description of the changes or its clarity and readability.

*** Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to read:

APPLICABILITY. (a) AS 24.08.035(f) and (g), enacted by sec. 1 of this Act, apply to bills that are filed on or after the effective date of this Act.

(b) AS 44.62.200(d), enacted by sec. 2 of this Act, applies to the proposed adoption, amendment, or repeal of a regulation on or after the effective date of this Act.

*** Sec. 4.** This Act takes effect July 1, 2012.

ALASKA STATE LEGISLATURE

Interim:
P.O. Box 109
Wrangell, AK 99929
Phone: (907) 874-3088
Fax: (907) 874-3055

Session:
State Capitol, Room 406
Juneau, AK 99801-1182
Phone: (907) 465-3824
1-800-686-3824
Fax: (907) 465-3175

REPRESENTATIVE PEGGY WILSON
HOUSE DISTRICT 2

SPONSOR STATEMENT
House Bill 216

"An Act relating to fiscal notes for bills directing or resulting in the adoption, amendment, or repeal of regulations, and to the notice required for the proposed adoption, amendment, or repeal of a regulation; and providing for an effective date."

HB 216 will accomplish two goals relating to changes to state regulations; increasing the speed with which regulations are written, and describing in plain, easy-to-understand language all regulations that are adopted, amended or repealed.

Legislators and the public have often been frustrated by the fact that months, or even years, sometimes pass between the time that a bill is passed by the legislature and the time the regulation is implemented. The result is; Alaska residents, businesses and legislators are confused about what the change means. As an example: as we were looking at the governor's House Bill 110, on oil taxes, we didn't have proof of what regulations were currently being enforced because the ACES regulations hadn't even been written - three years after we passed the legislation. The same confusion can impact individuals who are unclear about when, or if, new regulations concerning their business or recreational activities take effect. HB 216 states that any bill requiring creation or modification of any regulation must include a regulation completion deadline.

The other problem addressed by this bill is the confusion and lack of understanding of many proposed regulation changes or new additions. This confusion is caused by the legalese used to describe proposed regulations. This language, while accurately and legally describing proposed regulations, is difficult to understand by the average individual. HB 216 will require that all proposed regulation changes include descriptions, in plain English, of what the original regulation does and what the proposed change will do.

Passage of this legislation will encourage public participation in the regulation review process, as people find it easier to understand what the regulations mean to them. It will also help speed passed legislation to implementation when regulations are completed in a set, scheduled timeframe.

Based on input from committee members and the Department of Law, several amendments were passed in the State Affairs and Judiciary committees that help to clarify the language used in the bill. No substantive changes have been made to the original intent of the bill.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **CSHB 216**
Fiscal Note Number:
() Publish Date:

Identifier (file name): HB216CS(JUD)-GOV-OMB-2-17-2012
Dept. Affected: All
Title: Deadlines in bills for the Adoption of Regulations
Appropriation:
Allocation:
Sponsor: P. Wilson
Requester: House State Affairs
OMB Component Number:

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Updated to reflect the change in the CS. Fiscal note is now a zero.

Prepared by: Arnold Liebelt, Policy Analyst — Phone: 907-465-4676
Division: Office of Management and Budget — Date/Time: 2/17/12 5:30 PM
Approved by: Karen Rehfeld, Director — Date: 2/17/2012
Office of Management and Budget

(Revised 1/10/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. CSHB 216

Analysis

"An Act relating to deadlines in bills directing the adoption of regulations and to the informative summary required for the proposed adoption, amendment, or repeal of a regulation."

If a proposed bill will require regulations or result in a change to existing regulations, Section 1 would require agencies to state in the fiscal note for the bill a time by which the agency is to adopt, amend, or repeal the regulation. If the agency does not meet the deadline, it would set a new deadline and report to the Administrative Regulation Review Committee the new deadline and the reasons for not meeting the deadline that was established in the fiscal note.

Section 2 would require for a notice, posted on the Online Public Notice site or furnished electronically by a state agency, proposing adoption, amendment, or repeal of existing regulations, that a brief description accompany the notice and be written in clear, easily readable language that a person without a legal background is able to understand. The Regulatory Commission of Alaska, the Board of Fisheries, and the Board of Game would be exempt from Section 2.

No fiscal impact is expected as a result of Section 1. The fiscal impact resulting from Section 2 for future legislation is expected to be minimal. If the cost cannot be absorbed within an agency's budget, agencies will reflect this in the note for future legislation.

ALASKA MUNICIPAL LEAGUE
Alaska Conference of Mayors

217 Second Street, Suite 200 • Juneau, Alaska 99801
Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

January 30, 2012

Representative Peggy Wilson
State Capitol
Room 408
Juneau, Alaska 99801

Dear Representative Wilson,

I am writing to express the Alaska Municipal League's support for HB216, particularly the amendments to Section 2, Chapter 3 of AS 44.62.045.

It makes perfect sense to require the agencies to provide an informative summary of proposed regulations which describe how the amendments will change existing regulation "in clear, easily readable language that a person without a legal background is able to understand."

AML was forced to hire legal counsel (at a cost of over $8,000) to analyze sections of the new regulations proposed by APOC dealing with comprehensive revisions to Public Official and Legislative Finance Disclosure and Campaign Disclosure. It is AML's job to keep local elected officials and their municipal employees current on legislation, regulations and statutes that affect their local governments. When the agencies are unwilling to help us understand these regulations, we must do what we can to obtain the information.

In late 2010, the Alaska Public Offices Commission (APOC) published proposed revisions for public review and comment. AML requested from APOC, some explanation of what changes were encompassed in the new proposed regulations, as the document was approximately 125 pages long. APOC refused to provide any detailed explanation of the changes; in fact, the staff told us they had been instructed not to answer any questions about the proposed regulations. Without clarification of the new regulations, it makes it much more difficult to comment. We then hired legal counsel to perform a side-by-side examination of the old regulations and the new regulations. Only after enlisting the support from the Governor's office and many legislators were we able to secure additional information from APOC.

Most municipalities have numerous boards and commissions made up of community volunteers who are subject to APOC financial disclosure regulations. These private citizens are not equipped by training, nor do they have the time to understand and translate new regulations without the help from APOC. A plain, clear, easily readable explanation of the changes would have helped local officials understand and comment

on the new regulations. It appears to me that APOC, while drafting changes, could have done computerized "track" changes as the drafting process was taking place.

The opportunity for public comment on new regulations will not result in any substantive input if the adopting agency does not assist the public in understanding new regulatory changes. It also is quite ironic that the agency tasked with keeping government more transparent refuses to help the public understand proposed regulations.

It should not be difficult for an agency to comply with HB216, as they presumably understand what changes they are proposing and how they will affect the public. It is unreasonable to expect members of the public to read, translate, cross-reference and understand new regulation without some explanation from the authors.

Again, AML supports the adoption of HB216, as it will assist elected and volunteer municipal officials better understand how they are regulated by state agencies.

Thank you for the opportunity to comment.

Sincerely,

Kathie Wasserman

Kathie Wasserman
Executive Director

ALASKA STATE LEGISLATURE

Interim:
P.O. Box 109
Wrangell, AK 99929
Phone: (907) 874-3088
Fax: (907) 874-3055

Session:
State Capitol, Room 406
Juneau, AK 99801-1182
Phone: (907) 465-3824
1-800-686-3824
Fax: (907) 465-3175

REPRESENTATIVE PEGGY WILSON
HOUSE DISTRICT 2

MEMORANDUM

Date: February 14, 2012

To: Representative Bill Stoltze, Co-Chair, Finance Committee
Representative Bill Thomas, Co-Chair, Finance Committee

From: Representative Peggy Wilson

RE: **CHANGES to HB 216 "Regulations: Informative Summary/Bills"**

Since the original version of HB 216 was drafted, it has had several amendments and language changes, but the basic premise of the bill has not changed.

The State Affairs committee passed two amendments that clarified the informative summary language.

The Judicial committee met several times and finessed additional changes that helped to make this bill very clear. We also worked with the Department of Law to incorporate some of their suggestions.

A summary of the changes made since the bill was introduced include:

- The deadline for adopting changes will now be stated in the fiscal note, rather than in the bill itself. This change necessitated a change in the title.
- Language stating that the agency, and not the legislature, sets the deadline - is clarified.
- The AHFC, AIDEA, AEA, APOC, and AOGCC are expected to comply with the requirements of Section 1, but all other state boards and commissions are exempted.
- Agencies must now report to the Legislative Regulatory Review committee if a deadline is not met; and set a new deadline for adoption of the regulation.
- The brief descriptive summaries will accompany **new** regulations, as well as changes and repeals of regulations.
- Changes in Section 2 clarify that the 'posted notice' should not be confused with the formal 'notice'.
- Language was changed to target the brief descriptive summaries to online and email notification, rather than to print media.
- Protection from legal action is provided to agencies, should the clarity or readability of the brief descriptive summary be misinterpreted or questioned.
- An effective date was added.

The contact for HB 216 is Sheila Finkenbinder, 465-6887.

HB

234

<TARGET><BILL>HB 234</BILL><SUBJECT>HB 234</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 3/12/12

FURTHER: Judiciary

DATE TURNED IN TO OFFICE: 4/11/12

State Affairs Committee considered HOUSE BILL NO. 234

HB 234-PICKETING AND PROTESTS AT FUNERALS

"An Act relating to picketing or protests at a funeral."

and recommends:

[ ] be **replaced** with **SCS** HB 234 (SDA) [ ] *Same Title* [ ] *Technical Title Change* [ ] *New Title/SCR No.*_____

[ ] adopt **previous SCS** _____ SCS/CS- Forthcoming) [ ] *Same Title* [ ] *Technical Title Change* [ ] *New Title/SCR No.*_____

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
LAW			✓	1

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Albert Kookesh	Kookesh	✓			
Joe Paskvan	Paskvan			X	
Bert Giessel	Giessel	✓			
K. Meyer	Meyer	✓			
CHAIR:	Wielechowski	✓			

27-LS0627\X
Wayne/Gardner
4/9/12

SENATE CS FOR HOUSE BILL NO. 234( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES THOMAS, Herron, Olson, Thompson, Miller, Feige, Chenault, Johnson, Peggy Wilson, Dick, Lynn, Saddler, Austerman, Pruitt, Gara, Stoltze, Muñoz, Hawker, Seaton, Fairclough, Tammie Wilson

SENATOR Menard

A BILL

FOR AN ACT ENTITLED

"An Act relating to picketing at a funeral."

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

* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section to read:

FINDINGS AND LEGISLATIVE INTENT. (a) The legislature finds that families have a legitimate and legally cognizable interest in organizing and attending funerals for deceased relatives, and that the rights of families to mourn the deaths of relatives peacefully and privately are violated when funerals are targeted for picketing. The legislature also finds that family members attending a funeral service are a captive audience, and that it is very difficult for grieving family members to avoid picketing within 150 feet of the boundary of a cemetery, mortuary, church, or other facility where a funeral is being held up to an hour before the beginning of a funeral and until an hour after the conclusion of a funeral.

(b) The legislature also recognizes that individuals have a constitutional right to free speech, and that, in the context of funeral ceremonies, the competing interests of picketers and grieving family members must be balanced. Therefore, the legislature finds and intends that

the purpose of AS 11.61.110(a)(8), as enacted by sec. 2 of this Act, is to protect the privacy of grieving families and to preserve the peaceful character of a cemetery, mortuary, church, or other facility designated as the scheduled location for the funeral of a deceased family member, while still providing picketers the opportunity to communicate their message at a time and place that minimizes interference with the rights of grieving family members of the deceased.

* **Sec. 2.** AS 11.61.110(a) is amended to read:

(a) A person commits the crime of disorderly conduct if,

(1) with intent to disturb the peace and privacy of another not physically on the same premises or with reckless disregard that the conduct is having that effect after being informed that it is having that effect, the person makes unreasonably loud noise;

(2) in a public place or in a private place of another without consent, and with intent to disturb the peace and privacy of another or with reckless disregard that the conduct is having that effect after being informed that it is having that effect, the person makes unreasonably loud noise;

(3) in a public place, when a crime has occurred, the person refuses to comply with a lawful order of a peace officer to disperse;

(4) in a private place, the person refuses to comply with an order of a peace officer to leave premises in which the person has neither a right of possession nor the express invitation to remain of a person having a right of possession;

(5) in a public or private place, the person challenges another to fight or engages in fighting other than in self-defense;

(6) the person recklessly creates a hazardous condition for others by an act which has no legal justification or excuse; [OR]

(7) the offender intentionally exposes the offender's buttock or anus to another with reckless disregard for the offensive or insulting effect the act may have on that person**; or**

(8) the person knowingly engages in picketing with reckless disregard that the picketing occurs

(A) inside of a cemetery, mortuary, church, or other facility

or within 150 feet of that facility's outer boundary; and

(B) while a funeral is occurring at the cemetery, mortuary, church, or other facility or during the 60-minute period

(i) before the start of the funeral; or

(ii) after the conclusion of the funeral.

*** Sec. 3.** AS 11.61.110(b) is amended to read:

(b) **In** [AS USED IN] this section,

(1) "funeral" means a ceremony or memorial service held in connection with the burial, death, or cremation of a deceased person, but does not include a funeral procession on a public street or highway;

(2) "noise" is "unreasonably loud" if, considering the nature and purpose of the defendant's conduct and the circumstances known to the defendant, including the nature of the location and the time of day or night, the conduct involves a gross deviation from the standard of conduct that a reasonable person would follow in the same situation**; "noise"** [. "NOISE"] does not include speech that is constitutionally protected**;**

(3) "picketing" means an act directed toward a funeral that disrupts or disturbs that funeral.

- NT content-neutral for time, place + manner
- Focus on

27-LS0627\E
Wayne/Gardner
4/9/12

SENATE CS FOR HOUSE BILL NO. 234( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES THOMAS, Herron, Olson, Thompson, Miller, Feige, Chenault, Johnson, Peggy Wilson, Dick, Lynn, Saddler, Austerman, Pruitt, Gara, Stoltze, Muñoz, Hawker, Seaton, Fairclough, Tammie Wilson

SENATOR Menard

A BILL

FOR AN ACT ENTITLED

"An Act relating to picketing or protests at a funeral."

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

* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section to read:

FINDINGS AND LEGISLATIVE INTENT. (a) The legislature finds that families have a legitimate and legally cognizable interest in organizing and attending funerals for deceased relatives, and that the rights of families to mourn the deaths of relatives peacefully and privately are violated when funerals are targeted for picketing. The legislature also finds that family members attending a funeral service are a captive audience, and that it is very difficult for grieving family members to avoid picketing within 150 feet of the boundary of a cemetery, mortuary, church, or other facility where a funeral is being held up to an hour before the beginning of a funeral and until an hour after the conclusion of a funeral.

(b) The legislature also recognizes that individuals have a constitutional right to free speech, and that, in the context of funeral ceremonies, the competing interests of picketers and grieving family members must be balanced. Therefore, the legislature finds and intends that

the purpose of AS 11.61.110(a)(8), as enacted by sec. 2 of this Act, is to protect the privacy of grieving families and to preserve the peaceful character of a cemetery, mortuary, church, or other facility designated as the scheduled location for the funeral of a deceased family member, while still providing picketers the opportunity to communicate their message at a time and place that minimizes interference with the rights of grieving family members of the deceased.

* **Sec. 2.** AS 11.61.110(a) is amended to read:

(a) A person commits the crime of disorderly conduct if,

(1) with intent to disturb the peace and privacy of another not physically on the same premises or with reckless disregard that the conduct is having that effect after being informed that it is having that effect, the person makes unreasonably loud noise;

(2) in a public place or in a private place of another without consent, and with intent to disturb the peace and privacy of another or with reckless disregard that the conduct is having that effect after being informed that it is having that effect, the person makes unreasonably loud noise;

(3) in a public place, when a crime has occurred, the person refuses to comply with a lawful order of a peace officer to disperse;

(4) in a private place, the person refuses to comply with an order of a peace officer to leave premises in which the person has neither a right of possession nor the express invitation to remain of a person having a right of possession;

(5) in a public or private place, the person challenges another to fight or engages in fighting other than in self-defense;

(6) the person recklessly creates a hazardous condition for others by an act which has no legal justification or excuse; [OR]

(7) the offender intentionally exposes the offender's buttock or anus to another with reckless disregard for the offensive or insulting effect the act may have on that person**; or**

(8) the person knowingly engages in picketing with reckless disregard that the picketing occurs

(A) inside of a cemetery, mortuary, church, or other facility

or within 150 feet of that facility's outer boundary; and

(B) while a funeral is occurring at the cemetery, mortuary, church, or other facility or during the 60-minute period

(i) before the start of the funeral; or

(ii) after the conclusion of the funeral.

*** Sec. 3.** AS 11.61.110(b) is amended to read:

(b) **In** [AS USED IN] this section,

(1) "funeral" means a ceremony or memorial service held in connection with the burial, death, or cremation of a deceased person, but does not include a funeral procession on a public street or highway;

(2) "noise" is "unreasonably loud" if, considering the nature and purpose of the defendant's conduct and the circumstances known to the defendant, including the nature of the location and the time of day or night, the conduct involves a gross deviation from the standard of conduct that a reasonable person would follow in the same situation**; "noise"** [. "NOISE"] does not include speech that is constitutionally protected**;**

(3) "picketing" means an act of protest that disrupts or disturbs a funeral.

REPRESENTATIVE BILL THOMAS
ALASKA STATE LEGISLATURE DISTRICT 5
e-mail: Representative.Bill.Thomas@legis.state.ak.us
webpage: www.akrepublicans.org/thomas/

State Capitol
Juneau AK, 99801-1182
907-465-3732
888-461-3732
FAX 907-465-2652

MEMORANDUM

Date: March 13, 2012

To: Senator Bill Wielechowski, Senate State Affairs Chair

From: Representative Thomas

Re: HB 232 "An Act relating to picketing or protests at a funeral."

I respectfully request that the Senate State Affairs Committee hear HB 234, at its earliest convenience.

HB 234 establishes a buffer zone around the boundary of a cemetery, church or other facility where a funeral service is occurring.

If you have any questions about this bill please contact Aaron Schroeder, in my office, at 465-3732.

Thank you.

REPRESENTATIVE BILL THOMAS
ALASKA STATE LEGISLATURE DISTRICT 5
e-mail: Representative.Bill.Thomas@legis.state.ak.us
webpage: www.akrepublicans.org/thomas/

State Capitol
Juneau AK, 99801-1182
907-465-3732
888-461-3732
FAX 907-465-2652

Sponsor Statement HB 234
"An Act relating to picketing or protests at a funeral."

The death of a loved one is one of life's most tragic events. More than 46 states across the country have enacted laws protecting families at funerals during their time of grief. These laws establish standards of conduct which respect the family's need for respect and privacy during this difficult time while also allowing others to express their viewpoints.

HB 234 brings Alaska in line with the majority of states and adopts the guidelines which govern conduct during a funeral. HB 234 is modeled after the guidelines used by our national cemeteries and requires that:

- Picketing not take place within 150 feet of the boundary of the cemetery, church, or other facility where the funeral services are occurring, and
- Picketing not take place one hour before or one hour after the service.

This bill asks anyone within the area of a funeral service to conduct themselves in a respectful manner for the duration of the service. HB 234 looks out for the interests of the grieving families while preserving the rights of others to voice their opinions.

I strongly urge your support of HB 234.

REPRESENTATIVE BILL THOMAS

ALASKA STATE LEGISLATURE DISTRICT 5

e-mail: Representative.Bill.Thomas@legis.state.ak.us

webpage: www.akrepublicans.org/thomas/

State Capitol

Juneau AK, 99801-1182

907-465-3732

888-461-3732

FAX 907-465-2652

List of Witnesses for HB 234

Doug Gardner- Bill Drafter
Director of Legal Services
On-line

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 10, 2011

SUBJECT: Amendment to AS 11.61.110 (disorderly conduct) adding picketing or protesting at a funeral as an offense
(Work Order No. 27-LS0627\A)

TO: Representative Bob Herron
Attn: Rob Earl
Representative Bill Thomas
Attn: Kaci Schroeder

FROM: Doug Gardner
Director

You asked for a bill that would limit picketing and protests at a funeral, and requested a criminal law solution as a way to achieve this limitation. I chose to amend AS 11.61.110, to add picketing or protesting at a funeral to the offense of Disorderly Conduct. Enclosed is a draft that I believe accomplishes your request. Given the extensive constitutional issues presented by this bill, I have briefly outlined the issues that may come up if this bill is introduced. If you would like more detail, please advise, and I can provide it.

Overview

At present, in excess of 45 states have passed laws that in one way or another, are very similar to the attached draft bill. Much of the litigation involving various state funeral protest laws has been concentrated in the states that comprise the Sixth Circuit (KY., MI., OH., and TN.), and the Eighth Circuit (AR., IA., MN., MO., NE., S.D.) federal courts. An observation about this trend is that the Westboro Baptist Church, which is a party to or involved in virtually all of these cases is based in Topeka, Kansas, and engages in protest activities with more frequency in areas near the church's home town. Given the volume of litigation in the Sixth and Eighth Circuit courts, and eventually at the appellate level, I chose to draft this bill based on lessons learned in litigation in these circuits, and to base this bill on state statutes that have passed constitutional muster. However, it is important to observe, that the U. S. Supreme Court has yet to address a criminal law involving funeral picketing or protests. The recent high profile decision in *Snyder v. Phelps*, 2011 WL 709517 (U.S.), was a decision that involved civil litigation for money damages, and not a criminal law, so the decision, while instructive, does not resolve some of the issues that are unique to criminal law in the context of free speech.

Snyder v. Phelps

With that backdrop, I want to briefly address and summarize the recent decision in *Snyder v. Phelps* issued by the Supreme Court last week. Mr. Snyder sued Westboro Church leader Albert Phelps in a civil action based on the theory that picketing, and the content of that picketing by Westboro Church at his son's funeral (Snyder's son was a Lance Corporal in the United States Marine Corps, and died as a result of injuries sustained in Iraq in the line of duty), was done in a way that intentionally caused him emotional distress. Some of the slogans on the pickets that Mr. Snyder acknowledged in court proceedings that he could briefly see the tops of from his position in the motorcade to the funeral, included "Thank God for Dead Soldiers," "Fags Doom Nations," "America is Doomed," "Priests Rape Boys," and "You're Going to Hell."

The first question for the *Snyder* Court was whether the highest protection afforded speech by the First Amendment of the U. S. Constitution applied to Westboro's speech. The Court concluded, that while offensive to many, the issues raised by Westboro's picket signs were public speech entitled to the "highest rung" of protection in the hierarchy of First Amendment protections. As a consequence, the Court decided that the jury verdict for over $10 million returned at trial in the lower district court had to be set aside because the public speech of Westboro was protected by the First Amendment, and as a consequence was not actionable in a claim for money damages by Mr. Snyder.

In *Snyder*, Chief Justice Roberts, writing for the majority of the Court, observed that after the protest in 2006 by Westboro church at Mr. Snyder's son's funeral, the Maryland Legislature passed a law that prohibits picketing within 100 feet of a funeral service or procession, and noted that Westboro's picketing would have complied with that law. The Court clearly wanted to point out that its decision in *Snyder* did not address Maryland's picketing law, and that "to the extent [law's like Maryland's] are content neutral, they raise very different questions from the tort verdict at issue in [*Snyder*]." However, Chief Justice Roberts noted that the Supreme Court has, in past cases where a law was content neutral, allowed time, place, and manner restrictions and regulation of public speech. These situations were noted by the Chief Justice as picketing around a home and a buffer zone between protesters and an abortion clinic entrance. *Snyder v. Phelps*, 2011 WL 709517 p.17-18 (U.S.), *citing Frisby v. Schultz*, 487 U.S. 474, 479 (1988) (holding that a state has a significant interest in banning targeted picketing in front of private residences where individuals are captive audiences); *Madsen v. Women's Health Center, Inc.*, 512 U.S. 753, 768 (1994) (court rejected a 300 foot buffer zone around an abortion clinic as overly broad restriction, but court approved a 36 foot buffer zone around clinic entrance).

Eighth Circuit Cases

The Eighth Circuit Court of Appeals, in *Olmer v. Lincoln*, 192 F.3d 1176 (8th Cir. 1999), decided in the context of an ordinance that restricted picketing of churches and other religious premises 30 minutes before during and after a funeral service, that while the state has a significant interest in banning targeted speech in front of a person's home

where individuals are captive audiences, that churches are distinguishable, and that the state's interest regarding a church is not as great. As a consequence, the Eighth Circuit cases where funeral protest ordinances or statutes have been litigated have been found unconstitutional, because the state interest in regulating public speech has not been significant enough to justify the state-imposed time, place, and manner restrictions. So, when addressing a content neutral restriction on speech, the Eighth Circuit Court of Appeals has not found funeral protest statutes constitutional, based on the state's failure to meet the first of the three-part test that the court applied in *Olmer*: (1) does the statute regulating speech serve a significant state interest; (2) is the statute narrowly tailored; and (3) does it leave open ample alternative channels of communication.

Despite the *Olmer* decision, a recent decision by a trial court in the Eighth Circuit regarding a Nebraska state criminal statute banning funeral protests within 300 feet of a cemetery, etc., and one hour before until one hour after a funeral, was upheld as constitutional. *Phelps-Roper v. Heineman*, 720 F.Supp.2d 1090 (D. Nebraska 2010). In *Heineman*, the trial court distinguished the *Olmer* decision, finding that the Nebraska statute, which included findings articulating the state's interest in protecting families of the deceased, demonstrated a significant state interest. The trial court also held, that despite the *Olmer*, decision, that it considered grieving family members a captive audience at a funeral, who may be under stress and may suffer emotional harm under circumstances at a funeral where they are unable to avoid pickets and protests. The *Heineman* case is on appeal to the Eighth Circuit Court of Appeals. In summary, the *Heineman* court found that in the case of the content neutral Nebraska statute: (1) the state demonstrated a significant state interest in protecting family members; (2) the statute was narrowly tailored both in time restrictions (hour before until an hour after the funeral with a 300 foot buffer); and that (3) alternate means of speech to communicate Westboro's messages exist (buffer zone is limited to an hour before until an hour after funeral and protesting outside the buffer zone is not restricted in any way at any time).

Sixth Circuit Cases

For purposes of this brief summary, it is not necessary to go into too much detail regarding funeral protests case law in the Sixth Circuit. In *Phelps-Roper v. Bob Taft*, 523 F.Supp.2d 612 (N.D. Ohio 2007), the trial court judge considered an Ohio statute essentially the same as the Nebraska statute in *Heineman*, which created a "fixed" buffer zone of 300 feet[1] around a church or other place where a funeral was being held. The

---

[1] Most of the state funeral protest statutes I reviewed provided for a 300 foot buffer zone between protesters and funeral attendees. I would note, that while the *Heineman* court and the *Taft* court found 300 foot buffer zones narrowly tailored and allowing alternative channels for speech, other courts have found 300 foot buffer zones overly broad, burdening substantially more speech than necessary to further the government's interest. See *Phelps-Roper v. County of St. Charles*, 2011 WL 227561 (E.D. MO.). I drafted this bill consistent with a 200 foot buffer, which is more conservative than the buffer found in

Ohio statute also imposed a "floating" buffer zone of 300 feet around a funeral procession. The court found the floating buffer unconstitutional, as has every court that I am aware of that has considered the "floating" buffer zone. I would note that on appeal, the Ohio attorney general's office made the decision not to cross-appeal or litigate the part of the trial court's decision involving the floating buffer zone, so I will not address that issue further. With regard to the "fixed" buffer zone, both the trial court and the Sixth Circuit Court of Appeals found the Ohio funeral protest statute content neutral, and constitutional for essentially the same reasons that the *Heineman* trial court did in Nebraska. *Phelps-Roper v. Strickland*, 539 F.3d 356 (6th Cir. 2008).

Alaska Law and Summary of Drafting Issues

In drafting the enclosed bill amending AS 11.61.110, to add a funeral picketing and protest provision to the offenses comprising disorderly conduct in Alaska, I tried to track both the legislative finding language in Revised Statute of Nebraska § 28-1320.01 to 28-1320.03 (2008), and the language of the statute itself. By tracking the Nebraska language and legislative findings and intent, the draft bill focuses on: (1) a statute that has already been found to be content-neutral; (2) a judicial finding of a strong state interest in protecting family members of the deceased, as opposed to a broader group of funeral attendees; (3) statutory language that only restricts picketing focused on a funeral, similar to the language of the ordinance in *Frisby*, 487 U.S. at 482; and (4) a statute that has been held to allow alternative channels for communication.

In Alaska, if the proposed amendments to AS 11.61.110 are scrutinized by the courts as time, place, and manner, content neutral restrictions on speech, the state will have to demonstrate that these restrictions are narrowly tailored, supported by a significant state interest, and leave open ample alternative channels for expression. *Prentzel v. State*, 1988 WL 1511365 (Alaska App.), *quoting Clark v. Community for Creative Non-Violence*, 468 U.S. 288 (1984). As with any constitutional challenge, the outcome of litigation is always difficult to predict, based on the facts and circumstances of each case, and based on the different outcomes observed in the analysis by the Sixth and Eighth Circuit Courts of Appeal. Please review the enclosed draft, and let me know how you would like to proceed. As you requested, I am also sending a copy of this draft to Representative Thomas's office.

DDG:plm:ljw
11-129.plm

Enclosure

---

most state statutes, but you may wish to narrow this buffer zone, perhaps to 150 feet as was done by Congress in 18 U.S.C.S 1388 (prohibition on disruption of funerals at Arlington National Cemetery) or to 100 feet as adopted by the State of Maryland in MD. Code Ann., Criminal Law, § 10-205 (West. 2010).

APOA

ALASKA PEACE OFFICERS ASSOCIATION

Business Manager
Joseph Young
Anchorage

Board of Directors
Officers
John Lucking, Jr., President
Soldotna
Kris Sell, Vice President
Juneau
Angella Long, Past President
Wasilla
Marilyn Bailey, Secretary-Treasurer
Anchorage

Directors
John Waldron, President
Aleutian Islands Chapter
Unalaska
Michele Logan, President
Anchorage Chapter
Anchorage
Steve Hall, President
Capital City Chapter
Juneau
Brad Johnson, President
Farthest North Chapter
Fairbanks
James Kimura, President
First City Chapter
Ketchikan
Mark Pearson, President
Kenai Peninsula Chapter
Kenai
Bob Griffiths, President
Mat-Su Chapter
Wasilla
Thecla LaLonde, President
Wrangell Chapter
Wrangell

February 10, 2012

Representative Bill Thomas, Jr.
House of Representatives
State Capitol
Juneau AK 99801-1182

Dear Representative Thomas:

On behalf of the Alaska Peace Officers Association (APOA), I would like to thank you for introducing HB 234 an act relating to picketing or protests at a funeral.

The APOA Executive Board's Legislative Committee recently reviewed this proposed legislation and decided to unanimously support this bill.

We thank you for addressing this issue. Please contact the APOA office in Anchorage at 277-0515 if there is anything our organization can do to assist in the passage of this bill.

Sincerely,

John Lucking, Jr.
State President

PO Box 240106
Anchorage AK 99524

t 907 277 0515
f 907 272 5355

Making A Difference In The Last Frontier

LEGISLATIVE RESEARCH REPORT

DECEMBER 9, 2011

REPORT NUMBER 12.113

FUNERAL PROTEST LAWS IN OTHER STATES

PREPARED FOR REPRESENTATIVE BILL THOMAS, JR.

BY ROGER WITHINGTON, LEGISLATIVE ANALYST

SUMMARY 1

STATE LAWS PERTAINING TO FUNERAL PROTESTS 2

Table 1: Summary of State Funeral Protest Laws, May 2011 3

CHALLENGED AND UNCONSTITUTIONAL STATE FUNERAL PROTEST LAWS 3

LIST OF ATTACHMENTS 5

You asked for information on funeral protest laws. Specifically, you wished to know how many states currently have a law regulating funeral protests and what each state law stipulates. You also wanted to know for each state that currently has a funeral protest law if violating the restriction is considered a felony or misdemeanor offense. In addition, you asked if any of the state laws have been challenged and if any have been found unconstitutional.

SUMMARY

As you may know, for a number of years the Westboro Baptist Church of Topeka, Kansas has been protesting, among other events, military funerals. These protests have garnered the Church a great deal of national attention.[1] The Church's primary message at these protests is that God hates the United

[1] Summary information was extracted from Kathleen Ann Ruane, *Funeral Protests: Selected Federal Laws and Constitutional Issues*, Congressional Research Service, March 22, 2011, and the Westboro Baptist Church's website.

907-465-3991
907-465-3908 (fax)

Alaska Legislature
Legislative Research Services
w3.legis.state.ak.us/laa/research/research.php

State Capitol
Juneau, AK 99801

States for its tolerance of homosexuality. As punishment for its tolerance, God is killing soldiers "in righteous judgment against an evil nation."

As a result of these protests, state and local governments have adopted measures that create "buffer zones" that ban protests of funerals within a certain distance of the services and that establish time restrictions as to when protests can occur in relation to a funeral service. Additionally, the federal government has passed similar bans on protests at military funerals in federally controlled cemeteries.

STATE LAWS PERTAINING TO FUNERAL PROTESTS

According to the National Conference of State Legislatures (NCSL), 46 states currently have some form of a funeral protest law. In Table 1, we provide a summary of these state laws; we include a more detailed summary of each state's law in Attachment A.

Of the 31 states identified in Table 1 that impose a restriction on the time in which a protest may take place in relation to the funeral service, 22 specify that a protest may not occur any time one hour prior to, during, or one hour after the conclusion of the funeral or memorial service. The remaining nine states specify a time restriction range from 30 minutes to 120 minutes before and after the service.

As you can see from Table 1, 39 states create a "buffer zone" that restricts protests of funerals within a certain distance of the service. These buffer zones range from 150 feet to 1,500 feet. The most typical distance, used by 15 states, is 500 feet.

Seven states—California, Florida, Idaho, Louisiana, Maine, Rhode Island, and Virginia—chose not to create time or distance buffer zones but instead appear to have amended their disorderly conduct or disturbing the peace statues to include protests at funeral or memorial services.

Thirty-six states classify the first violation of these funeral protest laws as misdemeanors. Although several states classify the second offense as a felony, two states—Indiana and Michigan—classify the first offense as a felony.

TABLE 1: SUMMARY OF STATE FUNERAL PROTEST LAWS, MAY 2011

Regulation	States
Time Requirement	Alabama, Arizona, Arkansas, Connecticut, Delaware, Georgia, Illinois, Iowa, Kansas, Kentucky, Michigan[1], Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Texas, Utah, Vermont, West Virginia, Wisconsin, Wyoming
Distance Requirement	Alabama, Arizona, Arkansas, Colorado, Connecticut, Delaware, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, Wyoming
First Offense Classified as a Misdemeanor	Alabama, Arizona, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Iowa, Kansas, Kentucky, Maryland, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, Wisconsin, Wyoming

Source: *Funeral Protest Regulation Statutory Provisions*, National Conference of State Legislatures, May 18, 2011, Jon Griffin, Policy Associate, Fiscal Affairs Program, National Conference of State Legislatures, 303-364-7700 ext. 1529.

Notes: (1) Michigan law authorizes local governments to create laws that restrict funeral protests from one hour immediately before, or during, or two hours immediately following a service.

In Attachment B, we provide a sample of funeral protest laws from ten states—Alabama, Colorado, Connecticut, Idaho, Minnesota, Montana, New Mexico, Oklahoma, Rhode Island, and Washington.

According to the NCSL, all four of the states that do not currently have a funeral protest law—Alaska, Hawaii, Nevada, and Oregon—considered such a measure during the last legislative session. Measures in Alaska and Hawaii are still active, while the measures in Nevada and Oregon have failed. Additionally, many states sought to amend their existing laws. We include, as Attachment C, a NCSL summary of all state legislation considered during the last legislative session that pertains to funeral protests.

High Court Rules For Anti-Gay Protesters At Funerals

by NINA TOTENBERG

Nicholas Kamm/AFP/Getty Images

Members of the Westboro Baptist Church of Topeka, Kan., staged a protest across the street from a high school in Hyattsville, Md., a day before the Supreme Court ruling.

March 2, 2011

text size A A A

The U.S. Supreme Court has ruled that protesters at military funerals cannot be sued for inflicting emotional distress on the family of a dead soldier. The vote was 8 to 1.

When Marine Lance Cpl. Matthew Snyder was killed in Iraq, his funeral in Westminster, Md., drew thousands to pay their respects. But it also drew a protest from the Rev. Fred Phelps and six other members of the Westboro Baptist Church, based in Topeka, Kan.

Phelps and other church members have traveled the country for years, picketing hundreds of military funerals to communicate their belief that "God hates the USA" for its tolerance of homosexuality, particularly in the military.

The picketers did not contend that Snyder was gay. Rather, their message, as Phelps puts it, was that "the whole country is given over to sodomy and to sodomite enablers."

The picketers followed their usual practice at the Snyder funeral. They alerted police in advance and followed instructions to set up their protest on public property, at a site 1,000 feet away from the church, near the vehicle entrance.

Speech is powerful. It can stir people to action, move them to tears of both joy and sorrow, and ... inflict great pain. On the facts before us, we cannot react to that pain by punishing the speaker.

Though the protest was peaceful and ended before the funeral began, the picketers carried signs with messages offensive to many, including "Thank God for Dead Soldiers," "Fags Doom Nations" and "America Is Doomed."

- Chief Justice John Roberts, in the majority opinion

Albert Snyder, the father of the dead Marine, did not see the signs until later when he viewed TV coverage. He says the picketers turned his son's funeral into a circus, taking away his "last moment" with his son.

"This was a funeral. This wasn't a parade going down the street. I shouldn't have to look away from anything at my own child's funeral," Snyder says. "That's absurd."

Snyder sued Phelps and his church for intentional infliction of emotional distress.

"These people targeted me and my family, and they have done this to over 200 other military men and women's families," Snyder says, his voice rising. "I want to know how you would feel if somebody stood 30 feet away from the main vehicle entrance of a church where you're trying to bury your mother, with a sign that says, 'Thank God for dead sluts.' You tell me that shouldn't be illegal. Is 'fag' any worse than 'slut'?"

A jury agreed with Snyder and awarded him $5 million in damages. But the Supreme Court set aside that verdict Wednesday.

Writing for the court majority, Chief Justice John Roberts said that as repugnant as many of the signs were, they were still plainly related to public, rather than private, matters. They focused on "the political and moral conduct of the United States and its citizens," he said, and speech of such public concern is protected by the First Amendment.

Although Westboro may have chosen to protest the funeral to gain publicity for its views, said the chief justice, and although those views may be particularly hurtful to the dead soldier's father, that does not mean the church members' right of free speech can be curtailed or punished. And a jury award amounts to punishment, Roberts contended, by imposing a penalty for expressing an unpopular viewpoint.

Our profound national commitment to free and open debate is not a license for the vicious verbal assault that occurred in this case.

- Justice Samuel Alito, who cast the lone dissenting vote

"Speech is powerful," Roberts said in conclusion. "It can stir people to action, move them to tears of both joy and sorrow, and — as it did here — inflict great pain. On the facts before us, we cannot react to that pain by punishing the speaker. As a nation we have chosen a different course — to protect even hurtful speech on public issues to ensure that we do not stifle public debate."

Reaction to the decision was markedly muted, given the outrage voiced by veterans groups and politicians at the time the case was argued in the Supreme Court.

The Democratic and Republican leaders of the Senate, along with 40 other members of Congress, filed a brief on Snyder's side. But on Wednesday, reaction on Capitol Hill was nowhere to be found, except in a couple of written statements.

Lawyer Gene Schaerr, who filed a brief in the case for the American Legion, said he was heartened by the fact that the court specifically mentioned that 43 states have enacted laws that put a buffer zone of 100 feet or more around funeral sites. Such laws would not have affected the protest in this case, since protesters were 1,000 feet away.

Nonetheless, says Schaerr, the decision "sends a clear signal to the lower courts that they should not interpret anything in this opinion as casting any doubt about those statutes." The court, however, specifically left open that question, noting that restrictions on the time, place and manner of protests are appropriate in some circumstances.

Wednesday's 8-to-1 ruling came as no surprise to First Amendment scholars, both right and left. They note that the decision is in line with many court decisions protecting the rights of fringe groups — from Nazis marching in Skokie, Ill., to flag burners at a Republican convention in Texas.

University of Chicago law professor Geoffrey Stone notes that Wednesday's ruling fits neatly into that tradition, calling it a "classic case." The only surprise, maintained Stone, was that anyone dissented.

Justice Samuel Alito was the lone dissenter. He viewed the protesters' speech as targeting a private person — the father of the dead soldier — and said that the First Amendment does not give license to such outrageous conduct.

"In order to have a society in which public issues can be openly and vigorously debated," wrote Alito, "it is not necessary to allow the brutalization of innocent victims."

Related NPR Stories

·A Peek Inside The Westboro Baptist ChurchMarch 2, 2011

February 8, 2012

AMERICAN CIVIL LIBERTIES UNION OF ALASKA FOUNDATION
1057 W. Fireweed, Suite 207
Anchorage, AK 99503
(907) 258-0044
(907) 258-0288 (fax)
WWW.AKCLU.ORG

OFFICERS AND DIRECTORS
SUSAN WINGROVE, Anchorage
PRESIDENT

RICH CURTNER, Anchorage
VICE PRESIDENT

LLOYD EGGAN, Anchorage
TREASURER

MICHAEL KING, Anchorage
SECRETARY

WILLIE ANDERSON, Juneau
AFFIRMATIVE ACTION OFFICER

KIRSTEN BEY, Nome
DONNA GOLDSMITH, Anchorage
PAUL GRANT, Juneau
SCOTT HENDERSON, Anchorage
KATIE HURLEY, Wasilla
MARJORIE KAISER, Anchorage
CONNIE OZER, Anchorage
GALEN PAINE, Sitka
STEPHANIE PAWLOWSKI, Anchorage
JUNE PINNELL-STEPHENS, Fairbanks
TONY STRONG, Juneau

EMMA HILL, Anchorage
STUDENT ADVISORS

The Honorable Dan Saddler, Co-Chair
The Honorable Steve Thompson, Co-Chair
House Military and Veterans' Affairs Special Committee
Alaska State House of Representatives
State Capitol
Juneau, AK 99801
Via email: Representative_Dan_Saddler@legis.state.ak.us
Representative_Steve_Thompson@legis.state.ak.us

Re: HB 234: Funeral Picketing and Protests
ACLU Review of Constitutional Issues

Dear Co-Chairs Saddler & Thompson:

Thank you for the opportunity to provide written testimony with respect to House Bill 234.

The American Civil Liberties Union of Alaska represents thousands of members and activists throughout Alaska who seek to preserve and expand the individual freedoms and civil liberties guaranteed by the United States and Alaska Constitutions. From that perspective, we wish to advise the Committee of our concern that the proposed bill, if enacted, would violate the rights of free speech and free assembly under the Alaska Constitution and the United States Constitution.

Bill Overview

The current draft of HB 234 proposes to amend the existing disorderly conduct statute, to criminalize the act of "knowingly engag[ing] in picketing with reckless disregard" that the picketing occurs within 150 feet of the boundaries of a "cemetery, mortuary, church, or other facility" and either during a funeral at that location or within an hour of the start or end of the funeral.

The bill goes on to define the term "funeral," excluding a funeral procession from that definition. The bill also defines "picketing" as "protest activities . . . that disrupt or are undertaken to disturb a funeral."

Freedom of Speech

Under the First Amendment to the United States Constitution, people have the freedom to speak without government interference. The freedom of speech is not absolute, ***but government regulation of speech imposes a heavy burden on the government to justify the nature of its regulation and to show that alternative means of vindicating the government interests were inadequate.***

A. The Bill Would Regulate Speech on Sidewalks, a Traditional Public Forum

The present bill directly regulates speech on its face. "[P]rotest activities" are expressive activity, by the very basic meaning of the word "protest." "Picketing" has long been recognized as expressive activity. *See, e.g., Carey v. Brown*, 447 U.S. 455 (1980).

Based on the broad scope of the bill and the real world context of the activities regulated, the bill would criminalize certain expressive activity both on one's own private property – assuming the private property lay within 150 feet of a cemetery or church – as well as on a sidewalk or public park, which are recognized as "traditional public forums" for public speech. *Hill v. Colorado*, 530 U.S. 703, 716 (2000).

Given that the bill directly regulates speech **on one's own property and in traditional public forums**, the bill will be subject to the most careful scrutiny by a court, demanding that the restriction be "necessary to serve a compelling state interest and that it is narrowly drawn to achieve that end." *Frisby v. Schultz*, 487 U.S. 474, 481 (1988) (citation omitted).

B. The Bill is Not Content-Neutral, But Only Regulates Protest Activities

"The right to free speech . . . may not be curtailed simply because the speaker's message may be offensive to his audience." *Hill*, 530 U.S. at 716. For that reason, most restrictions on speech must be content-neutral, meaning that the regulation of speech may not refer to the content of the speech. *Madsen v. Women's Health Center, Inc.*, 512 U.S. 753, 763 (1994). By contrast, content-neutral restrictions on speech in a public forum describe the time, place, and manner in which speech may be made, and must be narrowly tailored to serve a substantial government interest. *Ward v. Rock Against Racism*, 491 U.S. 781, 799 (1989). Examples of a content-neutral regulation would include an ordinance against using a loudspeaker over a particular volume or after a certain hour.

In the recent funeral picketing case, the United States Supreme Court did admit that some state laws establishing a buffer zone would be analyzed differently (which does not necessarily mean that they would be *constitutional*), but only to "the extent [such state] laws are content neutral." *Snyder v. Phelps*, 131 S. Ct. 1207, 1218 (2011).

HB 234 appears to refer to the content of speech, and is thus not content-neutral. The term "protest activities" suggests that only the speech of those presenting a negative viewpoint would be affected by the regulation. Under the bill, a person loudly stating that the US military is contributing to the decline of moral values would presumably be engaged in "protest activities," while a person loudly stating that we must honor our veterans would not be engaged in "protest activities."[1] *Frisby*, 487 U.S. at 482. Therefore, the conduct prohibited is not merely traditional picketing, but protesting, oppositional speech. *Snyder*, 131 S. Ct. at 1219 (noting that the claims of the offended plaintiffs "turned on the content and viewpoint of the message conveyed, rather than any interference with the funeral itself").

Heightening the inference that the bill is intended to discriminate between those presenting supporting views and those presenting opposing views at a funeral, the bill also prohibits activities that "disrupt or are undertaken to disturb a funeral." But in the context of the bill's language, activities that "disrupt" or "disturb" would likely be viewed in light of their content, rather than a neutral standard. "Disrupting" or "disturbing" entails that the activities run contrary to the purpose or plan of the funeral. Loud noises, such as amplified speech or, as has become more common at funerals, the loud revving of motorcycle engines may be viewed as non-disruptive when the expressive conduct accords with the purpose of the funeral, but disruptive when it is not. **Favoring certain expressive activity over another in regulating picketing violates the First Amendment.** *Carey*, 447 U.S. at 470. Notably, in one of the only cases upholding such a law, the parties *stipulated* that the law was content-neutral, rather than contesting the law's neutrality. *Phelps-Roper v. Strickland*, 539 F.3d 356, 361 (6th Cir. 2008).

C. The Legislative History Suggests Lack of Content-Neutrality

Finally, the legislative history suggests that the bill was not intended to be content-neutral. The Sponsor Statement indicates that the bill "asks anyone within the area of a funeral service to conduct themselves in a respectful manner." Sponsor Statement, HB 234. While most – if not indeed nearly all – of us, can agree that permitting funerals to proceed in a peaceful, quiet environment is a laudable goal, nonetheless the state may not legislate "respectful" behavior on the streets and sidewalks of Alaska, nor in the front yards of its citizens. *Olmer v. City of Lincoln*, 192 F.3d 1176, 1180-81 (8th Cir. 1999) (holding that an ordinance prohibiting sign-holding outside churches was unconstitutional because it went "beyond the church building and

---

1. A protest is defined by the Merriam-Webster dictionary as an "act of objecting or a gesture of disapproval." By contrast, the general definition of "picketing" is merely "posting at a particular place."

church property, and seeks to forbid peaceful communication on property belonging to the public, even though the communication may be completely truthful, and even though there is absolutely no physical interference with access to the church"). If "protest activities" that "disrupt" or "disturb" are any activities that are "disrespectful," the law clearly discriminates based on the content of the speech and cannot stand.

D. No Compelling Governmental Interest in Restricting Speech at Funerals

Given that the bill is not content-neutral, the question is then whether "protecting families at funerals during their time of grief" is a compelling state interest justifying a restriction on free speech. **The Constitution requires that "to shut off discourse solely to protect others from hearing it is . . . dependent upon a showing that substantial privacy interests are being invaded in an *essentially intolerable manner*."** *Snyder*, 131 S. Ct. at 1220 (emphasis added). The only cases in which the U.S. Supreme Court has upheld such laws have been content-neutral laws relating to the privacy of one's home. *Frisby*, 487 U.S. at 487-88 (upholding content-neutral ordinance banning picketing of a single home which made the resident a "prisoner" in his own home); *Rowan v. Post Office Dept.*, 397 U.S. 728, 738 (1970) (upholding statute permitting mail recipient to halt offensive mailings to his residence).

We emphasize that a funeral is a solemn occasion and that families in grief should be accorded the respect that such an occasion deserves. However, funerals are also traditionally public events, frequently held in places of worship or funeral homes that are open to the public. In Anchorage, for instance, numerous cathedrals and churches occupy the downtown area, as does a large cemetery. In Juneau, a Catholic cathedral and a Russian Orthodox church sit three blocks from the State Capitol. Expecting that one will neither see nor hear anything offensive in a heavily-trafficked public space is not reasonably comparable to an expectation that one can retire to one's private home without running a gantlet of protestors.

While the members of the Westboro Baptist Church espouse an abhorrent ideology and express it in the most repulsive terms, this bill would affect all funerals and all protestors. Protesting a funeral, especially that of a public figure, may express an important view opposing an ideology or history of bad acts committed by the person being buried. Funerals are frequently centered around a eulogy, an opportunity to say complimentary things about the deceased. A protest outside a funeral may be an opportunity to present an alternative viewpoint about the deceased and to communicate it to passers-by.

Alternatively, when the death of an individual occurs under circumstances giving rise to matters of public concern, the funeral may be the locus of public debate. Famously, the lynching death of Emmett Till resulted in a dramatic funeral in Chicago which thousands of people attended; a dramatic moment that galvanized the civil rights movement. **A municipality could use the bill, for instance, to characterize angry or upset attendees at a funeral for a victim of a police shooting as "protestors" and arrest the attendees for disorderly conduct. A bill that restricts the freedom of speech on the basis of content is available for all kinds of mischief.**

E. The Bill Is Not Narrowly Tailored and Does Not Leave Adequate Avenues for Expression

Because the bill extends to 150 feet in every direction from a church, mortuary, funeral home, or cemetery where a funeral may take place, and extends from an hour before to an hour after a funeral, HB 234 unconstitutionally restricts speech in that it is neither narrowly tailored nor does it leave adequate avenues for expression. The only recognized constitutional interest at stake is the right of a listener in a private place to avoid being a captive audience to a message the listener has no desire to hear. *Phelps-Roper v. Strickland*, 539 F.3d at 364.

Funeral attendees are not a captive audience to a quiet protest, provided the protest does not enter the church or block the entrance to the church. *Olmer*, 192 F.3d at 1180-81. Funeral attendees may have to walk or drive past protestors holding signs that offend them, and might wish to avert their eyes for the period they would otherwise be exposed to the offensive messages. Clearly, protestors can be excluded from the funeral home, mortuary, cemetery, or church where the service takes place. **Thus, the statute is not narrowly tailored to the government interest in avoiding making funeral attendees a captive audience to the protest.**

Further, a primary function of a mortuary or funeral home is to serve as a space for funeral services. *Some funeral homes may hold more than one funeral in a day.* Given the length of services and the one hour window before and after the service when a protest may not take place, **HB 234 – as currently drafted – could prohibit even unrelated protests near a funeral home, for potentially many hours out of any given day.**

Since some important public buildings – likely sites for protests – are close to funeral homes, this would impose a serious burden. For instance, there is a funeral home across the street from the Atwood Building in Anchorage. An Episcopal church lies across the street from the Dena'ina Convention Center. A labor demonstration against a particular employer lacks the same efficacy if performed offsite. Employees at a business located next door to church, mortuary, funeral home, or cemetery would be unable to mount an effective protest about labor conditions if their protests had to start and stop every time a funeral was taking place. As an example, the Sheraton Hotel in Anchorage lies across the street from the municipal cemetery in the middle of downtown. Employees at similarly situated businesses could be seriously chilled from engaging in meaningful protests and could conduct regular, continuing protests only at the risk that someone would define their protests as "disrupt[ing]" the funeral service.

Last, the bill leaves open little alternative for those who actually wish to protest the church, funeral home, or cemetery in question, by mandating that the protestors stay at least 150 feet away from the property within an hour before or after funerals. Someone may seek to picket a church, such as to bring attention to victims of sexual assault. Someone may seek to picket a funeral home or a cemetery, such as in a labor dispute or a dispute about the policies of the business. While such protests may incidentally impact funeral attendees, the alternative would thwart the free expression of employees or those with legitimate concerns about the church, funeral home, or cemetery. Taken as a whole, the law would leave few alternatives open to those

who seek to protest outside public or private buildings that happen to be located near a church, funeral home, or cemetery, as well as those who seek to picket the church, funeral home, or cemetery itself.

The bill is not narrowly tailored to the legitimate state interests because the protestor must engage in picketing with "reckless disregard," rather than knowledge, that the picketing takes place within 150 feet of the site of a funeral and within one hour before or one hour after the funeral. "Recklessness" refers to a criminal law standard that a person consciously disregards a substantial risk of a certain condition being present. AS 11.81.900(a)(3). Presumably, there is a substantial "risk" that a funeral will take place at a church, funeral home, mortuary, or cemetery at any time. This standard unreasonably imposes on a protestor the duty of discovering whether or not a funeral is ongoing, recently took place, or will take place within an hour of a protest. Employees protesting labor conditions at the Sheraton will thus be required to find out if any funerals are taking place in the municipal cemetery on a day when they decide to protest. **Protesters should not be burdened with such a duty to discover whether a funeral is taking place at any given time.** Imposing the burden on protesters to discover when and whether a nearby church, cemetery, or funeral home is conducting a funeral leaves the law unreasonably ill-tailored to legitimate state interests and imposes an unconstitutional "protest at your own risk" policy.

Drafting Considerations

We suggest the Committee may wish to consider:

The protests staged by the Westboro Baptist Church express abhorrent views, for which the ACLU has no sympathy. Further, the manner in which they protest is deeply offensive. **The great maxim of free speech is that for all evil speech, "the remedy to be applied is *more speech*, not enforced silence."** *Whitney v. California*, 274 U.S. 357, 378 (1927).

Rather than seeking to prohibit fools from saying foolish and hurtful words, we as a community should come together to show our appreciation for our service members and others in our community whose funerals may be subject to these protests. If the protests of a handful of people inspire a thousand people to come out to show their support and respect at a funeral, does that tribute not outweigh the ill words of a few? The true voice of Alaska should come out when a misguided minority threatens their protests, so we may show why their words are folly.

Second, the members of the Westboro Baptist Church thrive on the controversy and attention generated by their activity. They also thrive on the attorneys' fees generated when legislatures and municipal assemblies act hastily to prevent them from protesting. As truly painful as it is to watch such a protest unfold, it will surely be more galling to pay from the state treasury to facilitate more protests and more litigation by a tiny group of hateful individuals whose message has already received too much attention.

Conclusion

We hope that the Military and Veterans' Affairs Special Committee will recognize that these are just some of the constitutional infirmities in House Bill 234.

Thank you again for letting us share our concerns. Please feel free to contact the undersigned if you have any questions or wish additional information.

Sincerely,

Jeffrey Mittman
Executive Director
ACLU of Alaska

cc: The Honorable Carl Gatto, Vice Chair, Representative_Carl_Gatto@legis.state.ak.us
Representative Alan Austerman, Representative_Alan_Austerman@legis.state.ak.us
Representative Bob Lynn, Representative_Bob_Lynn@legis.state.ak.us
Representative Sharon Cissna, Representative_Sharon_Cissna@legis.state.ak.us
Representative Bob Miller, Representative_Bob_Miller@legis.state.ak.us.

April 4, 2012

The Honorable Bill Wielechowski, Chair
The Honorable Joe Paskvan, Vice-Chair
Senate State Affairs Committee
Alaska State Senate
Juneau, AK 99801
via email: Senator_Bill_Wielechowski@legis.state.ak.us
Senator_Joe_Paskvan@legis.state.ak.us

Re: HB 234: Funeral Picketing and Protests
ACLU Review of Constitutional Issues

Dear Chair Wielechowski & Co-Chair Paskvan:

Thank you for the opportunity to provide written testimony with respect to House Bill 234.

The American Civil Liberties Union of Alaska represents thousands of members and activists throughout Alaska who seek to preserve and expand the individual freedoms and civil liberties guaranteed by the United States and Alaska Constitutions. From that perspective, we wish to advise the Committee of our concern that the proposed bill, if enacted, would violate the rights of free speech and free assembly under the Alaska Constitution and the United States Constitution.

Bill Overview

The current draft of HB 234 proposes to amend the existing disorderly conduct statute, to criminalize the act of "knowingly engag[ing] in picketing with reckless disregard" that the picketing occurs within 150 feet of the boundaries of a "cemetery, mortuary, church, or other facility" and either during a funeral at that location or within an hour of the start or end of the funeral. The bill goes on to define the term "funeral," excluding a funeral procession from that definition. The bill also defines "picketing" as "protest activities . . . that disrupt or are undertaken to disturb a funeral."

AMERICAN CIVIL LIBERTIES UNION OF ALASKA FOUNDATION
1057 W. Fireweed, Suite 207
Anchorage, AK 99503
(907) 258-0044
(907) 258-0288 (fax)
WWW.AKCLU.ORG

OFFICERS AND DIRECTORS
SUSAN WINGROVE, Anchorage
PRESIDENT

RICH CURTNER, Anchorage
VICE PRESIDENT

LLOYD EGGAN, Anchorage
TREASURER

CHAEL KING, Anchorage
CRETARY

WILLIE ANDERSON, Juneau
AFFIRMATIVE ACTION OFFICER

KIRSTEN BEY, Nome
DONNA GOLDSMITH, Anchorage
PAUL GRANT, Juneau
SCOTT HENDERSON, Anchorage
KATIE HURLEY, Wasilla
MARJORIE KAISER, Anchorage
CONNIE OZER, Anchorage
GALEN PAINE, Sitka
STEPHANIE PAWLOWSKI, Anchorage
JUNE PINNELL-STEPHENS, Fairbanks
TONY STRONG, Juneau

EMMA HILL, Anchorage
STUDENT ADVISORS

Freedom of Speech

As the Committee is aware, under the First Amendment to the United States Constitution, people have the freedom to speak without government interference. The freedom of speech is not absolute, ***but government regulation of speech imposes a heavy burden on the government to justify the nature of its regulation and to show that alternative means of vindicating the government interests were inadequate.***

A. The Original Model for This Bill Has Already Been Declared Likely Unconstitutional

The letter from Legislative Affairs associated with this bill indicates that the drafter "tried to track" both the statement of intent and the substance of a Nebraska statute which a district court held constitutional. Memorandum from Doug Gardner, Legal Services, Legislative Affairs, March 11, 2011, at 4. At the time the letter was drafted a year ago, this was more or less a true statement. However, since the legislation was drafted, the federal appeals court for the Eighth Circuit declared that the challenge to the Nebraska statute was "likely to succeed" and ordered the lower court to issue an injunction halting enforcement of the Nebraska statute. *Phelps-Roper v. Troutman*, 662 F.3d 485, 490 (8th Cir. 2011) *overruling Phelps-Roper v. Heineman,* 720 F.Supp.2d 1090 (D. Neb. 2010). The Eighth Circuit panel said that the trial court was wrong to ignore the principle that "the government has no significant interest in protecting unwilling listeners outside the context of a home." *Id.* at 489. The fact that the law providing the template for HB 234 has already been enjoined and the opinion cited by the drafter has been overruled should give the legislature pause in following Nebraska's lead.

B. The Bill Would Regulate Speech on Sidewalks, a Traditional Public Forum

The present bill directly regulates speech on its face. "[P]rotest activities" are expressive activity, by the very basic meaning of the word "protest." "Picketing" has long been recognized as expressive activity. *See, e.g., Carey v. Brown*, 447 U.S. 455 (1980).

Based on the broad scope of the bill and the real world context of the activities regulated, the bill would criminalize certain expressive activity both on one's own private property – assuming the private property lay within 150 feet of a cemetery or church – as well as on a sidewalk or public park, which are recognized as "traditional public forums" for public speech. *Hill v. Colorado*, 530 U.S. 703, 716 (2000).

Given that the bill directly regulates speech **on one's own property and in traditional public forums**, the bill will be subject to the most careful scrutiny by a court, demanding that the restriction be "necessary to serve a compelling state interest and that it is narrowly drawn to achieve that end." *Frisby v. Schultz*, 487 U.S. 474, 481 (1988) (citation omitted).

C. The Bill is Not Content-Neutral, But Only Regulates Protest Activities

"The right to free speech . . . may not be curtailed simply because the speaker's message may be offensive to his audience." *Hill*, 530 U.S. at 716. For that reason, most restrictions on speech must be content-neutral, meaning that the regulation of speech may not refer to the content of the speech. *Madsen v. Women's Health Center, Inc.*, 512 U.S. 753, 763 (1994). By contrast, content-neutral restrictions on speech in a public forum describe the time, place, and manner in which speech may be made, and must be narrowly tailored to serve a substantial government interest. *Ward v. Rock Against Racism*, 491 U.S. 781, 799 (1989). Examples of a content-neutral regulation would include an ordinance against using a loudspeaker over a particular volume or after a certain hour.

In the recent funeral picketing case, the United States Supreme Court did admit that some state laws establishing a buffer zone would be analyzed differently (which does not necessarily mean that they would be *constitutional*), but only to "the extent [such state] laws are content neutral." *Snyder v. Phelps*, 131 S. Ct. 1207, 1218 (2011).

HB 234 appears to refer to the content of speech, and is thus not content-neutral. The term "protest activities" suggests that only the speech of those presenting a negative viewpoint would be affected by the regulation. Under the bill, a person loudly stating that the US military is contributing to the decline of moral values would presumably be engaged in "protest activities," while a person loudly stating that we must honor our veterans would not be engaged in "protest activities."[1] *Frisby*, 487 U.S. at 482. Therefore, the conduct prohibited is not merely traditional picketing, but protesting, oppositional speech. *Snyder*, 131 S. Ct. at 1219 (noting that the claims of the offended plaintiffs "turned on the content and viewpoint of the message conveyed, rather than any interference with the funeral itself").

Heightening the inference that the bill is intended to discriminate between those presenting supporting views and those presenting opposing views at a funeral, the bill also prohibits activities that "disrupt or are undertaken to disturb a funeral." But in the context of the bill's language, activities that "disrupt" or "disturb" would likely be viewed in light of their content, rather than a neutral standard. "Disrupting" or "disturbing" entails that the activities run contrary to the purpose or plan of the funeral. Loud noises, such as amplified speech or, as has become more common at funerals, the loud revving of motorcycle engines may be viewed as non-disruptive when the expressive conduct accords with the purpose of the funeral, but disruptive when it is not. **Favoring certain expressive activity over another in regulating picketing violates the First Amendment.** *Carey*, 447 U.S. at 470. Notably, in one of the only cases

---

1. A protest is defined by the Merriam-Webster dictionary as an "act of objecting or a gesture of disapproval." By contrast, the general definition of "picketing" is merely "posting at a particular place."

upholding such a law, the parties *stipulated* that the law was content-neutral, rather than contesting the law's neutrality. *Phelps-Roper v. Strickland*, 539 F.3d 356, 361 (6th Cir. 2008).

D. The Legislative History Suggests Lack of Content-Neutrality

Finally, the legislative history suggests that the bill was not intended to be content-neutral. The Sponsor Statement indicates that the bill "asks anyone within the area of a funeral service to conduct themselves in a respectful manner." Sponsor Statement, HB 234. While most – if not indeed nearly all – of us, can agree that permitting funerals to proceed in a peaceful, quiet environment is a laudable goal, nonetheless the state may not legislate "respectful" behavior on the streets and sidewalks of Alaska, nor in the front yards of its citizens. *Olmer v. City of Lincoln*, 192 F.3d 1176, 1180-81 (8th Cir. 1999) (holding that an ordinance prohibiting sign-holding outside churches was unconstitutional because it went "beyond the church building and church property, and seeks to forbid peaceful communication on property belonging to the public, even though the communication may be completely truthful, and even though there is absolutely no physical interference with access to the church"). If "protest activities" that "disrupt" or "disturb" are any activities that are "disrespectful," the law clearly discriminates based on the content of the speech and cannot stand.

E. No Compelling Governmental Interest in Restricting Speech at Funerals

Given that the bill is not content-neutral, the question is then whether "protecting families at funerals during their time of grief" is a compelling state interest justifying a restriction on free speech. **The Constitution requires that "to shut off discourse solely to protect others from hearing it is . . . dependent upon a showing that substantial privacy interests are being invaded in an *essentially intolerable manner*."** *Snyder*, 131 S. Ct. at 1220 (emphasis added). The only cases in which the U.S. Supreme Court has upheld such laws have been content-neutral laws relating to the privacy of one's home. *Frisby*, 487 U.S. at 487-88 (upholding content-neutral ordinance banning picketing of a single home which made the resident a "prisoner" in his own home); *Rowan v. Post Office Dept.*, 397 U.S. 728, 738 (1970) (upholding statute permitting mail recipient to halt offensive mailings to his residence).

We emphasize that a funeral is a solemn occasion and that families in grief should be accorded the respect that such an occasion deserves. However, funerals are also traditionally public events, frequently held in places of worship or funeral homes that are open to the public. In Anchorage, for instance, numerous cathedrals and churches occupy the downtown area, as does a large cemetery. In Juneau, a Catholic cathedral and a Russian Orthodox church sit three blocks from the State Capitol. Expecting that one will neither see nor hear anything offensive in a heavily-trafficked public space is not reasonably comparable to an expectation that one can retire to one's private home without running a gantlet of protestors.

While the members of the Westboro Baptist Church espouse an abhorrent ideology and express it in the most repulsive terms, this bill would affect all funerals and all protestors. Protesting a funeral, especially that of a public figure, may express an important view opposing an ideology or history of bad acts committed by the person being buried. Funerals are frequently centered around a eulogy, an opportunity to say complimentary things about the deceased. A protest outside a funeral may be an opportunity to present an alternative viewpoint about the deceased and to communicate it to passers-by.

Alternatively, when the death of an individual occurs under circumstances giving rise to matters of public concern, the funeral may be the locus of public debate. Famously, the lynching death of Emmett Till resulted in a dramatic funeral in Chicago which thousands of people attended; a dramatic moment that galvanized the civil rights movement. **A municipality could use the bill, for instance, to characterize angry or upset attendees at a funeral for a victim of a police shooting as "protestors" and arrest the attendees for disorderly conduct. A bill that restricts the freedom of speech on the basis of content is amenable to an array of mischief.**

F. The Bill Is Not Narrowly Tailored and Does Not Leave Adequate Avenues for Expression

Because the bill extends to 150 feet in every direction from a church, mortuary, funeral home, or cemetery where a funeral may take place, and extends from an hour before to an hour after a funeral, HB 234 unconstitutionally restricts speech in that it is neither narrowly tailored nor does it leave adequate avenues for expression. The only recognized constitutional interest at stake is the right of a listener in a private place to avoid being a captive audience to a message the listener has no desire to hear. *Phelps-Roper v. Strickland*, 539 F.3d at 364.

Funeral attendees are not a captive audience to a quiet protest, provided the protest does not enter the church or block the entrance to the church. *Olmer*, 192 F.3d at 1180-81. Funeral attendees may have to walk or drive past protestors holding signs that offend them, and might wish to avert their eyes for the period they would otherwise be exposed to the offensive messages. Clearly, protestors can be excluded from the funeral home, mortuary, cemetery, or church where the service takes place. **Thus, the statute is not narrowly tailored to the government interest in avoiding making funeral attendees a captive audience to the protest.**

Further, a primary function of a mortuary or funeral home is to serve as a space for funeral services. *Some funeral homes may hold more than one funeral in a day.* Given the length of services and the one hour window before and after the service when a protest may not take place, **HB 234 – as currently drafted – could prohibit even unrelated protests near a funeral home, for potentially many hours out of any given day.**

Since some important public buildings – likely sites for protests – are close to funeral homes, this would impose a serious burden. For instance, there is a funeral home across the street from the

Atwood Building in Anchorage. An Episcopal church lies across the street from the Dena'ina Convention Center. A labor demonstration against a particular employer lacks the same efficacy if performed offsite. Employees at a business located next door to church, mortuary, funeral home, or cemetery would be unable to mount an effective protest about labor conditions if their protests had to start and stop every time a funeral was taking place. As an example, the Sheraton Hotel in Anchorage lies across the street from the municipal cemetery in the middle of downtown. Employees at similarly situated businesses could be seriously chilled from engaging in meaningful protests and could conduct regular, continuing protests only at the risk that someone would define their protests as "disrupt[ing]" the funeral service.

Last, the bill leaves open little alternative for those who actually wish to protest the church, funeral home, or cemetery in question, by mandating that the protestors stay at least 150 feet away from the property within an hour before or after funerals. Someone may seek to picket a church, such as to bring attention to victims of sexual assault. Someone may seek to picket a funeral home or a cemetery, such as in a labor dispute or a dispute about the policies of the business. While such protests may incidentally impact funeral attendees, the alternative would thwart the free expression of employees or those with legitimate concerns about the church, funeral home, or cemetery. Taken as a whole, the law would leave few alternatives open to those who seek to protest outside public or private buildings that happen to be located near a church, funeral home, or cemetery, as well as those who seek to picket the church, funeral home, or cemetery itself.

The bill is not narrowly tailored to the legitimate state interests because the protestor must engage in picketing with "reckless disregard," rather than knowledge, that the picketing takes place within 150 feet of the site of a funeral and within one hour before or one hour after the funeral. "Recklessness" refers to a criminal law standard that a person consciously disregards a substantial risk of a certain condition being present. AS 11.81.900(a)(3). Presumably, there is a substantial "risk" that a funeral will take place at a church, funeral home, mortuary, or cemetery at any time. This standard unreasonably imposes on a protestor the duty of discovering whether or not a funeral is ongoing, recently took place, or will take place within an hour of a protest. Employees protesting labor conditions at the Sheraton will thus be required to find out if any funerals are taking place in the municipal cemetery on a day when they decide to protest. **Protesters should not be burdened with such a duty to discover whether a funeral is taking place at any given time.** Imposing the burden on protesters to discover when and whether a nearby church, cemetery, or funeral home is conducting a funeral leaves the law unreasonably ill-tailored to legitimate state interests and imposes an unconstitutional "protest at your own risk" policy.

Vagueness & Overbreadth

No law may so broadly criminalize conduct in such a way that speakers wishing to engage in protected speech would be chilled in doing so. *Marks v. City of Anchorage*, 500 P.2d 644, 647

(Alaska 1972). Criminalizing speech based on its effect on others, especially based on whether it annoys or excites passions in others, is clearly prohibited by the First Amendment. *Id.* at 647-48. Further, criminalizing speech in ways "not susceptible of exact definition" will necessarily require speakers to refrain from speech rather than providing a clear, constitutional standard for conduct. *Id.* The bill, by focusing on "protest activities" that "disrupt" or "disturb" others, is unclear in its scope and would thus be overbroad in prohibiting certain protected speech.

The terms "disrupt" and "disturb" are in this context so vague in their meaning that people "of common intelligence must necessarily guess at its meaning and differ as to its application. . . ." *Connally v. General Const. Co.*, 269 U.S. 385, 391 (1926). Clearly, at least some picketing will be prohibited by the law. However, what kind of behavior is adequate to "disturb" or "disrupt" a funeral is unclear, especially where the effect of that behavior on others is at issue. Some people might believe that a quiet sign-holding protest would not disturb a funeral at all. Others may differ.

The problem of assigning meaning to these terms is not simply a theoretical problem for constitutional lawyers. Using such terms has real-life impacts on innocent bystanders. In a Michigan case, a Michigan statute prohibiting activity that would "disturb, disrupt, or adversely affect" a funeral was invoked to justify the arrest of Lewis and Jean Lowden. *Lowden v. County of Clare*, 709 F.Supp.2d 569, 571 (E.D. Mich. 2010). Mr. and Mrs. Lowden were members of the funeral procession of a deceased service member. *Id.* Mrs. Lowden had home-schooled the deceased. *Lowden, slip op.*, 1:09-cv-11209-TLL-CEB, at *6 (E.D. Mich. Sept. 8, 2011). Mr. Lowden was himself a veteran. *Id.* While riding in the funeral procession, the Lowdens were stopped, arrested, and held in jail for 24 hours because they had signs on their van critical of the president and his policies. *Id.* at *7.

Like the Michigan law, the present HB 234 runs a serious risk of inadvertently criminalizing conduct by supportive, respectful attendees who wish to express a peaceful opinion. Whatever insult to the memory of a service member may occur when a half-dozen bigots appear to protest is surely far outstripped by the spectacle of the government arresting friends and family members of the deceased.

Drafting Considerations

We suggest the Committee may wish to consider:

The protests staged by the Westboro Baptist Church express abhorrent views, for which the ACLU has no sympathy. Further, the manner in which they protest is deeply offensive. **The great maxim of free speech is that for all evil speech, "the remedy to be applied is *more speech*, not enforced silence."** *Whitney v. California*, 274 U.S. 357, 378 (1927).

Rather than seeking to prohibit fools from saying foolish and hurtful words, we as a community should come together to show our appreciation for our service members and others in our

community whose funerals may be subject to these protests. If the protests of a handful of people inspire a thousand people to come out to show their support and respect at a funeral, does that tribute not outweigh the ill words of a few? The true voice of Alaska should come out when a misguided minority threatens their protests, so we may show why their words are folly.

The wisdom of this course is shown by the experience this year in Harrisburg, Illinois. After the recent tornados, members of the Westboro Baptist Church announced that they would appear at funerals to demonstrate and celebrate the deaths of the six people. The people of Harrisburg appeared in the thousands to line the streets outside the funeral site in support of the deceased. According to witnesses, the church members arrived, saw the counter-demonstrators, and "didn't even get out of the car." CNN iReport, Harrisburg Banding Together to Stop the WBC, *at* http://ireport.cnn.com/docs/DOC-757127?hpt=us_bn2.

Second, the members of the Westboro Baptist Church thrive on the controversy and attention generated by their activity. They also thrive on the attorneys' fees generated when legislatures and municipal assemblies act hastily to prevent them from protesting. As truly painful as it is to watch such a protest unfold, it will surely be more galling to pay from the state treasury to facilitate more protests and more litigation by a tiny group of hateful individuals whose message has already received too much attention.

Conclusion

We hope that the Senate State Affairs Committee will recognize that these are just some of the constitutional infirmities in House Bill 234.

Thank you again for letting us share our concerns. Please feel free to contact the undersigned if you have any questions or wish additional information.

Sincerely,

Jeffrey Mittman
Executive Director
ACLU of Alaska

cc: Senator Albert Kookesh
Senator Kevin Meyer
Senator Catherine Giessel

HB

247

<TARGET><BILL>HB 247</BILL><SUBJECT>HB 247</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 2/1/12

FURTHER: Rules

DATE TURNED IN TO OFFICE: 4/10/12

State Affairs Committee considered HOUSE BILL NO. 247

HB 247-ALASKA NATIONAL GUARD DAY

"An Act establishing July 30 each year as Alaska National Guard Day."

and recommends:

[ ] be **replaced** with **SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
ADM			✓	1
MVA			✓	2

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Gillett Kookesh	Kookesh	✓			
Giessel	Giessel	✓			
CHAIR:	Wielechowski	✓			

Alaska State Legislature

Chairman
State Affairs Committee

Member
Judiciary Committee
Energy Special Committee
Joint Armed Services Special Committee
Military and Veterans' Affairs Committee

Finance Subcommittees
Administration
Corrections
Military and Veterans' Affairs

A Communication From
REPRESENTATIVE BOB LYNN
District 31 Anchorage

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

Session:
Alaska State Capitol #108
Juneau, AK 99801-1182

Phone: (907) 465-4931
Fax: (907) 465-4316
Toll Free: (800) 870-4391

Interim:
716 W. 4th Ave., #650
Anchorage, AK 99501-2133

Phone: (907) 269-0205
Fax: (907) 269-0207

Feb 2, 2012

To: Sen. Bill Wielechowski, Chair
Senate State Affairs Committee

Fr: Representative Bob Lynn

Re: HB 247 (Version 27-LS0982\A)

I am requesting a hearing for HB 247, "*An Act establishing July 30 each year as Alaska National Guard Day,*" at your earliest convenience.

I have attached a sponsor statement, a copy of the current version of the bill, and other supporting documentation. HB 247 passed recently on the House Floor 39-0 and has 23 co-sponsors. Any questions or concerns can be directed to my staffer, Mike Sica, at 465-4965 or mike_sica@legis.state.ak.us .

Thank you in advance for your consideration.

Sincerely,

Bob Lynn

Representative Bob Lynn

Alaska State Legislature

Chairman
State Affairs Committee

Member
Judiciary Committee
Energy Committee
Joint Armed Services Committee
Military & Veterans Affairs Committee

Finance Subcommittees
Administration
Corrections
Military and Veterans Affairs

A Communication From
REPRESENTATIVE BOB LYNN
District 31 Anchorage

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

Session:
Alaska State Capitol, #108
Juneau, AK 99801-1182

Phone: (907) 465-4931
Fax: (907) 465-4316
Toll Free: (800) 870-4391

Interim:
716 W. 4th Ave., #650
Anchorage, AK 99501-2133

Phone: (907) 269-0205
Fax: (907) 269-0207

House Bill 247 "Alaska National Guard Day"

"An Act establishing July 30 each year as Alaska National Guard Day"

House Bill 247 establishes Alaska National Guard Day on July 30 each year to honor the men and women of our Alaska National Guard for their tremendous bravery, sacrifice, and commitment to our communities, to our state, and to our nation.

Since its authorization on July 30, 1948, the Alaska National Guard has grown, changed and modernized to help in its role of protecting life and property both at home and abroad.

The Alaska National Guard (AKNG or The Guard) has a unique dual mission with both federal and state responsibilities and is the military arm of the Governor. In times of emergency, the guard stands ready to immediately respond when the Governor calls for help with local or state-wide emergencies. In addition, the President of the United States can activate the Alaska National Guard to participate in Federal missions. For example many of our Alaska Guard units have deployed to support operations in Iraq, Afghanistan and other places. Sadly, many have given their lives as well.

The Alaska National Guard soldiers and airmen always stand ready to protect the citizens of this state and have earned a well-deserved reputation for excellence. It's important to set aside a day each year to honor them.

Thank you for your support of House Bill 247, an appropriate bill number that reflects the Guard's 24-7 service to Alaska.

Contact: Mike Sica, 907-465-4965 **Revised: Feb. 2, 2012**

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **HB 247**
Fiscal Note Number: **1**
(H) Publish Date: **1/25/12**

Identifier (file name): HB247-DOA-FAC-1-21-12
Title: Alaska National Guard Day
Sponsor: Representatives Lynn, Thompson, Saddler
Requester: House Military and Veterans Affairs

Dept. Affected: Administration
Appropriation: General Services
Allocation: Facilities
OMB Component Number: 2429

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version.

Prepared by: Vern Jones, Director — Phone: 465-5684
Division: Division of General Services — Date/Time: 1/20/12 10:00 a.m.
Approved by: John Cramer, Deputy Commissioner — Date: 1/21/2012
Department of Administration

(Revised 1/17/2012 OMB)

FISCAL NOTE #1

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. HB 247

Analysis

The Department of Administration, Division of General Services does not anticipate any fiscal impact from the proposed legislation.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **HB 247**
Fiscal Note Number: **2**
(H) Publish Date: **1/25/12**

Identifier (file name): HB247-MVA-CO-1-20-12
Title: Alaska National Guard Day
Sponsor: Rep LYNN, THOMPSON, SADDLER, Fairclough, Costello
Requester: (H) Military and Veterans Affairs Committee

Dept. Affected: Dept of Military & Veterans Affairs
Appropriation: Military and Veterans Affairs
Allocation: National Guard Military Headquarters
OMB Component Number: 2135

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version.

Prepared by: McHugh Pierre, Deputy Commissioner
Division: Deputy Commissioner, DMVA
Phone: (907) 428-6003
Date/Time: 1/21/12 12:00 PM

Approved by: Maj. Gen. Thomas H. Katkus
Commissioner, DMVA
Date: 1/21/2012

(Revised 11/18/2011 OMB)

FISCAL NOTE #2

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. HB 247

Analysis

This bill establishes July 30 each year as Alaska National Guard Day.

There is no fiscal impact of this bill.

HB 247 TESTIMONY

To: Alaska House Military and Veterans Affairs Special Committee

January 24, 2012

Comments by: Lt Gen (AKNG retired) Craig E. Campbell

I would like to start by thanking Representatives Lynn, Thompson, Saddler, Fairclough, and Costello for co-sponsoring this legislation.

The National Guard is the oldest component of the Armed Forces of the United States and one of the nation's longest-enduring institutions. Recognition of the National Guard by the Alaska Legislature, with a specific date to honor the Alaska National Guard, acknowledges the unique characteristic of the National Guard as being both a federal and state organization, primarily established to be under the control of a State's Governor. Please let me explain.

The National Guard traces its history back to the earliest English colonies in North America. First organized by decree of the Massachusetts Bay Colony General Court on Dec 13, 1636, the militias were responsible for their own defense. The militia, now National Guard, has been in continuous operation since that date, celebrating our 375th anniversary last year.

The National Guard is the only military service in the United States with both a federal and state dual role. Following independence, the authors of the Constitution empowered Congress to "provide for organizing, arming, and disciplining the militia." However, recognizing the militia's state role, the Founding Fathers reserved the appointment of officers and training of the militia to the states, with the Governor being the civilian leader of the militia, except when mobilized by the President for federal service. Today's National Guard remains that dual State-Federal force.

In 1947, Congress formally established the National Guard Bureau and the "National Guard" was recognized in lieu of state militia's formally in 1948.

Today all 54 states, territories, and the District of Columbia have National Guard organizations, divided into both Army and Air National Guard units. The total number of personnel serving in the National Guard of the United States currently exceeds 500,000.

In Alaska, Governor Gruening initiated the formal actions to establish a National Guard for the Territory of Alaska in 1939. By September 1941, with the advent of World War II and the invasion of United States territory in Hawaii and Alaska, the federal government established the 297th Infantry Battalion, Alaska National Guard. Governor Gruening had achieved his goal.

However, in response to the threat of invasion during World War II, Governor Gruening further authorized the establishment of the Alaska Territorial Guard (ATG). Nearly 6,600 individuals, mostly men and mostly Alaska natives, volunteered for the ATG. It is noteworthy to mention that the ATG served without pay or benefits, and in 1947, when the ATG was disbanded, the members were discharged without formal military recognition. In 2000, Senator Ted Stevens introduced a bill recognizing the service of the ATG to the United States and directing federal "Honorable Discharge Certificates" be issued to all who honorably served. In October 2004, the first Honorable Discharge Certificate was issued to former ATG member Sam Herman.

Following World War II, and the establishment of the United States Air Force as a separate branch of the service, replacing the Army Air Corps, the Air National Guard was formed. In 1952, the first Air National Guard unit was formed in Alaska, marking this year as the 60th anniversary for the Alaska Air National Guard.

Today, there are over 4,000 proud men and women serving in the Alaska Army and Air National Guard. These citizen-warriors are predominantly part-time warriors, who also are civilian members of

our communities. They are all volunteers. Since 2003, members of the Alaska National Guard have deployed numerous times in support of Operation Iraqi Freedom and Operation Enduring Freedom to Iraq, Afghanistan, Kuwait, Qatar, Bahrain and many other countries in the Middle East. Additionally, the Alaska National Guard has deployed to Kosovo, the Horn of Africa, Pakistan, Kyrgystan, as well as conducting humanitarian missions to Haiti, Indonesia, Vietnam, Japan, and other countries throughout the world. Most notably, was the 2005 response of the Alaska National Guard to the southeast states in response to Hurricane Katrina, were Alaska Guardsman and women were on the ground within hours after the storms destruction. They saved lives and provided essential services to a devastated people.

And here in Alaska, your Alaska National Guard has routinely responded to floods, earthquakes, volcanic eruptions, forest fires, and village freeze-ups, saving lives and preserving property. They conduct Operations Santa Claus, bringing holiday cheer to the children of rural villages, and they conduct Arctic Care missions to villages, offering essential dental care and treatment to Alaskans in need. Serving our state and serving our nation, the core value of the Alaska National Guard.

I will conclude by again thanking members who have co-sponsored this legislation to recognize our valiant hero's serving, both present and past, in the Alaska National Guard. Our state and our nation could not do the wonderful things we do to protect and preserve our states and nation without the unselfish service of our National Guard. Thank you for taking the time to recognize their service by establishing July 30 of each year as "Alaska National Guard Day." Please pass this bill, HB 247.

Thank you

Maj. Gen. Tom Katkus
Commissioner
Adjutant General
P.O. Box 112500
Juneau, AK 99811-2500
www.dmva.alaska.gov

STATE OF ALASKA
DEPARTMENT OF MILITARY
& VETERANS AFFAIRS

Office of Public Affairs
PO Box 5800 Camp Denali
Gakona, Alaska 99505-5800
Tele: 907-428-6031
Fax: 907-428-6035

Press Release

OFFICE OF PUBLIC AFFAIRS

FOR IMMEDIATE RELEASE
August 1, 2011
By: Lt. Bernie Kale

Alaska Air National Guardsmen Deploy to Iraq

CAMP DENALI, Alaska – More than 30 Guardsmen from the Alaska Air National Guard's 168th Air Refueling Wing, based out of Eielson Air Force Base, will depart the United States today to begin a six-month deployment in Iraq.

The Guard members from the 168th Security Forces Squadron are finishing their pre-deployment training on air bases in Florida and Nevada to prepare them for situations they may face while at Camp Victory in Baghdad, Iraq.

"You always want more training," said Lt. Col. Jeff Elliot, 168th Security Forces Squadron commander. "While it's been strenuous, we are as prepared as can be and are ready to get our boots on the ground."

The primary mission of the deploying members will be to provide air base defense and entry control-point security.

"The security they are providing is vital to the accomplishment of the mission," said Col. Timothy O'Brien, 168th Air Refueling Wing commander, Alaska Air National Guard. "They have been training for this type of environment, and I am confident they will succeed."

The members left Alaska in early July to begin their training at Cheech Air Force Base, Nev., and Eglin Air Force Base, Fla.

Some of the pre-deployment training included battle drills, entry control-point training, weapons systems, land navigation and terrain reading.

"We are extremely proud of our Airmen," O'Brien said. "They are serving our country and representing the state of Alaska with honor."

###

Maj. Gen. Tom Katkus
Commissioner /
Adjutant General
P.O. Box 112500
Juneau, AK 99811-2500
www.dmva.alaska.gov

STATE OF ALASKA
DEPARTMENT OF MILITARY
& VETERANS' AFFAIRS

Office of Public Affairs
P.O. Box 5800, Camp Denali
Ft Richardson, Alaska 99505-5800
Tele: 907-428-6031
Fax: 907-428-6035

Press Release

OFFICE OF PUBLIC AFFAIRS

For Immediate Release
November 26, 2011
By Maj. Guy Hayes

Alaska Army National Guard unit deploying to Afghanistan

Cutlines:

111126-F-ZH346-001/002/004

A departure ceremony for family and friends to say goodbye to Alaska Army National Guardsmen of B Company, 1st Battalion, 143rd Infantry (Airborne) Regiment was held today at the Alaska National Guard Armory on Joint Base Elmendorf-Richardson. In Afghanistan, the Soldiers of the 1-143rd will provide Security Forces Operations (SECFOR) for Provincial Reconstruction Teams (PRT). The PRT operates in potentially dangerous areas to rebuild infrastructure, assist with agriculture, build wells and provide healthcare. Photo By Maj Guy Hayes, Alaska National Guard Public Affairs

111126-F-ZH346-005

Sen. Mark Begich speaks to Alaska Army National Guardsmen of B Company, 1st Battalion, 143rd Infantry (Airborne) Regiment today at the Alaska National Guard Armory on Joint Base Elmendorf-Richardson. Begich also went around to shake the hand of every Soldier deploying to Afghanistan. Photo By Maj Guy Hayes, Alaska National Guard Public Affairs

111126-F-ZH346-006

Pfc. Coleman Wenke (left) smiles with his father Col. Scott Wenke, Alaska Air National Guard 176th Wing commander, following the deployment ceremony for B Company, 1st Battalion, 143rd Infantry (Airborne) Regiment today at the Alaska National Guard Armory on Joint Base Elmendorf-Richardson. Pfc. Wenke is deploying for a year with the Soldiers of the 1-143rd to provide Security Forces Operations (SECFOR) for Provincial Reconstruction Teams (PRT). The PRT operates in potentially dangerous areas to rebuild infrastructure, assist with agriculture, build wells and provide healthcare. Photo By Maj Guy Hayes, Alaska National Guard Public Affairs

Maj. Gen. Tom Katkus
Commissioner
Adjutant General
P O Box 112500
Juneau, AK 99811 2500
www.dmva.alaska.gov

STATE OF ALASKA
DEPARTMENT OF MILITARY & VETERANS AFFAIRS

Office of Public Affairs
P.O Box 5800 Camp Denali
Ft Richardson, Alaska 99505 5800
Tele: 907-428-6031
Fax: 907-428-6035

Press Release

OFFICE OF PUBLIC AFFAIRS

FOR IMMEDIATE RELEASE
January 7, 2011
By: Maj. Guy Hayes

Alaska National Guard responding to Alaska community buried in snow

CAMP DENALI, Alaska— The Alaska National Guard is responding to personnel and equipment requests for support in Cordova after weeks of record snowfall have left the city covered in more than 18 feet of snow.

Personnel in the Alaska National Guard's Joint Operation Center are responding to a resource request from the State Emergency Operation Center to send more than 50 Guard members, supplies and equipment to Cordova Sunday, weather permitting, to provide much needed support.

"We have called upon the Alaska National Guard to help the community with emergency snow removal that will protect public buildings and residences," said John Madden, director of the Division of Homeland Security and Emergency Management. "Their ability to rapidly deploy large numbers of Guardsmen anywhere in state is a great resource."

Isolated off the state highway system and having the sea and airport as the only means of transportation in or out of the small Alaskan community, Cordova residents have worked hard to clear snow, including 42 inches in the most recent storm, but conditions continue to worsen, posing a serious safety issue to the citizens.

"Cordova is continuing their outstanding job responding to several weeks of intense snowfall," Madden said. "Cordova utilized all of their snow management resources to maintain emergency access, but now face a new round of storms that will bring heavy snow and perhaps rain."

With more snow and rain expected, avalanche danger remains very high in Cordova and some buildings have collapsed due to heavy snow loads. This makes the Alaska National Guard the right resource to assist the citizens of Alaska during this emergency.

"Alaska has significant challenges and the National Guard has the manpower skill and equipment to meet those demands and quickly respond in support of civilian authorities when called upon," said Maj. Gen. Thomas H. Katkus, adjutant general of the Alaska National Guard. "Our Soldiers and Airmen will move forward and support the people of

Maj. Gen. Tom Katkus
Commissioner /
Adjutant General
P.O. Box 112500
Juneau, AK 99811-2500
www.dmva.alaska.gov

STATE OF ALASKA
DEPARTMENT OF MILITARY
& VETERANS AFFAIRS

Office of Public Affairs
PO Box 5800, Camp Denali
Ft Richardson, Alaska 99505-5800
Tele: 907-428-6031
Fax: 907-428-6035

Press Release

OFFICE OF PUBLIC AFFAIRS

FOR IMMEDIATE RELEASE
August 26, 2011
By: Maj. Guy Hayes

Alaska Air National Guard to provide rescue support for Hurricane Irene

CAMP DENALI, Alaska- The Alaska Air National Guard is ramping up this afternoon to send crews and equipment to Charleston, W. Va. to provide search and rescue assets in response to Hurricane Irene.

A U.S. Air Force C-17 Globemaster III flown by members of the Alaska Air National Guard's 249th Airlift Squadron are currently scheduled to depart Joint Base Elmendorf-Richardson Saturday with approximately 45 personnel from the 176th Wing for a two week deployment.

"We are sending two Pave Hawk helicopters with four flight crews, eight 'Guardian Angels' and 20 maintenance and support personnel to support the mission," said Lt. Col. Blake Gettys, 176th Wing Operations Group commander, Alaska Air National Guard. "We'll also be working with Guardian Angels from Kentucky and special tactics squadron personnel from Portland."

The C-17 is expected to depart Joint Base Elmendorf-Richardson at 10 a.m. with the goal to be on the ground ready to support rescue operations by Sunday.

"We are prepared and committed to support our fellow Americans in their time of need," said Governor Sean Parnell. "Our Alaska National Guardsmen are unparalleled in their experience in saving lives and they are the perfect choice to assist civilian authorities during this potential national emergency. As Alaskans we understand what it's like to live through disasters, so when called upon, we will be ready to aid communities and Governors of states that need our support."

The Alaska Air National Guard supported relief efforts in 2008 following hurricanes Gustav, Hannah and Ike in the Gulf Coast region saving 16 lives, while flying 22 missions during a 16-day deployment.

###

Media: If you are interested in attending the departure, please contact Maj. Guy Hayes at 382-5189.

Maj. Gen. Tom Katkus
STATE OF ALASKA
DEPARTMENT OF MILITARY & VETERANS AFFAIRS
Office of Public Affairs
PO Box 5800, Camp Denali
Richardson, Alaska 99505-5800
Tele: 907 428 6031
Fax: 907 428 6035
www.dmva.alaska.gov

Press Release

OFFICE OF PUBLIC AFFAIRS

FOR IMMEDIATE RELEASE
December 12, 2011
By: Master Sgt. Shannon Oleson, 176th Wing Public Affairs

Alaska National Guard brings Operation Santa Claus to Wales

WALES, Alaska – Santa, Mrs. Claus and 35 helpers brought Operation Santa Claus and holiday cheer on an Alaska National Guard C-130 to the small, remote Alaska village of Wales Dec. 9.

The Alaska Air National Guard C-130 landed on the village's airstrip and was warmly greeted by community members on snowmachines. The temperature, in the teens, was chilly but not cold by Wales' standards.

Operation Santa Claus volunteers and community members quickly off-loaded boxes from the aircraft and onto sleds tied to the snowmachines for the mile ride to the Wales school.

"It's a great time of year and unique way for us to get out and support Alaska citizens," said Col. Mike Bridges, director of logistics for the Alaska Army National Guard. "I've probably been on at least 20 Operation Santa Claus trips and each one is a special experience."

While boxes were unpacked in the school's gym, members of Alaska Brass, a brass and percussion ensemble from the U.S. Air Force Band of the Pacific, began to play festive holiday tunes while the gym filled with nearly everyone from the village.

Following the festive music, a prayer of thanks was given by Alaska Air National Guard Chaplain Brian Musselman before a warm meal, made and donated by Pentagon North, Inc. of Anchorage, was served.

To the delight of everyone, ice cream sundaes were also provided by Tastee Freez, while village youth performed a dance for the audience and their guests.

And then the moment everyone was waiting for, Santa and Mrs. Claus arrived.

"I enjoy visiting with the elders and veterans of the community, while they see their kids interact with Santa Claus," Bridges said. "It's a great time for everyone involved."

One by one, each child had a chance to visit Santa and receive a gift. They were also given a new backpack filled with a couple of pieces of fresh fruit, books, a toothbrush and other incidentals.

"This event was incredible," said Roxie Quick, the Wales School principal. "It was a great way to show the children a lesson in sharing and about the volunteer spirit."

###

Relevant Statutes

HB 247 Alaska National Guard Day

Article 02. DESIGNATED DAYS OF HONOR

Sec. 44.12.030. Wickersham Day.

August 24 is designated Wickersham Day in honor of James Wickersham, and is the occasion for school assemblies with appropriate programs, and other suitable observances and exercises by civic groups and the public in general.

Sec. 44.12.040. Anthony J. Dimond Day.

November 30 is designated Anthony J. Dimond Day in honor of "Tony" Dimond, and shall be observed by appropriate school assemblies and programs, and other suitable observances and exercises by civic groups and the public at large.

Sec. 44.12.045. Martin Luther King Day. [Repealed, Sec. 3 ch 109 SLA 1989].

Repealed or Renumbered

Sec. 44.12.050. Ernest Gruening Day.

Ernest Gruening Day is established on February 6 of each year to honor Ernest Gruening, doctor, editor, and statesman, for a lifetime of service to the territory and state of Alaska and the nation. Ernest Gruening Day may be observed by suitable observances and exercises by civic groups and the public.

Sec. 44.12.055. Bob Bartlett Day.

Bob Bartlett Day is established on April 20 of each year to honor E.L. "Bob" Bartlett, the "architect of Alaska statehood," for a lifetime of public service to Alaska and the nation. Bob Bartlett Day may be observed by suitable observances and exercises by civic groups and the public.

Sec. 44.12.060. William A. Egan Day.

William A. Egan Day is established on October 8 of each year to honor William "Bill" Egan, the first governor of the state of Alaska, for a lifetime of service to the territory and state of Alaska. William A. Egan Day may be observed by suitable observances and exercises by civic groups and the public.

Sec. 44.12.065. Elizabeth Peratrovich Day.

Elizabeth Peratrovich Day is established on February 16 of each year to honor Elizabeth Peratrovich, past Grand President of the Alaska Native Sisterhood, for her courageous, unceasing efforts to eliminate discrimination and bring about equal rights in Alaska. Elizabeth Peratrovich Day may be observed by suitable observances and exercises by civic groups and the public.

Sec. 44.12.066. Susan Butcher Day.

Susan Butcher Day is established on the first Saturday of March of each year, the traditional start date of the Iditarod Trail Sled Dog Race, to honor Susan Butcher, a loving mother, devoted wife, world-class athlete, determined competitor, true Alaskan, and four-time Iditarod Trail Sled Dog Race champion. Susan Butcher Day may be observed by school assemblies, sporting events, and other suitable observances and exercises by civic groups and the public to remember the life of Susan Butcher, an inspiration to Alaskans and to millions around the world.

Sec. 44.12.067. Ted Stevens Day.

Ted Stevens Day is established on the fourth Saturday of July each year to honor Theodore F. "Ted" Stevens, whose long record of public service includes 40 years as a United States senator from Alaska, for his service to the state and the nation. Ted Stevens Day may be observed by suitable observances and exercises by civic groups and the public.

Sec. 44.12.070. Alaska Flag Day.

Alaska Flag Day is established on July 9 of each year to honor the creation of the design of the official flag of the state by Benny Benson and its importance as a symbol of the state. Alaska Flag Day may be observed by suitable observances and exercises by civic groups and the public.

Sec. 44.12.072. Alaska Day of Prayer.

The Alaska Day of Prayer is established on the first Thursday in May each year as an opportunity for residents of all faiths to join in united prayer to give thanks for blessings received, to request healing for wounds endured, to ask divine guidance for our leaders, and to bring wholeness to the citizens of our state and our nation.

Sec. 44.12.075. Family day and family preservation month.

Family Day is established on May 1 of each year to celebrate the institution of the family. The month of May each year is established as Preservation of the

Family Month to encourage the preservation of the institution of the family. Family Day and Preservation of the Family Month may be observed by suitable observances by families, such as a family discussion of the role of families, the rights and responsibilities of children and parents, and appropriate methods for the resolution of violent feelings in family conflict, and by exercises by civic groups and the public. In observance of Family Preservation Month, the Department of Health and Social Services shall encourage the prevention of child abuse and neglect in Alaska families.

Sec. 44.12.076. Prisoners of War and Missing in Action Recognition Days.

(a) Former Prisoners of War Recognition Day is established on April 9 of each year to recognize and honor all former prisoners of war (POWs) from our nation's wars who have returned home. These POWs repeatedly demonstrated their devotion to duty, honor, and country, despite enduring captivity and sometimes brutal treatment by their captors. The governor shall issue a proclamation to commemorate the day, and the POW/MIA flag shall be flown that day at sites identified by the governor. Former POW Recognition Day may be observed by suitable observances and exercises by civic groups and the public.

(b) Prisoners of War and Missing in Action Recognition Day is established on the third Friday of September each year to honor all prisoners of war (POWs) and those missing in action (MIAs), unaccounted for from all our nation's wars or who died in captivity. These POWs and MIAs repeatedly demonstrated their devotion to duty, honor, and country, despite enduring captivity and sometimes brutal treatment by their captors. The fate of those unaccounted for and missing in action from our nation's wars causes considerable uncertainty for their families, friends, fellow soldiers, and veterans. This day is also an occasion for Alaskans to remember our country's enormous responsibility to do everything possible to account for those still missing in action. The governor shall issue a proclamation to commemorate the day, and the POW/MIA flag shall be flown that day at sites identified by the governor. POW and MIA Recognition Day may be observed by suitable observances and exercises by civic groups and the public.

Sec. 44.12.078. Women Veterans Day.

Women Veterans Day is established on November 9 of each year to acknowledge and commemorate the sacrifices endured and valor displayed by American women veterans and to recognize their increasing role in the military. The governor shall issue a proclamation to commemorate Women Veterans Day. The day may be observed by suitable observances and exercises by civic groups and the public.

Sec. 44.12.080. Pearl Harbor Remembrance Day.

Pearl Harbor Remembrance Day is established on December 7 of each year to commemorate the attack on Pearl Harbor on December 7, 1941, and to honor the individuals who died as a result of the attack. The governor shall issue a proclamation to commemorate the day and shall direct that the Alaska flag be flown at half-mast on that day. Pearl Harbor Remembrance Day may be observed by suitable observances and exercises by civic groups and the public.

Sec. 44.12.083. Alaska Territorial Guard Day.

Alaska Territorial Guard Day is established on October 18 of each year to acknowledge and commemorate the service of the members of the Alaska Territorial Guard in defense of Alaska and the United States during World War II. The governor shall issue a proclamation to commemorate Alaska Territorial Guard Day. The day may be observed by suitable observances and exercises by civic groups and the public.

Sec. 44.12.085. Dutch Harbor Remembrance Day.

Dutch Harbor Remembrance Day is established on June 3 of each year to commemorate the attack on Dutch Harbor on June 3, 1942, and to honor the individuals who died as a result of the attack and those inhabitants of Attu and Kiska who fell into enemy hands three days later and were held captive in Japan until the end of World War II. On Dutch Harbor Remembrance Day the many servicemen who died in 1943 while recapturing Attu and Kiska from the Japanese are also honored for their diligent service to the United States and to the state. The governor shall issue a proclamation to commemorate Dutch Harbor Remembrance Day and shall direct that the Alaska flag be flown at half-mast on that day. The day may be observed by suitable observances and exercises by civic groups and the public.

Sec. 44.12.090. Juneteenth Day.

Juneteenth Day is established on the third Saturday in June each year to commemorate the abolition of slavery throughout the United States and its territories in 1865. The governor shall issue a proclamation to commemorate the day. On Juneteenth Day, citizens of the state are urged to reflect on the suffering endured by early African-Americans and to appreciate the unique freedom and equality enjoyed by all state citizens today.

Sec. 44.12.092. Alaska History Week.

The first week of March of each year is established as Alaska History Week to celebrate the contributions and experiences that comprise the past development of The Great Land. Alaska History Week may be observed by

school assemblies, programs, and other suitable observances and exercises by civic groups and the public.

Sec. 44.12.095. Drunk Driving Victims Remembrance Day.

Drunk Driving Victims Remembrance Day is established on July 3 of each year to commemorate the victims of drunk driving. The governor shall issue a proclamation to commemorate the day. The day may be observed by suitable observances and exercises by civic groups and the public.

Sec. 44.12.098. Avalanche Awareness Month.

The month of November each year is established as Avalanche Awareness Month. Avalanche Awareness Month may be observed by schools, community groups, and other public and private agencies and individuals with appropriate activities that increase the public's awareness of avalanche dangers, how to respond to avalanches, and the use of appropriate equipment in avalanche areas.

Sec. 44.12.100. Older Alaskans' Day.

The second Wednesday of September of each year is established as Older Alaskans' Day to honor residents of the state who are 60 years of age or older for the many contributions made by older Alaskans to the state. The day may be celebrated by public ceremonies and by quiet appreciation.

Sec. 44.12.105. Alaska Agriculture Day.

Alaska Agriculture Day is established on the first Tuesday in May each year in order to recognize the many contributions of the agricultural industry in Alaska. Alaska Agriculture Day may be observed by celebratory events, projects, and activities directed at or involving people of all ages to increase their awareness and appreciation of Alaska agriculture and agriculture in general.

Sec. 44.12.110. Marmot Day.

Marmot Day is established on February 2 of each year. The day may be observed by suitable observances and exercises by school programs, the Alaska Zoo, civic groups, and the public.

Sec. 44.12.115. Purple Heart Day.

Purple Heart Day is established on August 7 of each year to honor recipients of the Purple Heart. The day may be observed by suitable observances and exercises by civic groups and the public.

Sec. 44.12.118. Motorcycle and Motor Scooter Awareness Month.

The month of May each year is established as Motorcycle and Motor Scooter Awareness Month. Motorcycle and Motor Scooter Awareness Month may be observed by schools, community groups, and other public and private agencies and individuals with appropriate activities that increase the public's awareness of the presence of motorcycles and motor scooters on roads and highways in the state and that remind motor vehicle drivers to be aware of the presence of motorcycles and motor scooters when driving.

Sec. 44.12.120. Alaska Public Gardens Day.

Alaska Public Gardens Day is established on the Saturday immediately preceding Memorial Day each year to commemorate the state's public gardens and the role the gardens play in promoting environmental stewardship, the economy, a healthy food supply, education, plant conservation, recreation, and research.

Tentative Witness List

HB 247 Alaska National Guard Day By Rep. Bob Lynn

Senate State Affairs Committee

Witnesses using toll free teleconference phone number:

Gen. Craig Campbell, retired Commissioner of Department of Military and Veterans' Affairs and commanding general of Alaska National Guard
Contact: McHugh Pierre, 321-2179

Jennifer Gibbins, editor of Cordova Times
Phone: 907-424-7181
Email: editor@thecordovatimes.com

Witness at Cordova LIO:

Mark Lynch, city manager for city of Cordova
907-424-6200 (office), 907-253-6224 (cell)

Tim Joyce, former Mayor and PIO for snow emergency, City of Cordova
Contact: 907-253-5152 (cell), 907-424-7575 (home)

Contact: Mike Sica, 465-4965, Staff for Rep. Bob Lynn

HB 271

<TARGET><BILL>HB 271</BILL><SUBJECT>HB 271</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 3/21/12

FURTHER: Rules

DATE TURNED IN TO OFFICE: 4-11-12

State Affairs Committee considered CS FOR HOUSE BILL NO. 271(TRA) am

HB 271-COMMERCIAL MOTOR VEHICLE REQUIREMENTS

"An Act relating to commercial motor vehicle requirements."

and recommends:

[ ] be **replaced** with **SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
Adm			✓	1

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Kookesh	Kookesh	✓			
Paskvan	Paskvan	✓			
Giessel	Giessel	✓			
Meyer	Meyer	✓			
CHAIR:	Wielechowski	X			

ALASKA STATE LEGISLATURE

Interim:
600 East Railroad Avenue
Wasilla, Alaska 99654
Phone (907) 373-1842
Fax: (907) 373-4729

Session:
State Capitol Building
Juneau, Alaska 99801-1182
Phone: (907) 465-2186
Fax: (907) 465-3818

REPRESENTATIVE WES KELLER
DISTRICT 14

HOUSE BILL 271
SPONSOR STATEMENT

"An Act relating to the state highway system and commercial motor vehicle requirements."

Alaska is always on the move. Be it across town or across the state, transportation is extremely important. For the small business owner nearly everything must be moved from somewhere and that is often done by truck. Today's truck laws were written years ago and have not kept up with technology. Today's roads and today's trucks are safer, more reliable and much easier to drive.

House Bill 271 is written to assist these small business owners who need a truck to move their inventory either from the import site, retailer, or wholesaler to their business or job site. These businesses are not in the trucking business but the state treats them that way.

Currently these smaller vehicles are classified as commercial and must have special license plates, which costs more. In some cases the driver must have a commercial driver's license (CDL) which costs more. In both cases these extra charges constitute a tax and do little to improve safety.

House Bill 271 changes the current statutory descriptions of commercial vehicles. Many newer modern trucks are designed for safety without the extra training required for a CDL. It is unnecessary and burdensome, for example, to require these drivers to have the same medical card as required for a semi driver hauling big loads to across the state. House Bill 271 gives the owners who use the trucks for work part time an opportunity to use them inside the State of Alaska without unnecessary government harassment.

E-Mail: Representative_Wes_Keller@legis.state.ak.us
Call Juneau Toll free: (800) 468-2186
Website: www.akrepublicans.org/keller/

CS FOR HOUSE BILL NO. 271(TRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE TRANSPORTATION COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES KELLER AND PRUITT, Gruenberg

A BILL

FOR AN ACT ENTITLED

"An Act relating to commercial motor vehicle requirements."

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

*** Section 1.** AS 19.10.060(c) is amended to read:

(c) Except for requirements relating to a commercial motor vehicle driver's licensing program under AS 28, the department shall adopt regulations under AS 44.62 (Administrative Procedure Act) that are necessary to implement [REQUIREMENTS IMPOSED BY] federal **statutes** [STATUTE] or **regulations** [REGULATION] that relate to commercial motor vehicles [AND THAT ARE NECESSARY TO AVOID LOSS OR WITHHOLDING OF FEDERAL HIGHWAY MONEY].

*** Sec. 2.** AS 19.10.300(f)(1) is amended to read:

(1) "commercial motor vehicle" means a motor vehicle or a combination of a motor vehicle and one or more other vehicles

(A) used to transport passengers or property **for intrastate commercial purposes**;

(B) used upon a land highway or vehicular way; and

(C) that

(i) has a gross vehicle weight rating or gross combination weight rating greater than 26,000 pounds; **or**

(ii) is designed to transport more than 15 passengers, including the driver; [OR

(iii) IS USED IN THE TRANSPORTATION OF MATERIALS FOUND BY THE UNITED STATES SECRETARY OF TRANSPORTATION TO BE HAZARDOUS FOR PURPOSES OF 49 U.S.C. 5101 - 5128;]

(D) except that the following vehicles meeting the criteria in (A) - (C) of this paragraph are not commercial **motor** vehicles:

(i) emergency or fire equipment that is necessary to the preservation of life or property;

(ii) farm vehicles that are controlled and operated by a farmer; used to transport agricultural products, farm machinery, or farm supplies to or from that farmer's farm; not used in the operations of a common or contract motor carrier; and used within 150 miles of the farmer's farm; and

(iii) [RECREATIONAL] vehicles used exclusively for purposes other than commercial purposes;

*** Sec. 3.** AS 19.10.399(1) is amended to read:

(1) "commercial motor vehicle" means a self-propelled or towed vehicle

(A) used to transport passengers or property for **intrastate** commercial purposes;

(B) used upon a highway or vehicular way; and

(C) that

(i) has a gross vehicle weight rating or gross combination weight rating greater than **14,000** [10,000] pounds; **or**

(ii) is designed to transport more than 15 passengers,

including the driver; [OR

(iii) IS USED IN THE TRANSPORTATION OF MATERIALS FOUND BY THE UNITED STATES SECRETARY OF TRANSPORTATION TO BE HAZARDOUS FOR PURPOSES OF 49 U.S.C. 5101 - 5128;]

(D) except that the following vehicles meeting the criteria in (A) - (C) of this paragraph are not commercial motor vehicles:

(i) emergency or fire equipment that is necessary to the preservation of life or property;

(ii) farm vehicles that are controlled and operated by a farmer; used to transport agricultural products, farm machinery, or farm supplies to or from that farmer's farm; not used in the operations of a common or contract motor carrier; and used within 150 miles of the farmer's farm;

(iii) school buses;

(iv) vehicles owned and operated by the federal government unless the vehicle is used to transport property of the general public for compensation in competition with other persons who own or operate a commercial motor vehicle subject to AS 19.10.310 - 19.10.399, and except to the extent that regulation of vehicles operated by the federal government is permitted by federal law; and

(v) vehicles used exclusively for purposes other than commercial purposes;

CS FOR HOUSE BILL NO. 271(TRA) am

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE TRANSPORTATION COMMITTEE

Amended: 3/2/12
Offered: 2/22/12

Sponsor(s): REPRESENTATIVES KELLER AND PRUITT, Gruenberg, Thompson, Gara, Kawasaki, Johnson, Millett, Stoltze, Kerttula

A BILL

FOR AN ACT ENTITLED

"An Act relating to commercial motor vehicle requirements."

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

*** Section 1.** AS 19.10.060(c) is amended to read:

(c) Except for requirements relating to a commercial motor vehicle driver's licensing program under AS 28, the department shall adopt regulations under AS 44.62 (Administrative Procedure Act) that are necessary to implement [REQUIREMENTS IMPOSED BY] federal **statutes** [STATUTE] or **regulations** [REGULATION] that relate to commercial motor vehicles [AND THAT ARE NECESSARY TO AVOID LOSS OR WITHHOLDING OF FEDERAL HIGHWAY MONEY].

*** Sec. 2.** AS 19.10.300(f)(1) is amended to read:

(1) "commercial motor vehicle" means a motor vehicle or a combination of a motor vehicle and one or more other vehicles

(A) used to transport passengers or property **for commercial purposes**;

(B) used upon a land highway or vehicular way; and

(C) that

(i) has a gross vehicle weight rating or gross combination weight rating greater than 26,000 pounds; **or**

(ii) is designed to transport more than 15 passengers, including the driver; [OR

(iii) IS USED IN THE TRANSPORTATION OF MATERIALS FOUND BY THE UNITED STATES SECRETARY OF TRANSPORTATION TO BE HAZARDOUS FOR PURPOSES OF 49 U.S.C. 5101 - 5128;]

(D) except that the following vehicles meeting the criteria in (A) - (C) of this paragraph are not commercial **motor** vehicles:

(i) emergency or fire equipment that is necessary to the preservation of life or property;

(ii) farm vehicles that are controlled and operated by a farmer; used to transport agricultural products, farm machinery, or farm supplies to or from that farmer's farm; not used in the operations of a common or contract motor carrier; and used within 150 miles of the farmer's farm; and

(iii) [RECREATIONAL] vehicles used exclusively for purposes other than commercial purposes;

*** Sec. 3.** AS 19.10.399(1) is amended to read:

(1) "commercial motor vehicle" means a self-propelled or towed vehicle

(A) used to transport passengers or property for commercial purposes;

(B) used upon a highway or vehicular way; and

(C) that

(i) has a gross vehicle weight rating or gross combination weight rating greater than 10,000 pounds **for vehicles used in interstate commerce and 14,000 pounds for vehicles used in**

intrastate commerce; or

(ii) is designed to transport more than 15 passengers, including the driver; [OR

(iii) IS USED IN THE TRANSPORTATION OF MATERIALS FOUND BY THE UNITED STATES SECRETARY OF TRANSPORTATION TO BE HAZARDOUS FOR PURPOSES OF 49 U.S.C. 5101 - 5128;]

(D) except that the following vehicles meeting the criteria in (A) - (C) of this paragraph are not commercial motor vehicles:

(i) emergency or fire equipment that is necessary to the preservation of life or property;

(ii) farm vehicles that are controlled and operated by a farmer; used to transport agricultural products, farm machinery, or farm supplies to or from that farmer's farm; not used in the operations of a common or contract motor carrier; and used within 150 miles of the farmer's farm;

(iii) school buses;

(iv) vehicles owned and operated by the federal government unless the vehicle is used to transport property of the general public for compensation in competition with other persons who own or operate a commercial motor vehicle subject to AS 19.10.310 - 19.10.399, and except to the extent that regulation of vehicles operated by the federal government is permitted by federal law; and

(v) vehicles used exclusively for purposes other than commercial purposes;

27-LS1158\D.1
Martin
2/23/12

AMENDMENT #1

OFFERED IN THE HOUSE BY REPRESENTATIVE FEIGE

TO: CSHB 271(TRA)

Page 1, line 14:

Delete "**intrastate**"

Page 2, line 25:

Delete "**intrastate**"

Page 2, line 30:

Delete "**14,000** [10,000]"

Insert "10,000 pounds **for vehicles used in interstate commerce and 14,000 pounds for vehicles used in intrastate commerce**"

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **CSHB 271(TRA)**
Fiscal Note Number: **1**
(H) Publish Date: **2/22/12**

Identifier (file name): HB271-DOA-DMV-2-17-12
Title: Commercial motor vehicle requirements
Sponsor: Representatives Keller, Pruitt
Requester: House Transportiation

Dept. Affected: Administration
Appropriation: Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE (Thousands of Dollars)								
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable; initial version

Prepared by: Whitney Brewster, Director — Phone: 907-269-5559
Division: Motor Vehicles — Date/Time: 2/17/12 11:30 AM
Approved by: John Cramer, Deputy Commissioner — Date: 2/17/2012
Department of Administration

(Revised 1/17/2012 OMB)

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. CSHB 271(TRA)

Analysis

There is no specified effective date in this bill.

This legislation changes the definition of a commercial motor vehicle for enforcement purposes. It also inadvertently gives Department of Transportation (DOT) the ability to promulgate regulations when it comes to the Commercial Driver's Licensing (CDL) program, which is a function of the Division of Motor Vehicles (DMV) under AS 28.

As long as DOT does not promulgate regulations for the CDL program that are in conflict with DMV's ability to administer the CDL program in accordance with statutes and regulations, DMV does not anticipate this bill will have a fiscal impact on the DMV.

Classes

Light Duty

Class 1

The **Class 1** truck (GVWR) ranges from **0 to 6,000 pounds.** Examples of trucks in this class include the Ford Ranger, Dodge Dakota and GMC Canyon.

Class 2

The **Class 2** truck (GVWR) ranges from **6,001 to 10,000 pounds.** Examples of vehicles in this class include the Dodge Ram 1500 and the Ford F-150.

Class 2 is subdivided into Class 2a and Class 2b, with class 2a being **6,001 to 8,500 pounds**,

Class 2b being **8,501 to 10,000 pounds**.

Class 2a is commonly referred to as a light duty truck, with class 2b being the lowest heavy-duty class, also called the light heavy-duty class.

Class 3

The **Class 3** (GVWR) ranges from **10,001 to 14,000 pounds.** Examples of vehicles in this class include the Dodge Ram 3500, Ford F-350 and the GMC Sierra 3500, both dual rear wheel and single rear wheel.

The Hummer H1 is another example of a single rear wheel Class 3 truck, with a GVWR of 10,300 lbs.

Medium Duty

Class 4

The **Class 4** truck (GVWR) ranges from **14,001 to 16,000 pounds** Examples of vehicles in this class include select Ford F-450 trucks, Dodge Ram 4500, and the GMC 4500.

Class 5

The **Class 5** truck (GVWR) ranges from **16,001 to 19,500 pounds.** Examples of trucks in this class include the International MXT, GMC 5500.[9] Dodge Ram 5500, and the Ford F-550

Class 6

The **Class 6** truck (GVWR) ranges from **19,501 to 26,000 pounds**. Examples of trucks in this class include the International Durastar, GMC Topkick C6500. and the Ford F-650

Heavy Duty

Class 7

Vehicles in **Class 7** and above require a Class B license to operate in the United States. These include GMC C7500 Their GVWR ranges from **26,001 to 33,000**.

Class 8

The **Class 8** truck (GVWR) is anything above **33,000 pounds**. These include all tractor trailer trucks.

U.S. Department of Transportation

Federal Motor Carrier Safety Administration

Commercial Vehicle Information Systems and Networks (CVISN)

Commercial Motor Vehicle (CMV)

Any self-propelled or towed vehicle used on highways in intrastate or interstate commerce to transport passengers or property:

- if it has a gross vehicle weight rating of 26,001 or more pounds; or
- if it is designed to transport more than 16 passengers, including the driver; or
- if it is used to transport hazardous materials (as defined in 49 U.S.C. App. 1801 et seq.) in quantity requiring placarding under federal regulation [2]

Commercial Motor Vehicle Safety Act (CMVSA)
Requires all states to meet the same minimum standards for testing and licensing drivers of commercial motor vehicles. The act also mandates uniform penalties and a central reporting system.

Jim Pound

From: Travis Price <Travis.Price@enstarnaturalgas.com>
Sent: Friday, February 17, 2012 3:53 PM
To: Jim Pound
Subject: Support of HB 271

I would like to urge support for this legislation. Our company employs approximately 40 temporary drivers for the summer construction season. Most of these temps must have the DOT medical exam & certificate to drive pickup-truck type vehicles. Passage of this legislation would clearly be beneficial to our company to simply our employee preparation processes. Although the actual dollar affect to our company would be relatively small by enacting HB271, any reduction in our operating expenses would, by tariff, reduce our chargeable expenses to our customers, which is everyone who uses natural gas.

ASSOCIATED GENERAL CONTRACTORS of ALASKA

8005 Schoon Street • Anchorage, Alaska 99518
Telephone (907) 561-5354 • Fax (907) 562-6118

3750 Bonita Street • Fairbanks, Alaska 99706
Telephone (907) 452-1809 • Fax (907) 456-8599

February 18, 2012

Representative Wes Keller
State Capitol, Room 432
Juneau, AK 99801-1182

Re: HB 271

Dear Representative ~~Keller~~ Wes:

On behalf of the Associated General Contractors of Alaska, a construction trade association of over 650 business members, representing the majority of the construction industry in Alaska, thank you for sponsoring HB 271.

This proposed legislation would increase the weight threshold of commercial vehicle regulation and registration from the current 10,000 pounds Gross Vehicle Weight Rating (GVWR) to 14,000 pounds GVWR for inspection and safety regulation purposes. Pick-up trucks and small service vans are getting larger and heavier and are going over the current 10,000 GVWR and becoming a commercial vehicle by definition. When light trucks and service vans go over the 10,000 pound GVWR threshold, they become subject to a series of Federal regulations that have been adopted into the Alaska Administrative Code.

While these smaller vehicles have become larger and heavier over the past few years, industry advancements are also making them much safer than their lighter, smaller and older counterparts. These vehicles do not need the level of scrutiny of conventional "commercial vehicles" as typically they are operating in a limited geographical area and are not subject to the wear and tear that other larger commercial vehicles experience. This bill would help remove an unnecessary burden for small business owners and contractors.

Thank you for your sponsorship and support of HB 271.

Sincerely,

John MacKinnon
Executive Director
Associated General Contractors of Alaska

Monday, Feb 20, 2012 Via e-mail

Jim,
Just letting you know that I wholeheartedly support this bill, as does my husband. I work for Lynden, so I have a bit of knowledge about this. However, my husband is a plumber, and has had experience with the cumbersome & unnecessary additional regulation on vehicles he had as a previous owner, and now as an employee of another small plumbing business.
Thank you for this effort!

Jeanine & Al St. John
Anchorage

NFIB

The Voice of Small Business®

ALASKA

February 17, 2012

The Honorable Wes Keller
State Capitol Building
Juneau, Alaska 99801-1182

RE: House Bill 271

Dear Representative Keller:

On behalf of the National Federation of Independent Business/Alaska, I wish to respectfully share our support for House Bill 271. The National Federation of Independent Business is the largest small-business advocacy group in Alaska.

HB 271 raises the weight threshold on intra state commercial vehicles from 10,000 lbs to 14,000 pounds for inspection and safety regulation purposes. This will assist small contractors, i.e. lawn care, carpenters, plumbing & heating, small delivery vehicles and pilot cars. As you are aware, pick-up trucks and small step vans are getting larger and heavier and therefore bumping up over the current 10,000 pound limit and becoming by definition a commercial vehicle for inspection and regulation purposes.

Crossing the 10,000 pound threshold causes the driver to obtain a medical certification, complete daily vehicle inspection reports, perform or have performed annual inspections, and submit several other items on the vehicle to the state DOT to be in compliance. Currently, when over the 10,000 pound threshold, these vehicles are subject to Federal regulations that have been adopted into the Alaska Administrative Code. We feel that these vehicles do not need that level of scrutiny as typically they are operating in a limited geographical area and are not subject to the wear and tear that other larger commercial vehicles experience.

Increased regulation makes it more difficult for small businesses to survive. We appreciate your assistance in relieving small businesses from this potential of unnecessary regulation.

Sincerely yours,

Dennis L. DeWitt
Alaska State Director

Cc: Rep. Peggy Wilson
Aves Thompson

As vehicles have gotten larger and heavier, many vehicles now fall into the current definition of an intrastate commercial motor vehicle that have historically not been considered commercial vehicles such as pickup trucks, small step vans, small trailers, etc. One of the Alaska Trucking Associations legislative priorities is to change the definition of an intrastate commercial vehicle to reduce the regulatory burden on small businesses.

For purposes of commercial vehicle regulation and inspection, HB271 raises the weight threshold on intra state commercial vehicles from 10,000 pounds, Gross Vehicle Weight Rating (GVWR) to 14,000 pounds GVWR for inspection and safety regulation purposes. This is aimed at the small contractors, i.e. lawn care, carpenters, plumbing & heating, small delivery vehicles and pilot cars.

1. Pick-up trucks and small step vans are getting larger and heavier and are bumping up over the current 10,000 pounds GVWR becoming, by definition, a commercial vehicle for inspection and safety regulation purposes.

2. Pilot cars are those vehicles that accompany oversize loads to serve as an extension of the warning system for the oversize load and their work is almost always "intra state" and would fall under this legislation.

3. This bump causes the driver to obtain a medical certification, complete daily vehicle inspection reports, perform or have performed annual inspections, the vehicle must submit several other items to the state DOT to be in compliance.

4. When over the 10,000 pound GVWR threshold, these vehicles are subject to Federal regulations that have been adopted into the Alaska Administrative Code.

5. When passed, this bill will exclude these commercial vehicles that are no more than 14,000 pound GVWR from the unnecessary regulation.

6. This change does not change the commercial status of these intrastate vehicles for purposes of registration with the Division of Motor Vehicles and therefore there is no fiscal impact on the state.

7. These vehicles do not need that level of scrutiny as typically they are operating in a limited geographical area and are not subject to the wear and tear that other larger commercial vehicles experience.

Aves Thompson | Executive Director | Alaska Trucking Association | www.aktrucks.org
Office 907 276-1149 | Mobile 907 240-0114 | Fax 907 274-1946

Not Your Average Builder. Not Your Average Home

Representative Wes Keller
State Capitol Room 432
Juneau AK, 99801

Phone: 907-465-2186
Fax: 907-465-3818

3/15/2012

Representative Keller,

I wish to express my support for house bill 271.

As a small business owner I have been caught up in the enforcement of the 10,000 pound combined load limit while hauling job materials to a job site. While I had all of the safety equipment required by DOT I did received a citation. Just having the equipment does not meet the letter of the law as I found out the hard way. I find these requirements to be bit over reaching. My pick-up truck is under the 10,000 pound limit until I load it up or haul my tool trailer to the job site.

I believe the 14,000 pound limit is a fair adjustment given the quality of modern vehicles. Raising the limit will help reduce a paperwork burden for small business owners like myself.

Thank you for having the foresight to address this issue.

Sincerely,

Alan Wilson, President
907-209-6321

Mar 16 12 09:10p Alaska Renovators Inc 907-780-4327 p.1

Jim Pound

From: Dave.Kezer@norcon.com
Sent: Monday, February 20, 2012 10:34 AM
To: Jim Pound

Jim,
As Vice President of a large Alaskan construction company I fully support this bill. The excessive regulation in our industry has caused cost to increase while productivity decreases all with very little value to the public at large. Arbitrary and excessive regulation by government is killing the economy of the this state and the country as a whole, and any attempt to curb government intrusion should be embraced.
Following are a few key points to consider.
Thanks

David M Kezer
Sr. Operations and Maintenance Manager
Vice President
NORCON Inc.
3725 Braddock, Fairbanks AK 99701
907-451-6739- Office
907-456-5425- FAX
907-590-0313- Cell

- Pick-up trucks and small step vans are getting larger and heavier and are bumping up over the current 10,000 pounds GVWR becoming, by definition, a commercial vehicle for inspection and safety regulation purposes.
- Pilot cars are those vehicles that accompany oversize loads to serve as an extension of the warning system for the oversize load and their work is almost always "intra state" and would fall under this legislation.
- This bump causes the driver to obtain a medical certification, complete daily vehicle inspection reports, perform or have performed annual inspections, the vehicle must submit several other items to the state DOT to be in compliance.
- When over the 10,000 pound GVWR threshold, these vehicles are subject to Federal regulations that have been adopted into the Alaska Administrative Code.
- When passed, this bill will exclude these commercial vehicles that are no more than 14,000 pound GVWR from the unnecessary regulation.
- This change does not change the commercial status of these intra state vehicles for purposes of registration with the Division of Motor Vehicles and therefore there is no fiscal impact on the state.

These vehicles do not need that level of scrutiny as typically they are operating in a limited geographical area and are not subject to the wear and tear that other larger commercial vehicles experience.

Jim Pound

From: Roger.Boylan@norcon.com
Sent: Friday, February 17, 2012 4:25 PM
To: Jim Pound
Subject: HB 271

Mr., Jim Pound

The Bill HB 271 is an excellent choice for Alaska as we use one ton trucks that are over the 10,000 lb. GVWR to pilot equipment to and from job sites. They are less wear and tear on the highway system than a normal pickup truck due to the duel rear wheels putting less PSI on the road way than single rear wheels.

Roger Boylan
Norcon Equipment Manager
6550 A Street
Office: 907-275-6361
Fax: 907-275-6303
Cell: 907-440-2002
Email: roger.boylan@norcon.com

HB

281

<TARGET><BILL>HB 281</BILL><SUBJECT>HB 281</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 2/21/12

FURTHER: RULES

DATE TURNED IN TO OFFICE: 4-12-12

State Affairs Committee considered HOUSE BILL NO. 281

HB 281-WELCOME HOME VIETNAM VETERANS DAY

"An Act establishing March 30 of each year as Welcome Home Vietnam Veterans Day."

and recommends:

[V] be **replaced** with **SCS** HB 281 (STA) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous S(** SCS/CS- Forthcoming (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
Adm			✓	1

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Gillett Kookesh	Kookesh	✓			
K. Meyer	Meyer	✓			
Giessel	Giessel	✓			
Joe Paskvan	Paskvan	✓			
CHAIR:	Wielechowski	✓			

27-LS0791\I
Wayne
4/6/12

SENATE CS FOR HOUSE BILL NO. 281( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES THOMAS, Feige, Lynn, Kerttula, Saddler, Petersen, Austerman, Miller, Gruenberg, Pruitt, Tuck, Millett, Tammie Wilson, Olson, Hawker, Keller, Fairclough

SENATOR Menard

A BILL

FOR AN ACT ENTITLED

"An Act establishing March 29 of each year as Vietnam Veterans Day."

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

*** Section 1.** AS 44.12 is amended by adding a new section to read:

Sec. 44.12.068. Vietnam Veterans Day. Vietnam Veterans Day is established on March 29 of each year to acknowledge and commemorate the military service of American men and women in Vietnam. The day may be observed by suitable observances and exercises by civic groups and the public.

The White House

Office of the Press Secretary

For Immediate Release
March 29, 2012

Presidential Proclamation -- Vietnam Veterans Day

VIETNAM VETERANS DAY

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

On January 12, 1962, United States Army pilots lifted more than 1,000 South Vietnamese service members over jungle and underbrush to capture a National Liberation Front stronghold near Saigon. Operation Chopper marked America's first combat mission against the Viet Cong, and the beginning of one of our longest and most challenging wars. Through more than a decade of conflict that tested the fabric of our Nation, the service of our men and women in uniform stood true. Fifty years after that fateful mission, we honor the more than 3 million Americans who served, we pay tribute to those we have laid to rest, and we reaffirm our dedication to showing a generation of veterans the respect and support of a grateful Nation.

The Vietnam War is a story of service members of different backgrounds, colors, and creeds who came together to complete a daunting mission. It is a story of Americans from every corner of our Nation who left the warmth of family to serve the country they loved. It is a story of patriots who braved the line of fire, who cast themselves into harm's way to save a friend, who fought hour after hour, day after day to preserve the liberties we hold dear. From Ia Drang to Hue, they won every major battle of the war and upheld the highest traditions of our Armed Forces.

Eleven years of combat left their imprint on a generation. Thousands returned home bearing shrapnel and scars; still more were burdened by the invisible wounds of post-traumatic stress, of Agent Orange, of memories that would never fade. More than 58,000 laid down their lives in service to our Nation. Now and forever, their names are etched into two faces of black granite, a lasting memorial to those who bore conflict's greatest cost.

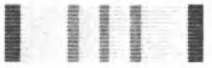
Our veterans answered our country's call and served with honor, and on March 29, 1973, the last of our troops left Vietnam. Yet, in one of the war's most profound tragedies, many of these men and women came home to be shunned or neglected -- to face treatment unbefitting their courage and a welcome unworthy of their example. We must never let this happen again. Today, we reaffirm one of our most fundamental obligations: to show all who have worn the uniform of the United States the respect and dignity they deserve, and to honor their sacrifice by serving them as well as they served us. Half a century after those helicopters swept off the ground and into the annals of history, we pay tribute to the fallen, the missing, the wounded, the millions who served, and the millions more who awaited their return. Our Nation stands stronger for their service, and on Vietnam Veterans Day, we honor their proud legacy with our deepest gratitude.

NOW, THEREFORE, I, BARACK OBAMA, President of the United States of America, by virtue of the authority vested in me by the Constitution and the laws of the United States, do hereby proclaim March 29, 2012, as Vietnam Veterans Day. I call upon all Americans to observe this day with appropriate programs, ceremonies, and activities that commemorate the 50 year anniversary of the Vietnam War.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-ninth day of March, in the year of our Lord two thousand twelve, and of the Independence of the United States of America the two hundred and thirty-sixth.

BARACK OBAMA

MARCH 29th
VIETNAM VETERANS DAY
USA



COALITION OF STATES COUNCIL

May 1, 2011

PETITION FOR LEGISLATION TO THE CONGRESS AND PRESIDENT OF THE UNITED STATES OF AMERICA

Dear Honorable Members of Congress and President Obama:

Whereas, thirty eight years ago, on March 29, 1973, the last 2,500 troops were withdrawn from South Vietnam thus ending military involvement in what is now the longest war in our country's history, and

Whereas, thirty seven years ago, March 29, 1974 was declared Vietnam Veterans Day by Presidential order with the support of Congress, and

Whereas, the 58,195 honorable and brave souls who fought and died during the Vietnam War, ones who are missing, and those who died since from the consequences of that war, deserve the eternal gratitude and respect of this nation to be expressed on the **29th of March** of every year in perpetuity and dedicated as **Vietnam Veterans Day**, the Official Day of Recognition and

Whereas, the men and women who served with dedication, honor, and pride during the Vietnam War, both in country and in support of those in harm's way as well as those protecting our freedoms at home and throughout other parts of the world at that time, deserve the eternal gratitude and respect of this nation, and

Whereas, the families whose loved ones gave their lives for our country during the Vietnam War, deserve the eternal gratitude and respect of this nation, and

Whereas, the families of those men and women who came home with the physical and emotional wounds of the Vietnam War and committed to a lifetime of care and support for their loved one, deserve the eternal gratitude and respect of this nation, and

Whereas, the fellow citizens who stood by and supported the families of the fallen as well as the Vietnam veterans who returned and their families, without reservation and with loving care and respect, deserve the eternal gratitude and respect of this nation, and

Whereas, those professionals and volunteers who committed themselves to the loving care and healing of the bodily and emotionally wounded from the Vietnam War at home and have already the utmost gratitude of those they cared for and of their families, deserve the eternal gratitude and respect of this nation, and

Whereas, the men and women of our Allies who served with dedication, honor, and pride alongside our Nation's defenders during the Vietnam War, both in country and in support of those in harm's way as well as those protecting our freedoms and throughout other parts of the world at that time, deserve the eternal gratitude and respect of this nation, and

Whereas, this expression of gratitude and respect to the Vietnam Veterans and their families will also give hope and assurance, to current and future generations of our Nation's Defenders and their respective families, that their sacrifice and service will not be forgotten and deserving of a distinct recognition of the eternal gratitude and respect of this nation, and

Whereas, this expression of gratitude and respect for the honorable sacrifice and service by the Vietnam Veteran, past as well as current and future generations of our nation's defenders and their respective families, needs to remain in the hearts and thoughts of our fellow citizens forever, passed on from generation to generation, and

Whereas numerous States have already chosen March 29th as Vietnam Veterans Day by Legislation and many more states have joined with individual events to honor and thank these brave Veterans and their families for their service to our Great Country,

We therefore, ask the United States House of Representatives to support this request by passage of a standalone Legislation declaring March 29th Vietnam Veterans Day in perpetuity and ask the United States Senate to join in the passage of this same standalone Legislation, incorporating the whereas recognitions that are part of this request. We ask the President of the United States to support this legislation. The proposed wording for the legislation follows.

And we ask the members of the United States Congress, with President Obama's concurrence, to deliver this long overdue tribute by our nation to those honored in this March 29th Vietnam Veterans Day legislation and to have it stand as a distinct symbol of our fellow citizens expression of gratitude, and be a beacon of hope for future defenders of our nation and their families.

We remain forever vigilant and in service to our country, the families who lost a loved one during our wars and since, our veterans and the defenders of our nation as well as their families, our fellow citizens and communities.

Sincerely,

MARCH 29th
VIETNAM VETERANS DAY
USA

COALITION OF STATES COUNCIL

Dann Dunham, Chairman
Dann Dunham, Delegate -Tennessee

Clifton D. Hernandez
Delegate - Alabama

Ric Davidge
Delegate – Alaska

Rick Beach
Delegate – California

Frank and Sharon Blackman
Delegates - Florida

Diane Finnemann
Delegate - Minnesota

Flo Yost
Delegate - Mississippi

Esardo Sanchez, Co-chairman
Delegate - New Mexico

James F. Dugan
Delegate - New Jersey

Lester Modelowitz
Delegate - New York

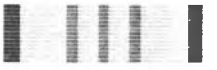
Jim Rosin and Paul Hauke
Delegates - Ohio

Robert E. Gilbert
Delegate – Pennsylvania

Thuy Smith
Delegate - Wisconsin

Rimantas Ray Saikus, Secretary
Delegate - Ohio

MARCH 29th
VIETNAM VETERANS DAY
USA



COALITION OF STATES COUNCIL

May 1, 2011

* PROPOSED LEGISLATION *

On behalf of the citizens of our great nation, the United States of America, and on behalf of the 111th Congress and the President of United States, this legislation is enacted to be an expression of eternal gratitude and respect to those who served during the Vietnam War Era and to be commemorated as **Vietnam Veterans Day** on the **29th of March** of each year in perpetuity.

This Official Day of Recognition will serve as a vivid reminder that:

On March 29, 1973, the last 2,500 troops were withdrawn from South Vietnam thus ending military involvement in what is now the longest war in our country's history, and

March 29, 1974 was declared Vietnam Veterans Day by Presidential order with the support of Congress, and

58,195 honorable and brave souls who fought and died during the Vietnam War, ones who are missing, and those who died since from the consequences of that war, deserve the eternal gratitude and respect of this nation, and

The men and women who served with dedication, honor, and pride during the Vietnam War, both in country and in support of those in harm's way as well as those protecting our freedoms at home and throughout other parts of the world at that time, deserve the eternal gratitude and respect of this nation, and

The families whose loved ones gave their lives for our country during the Vietnam War, deserve the eternal gratitude and respect of this nation, and

EQUAL HONOR FOR ALL
c/o Equal Honor For All P.O. Box 32070 Cleveland, OH 44132-0070 Tel. (216) 456-2220
E-mail: march29vietvetday@equalhonor.org www.equalhonor.org/march29vietvetday

The families of those men and women who came home with the physical and emotional wounds of the Vietnam War and committed to a lifetime of care and support for their loved one, deserve the eternal gratitude and respect of this nation, and

The fellow citizens who stood by and supported, the families of the fallen as well as the Vietnam veterans who returned and their families without reservation and with loving care and respect, deserve the eternal gratitude and respect of this nation, and

The professionals and volunteers who committed themselves to the loving care and healing of the bodily and emotionally wounded from the Vietnam War at home, and have already the utmost gratitude of those they cared for and of their families, deserve the eternal gratitude and respect of this nation, and

The men and women of our Allies who served with dedication, honor, and pride alongside our Nation's defenders during the Vietnam War, both in country and in support of those in harm's way as well as those protecting our freedoms and throughout other parts of the world at that time, deserve the eternal gratitude and respect of this nation, and

This expression of gratitude and respect to the Vietnam Veterans and their families will also give hope and assurance, to current and future generations of our Nation's Defenders and their respective families, that their sacrifice and service will not be forgotten and deserving of a distinct recognition of the eternal gratitude and respect of this nation, and

And this expression of gratitude and respect for the honorable sacrifice and service by the Vietnam Veterans and past as well as current and future generations of our nation's defenders and their respective families, needs to remain in the hearts and thoughts of our fellow citizens forever, passed on from generation to generation.

REPRESENTATIVE BILL THOMAS
ALASKA STATE LEGISLATURE DISTRICT 5
e-mail: Representative.Bill.Thomas@legis.state.ak.us
webpage: www.akrepublicans.org/thomas/

State Capitol
Juneau AK. 99801-1182
907-465-3732
888-461-3732
FAX 907-465-2652

Sponsor Statement HB 281
"An Act establishing March 30 of each year as Welcome Home Vietnam Veterans Day."

On March 30, 1973, all U.S. troops withdrew from Vietnam, marking an end of the 10 year United States military involvement. There were no parades honoring the veterans, no triumphant marches or speeches as there had been at the end of each of the World Wars. America's Vietnam veterans returned home to silence, and in some cases, to abuse for having served their country during a controversial war.

Last year the U.S. Senate designated March 30, 2011 as, Welcome Home Vietnam Veterans Day. It marked the 38th anniversary of the withdrawal of U.S. combat and combat-support unit from Vietnam.

HB 281 would dedicate March 30 of each year as, Welcome Home Vietnam Veterans Day in the State of Alaska to commemorate the military service of American men and women in Vietnam. The day may be observed by suitable observances and exercises by civic groups and the public.

I would appreciate your support for House Bill 281.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **HB281**
Fiscal Note Number:
() Publish Date:

Identifier (file name): HB281-DOA-FAC-2-4-12
Title: Welcome Home Vietnam Veterans Day
Sponsor: Representative Thomas
Requester: House Military and Veterans Affairs

Dept. Affected: Administration
Appropriation: General Services
Allocation: Facilities
OMB Component Number: 2429

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version

Prepared by: Vern Jones — Phone: 465-5684
Division: Division of General Services — Date/Time: 2/4/12 4:30 PM
Approved by: John Cramer, Deputy Commissioner, Department of Administration — Date: 2/4/2012

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. HB281

Analysis

This bill will establish March 30 of each year as a Welcome Home Vietnam Veterans Day.

It is not anticipated that there will be a fiscal impact and we therefore submit a zero fiscal note.

HB 304

<TARGET><BILL>HB 304</BILL><SUBJECT>HB 304</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 3/12/12

FURTHER: Finance

DATE TURNED IN TO OFFICE: 4/10/12

State Affairs Committee considered HOUSE BILL NO. 304

HB 304-ALASKA FIRE STANDARDS COUNCIL

"An Act relating to the membership of the Alaska Fire Standards Council."

and recommends:

[ ] be **replaced** with **SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
DPS	✓			1

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Lyft Kookesh	Kookesh	✓			
Giessel	Giessel	✓			
CHAIR:	Wielechowski	✓			

ALASKA STATE LEGISLATURE
HOUSE RULES COMMITTEE
REPRESENTATIVE CRAIG JOHNSON, CHAIRMAN
State Capitol Room 216, Juneau, AK 99801-1182 (907) 465-4993, (907) 465-3872 Fax
716 W. 4th Ave., Ste. 300, Anchorage, AK 99501 (907) 269–0200, (907) 269-0204 Fax

MEMORANDUM

TO: Senator Bill Wielechowski, Chair
Senate State Affairs Committee

FROM: Representative Craig Johnson, Chair
House Rules Committee

DATE: March 6, 2012

SUBJECT: Scheduling Request for HB 304 (Pending Referral)

I respectfully request that HB 304 "An Act relating to the membership of the Alaska Fire Standards Council" be considered for scheduling in your committee at your earliest convenience.

If you have any questions or need additional information, feel free to contact me or my staff, Erin Shine, at 465-6871.

Thank you for your consideration of this request.

Alaska House of Representatives
Representative Craig Johnson
House Rules Chairman

Session Contact
State Capitol Room 216
Juneau AK, 99801
Phone: 907-465-4993
Fax: 907-465-3872

Interim Contact
716 W. 4th Ave. Suite 300
Anchorage AK, 99501-2133
Phone: 907-269-0200
Fax: 907-269-0204

Sponsor Statement for House Bill 304
Alaska Fire Standards Council

"An Act relating to the membership of the Alaska Fire Standards Council."

House Bill 304 makes three changes to the membership of the Alaska Fire Standards Council (the Council): it designates an existing seat to a member of the Alaska Professional Fire Fighters Association; it adds a seat that must be filled by a member of the Alaska Fire Chiefs Association and it reclassifies the existing seat from a "Firefighter Administrative Officer" to a "member of" the Alaska State Firefighters Association.

The mission of the Council is to establish (1) professional standards for fire service personnel and (2) curriculum requirements for the certification of training programs. The 11-member Council must include:

- two chief administrative officers or fire chiefs of local governments;
- four representatives of fire fighters (including at least one fire fighter administrative officer from the Alaska State Fire Fighters Association);
- two volunteer fire fighters (one from a community of less than 2,500; one from a community of greater than 2,500);
- two members of the public at-large (one from a community of less than 2,500; one from a community of greater than 2,500);
- The State Fire Marshall or his/her designee.

The Alaska Professional Fire Firefighters Association (APFFA), which is the Alaska affiliate of the International Association of Fire Fighters, represents roughly 500 professional career fire fighters throughout the state.

The mission of the Alaska Fire Chiefs Association (AFCA) is to serve the people of the State of Alaska by influencing fire and emergency service programs and legislation; advancement of fire and emergency services professionals; and providing for the safety and well-being of fire fighters and their communities.

The mission of the Alaska State Firefighters Association (ASFA) is to serve our members through professionalism and leadership thereby enhancing the Fire/Rescue services of Alaska.

Under HB 304, the Governor appoints one member of the APFFA, one member of the AFCA, and one member of the ASFA to the Council from "a list of at least three nominees submitted by each association."

The intent of HB 304 is to ensure that the APFFA, the AFCA, and the ASFA are represented on the Alaska Fire Standards Council and to guarantee that the designees from these three important statewide firefighting groups can speak with the full confidence of their respective associations.

State of Alaska
Department of Public Safety
Fire Standards Council

Sean Parnell, Governor
Joseph A. Masters, Commissioner

April 4, 2011

Alaska Fire Chief's Association
Chief Jeff Tucker- President
2358 Bradway Road
North Pole, AK 99705

Dear Chief Tucker,

On January 31, 2011 the Alaska Fire Chief's Association (AFCA) solicited support from the Alaska Fire Standards Council (AFSC) for a designated seat on the Council. The AFSC recently reconvened for consideration of this request and passed a motion to support the AFCA in establishing a designated seat. This support is specific to the proposal for the designation of an additional seat (under AS 18.70.330 [b] {1}) for a representative of the AFCA.

The mission of the AFSC is to provide fire service personnel within the state of Alaska realistic and attainable standards to safely and effectively serve Alaskan communities. As the AFSC continues to establish training and performance standards for Alaska's Fire Service, we have a vision that includes maintaining the highest level of professional standards and comprehensive certification program requirements. Overall, we strive to have the greatest positive impact toward the safety and welfare of fire service personnel and their communities

In review of your request we have concluded that the AFCA would augment our ability to fulfill our mission. This decision is based on the AFCA's continued efforts to enhance fire service leadership, its longstanding support of the AFSC, and its commitment for continued support of the mission of the AFSC. As such, the AFSC endorses the AFCA efforts for the addition of a seat on the Council that is designated for a representative of the AFCA.

Sincerely,

Gordon Descutner	Buddy Lane	Greg Coon
AFSC Executive Director	*AFSC Chairman*	*AFSC Vice Chairman*

State of Alaska
Department of Public Safety
Fire Standards Council

Sean Parnell, Governor
Joseph A. Masters, Commissioner

April 4, 2011

Alaska Professional Fire Fighters Association
Thomas Wescott- President
PO Box 111222
Anchorage, AK 99511-1222

Dear Mr. Wescott,

On January 31, 2011 the Alaska Professional Fire Fighters Association (AKPFFA) solicited support from the Alaska Fire Standards Council (AFSC) for a designated seat on the Council. The AFSC recently reconvened for consideration of this request and passed a motion to support the AKPFFA in establishing a designated seat. This support is specific to the proposal for designation of an existing seat (AS 18.70.330 [b] {3}) for a representative of the AKPFFA.

The mission of the AFSC is to provide fire service personnel within the state of Alaska realistic and attainable standards to safely and effectively serve Alaskan communities. As the AFSC continues to establish training and performance standards for Alaska's Fire Service, we have a vision that includes maintaining the highest level of professional standards and comprehensive certification program requirements. Overall, we strive to have the greatest positive impact toward the safety and welfare of fire service personnel and their communities

In review of your request we have concluded that the AKPFFA would augment our ability to fulfill our mission. This decision is based on the AKPFFA's history of active participation in statewide fire service issues and its commitment to support the mission of the AFSC. As such, the AFSC endorses the AKPFFA effort to seek seat designation within an existing seat on the Council.

Sincerely,

Gordon Descutner	Buddy Lane	Greg Coon
AFSC Executive Director	*AFSC Chairman*	*AFSC Vice Chairman*

ALASKA PROFESSIONAL FIRE FIGHTERS ASSOCIATION

PO Box 111222 Anchorage, Alaska 99511-1222
www.alaskapffa.org
North Pole – Ketchikan – Fairbanks – Anchorage – Kotzebue – Juneau – Shemya

Honorable Craig Johnson
Alaska House of Representatives
State Capital Room
Juneau AK 99801

Representative Johnson:

My name is Tom Wescott and I'm the President of the Alaska Professional Firefighters Association. The AKPFFA represents roughly 500 firefighters from Kotzebue to Ketchikan and on behalf of these hard workingmen and women I'm writing you today to encourage our Alaska State legislators to support HB 304.

HB 304 will reassign a seat on the Alaska Fire Standards Council to the Alaska Professional Fire Fighters Association (AKPFFA). We feel the importance behind this reassignment is to better coordinate with the International Association of Fire Fighters (IAFF), the parent organization to the AKPFFA, to which the Council references training and certification standards for education here in Alaska. The IAFF has a vast well-respected library of training modules and proven standards that they have compiled for the fire service since 1918. This relationship will open up those paths making it easier for the Council to access this information along with education towards receiving grants that can assist smaller departments with training needs, an obvious benefit for our small town Alaska fire departments.

The seat that the AKPFFA is asking to reassign to their organization is a seat that is represented by a city consisting of a population greater than 2,500. This seat historically has been filled by a firefighter from either the city of Fairbanks or the city of Anchorage, both to which our organization represents.

The AKPFFA has had extensive meetings and discussions with the Standards Council on this legislation. The council is positive on this reassignment knowing it will bring a voice to the table not only representing roughly 500 Alaskan Fire Fighters from some of Alaska's largest cities, but also a valuable tool with international resources for training and standards education.

Thanks for your support on this legislation,

Thomas A. Wescott
President AKPFFA
PO Box 111222
Anchorage, AK 99511

ALASKA FIRE CHIEF'S ASSOCIATION

2358 Bradway Road, North Pole, Alaska 99705
Phone: (907) 488-3400 FAX: (907) 488-6118

February 12, 2012

To: Representative Johnson

Reference: House Bill 304, "An Act relating to the membership of the Alaska Fire Standards Council."

Dear Rep. Johnson,

On behalf of the Alaska Fire Chief's Association I want to thank you for sponsoring House Bill 304. HB 304 will allow the Alaska Fire Chief's Association and the Alaska Professional Fire Fighters Association to join with the Alaska State Firefighters Association in contributing to the success of the Alaska Fire Standards Council.

The Alaska Fire Standards Council's mission is: "To establish professional standards for fire service personnel, and curriculum requirements for the certification of training programs." The mission of the Standards Council's compliments the mission of the Alaska Fire Chief's Association which is: "To serve the people of the State of Alaska by influencing fire and emergency service programs and legislation; advancement of fire and emergency services professionals; and providing for the safety and well-being of firefighters and their communities."

Each of our associations works to improve the fire service in Alaska. The Fire Standards Council has a direct impact on how we provide those services to our residents and visitors. By having a seat on the Council we each would have a representative who would speak for all of the members of our associations and would allow us to better work with the Fire Standards Council in order to accomplish its mission.

The Fire Standards Council and its members unanimously support the inclusion of the Alaska Fire Chief's and Alaska Professional Fire Fighters Associations on the Council and we encourage all legislators to support HB 304.

I would like to again thank you for your support.

Sincerely,

Jeff Tucker, Fire Chief
Chair, Alaska Fire Chief's Association Legislative Committee

February 23, 2012

Honorable Craig Johnson
Alaska House of Representatives
State Capitol Room 216
Juneau, Alaska 99801

Representative Johnson,

The Alaska State Firefighters Association supports the changes to the Fire Standards Council that is being presented by HB 304. As a member of the Fire Standards Council at the time the change was presented, I did have some input into these changes. As president of the ASFA I, believe that the change from Administrative Officer to ASFA Member will allow us to continue to have good representation filling on the Fire Standards Council. If you have any questions, please do not hesitate to contact me at 907-738-0601. Thank you.

Sincerely

Robert Dennard,
President
Alaska State Firefighters Association
209 Park Street
Sitka, AK 99835

http://dps.alaska.gov/AFSC/

Alaska Fire Standards Council

Mission:

To establish professional standards for fire service personnel, and curriculum requirements for the certification of training programs.

Vision:

- Maintain the highest level of professional standards for the safety and welfare for fire service personnel and their communities
- Maintain comprehensive certification program requirements
- Enhance the capability and capacity of fire service response personnel
- Preserve public confidence in fire service professionals
- Enhance interoperability within Alaska's emergency response system

Values:

- Firefighter safety
- Effective open communications
- Public service
- Continuing education and training
- Professional credibility and integrity
- Community support
- Transparent process

Term: Four years

Description: 11 members - 10 appointed by the Governor: 2 chief administrative officers or fire chiefs of local governments (only one of these may be from a local government where the fire department consists entirely of paid employees); 4 representatives of fire fighters, including at least one fire fighter administrative officer from the Alaska State Fire Fighters Association (these members may not, while serving on the council, be a fire chief); 2 volunteer fire fighters, one from a community with a population of 2,500 or less and one from a community with a population greater than 2,500; and 2 members of the public at large with at least one member from a community with a population of 2,500 or less. In addition, the state fire marshal or a designee of the state fire marshal shall serve on the council during his or her continuance in office.

Function: The council may adopt regulations for the administration of AS 18.70.320-18.70.369 including establishing minimum training and performance standards for certification of fire services personnel; establish minimum fire training curriculum requirements for certification of training programs that are designed to enable trainees to meet these standards; govern the procedure for certification of fire services training programs that meet the minimum curriculum requirements; govern the procedure for certification of individuals who satisfy the minimum training and performance standards; govern the procedure for revocation of the certificate of a person or program; consult and cooperate with municipalities, agencies of the state, other governmental agencies, universities, colleges, and other institutions concerning the development of fire services training schools and programs offered in the state; employ an administrator and other persons necessary to carry out its duties and charge and collect fees determined by the council to be necessary.

Chair: Buddy Lane

For more information, please go to our contact page.

We appreciate your interest in boards and commissions. For further information contact the boards and commissions staff at (907) 465-3500 or by e-mail.

AFFILIATE LOCALS

Anchorage Fire Fighters Union
Local 1264

Fairbanks Fire Fighters Association
Local 1324

Ketchikan Fire Fighters Association
Local 2761

Juneau Career Firefighters Assoc.
Local 4303

North Pole Fire Fighters
Local 4505

Visit our Website . . .
alaskapffa.org

Officers & Contact Information

President:
Mark Drygas
Fairbanks Local 1324
907-322-7808
drygas@alaskapffa.org

Secretary/Tresaurer:
Matt McSorley
Anchorage Local 1264
907-230-4124
mcsorley@alaskapffa.org

Vice-President, Northern Region:
Dominic Lozano
Fairbanks Local 1324
907-590-2109
lozano@alaskapffa.org

Vice President, Southcentral Region:
Nate Paulson
Anchorage Local 1264
907-242-0925
paulson@alaskapffa.org

Vice-President, Southeast Region:
Dave Boddy
Juneau Local 4303
907-789-2702
boddy @alaskafppa.org

Legislative Coordinator
Jeff Briggs
Anchorage Local 1264
907-441-2469
briggs@alaskapffa.org

Mailing Address
Post Office Box 111222
Anchorage, Alaska 99511

International Fire Fighter Magazine and AKPFFA Newsletter

ALASKA PROFESSIONAL FIRE FIGHTERS ASSOCIATION

affiliated with the

International Association of Fire Fighters
AFL-CIO, CLC

Respecting Tradition . . .
. . . Embracing the Future

ALASKA PROFESSIONAL FIRE FIGHTERS ASSOCIATION

The Alaska Professional Fire Fighters Association was chartered by the International Association of Fire Fighters in 2004, bringing together nearly 500 professional, career fire fighters into a statewide organization.

Though our State Association is relatively new, our goals and objectives have been in place for many years with Anchorage Local 1264 and Fairbanks Local 1324 being chartered when Alaska was still a territory, 1957 and 1959 respectively. By uniting our efforts with Ketchikan Local 2761 , Juneau Local 4303, and recently North Pole Local 4505 we present a united voice for professional fire fighters throughout the state. Our members respond to 75% of fire and EMS 911 calls in Alaska.

By combining forces we have already had an impact on the legislature in Juneau. This led to the recent passage of Alaska's Presumptive Disability Law, providing the presumption of job related illness for certain cancers and heart and lung disease contracted by fire fighters. We will actively work for legislation that supports the needs of career fire fighters and will fiercely oppose any proposed legislation that negatively affects the safety or welfare of our members.

To be effective in Juneau we must be active in the election process. We identify candidates for the House, Senate and Governor offices that support the goals and objectives of career fire fighters. We reach across party line and support candidates solely on their positions on issues that affect career fire fighters and their families.

The AKPFFA works with other state and provincial associations through our membership in the Federation of State and Provincial Professional Fire Fighters and in May 2008 hosted a conference in Anchorage for the federation.

We work with our International Association to provide training for our affiliate locals and provide leadership assistance when requested. Our annual convention provides an opportunity for professional fire fighters from across Alaska to meet and share information important to our future.

The International Association of Fire Fighters

IAFF

The IAFF was established on Feb. 28, 1918, for the sole benefit of rank-and-file fire fighters in the United States and Canada. It was on this date that 36 fire fighter delegates attended the first IAFF Convention and adopted the IAFF Constitution and By-Laws. The objectives incorporated into that Constitution remain in its preamble to this day.

Throughout the last 90 years, the members and staff of the IAFF have worked tirelessly to fulfill each of these charges. As a result of their work, the IAFF was the driving force behind nearly every advance in the fire and emergency services in the twentieth century, from the introduction of shift schedules early in the century to the enactment of the 2-in/2-out safety regulation near its close. With extremely active political and legislative programs, and with recognized experts in the fields of occupational health and safety, fire-based emergency medical services and hazardous materials training, the IAFF has long occupied a special place in the North American fire service.

Today, the IAFF is the primary advocate for providing fire fighters and paramedics with the tools they need to perform their jobs. The union also provides a strong voice in the development and implementation of new training and equipment, and has worked hard to advance the proper staffing of fire and EMS departments.

At the founding meeting in 1918, the delegates decided to dedicate their union to the following objectives (modified only slightly over time):

- *To organize all fire fighters and emergency medical or rescue workers;*
- *To secure just compensation for their services and equitable settlement of their grievances;*
- *To promote as safe and healthy a working environment for fire fighters as is possible through modern technology;*
- *To promote the establishment of just and reasonable working conditions;*
- *To place the members of the Association on a higher plane of skill and efficiency;*
- *To promote harmonious relations between fire fighters and their employers;*
- *To encourage the formation of local unions, state and provincial associations and joint councils;*
- *To encourage the formation of sick and death benefit funds;*
- *To promote the research and treatment of burns and other related health problems common to fire fighters;*
- *To encourage the establishment of schools of instruction for imparting knowledge of modern and improved methods of fire fighting and prevention; and*
- *To cultivate friendship and fellowship among its members.*

From the Preamble of the Constitution and By-Laws of the International Association of Fire Fighters

Delegates to the 1918 Founding Convention

Home
About Us
Board of Directors
Bylaws
Legislative/Resolutions
MEMBERSHIP Roster
Jobs
Memorial
Contact Us
AFCA APPLICATION
Fire Chiefs Survey
GRANT Information
Side Text
Strategic Plan
Vendor Information
Agenda / Minutes
News Releases
Announcements
Documents

About Us

What does the AFCA do?

Educate

We strongly support quality training for our firefighters. During the late 90's we were successful in getting the Fire Standards Council approved by the state legislature.

Our support of education does not stop with firefighters. We are also advocates of public education.

Train

Twice annually we have the opportunity to train together. We have the Alaska Fire Conference (fall) and Leadership Summit (spring) conference during which we offer a wide variety of training for chief level officers.

Network

We have numerous opportunities to discuss our problems and concerns with our peers. The Department of Veteran and Military Affairs has, for years now, graciously allowed us to use the First Class e-mail system. The majority of our members are taking advantage of this.

We also have monthly teleconferences where we make decisions on the direction of our organization. Frequently, neighboring departments will gather and share the expense of the teleconference.

Finally, we get to meet in person, twice a year, at our conferences. This is a great time to learn from and share with our fellow chief officers.

Lobby

Every spring we travel to Juneau for the Leadership Summit to take our concerns to the legislature. This is a great opportunity to get some of your community issues brought forth as well. We generally spend two afternoons "on the hill" talking with the legislators. The rest of the time is spent training.

Goals

In 1971 the State of Alaska had 1,081 actual fires that resulted in 33 fire fatalities, which was also the ten year average for fire fatalities in Alaska at that time. In that year, the Alaska Fire Chiefs Association was established. Now, just over a third of a century later, we find that there where 2,758 actual fires resulting in 12 fire fatalities. Our current ten year fire fatality average is 16.

The over 50% reduction in the 10 year fire fatality average rate has been the result of the combined efforts of the Alaska State Fire Marshal office, the Alaska State Firefighters Association, and the Alaska Fire Chiefs Association. In 2005 we welcomed the Alaska

Home
About Us
Board of Directors
Bylaws
Legislative/Resolutions
MEMBERSHIP Roster
Jobs
Memorial
Contact Us
AFCA APPLICATION
Fire Chiefs Survey
GRANT Information
Side Text
Strategic Plan
Vendor Information
Agenda / Minutes
News Releases
Announcements
Documents

The goals for our Alaska Fire Chiefs Association are:

Long term

1. Zero fire fatalities.
2. A sustainable funding source for the Alaska Fire Standards Council.

Short Term

3. Passage of a Fire Safe Self-Extinguishing Cigarette bill.
4. A statewide assistance program to assist registered fire departments with matching requirements for federal grants.
5. Assist registered fire departments with training and equipment needs.

Upcoming Events

2012 LEADERSHIP SUMMIT REGISTRATION
2012 Leadership Summit Conference Schedule

Quick Links

Lighthouse Uniform Company
With All Due Respect
Fire Service Bookstore
Daily Dispatch
Fire Service Library
Western Fire Chiefs

9-11 Commemorative Chin Strap

Copyright 2012 by AFCA. Terms & Condition

PublicAware

About the Alaska State Firefighters Association

The Alaska State Firefighters Association(ASFA) is a 501(c)(3) non-profit organization. Representing Alaska's firefighters with chapters from Kotzebue to Ketchikan representing the interest of Alaskan firefighters, fire prevention specialists, Emergency Medical Technicians,dispatchers, and various other positions encompassed within the fire service today. The departments represented consist of paid, volunteer, and combination departments. The Alaska State Firefighters Association website will be a resource for both the safety minded Public and the members of the State Firefighters Association throughout the state.

Our Mission

To serve our members through professionalism and leadership thereby enhancing the Fire/Rescue services of Alaska.

Our Vision

The Alaska State Firefighters Association Seeks to:

- Provide a progressive voice for Alaska's firefighters
- Be a professional organization that provides the finest training and education opportunities to Alaskan firefighters
- Foster a fire safe Alaska

We Value

- The contribution of all members
- Providing an atmosphere of involvement and participation
- The dedication of all Fire Rescue personnel to provide life safety and the protection of property
- Public and firefighter safety/education
- Inter-agency cooperation and communication
- Open communications at all levels
- Family unity and support
- Camaraderie, trust and integrity of the Fire/Rescue service

HB 316

<TARGET><BILL>HB 316</BILL><SUBJECT>HB 316</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 3/6/12

FURTHER: Rules

DATE TURNED IN TO OFFICE: 4-11-12

State Affairs Committee considered HOUSE BILL NO. 316

HB 316-MILITARY FACILITY ZONES

"An Act relating to military facility zones in the state; relating to the development of housing in military facility zones; relating to the financing of projects in military facility zones; and providing for an effective date."

and recommends:

[ ] be **replaced** with **SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
--				

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
CED			✓	1
MVA			✓	2
REV			✓	3

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Albert Kookesh	Kookesh	✓			
Joe Paskvan	Paskvan	x			
Donny Olson	Olson	x			
K Meyer	Meyer	X			
CHAIR:	Wielechowski	X			

ALASKA STATE LEGISLATURE

Session:
State Capitol Building,
Room 428
Juneau, Alaska 99801-2186
Phone (907) 465-3004
Fax: (907) 465-2070
Toll Free: (877) 465-3004

Interim:
1292 Sadler Way
Fairbanks, Alaska 99701
Phone: (907) 452-1088
Fax: (907) 452-1146

REPRESENTATIVE STEVE THOMPSON
DISTRICT 10

MEMORANDUM

To: Senator Wielechowski, Chairman
Senate State Affairs Committee

From: Representative Steve Thompson

Date: March 6, 2012

Re: Hearing request for HB 316

"An Act relating to military facility zones in the state; relating to the development of housing in military facility zones; relating to the financing of projects in military facility zones; and providing for an effective date

---

Please consider this memo as a request for the Senate State Affairs Committee to hear HB 316.

The following documents are attached and will also be provided via email:

HB 316 Sponsor Statement
HB 316 version I
HB 316 Sectional Analysis
Question & Answer memorandum to House State Affairs
Rep Saddler written testimony on HB316
Fiscal Note AIDEA: 0
Fiscal Note AHFC: 0
Fiscal Note MVA: 0

Thank you,

E-Mail: Representative.Steve.Thompson@legis.state.ak.us
Website: www.akrepublicans.org/thompson/

ALASKA STATE LEGISLATURE

Session:
State Capitol Building
Room 428
Juneau, Alaska 99801-2186
Phone (907) 465-3004
Fax: (907) 465-2070
Toll Free: (877) 465-3004

Interim:
1292 Sadler Way, Ste. 308
Fairbanks, Alaska 99701
Phone: (907) 452-1088
Fax: (907) 452-1146
Toll Free: (877) 465-3004

REPRESENTATIVE STEVE THOMPSON
DISTRICT 10

SPONSOR STATEMENT HB 316

"An act relating to military facility zones in the state; relating to the development of housing in military facility zones; relating to the financing of projects in military facility zones; and providing for an effective date."

House Bill 316 gives statutory authority to the Department of Military and Veterans' Affairs to establish "military facility zones" within the State of Alaska. Military facility zones are designated areas in close proximity to a military base (facility) where industrial or economic development will directly enhance the base's ability to fulfill its mission.

Military facility zones are successfully employed in other states as vehicles to obtain and administer funds for business development specifically relating to military activities. Funding for such zones in Alaska may be available from the Alaska Industrial Development and Export Authority (AIDEA) and/or the Alaska Housing Finance Corporation (AHFC), or from federal New Market Tax Credits. Federal, state, or local public or private funding sources, credit, or guarantee programs can be made available directly to municipalities and boroughs that are working on specifically approved projects within a military facility zone.

Military facility zones create opportunities for significant benefits to Alaska and the nation. They will enhance economic activity near military installations and thereby facilitate economic growth and development in the state, especially where local governments are working in close partnership with their military counterparts. The zones promote expansion of infrastructure to benefit both military and civilian objectives, such as civil defense, homeland security and emergency response. They will enhance the nation's military capabilities by helping bases operate more effectively and efficiently.

Finally, military facility zones in Alaska will clearly demonstrate the state's continuing and substantive support for the armed services, and help defend against the negative impacts on Alaska's regional economies and military communities that might occur should Congress choose to implement the federal Base Realignment and Closure Act (BRAC).

E-mail Representative_Steve_Thompson@legis.state.ak.us

ALASKA STATE LEGISLATURE

Session:
State Capitol Building
Room 428
Juneau, Alaska 99801-2186
Phone (907) 465-3004
Fax: (907) 465-2070
Toll Free: (877) 465-3004

Interim:
1292 Sadler Way, Ste. 308
Fairbanks, Alaska 99701
Phone: (907) 452-1088
Fax: (907) 452-1146
Toll Free: (877) 465-3004

REPRESENTATIVE STEVE THOMPSON
DISTRICT 10

House Bill 316 - Sectional Analysis

"An Act relating to military facility zones in the state; relating to the development of housing in military facility zones; relating to the financing of projects in military facility zones; and providing for an effective date."

Section 1. This adds a new chapter to AS 26, Chapter 30 Military Facility Zones.

26.30.005. Establishes Military Facility Zones

26.30.010. Establishes application for a Military Facility Zone

26.30.020. Establishes the criteria for designating Military Facility Zones.

26.30.030. Establishes the designation of Military Facility Zone

26.30.040. Establishes for expansion of a Military Facility Zone

26.30.050. Establishes Military Facility Zone authorities.

26.30.060. Establishes benefits in a Military Facility Zone.

26.30.070. Establishes that regulations may be adopted to carry out the provisions of this chapter.

26.30.900. Establishes definitions

Section 2. This amends AS 44.62.175(a) to add an online public notice system maintained on the State's internet site.

E-mail Representative_Steve_Thompson@legis.state.ak.us

Section 3. This amends AS 44.88.909(9) to define the word "project" as used in conjunction with this chapter

Section 4. This adds a new section to the uncodified law of the State of Alaska to include TRANSITION: REGULATIONS may immediately adopt regulations necessary to implement the changes made by this Act.

Section 5. States Section 4 of this Act takes effect immediately under AS 01.10.070(c).

Section 6. States that theAct takes effect July 1, 2012 except as provided in Section 5 of this Act.

ALASKA STATE LEGISLATURE

Session:
State Capitol Building,
Room 428
Juneau, Alaska 99801-2186
Phone (907) 465-3004
Fax: (907) 465-2070
Toll Free: (877) 465-3004

Interim:
1292 Sadler Way
Fairbanks, Alaska 99701
Phone: (907) 452-1088
Fax: (907) 452-1146

REPRESENTATIVE STEVE THOMPSON
DISTRICT 10

MEMORANDUM

To: House State Affairs Committee

From: Representative Steve Thompson

Date: February 29, 2012

Re: Questions on House Bill 316

Please find the question and answers from the Committee hearing held on Tuesday, February 28, 2012.

1. **Does the Bill give advantage of one community over another in a Military Facility Zone?**
   a. No, the Bill does not delineate or distinguish between communities that are in a Military Facility Zone. The Bill is silent on this issue.

2. **Are National Guard and Reserve facilities included in this Bill?**
   a. Yes, all Military facilities are included. (See page 6 Section 26.30.900(3))

3. **What States have enacted legislation similar to HB 316?**
   a. Virginia, Alabama, Texas, Maryland, and Arizona.

4. **What states have included U.S. Coast Guard in similar Bills?**
   a. Alaska is the first State to include Coast Guard Assets in a military Bill of this nature.

5. **Is this Bill a proactive approach the offset BRAC?**
   a. The Bill was introduced prior to the latest BRAC talks. However, this bill is proactive in that vein.

E-Mail: Representative.Steve.Thompson@legis.state.ak.us
Website: www.akrepublicans.org/thompson/

6. **The Fiscal Note from Ted Leonard, AIDEA, states that there would be five (5) military effectiveness zones in rural Alaska. What are those five zones and do they preclude urban areas from the Bill?**
    a. The Fiscal Note provided by Mr. Leonard was drafted from the draft version of the bill. Mr. Leonard has since provided a zero Fiscal Note that reflects no limitation on the number of zones or their location within the State.

7. **Benefits of a Military Facility Zone: Does a municipality or business located in Military Facility Zone have priority over non-Military Facility Zone municipalities and businesses?**
    a. It may, The Department of Military and Veterans' Affairs or any other State program MAY give priority consideration for financial assistance to municipalities and businesses located in a Military Facility Zone. The prioritization would expedite the process for funding. AIDEA and AHFC do not give priority to one over the other. (See Page 5 Line 25 Section 26.30.060(b))

8. **Does this Bill mean that all municipalities and boroughs that apply to be a Military Facility Zone all be approved?**
    a. No, only those areas that meet the criteria in Section 26.30.020 may be approved the Adjutant General.

9. **Is the 60 day timeframe stated in Section 26.30.030, sufficient for the Adjutant General to make a decision determining if an areas application to be a Military Facility Zone meets the criteria in Section 26.30.020?**
    a. Yes, that timeframe was specifically approved by the Adjutant General and the Department of Military and Veteran's Affairs.

10. **Where does this provide that individual project must be approved by the Adjutant General instead of the city or military facility zone authority?**
    a. The Bill speaks to the Adjutant General designating, determining, and prioritizing areas as Military Facility Zones. The Bill does not address individual projects within a Military Facility Zone requiring the approval of the Adjutant General.

11. **Where does the Bill state that a municipality or business must be a direct contractor with DOD to be eligible for designation as a Military Facility Zone?**
    a. The Bill addresses the criteria for designation as a Military Facility Zone in Section 26.30.020. The Bill does not speak to having direct contracts; it does speak to directly supporting the military application of a facility. (section 26.20.020(a)(2)) MOST applications involving DOD are under contract to DOD; however not all applications that support the military facility are direct contractors to DOD. Page 7 Section 26.30.900, Section AS 44.62.175(a)(9) defines in broad terms the definition of a project, the Bill is silent on a requirement to be a direct contractor.

12. **Where does the Bill address that each Military Facility Zone will have a Liaison Committee? Where does it specifically say that?**
    a. The Bill calls for a Military Facility Zone Authority on page 5 Section 26.30.060. That is what was referred to when the term committee was inadvertently used.

E-Mail: Representative.Steve.Thompson@legis.state.ak.us
Website: www.akrepublicans.org/thompson/

13. Does the Bill require that a Military Facility Zone authority be established?

a. No, the Bill states that a municipality may create a Military Facility Zones Authority or if more than one municipality is included in a Military Facility Zone they may, by agreement, create a Military Facility Zone Authority. Page 5 Section 26.30.050(a)(b).

14. There is a fear that the Bill would be used to limit or exclude parties from gaining from this Bill. How does the Bill protect those interests?

a. Section 26.30.010(d)(1) – (5) has placed safeguards into the bill to avoid that from happening through the Public Notice System (AS 44.62.175)

15. Does AIDEA and AFHC need to have broadened or extended authority as it relates to this Bill?

a. No, during the final meeting in the course of the drafting of this Bill AIDEA and AFHC were present and stated that they had the ability to support this Bill as written.

It needs to be remembered that the Department of Military and Veterans' Affairs and the Adjutant General still have to draft the regulations to carry out the provisions of this Bill.

E-Mail: Representative.Steve.Thompson@legis.state.ak.us
Website: www.akrepublicans.org/thompson/

ALASKA STATE LEGISLATURE

Session:
State Capitol, Room 409
Juneau, AK 99801-1182
Phone: (907) 465-3783
Fax: (907) 465-2293
Toll Free: (877) 460-3783

Interim:
10928 Eagle River Road, Ste. 238
Eagle River, AK 99577
Phone: (907) 622-3783
Fax: (907) 622-3784
Toll Free: (877) 460-3783

REPRESENTATIVE DAN SADDLER

To Co-Chair Thompson and Members of the MLV Committee:

Though I can't be there today, I wanted to put on record my strong support for HB 316, Military Facilities Zones. I was pleased to work on this legislation during the interim with Representatives Thompson and Feige, and to see it come before our committee. I see HB 316 as an important legislative tool to strengthen the position of military facilities in our state.

Alaska has 32 different military installations that are critical elements in our state economy. There are more than 24,000 active-duty, Guard and Reserve troops serving in Alaska, with an annual payroll of more than $1.5 billion. About 13 percent of the state economy depends on the military, with the impact being especially significant near the larger installations.

These bases are a significant part of our nation's defense structure. They defend the nation's airspace and outer space; rapidly deploy forces around the world in times of crisis; support global logistics and transportation functions; and provide training opportunities that are unmatched elsewhere in the world.

We've heard recent news that does not bode well for Alaska's military bases. We've heard news of nearly half-trillion dollars in defense budget cuts over the next 10 years. We've heard of the possible loss of F-16s from Eielson Air Force Base, and of HC-130s from Joint Base Elmendorf-Richardson. We've heard that nearly 270 civilian jobs are being cut from these two bases. And we've heard the Secretary of Defense raise the prospect of another round in the Base Realignment and Closure (BRAC) process that could mean the further diminution of the military's presence in Alaska.

HB 316 can provide a number of significant benefits to our state and nation:

- It will provide a mechanism for bringing new federal and state money to bear on the bases.
- It will help develop infrastructure that can improve living conditions and economic prospects for the communities surrounding military facilities.
- It will help Alaska's bases become more efficient and better able to effectively perform their missions, strengthening the case against their realignment or closure.
- It will provide a mechanism to fund expansion of existing facilities to embrace new missions.
- It will help protect private - and public-sector jobs.
- It will provide another positive demonstration of Alaska's support for the military.

I am proud to be a co-sponsor of this legislation; please join me in supporting its passage.

Dan Saddler

Rep. Dan Saddler, Co-Chair, Military and Veterans Affairs Committee

Representative_Dan_Saddler@legis.state.ak.us

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **HB 316**
Fiscal Note Number: **1 **CORRECTED ****
(H) Publish Date: **3/5/12**

Identifier (file name): HB316-DCCED-AIDEA-02-28-12
Dept. Affected: DCCED
Title: Military Facility Zones
Appropriation: ska Industrial Development & Export Auth
Allocation: ska Industrial Development & Export Auth
Sponsor: Representative Thompson
Requester: House Rules Committee
OMB Component Number: 1234

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

This fiscal note removes reference to a set number of military effectiveness zones DMVA may designate.

Prepared by: Ted Leonard, Executive Director — Phone: 907-771-3000
Division: Alaska industrial Development and Export Authority — Date/Time: 2/29/12 8:00 PM
Approved by: JoEllen Hanrahan, Director Administrative Services — Date: 2/29/2012
Commerce, Community and Economic Development

(Revised 1/17/2012 OMB)

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. HB 316

Analysis

This legislation allows Department of Military and Veterans Affairs (DMVA) to designate military effectiveness zones in the state. With respect to the Alaska Industrial Development and Export Authority (AIDEA) it permits the authority to provide financing in these areas which could be beneficial. AIDEA currently has the authority to invest in federal facilities, which can include military buildings. This legislation would create an incentive for such financing, but would not require the creation of new programs within AIDEA.

There is no foreseeable fiscal impact to AIDEA as a result of this legislation.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version	**HB 316**
Fiscal Note Number	**2**
(H) Publish Date	**2/17/12**

Identifier (file name)	HB 316-DMVA-MVA-CO-02-13-12	Dept. Affected	Dept. of Military & Veterans Affairs
Title	Military Facility Zones	Appropriation	Military and Veterans Affairs
		Allocation	Office of the Commissioner
Sponsor	THOMPSON,Saddler,Feige,Chenault,Herron,T.Wilson,Lynn		
Requester	(H) Military and Veterans Affairs	OMB Component Number	414

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version.

Prepared by	McHugh Pierre, Deputy Commissioner	Phone	(907) 428-6003
Division	Office of the Commissioner, DMVA	Date/Time	2/13/12 3:00 PM
Approved by	Major General Thomas H. Katkus	Date	2/13/2012
	Commissioner, DMVA		

(Revised 1/17/2012 OMB)

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. HB 316

Analysis

This bill modifies AS 26 to allow the establishment of military zones in the state.

There is no fiscal impact to DMVA for this bill.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **HB 316**
Fiscal Note Number: **3**
(H) Publish Date: **2/17/12**

Identifier (file name): HB316-DOR-AHFC-02-10-2012
Title: Military Facility Zone
Sponsor: Representative Thompson
Requester: (H) MLV

Dept. Affected: Revenue
Appropriation: Alaska Housing Finance Corp.
Allocation: AHFC Operations
OMB Component Number: 110

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial version.

Prepared by: Cary Bolling, Officer Governmental Relations & Public Affairs
Phone: 907-350-2479
Division: Alaska Housing Finance Corporation
Date/Time: 1:05pm; 2/10/2012
Approved by: Dan Fauske, CEO
Alaksa Housing Finance Corporation
Date: 1:05pm; 2/10/2012

(Revised 1/17/2012 OMB)

FISCAL NOTE #3

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. HB 316

Analysis

The bill gives statutory authority to the Alaska Department of Military and Veterans' Affairs to establish "Military Facility Zones" (MFZ) within the State of Alaska which are designated areas in close proximity to a military base (facility) where industrial or economic development will directly enhance the base's ability to fulfill its mission. The MFZ includes zoning for residential use. A municipality in which a military facility zone is located or a military facility zone authority may receive financing for one or more projects from the Alaska Housing Finance Corporation.

The bill does not provide any additional advantage to AHFC's current ability to provide financing to municipalities or the military for housing development. It may prove advantageous to other entities. Zero fiscal note from AHFC for this bill.

ALASKA STATE LEGISLATURE

Session:
State Capitol Building,
Room 428
Juneau, Alaska 99801-2186
Phone (907) 465-3004
Fax: (907) 465-2070
Toll Free: (877) 465-3004

Interim:
1292 Sadler Way
Fairbanks, Alaska 99701
Phone: (907) 452-1088
Fax: (907) 452-1146

REPRESENTATIVE STEVE THOMPSON
DISTRICT 10

MEMORANDUM

To: Senate State Affairs Committee

From: Representative Steve Thompson

Date: March 29, 2012

Re: Questions on House Bill 316

Please find the questions and answers from the Committee hearing held on Thursday, March 29, 2012.

1. In answer to the Committee's questions, on AHFCs role and the New Market Tax credit.

    a. The answer on AHFC's role is in privatized housing. The Military Facility Zone (MFZ) could use New Market Tax Credits to underwrite the subdivision infrastructure development (roads, utility extensions, etc), leaving just the house financing for AHFC. This would reduce the cost of the house, making it more affordable in a rural, high cost area for military members to purchase. By providing an off-base housing advantage, the government does not need to build government quarters, thereby lowering the cost of operating the base to the military. A win-win, and yes, AHFC is critical to providing the home loan, but the MFZ is critical to allow infrastructure development to make the cost of homes affordable.

    b. The New Markets Tax Credit (NMTC) Program was established in 2000 as part of the Community Renewal Tax Relief Act 2000. The goal of the program is to spur revitalization efforts of low-income and impoverished communities across the United States and Territories. The NMTC Program provides tax credit incentives to investors for equity investments in certified Community Development Entities, which invest in low-income communities. The credit

equals 39% of the investment paid out (5% in each of the first three years, then 6% in the final four years, for a total of 39%) over seven years (more accurately, six years and one day of the seventh year) . A Community Development Entity must have a primary mission of investing in low-income communities and persons. HB 316 furthers this concept and includes language on pages 2 thru 4 Section 26.30.020(a)(1-4), (c)(1-15) to address criteria for a Military Facility Zone that supplement the qualifying language in the Community Renewal Tax Relief Act 2000 for the New Market Tax Credit to be applied to a Military Facility Zone.

2. **Does AIDEA and AFHC need to have broadened or extended authority as it relates to this Bill?**

    a. No, during the final meeting in the course of the drafting of this bill AIDEA and AFHC were present and stated that they had the ability to support this bill as written.
    b. It should be noted that during the House hearings AIEDA and AHFC were present and had no objections or opposing comments on the bill.

E-Mail: Representative.Steve.Thompson@legis.state.ak.us
Website: www.akrepublicans.org/thompson/

ALASKA STATE LEGISLATURE

Session:
State Capitol Building
Room 428
Juneau, Alaska 99801-2186
Phone (907) 465-3004
Fax: (907) 465-2070
Toll Free: (877) 465-3004

Interim:
1292 Sadler Way, Ste. 308
Fairbanks, Alaska 99701
Phone: (907) 452-1088
Fax: (907) 452-1146
Toll Free: (877) 465-3004

REPRESENTATIVE STEVE THOMPSON
DISTRICT 10

get AIDEA to testify

SPONSOR STATEMENT HB 316

"An act relating to military facility zones in the state; relating to the development of housing in military facility zones; relating to the financing of projects in military facility zones; and providing for an effective date."

House Bill 316 gives statutory authority to the Department of Military and Veterans' Affairs to establish "military facility zones" within the State of Alaska. Military facility zones are designated areas in close proximity to a military base (facility) where industrial or economic development will directly enhance the base's ability to fulfill its mission.

Military facility zones are successfully employed in other states as vehicles to obtain and administer funds for business development specifically relating to military activities. Funding for such zones in Alaska may be available from the Alaska Industrial Development and Export Authority (AIDEA) and/or the Alaska Housing Finance Corporation (AHFC), or from federal New Market Tax Credits. Federal, state, or local public or private funding sources, credit, or guarantee programs can be made available directly to municipalities and boroughs that are working on specifically approved projects within a military facility zone.

targets commercial businesses.

Military facility zones create opportunities for significant benefits to Alaska and the nation. They will enhance economic activity near military installations and thereby facilitate economic growth and development in the state, especially where local governments are working in close partnership with their military counterparts. The zones promote expansion of infrastructure to benefit both military and civilian objectives, such as civil defense, homeland security and emergency response. They will enhance the nation's military capabilities by helping bases operate more effectively and efficiently.

Finally, military facility zones in Alaska will clearly demonstrate the state's continuing and substantive support for the armed services, and help defend against the negative impacts on Alaska's regional economies and military communities that might occur should Congress choose to implement the federal Base Realignment and Closure Act (BRAC).

E-mail Representative_Steve_Thompson@legis.state.ak.us

HOUSE BILL NO. 316

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES THOMPSON, Saddler, Feige, Chenault, Herron, Tammie Wilson, Lynn

Introduced: 2/8/12
Referred: House Special Committee on Military and Veterans' Affairs, State Affairs

A BILL

FOR AN ACT ENTITLED

"An Act relating to military facility zones in the state; relating to the development of housing in military facility zones; relating to the financing of projects in military facility zones; and providing for an effective date."

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

*** Section 1.** AS 26 is amended by adding a new chapter to read:

Chapter 30. Military Facility Zones.

Sec. 26.30.005. Military facility zones. The Department of Military and Veterans' Affairs may establish military facility zones in this state in accordance with this chapter.

Sec. 26.30.010. Application for a military facility zone. (a) The adjutant general may accept applications for designation of a military facility zone or expansion of a military facility zone. The adjutant general shall by regulation specify the content of, and submission requirements for, the application.

(b) The chief executive officer or governing body of a municipality may apply

for an area to be designated as a military facility zone or for expansion of an existing military facility zone as follows:

(1) a municipality may apply for an area within its boundaries;

(2) a borough may apply on behalf of a city located in the borough, for an area within the boundaries of the city only with the prior consent of the city;

(3) two or more municipalities may jointly apply for an area within the common boundaries of the municipalities.

(c) The application must contain the information and be submitted in the form and manner required by the adjutant general and must provide

(1) a statement that the applicant has examined the feasibility of creating industry, development, and educational or training opportunities for employers and employees of business entities located or to be located in the proposed military facility zone; and

(2) approval of the application by ordinance of the governing body of the applicant, except that, for an area in the unorganized borough that is not in a municipality, the approval must be by law.

(d) On receiving an application under this section or an application for expansion under AS 26.30.040, the adjutant general shall give notice of the application to the following:

(1) the legislature;

(2) the commissioner of commerce and economic development;

(3) the executive director of the Alaska Industrial Development and Export Authority;

(4) the executive director of the Alaska Housing Finance Corporation;

(5) the public; the notice under this paragraph shall be made by posting on the Alaska Online Public Notice System (AS 44.62.175).

(e) The adjutant general shall solicit comments on the application. Notice of the solicitation shall be placed on the Alaska Online Public Notice System (AS 44.62.175).

Sec. 26.30.020. Criteria for designation as a military facility zone; priority considerations. (a) The adjutant general may designate an area as a military facility

zone only if the area in the state

(1) is in close proximity to a facility;

(2) directly supports the military application of a facility;

(3) is zoned for industrial or economic development, residential use, and workforce training or education beneficial to the facility; and

(4) is in area with inadequate infrastructure to support the continued or expanded operations of the facility.

(b) The adjutant general may give priority consideration to an area for designation as a military facility zone if the area is of strategic importance to the economic development interests of the municipality.

(c) The adjutant general shall consider the following factors before designating an area as a military facility zone:

(1) whether the proposed military facility zone designation is consistent with the comprehensive plan of the municipality;

(2) whether it is feasible to develop sites within the proposed zone for purposes of industrial or economic development, residential use, and workforce training or education beneficial to the facility;

(3) whether the municipality has targeted the area for revitalization in a plan or ordinance;

(4) the relationship between the area and a military facility subject to realignment or closure under 10 U.S.C. 2687, as amended, or a successor statute or the effect of the realignment or closure on the area;

(5) the availability, cost, and condition of existing business and educational facilities to support the military facility or facility of a civilian agency;

(6) the difference between the median annual income of residents of the area and the median annual income of residents of the state and region, and the number of residents who receive public assistance;

(7) the number of residents of the area who receive unemployment, and the ability of the municipality to improve social and economic conditions of the area;

(8) the need for financing for small businesses that would improve

social and economic conditions in the area;

(9) any plans or financial commitments of municipalities to improve the area;

(10) any plans or financial commitments of private entities to improve the area;

(11) the municipality's participation in economic development activities, including proposals for public or private development;

(12) support from community or business organizations in the area;

(13) the availability of workforce readiness programs, including workforce recruiting and training support or educational research and curriculum support in the area;

(14) the availability or plans for the creation of workforce housing options for residents of the area; and

(15) the fiscal effect on the state if the area were to be designated a military facility zone.

Sec. 26.30.030. Designation of military facility zones. (a) Within 60 days after receiving an application under AS 26.30.010 submitted in compliance with this chapter, after considering comments under AS 26.30.010(e), the adjutant general may designate a military facility zone. The adjutant general shall specify the location and boundaries of the military facility zone.

(b) The designation of an area as a military facility zone is effective for 20 years, beginning on the date the adjutant general designates the area as a military facility zone.

(c) Unless the area of the municipality exceeds 500 square miles, only two military facility zones may be in effect in a municipality at one time.

(d) The decision of the adjutant general on an application to designate a military facility zone is a final administrative order subject to appeal to the superior court for review in the manner provided under AS 44.62.560.

no one appeals?

Sec. 26.30.040. Expansion of a military facility zone. (a) Within 60 days after receiving an application for expansion of a zone submitted by a municipality in compliance with AS 26.30.010, the adjutant general may expand the zone, if the

applicant demonstrates that the expanded area meets the requirements of AS 26.30.020.

(b) The adjutant general may grant up to two applications for expansion of a military facility zone in each calendar year for an area that

(1) meets the requirements of AS 26.30.020; and

(2) has strategic importance to the economic development of the municipality.

(c) The limit in AS 26.30.030(c) does not apply to an expansion of a military facility zone that does not exceed 50 percent of the area of the existing zone or to an expansion of a zone under (b) of this section.

Sec. 26.30.050. Military facility zone authorities. (a) If a military facility zone is within the boundaries of only one municipality, the municipality may create a military facility zone authority for the zone.

(b) If a military facility zone includes areas within the boundaries of more than one municipality, the municipalities may, by agreement, create a military facility zone authority for the zone.

Sec. 26.30.060. Benefits in military facility zones. (a) A municipality in which a military facility zone is located or a military facility zone authority for a military facility zone may receive

(1) financing for one or more projects in the military facility zone from the Alaska Industrial Development and Export Authority or the Alaska Housing Finance Corporation;

(2) funding for one or more projects from any other available source of federal, state, or local public or private funding, credit, or guarantee programs.

(b) A municipality in which a military facility zone is located, a military facility zone authority for a military facility zone, or a business entity located in a zone may receive priority consideration for financial assistance for projects or operations in the zone from the Department of Military and Veterans' Affairs and from any other appropriate state program, if available under the law establishing the program.

Sec. 26.30.070. Regulations. The adjutant general may adopt regulations under AS 44.62 to carry out the provisions of this chapter, including specifying criteria

and procedures for applications, approvals, and the monitoring of eligibility under this chapter.

Sec. 26.30.900. Definitions. In this chapter, unless the context otherwise requires,

(1) "adjutant general" means the principal executive officer of the Department of Military and Veterans' Affairs appointed under AS 26.05.160;

(2) "area" means a geographic area described by a closed perimeter boundary within one or more municipalities in the state;

(3) "facility" means a facility of

(A) an Alaska military or civilian agency serving a subdivision of the Alaska National Guard, the United States Army, the United States Navy, the United States Marine Corps, the United States Air Force, or the United States Coast Guard, including reserve units of those entities;

(B) the National Aeronautics and Space Administration; or

(C) a public corporation within the Department of Military and Veterans' Affairs;

(4) "military facility zone" means an area that

(A) meets the requirements of AS 26.30.020; and

(B) is designated as a military facility zone by the adjutant general under AS 26.30.030;

(5) "military facility zone authority" means a public corporation established by one or more municipalities to administer a military facility zone located in the municipalities in the state;

(6) "zone" means a military facility zone.

* **Sec. 2.** AS 44.62.175(a) is amended to read:

(a) The lieutenant governor shall develop and supervise the Alaska Online Public Notice System, to be maintained on the state's site on the Internet. The lieutenant governor shall prescribe the form of notices posted on the system by state agencies. The Alaska Online Public Notice System must include

(1) notices of proposed actions given under AS 44.62.190(a);

(2) notices of state agency meetings required under AS 44.62.310(e),

even if the meeting has been held;

(3) notices of solicitations to bid issued under AS 36.30.130;

(4) notices of state agency requests for proposals issued under AS 18.55.255, 18.55.320; AS 36.30.210; AS 37.05.316; AS 38.05.120; and AS 43.40.010;

(5) executive orders and administrative orders issued by the governor;

(6) written delegations of authority made by the governor or the head of a principal department under AS 44.17.010;

(7) the text or a summary of the text of a regulation or order of repeal of a regulation for which notice is given under AS 44.62.190(a), including an emergency regulation or repeal regardless of whether it has taken effect;

(8) notices required by AS 44.62.245(b) regarding an amended version of a document or other material incorporated by reference in a regulation;

(9) a summary of the text of recently issued formal opinions and memoranda of advice of the attorney general;

(10) a list of vacancies on boards, commissions, and other bodies whose members are appointed by the governor; [AND]

(11) in accordance with AS 39.52.240(h), advisory opinions of the attorney general**; and**

(12) notices required by AS 26.30.010(d) and (e) regarding applications for military facility zones.

*** Sec. 3.** AS 44.88.900(9) is amended to read:

(9) "project" means

(A) a plant or facility used or intended for use in connection with making, processing, preparing, transporting, or producing in any manner, goods, products, or substances of any kind or nature or in connection with developing or utilizing a natural resource, or extracting, smelting, transporting, converting, assembling, or producing in any manner, minerals, raw materials, chemicals, compounds, alloys, fibers, commodities and materials, products, or substances of any kind or nature;

(B) a plant or facility used or intended for use in connection

no As for AHFC.

with a business enterprise;

(C) commercial activity by a business enterprise;

(D) a plant or facility demonstrating technological advances of new methods and procedures and prototype commercial applications for the exploration, development, production, transportation, conversion, and use of energy resources;

(E) infrastructure for a new tourism destination facility or for the expansion of a tourism destination facility; in this subparagraph, "tourism destination facility" does not include a hotel or other overnight lodging facility;

(F) a plant or facility, other than a plant or facility described in (D) of this paragraph, for the generation, transmission, development, transportation, conversion, or use of energy resources;

(G) a plant or facility that enhances, provides for, or promotes economic development with respect to transportation, communications, community public purposes, technical innovations, prototype commercial applications of intellectual property, or research;

(H) a plant or facility used or intended for use as a federal facility, including a United States military, national guard, or coast guard facility;

(I) infrastructure for an area that is designated as a military facility zone under AS 26.30;

*** Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: REGULATIONS. The Department of Military and Veterans' Affairs may immediately adopt regulations necessary to implement the changes made by this Act. The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before July 1, 2012.

*** Sec. 5.** Section 4 of this Act takes effect immediately under AS 01.10.070(c).

*** Sec. 6.** Except as provided in sec. 5 of this Act, this Act takes effect July 1, 2012.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **HB 316**
Fiscal Note Number:
() Publish Date:

Identifier (file name): HB316-DCCED-AIDEA-02-28-12
Title: Military Facility Zones
Sponsor: Representative Thompson
Requester: House Rules Committee

Dept. Affected: DCCED
Appropriation: ka Industrial Development & Export Auth
Allocation: ka Industrial Development & Export Auth
OMB Component Number: 1234

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs 0.0 *(separate supplemental appropriation required;*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

This fiscal note removes reference to a set number of military effectiveness zones DMVA may designate.

Prepared by: Ted Leonard, Executive Director — Phone: 907-771-3000
Division: Alaska Industrial Development and Export Authority — Date/Time: 2/29/12 8:00 PM
Approved by: JoEllen Hanrahan, Director Administrative Services — Date: 2/29/2012
Commerce, Community and Economic Development

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA **BILL NO.** HB 316
2012 LEGISLATIVE SESSION

Analysis

This legislation allows Department of Military and Veterans Affairs (DMVA) to designate military effectiveness zones in the state. With respect to the Alaska Industrial Development and Export Authority (AIDEA) it permits the authority to provide financing in these areas which could be beneficial. AIDEA currently has the authority to invest in federal facilities, which can include military buildings. This legislation would create an incentive for such financing, but would not require the creation of new programs within AIDEA.

There is no foreseeable fiscal impact to AIDEA as a result of this legislation.

HB

333

<TARGET><BILL>HB 333</BILL><SUBJECT>HB 333</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 3/21/12

FURTHER: Rules

DATE TURNED IN TO OFFICE: 4-11-12

State Affairs Committee considered CS FOR HOUSE BILL NO. 333(STA)

HB 333-CAMPAIGN CONTRIBUTIONS/POET ACCTS

"An Act relating to the disposition of certain unused campaign contributions; and relating to public office expense term accounts and public office expense term account reserves."

and recommends:

[ ] be **replaced** with **SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
ADM			✓	1

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Matt Kookesh	Kookesh	–			
Joe Paskvan	Paskvan	x			
Giessel	Giessel	✓			
K Meyer	Meyer	✓			
CHAIR:	Wielechowski	X			

Representative Mike Hawker
Alaska State Legislature

Session:
State Capitol
Juneau, AK 99801
907 465-4949 office
907 465-4979 fax

Interim:
716 W 4th Avenue
Anchorage, AK 99501
907 269-0244 office
907 269-0248 fax

House District 32:
Eagle River
Anchorage
Glen Alps
Rainbow
Indian
[illegible]rd
[illegible]irdwood
Portage
Whittier
Sunrise
Hope

TO: Senator Bill Wielechowski , Chairman
Senate State Affairs Committee

FROM: Representative Mike Hawker

DATE: March 21, 2012

RE: House Bill 333

I request that House Bill 333, which would eliminate the *reserve* for the Public Office Expense Term (POET) account, be scheduled for a hearing at your earliest convenience.

I have attached a Sponsor Statement, copy of the bill, sectional analysis, and background information.

Please feel free to contact me if you need any additional information. You can also call my legislative aide Juli Lucky at 465-3733.

Representative Mike Hawker
Alaska State Legislature

Session:
State Capitol
Juneau, AK 99801
907 465-4949 direct
800 478-4950 toll free
907 465-4979 fax

Interim:
716 W 4th Avenue
Anchorage, AK 99501
907 269-0244 office
907 269-0248 fax

House District 32:
Eagle River
Anchorage
Rainbow
Indian
Bird
Girdwood
Portage
Whittier
Sunrise
Hope

House Bill 333
Sponsor Statement

"An Act relating to the disposition of certain unused campaign contributions; and relating to public office expense term accounts and public office expense term account reserves."

House Bill 333 eliminates the reserve account for a legislator's Public Office Expense Term (POET) account, streamlining recordkeeping and removing barriers to when POET funds may be spent. Statutory limitations on POET funds, themselves, are unchanged, including how much can be transferred from a campaign account, how the funds can be spent and how any unused funds are disposed at the end of a legislator's term of office. There would also be no change to the accounting or reporting requirements.

The process in current statute is cumbersome, requiring the legislator to transfer anything more than $5,000 as a lump sum from the campaign account to a *reserve* account, then annually transfer a limited amount to the POET account. Since expenditures from the POET account are restricted to office expenses and publicly reported each year, repealing the POET *reserve* removes an unnecessary hurdle and duplicate accounting without compromising accountability to the public for the legitimate use of those funds.

Staff Contact: Juli Lucky 465-3733

3/15/2012

Rep.Mike.Hawker@legis.state.ak.us • http://www.akrepublicans.org/hawker/

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version	**CSHB 333(STA)**
Fiscal Note Number	**1**
(H) Publish Date	**3/15/12**

Identifier (file name)	HB333-DOA-APOC-3-10-12	Dept. Affected	Administration
Title	Public Office Expense Term Accounts	Appropriation	Alaska Public Offices Commission
		Allocation	Alaska Public Offices Commission
Sponsor	Representative Hawker and Gruenberg		
Requester	House State Affairs	OMB Component Number	70

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version

Prepared by	Paul Dauphinais	Phone	907-276-4176
Division	Alaska Public Offices Commission	Date/Time	3/10/12 1:23 PM
Approved by	John Cramer, Deputy Commissioner	Date	3/10/2012
	Department of Administration		

(Revised 1/17/2012 OMB)

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. CSHB 333(STA)

Analysis

Analysis
HB 333 describes how to deal with POET account funds at the end of a state legislator's term.

Assumptions
As written it applies only to state legislators and not to municipal office holders who also have POET accounts.

Program Summary
This bill has no fiscal impact on APOC.

HB

345

<TARGET><BILL>HB 345</BILL><SUBJECT>HB 345</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 4/7/12

FURTHER: Rules

DATE TURNED IN TO OFFICE: 4/11/12

State Affairs Committee considered HOUSE BILL NO. 345

HB 345-WAIVE CDL SKILL TEST FOR CERTAIN VETERANS

"An Act relating to regulations adopted by the Department of Administration waiving the commercial motor vehicle driving skills test for certain drivers with military commercial motor vehicle experience."

and recommends:

[ ] be **replaced** with **SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
ADM			✓	1

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Kookesh	Kookesh	✓			
Joe Paskvan	Paskvan	✓			
Giessel	Giessel	✓			
Meyer	Meyer	✓			
CHAIR:	Wielechowski	✓			

ALASKA STATE LEGISLATURE

Session:
State Capitol, Room 409
Juneau, AK 99801-1182
Phone: (907) 465-3783
Fax: (907) 465-2293
Toll Free: (877) 460-3783

Interim:
10928 Eagle River Road, Ste. 238
Eagle River, AK 99577
Phone: (907) 622-3783
Fax: (907) 622-3784
Toll Free: (877) 460-3783

REPRESENTATIVE DAN SADDLER

Chairman, Chugiak-Eagle River Delegation

SPONSOR STATEMENT

House Bill 345

"An Act relating to regulations adopted by the Department of Administration waiving the commercial motor vehicle driving skills test for certain drivers with military commercial motor vehicle experience."

HB 345 allows the state of Alaska to waive the commercial driver's license road skills test for Alaska military personnel who earned their driving experience operating commercial-grade vehicles in the armed services.

The modern U.S. military is a highly mobile force, depending on skilled drivers operating a wide range of vehicles, under often harsh conditions. Impending budget cuts and troop reductions mean thousands of Alaska service members, including active duty, Guard and Reserve, will soon be hanging up their uniforms to seek civilian jobs.

In Alaska, where many trades and occupations involve transportation of goods and people across challenging landscapes, a commercial driver's license (CDL) is a valuable credential that can offer a significant boost to those seeking to enter the civilian work force, whether in tourism, commercial fishing, construction, oil field services or other industries.

HB 345 seeks to help returning Alaska military personnel find good jobs, and to help Alaska businesses find qualified and credentialed employees, by acknowledging that many military drivers already possess the skills they need to be safe, productive civilian drivers.

HB 345 directs the Department of Administration to adopt regulations in accordance with Federal Motor Carrier Safety Administration guidelines, allowing the Alaska Division of Motor Vehicles to waive the road test in accordance with federal law.

To be eligible for a waiver, a driver must have spent the last two years or more driving the kind of equipment he expects to use in a civilian job, must have worked in the past 90 days as a military driver and must meet federal exemption requirements outlined in CFR 383.77. He/she also cannot have ever had any license suspended or revoked, had more than one minor traffic violation, been convicted of any driving offense involving drugs or alcohol, or been convicted for any serious traffic violation involving an accident.

Alaskans who honed their driving skills while in service to our nation deserve to have that experience validated and honored in the civilian world. HB 345 is an important tool to help them get the credentials they need to land good civilian jobs, and to help Alaska employers hire skilled and motivated employees.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: HB 345
Fiscal Note Number: 1
(H) Publish Date: 3/28/12

Identifier (file name): HB345-DOA-DMV-3-23-12
Title: Waive CDL Skill Test for Certain Veterans
Sponsor: Representative Saddler
Requester: House Transportation

Dept. Affected: Administration
Appropriation: Motor Vehicles
Allocation: Motor Vehicles
OMB Component Number: 2348

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable; initial version

Prepared by: Whitney Brewster, Director — Phone: 907-269-5559
Division: Division of Motor Vehicles — Date/Time: 3/23/12 10:45 AM
Approved by: John Cramer, Deputy Commissioner — Date: 3/23/2012
Department of Administration

(Revised 1/17/2012 OMB)

FISCAL NOTE #1

STATE OF ALASKA
12 LEGISLATIVE SESSION

BILL NO. HB 345

Analysis

This legislation will allow for the development of regulations by the Division of Motor Vehicles (DMV) to provide drivers with recent military commercial vehicle driving experience the opportunity to waive the driving skills test required in Alaska Statute 28.33.100(a)(3) and 49 CFR 383.113. This bill has no fiscal impact on the Division of Motor Vehicles (DMV) therefore a zero fiscal note is submitted.

Advertising with us can place you in front of thousands of visitors a day. Learn more!

Bright Solutions IT Help & Forensics (907)336-6186

Touch N' Go Desktop In/Out Board

Alaska Statutes.
Title 28. Motor Vehicles
Chapter 33. Commercial Motor Vehicles
Section 100. License to Drive Commercial Motor Vehicle.

previous: Section 33. Presumptions and Chemical Analysis of Breath or Blood.
next: Section 110. Notification Requirements For Drivers of Commercial Motor Vehicles.

AS 28.33.100. License to Drive Commercial Motor Vehicle.

(a) A person may not drive a commercial motor vehicle until the person applies for and is issued a license for that purpose under AS 28.15.041. The department may not issue a license to drive a commercial motor vehicle unless the applicant

(1) is at least 19 years of age, to operate in intrastate commerce, or at least 21 years of age, to operate in interstate commerce;

(2) has held a valid driver's license at least one year before the date of application or meets the experience qualifications established by the department;

(3) has successfully completed all required driving tests and written and physical examinations;

(4) either does not have a driver's license issued by another jurisdiction or surrenders all driver's licenses issued by other jurisdictions; and

(5) is domiciled in this state.

(b) In addition to the information required under AS 28.15.111 , a commercial driver's license shall

include information determined by the United States Secretary of Transportation to be appropriate to identify the licensee.

(c) A person who has been a state resident for 30 days or longer may not drive a commercial motor vehicle under the authority of a commercial driver's license issued by another jurisdiction.

(d) The licensing requirements of this section are in addition to the requirements imposed on a school bus driver under AS 28.15.046 .

(e) The department shall disqualify a person for a period of 60 consecutive days, and shall reevaluate the person's application or license to drive a commercial motor vehicle, if the department determines that the person knowingly provided false information required under

(1) this section or AS 28.15 in an application to the department for a commercial driver's license; or

(2) AS 28.33.110 (c) in an application for employment.

All content © 2008 by Touch N' Go/Bright Solutions, Inc.

Note to HTML Version:

This version of the Alaska Statutes is current through December, 2007. The Alaska Statutes were automatically converted to HTML from a plain text format. Every effort has been made to ensure their accuracy, but this can not be guaranteed. *If it is critical that the precise terms of the Alaska Statutes be known, it is recommended that more formal sources be consulted.* For statutes adopted after the effective date of these statutes, see, Alaska State Legislature If any errors are found, please e-mail Touch N' Go systems at E-mail. We hope you find this information useful.

This page has been updated: 08/26/2011 15:52:29

Skip to main content

Alaska Department of Administration
Division of Motor Vehicles

COMMERCIAL DRIVER LICENSE (CDL)

Endorsements | Medical / Vision | Transferring a CDL | Type

You must be domiciled in the State of Alaska in order to obtain or renew an Alaska CDL. (Domicile = ALASKA MUST be your true, fixed and permanent home, and principal residence to which you intend to return whenever you are absent.)

If you live in **RURAL** Alaska, please **CLICK HERE** for additional information.

Transportation Worker Identification Credentials (TWIC) are issued by the Department of Homeland Security and are not available through DMV.

- Commercial Driver Manual

ORIGINAL ALASKA COMMERCIAL DRIVER LICENSE (CDL)

A background check is required if you wish to obtain a hazardous materials endorsement or renew a CDL with a hazardous materials endorsement.

A commercial driver license (CDL) is required for a resident of Alaska who is driving a vehicle intrastate (19 & above) or interstate (21 & above) with a gross vehicle weight rating (GVWR) of 26,001 pounds or more. If you will be driving a vehicle designed to carry 16 or more passengers, or transporting hazardous materials, regardless of the GVWR, a CDL is required. A commercial driver may have only one license and that license must be issued by their home state. Those exempted from the commercial driver licensing requirements include drivers of recreational, military and emergency vehicles. Farm vehicles are exempt if controlled and operated by a farmer, used to transport agricultural products or machinery to and from a farm, not used in for-hire or contract carrier operations, and if driven no further than 150 miles from the farm.

Your social security number is required to obtain a CDL. The commercial driver license fee is $100.00. There is a $25.00 non-refundable fee for those requiring a road test. Road test appointments may be scheduled in any State DMV office or using our Online Services. In the Municipality of Anchorage, commercial tests are administered by the Center for Employment Education (CEE). Call 279-8451 for an appointment. Outside the Municipality of Anchorage, please contact your local DMV, schedule your road test online or click HERE for additional 3rd Party Testers.

An applicant must be at least twenty-one years of age at the time of application and must have held a valid driver license for at least one year. For an intrastate license, the applicant must be at least nineteen years of age. An applicant must pass the road, vision and written test prior to issuance of the CDL. For further information about obtaining a commercial driver license, please address your questions to: E-mail ALASKA DMV

TRANSFERRING A CDL FROM ANOTHER STATE

Welcome to Alaska! Please be sure to obtain an Alaska license within 30 days of your arrival if you intend to make Alaska your home. If you do not have any intention of becoming a resident of Alaska (Seasonal worker, etc.) you must have a valid CDL from your home state in order to drive a Commercial Motor Vehicle in Alaska.

To transfer a CDL from another state to Alaska, you must:

- Complete an **Application for Alaska Driver License, Permit or State Identification** (Form 413) and an **Application for Commercial Driver License** (Form 415).
- Provide proof of the following: Date of birth, legal name, social security number and your physical address IN ALASKA.
- Surrender your valid license from another state. (Cannot be expired for over 1 year.)
- Pass the written "Rules of the Road" test to convert to an Alaska license. (20 questions)
- Pass the "Hazardous Materials" test if you have that endorsement and wish to keep it.

  Effective January 31, 2005, you are required to pass a background check in order to obtain or retain a hazardous materials endorsement.
- Pass any knowledge tests for endorsements that you wish to add to your license and do not have on your current license. Some endorsements require a road test.
- Pass a vision test.
- Pay the $100.00 fee for an ALASKA CDL.

Note: If your CDL from another state has been expired **over <u>one</u> year**, you must pass ALL written tests that apply to the type of license you wish to obtain. A road test is required if the license has been expired over five years.

NEW CDL MEDICAL CARD & VISION REQUIRMENTS

Please see the following for information on CDL Medical Cards.

FMCSA New Medical Certification Requirements
A Guide for Commercial Driver's License (CDL) Holders
General Information and Frequently Asked Questions (FAQs)

Medical Report: DOT FORMS

Vision requirements for a CDL are 20/40 or better. If you do not meet the requirements, you *may* be eligible for a waiver for INTRASTATE, ONLY. Vision Waiver Application

TYPES OF COMMERCIAL DRIVER LICENSE'S AND ENDORSEMENTS:

- **Class A/CDL** - May operate a combination of a motor vehicle and one or more other vehicles with a GCWR of greater than 26,000 pounds where the combined GVWR of the vehicle or vehicles being towed is greater than 10,000 pounds; a holder of a Class A/CDL license may also operate a Class B/CDL, Class C/CDL, or Class D vehicle. (Examples: 18 wheelers, log trucks)
- **Class B/CDL** - May operate a motor vehicle with a GVWR of greater than 26,000 pounds, or a motor vehicle with a GVWR of greater than 26,000 pounds that is towing a vehicle with a GVWR of 10,000 pounds or less; a holder of a Class B/CDL license may also operate a Class C/CDL or Class D vehicle. (Examples: dump trucks, cement mixer, box trucks, motor coaches)
- **Class C/CDL** - May operate any single motor vehicle, or a combination of a motor vehicle and one or more other vehicles not meeting the definitions of Class A/CDL or B/CDL, but is either designed to transport 16 or more passengers, including the driver, or is placarded under hazardous materials regulations in 49 C.F.R. Part 172, Subpart F, revised as of October 1, 2009; a holder of a Class C/CDL may also operate a Class D vehicle.

ENDORSEMENT CODE, TEST REQUIREMENTS & ENDORSEMENT TYPE

H - Knowledge & Background Check (Background check - Effective 1/31/05)
Hazardous material in placardable amounts.

N - Knowledge - Hauling liquids in bulk (Tank)

P - Knowledge & Skills (road test) - Transporting more than 15 passengers

S - Knowledge & Skills (road test) - School Bus

T - Knowledge - Double or Triple Trailers

X - Knowledge & Background Check (Background check - Effective 1/31/05)
Combination of N and H endorsements

Federal Website

REV. 1/23/2012

Cornell University Law School

Search Cornell

Legal Information Institute [LII]
OPEN ACCESS TO LAW SINCE 1992

SHOW YOUR SUPPORT MAKE A DONATION

Search all of LII... Go

ABOUT LII / GET THE LAW / FIND A LAWYER / LEGAL ENCYCLOPEDIA / HELP OUT

Follow 5,473 followers

CFR › Title 49 › Subtitle B › Chapter III › Subchapter B › Part 383 › Subpart G › Section 383.113

PREV | NEXT

SEARCH CFR: Search

Content blocked by

Tweet 0

0

49 CFR 383.113 - REQUIRED SKILLS.

There is 1 rule appearing in the Federal Register. Select the Currency tab below to view.

CFR Currency Authorities (U.S. Code) Rulemaking

prev | next

(a) Basic vehicle control skills. All applicants for a CDL must possess and demonstrate basic motor vehicle control skills for each vehicle group which the driver operates or expects to operate. These skills should include the ability to start, to stop, and to move the vehicle forward and backward in a safe manner.

(b) Safe driving skills. All applicants for a CDL must possess and demonstrate the safe driving skills for their vehicle group. These skills should include proper visual search methods, appropriate use of signals, speed control for weather and traffic conditions, and ability to position the motor vehicle correctly when changing lanes or turning.

(c) Air brake skills. Except as provided in § 393.95, all applicants shall demonstrate the following skills with respect to inspection and operation of air brakes:

(1) Pre-trip inspection skills. Applicants shall demonstrate the skills necessary to conduct a pre-trip inspection which includes the ability to:

(i) Locate and verbally identify air brake operating controls and monitoring devices;

(ii) Determine the motor vehicle's brake system condition for proper adjustments and that air system connections between motor vehicles have been properly made and secured;

(iii) Inspect the low pressure warning device(s) to ensure that they will activate in emergency situations;

(iv) Ascertain, with the engine running, that the system maintains an adequate supply of compressed air;

(v) Determine that required minimum air pressure build up time is within acceptable limits and that required alarms and emergency devices automatically deactivate at the proper pressure level; and

(vi) Operationally check the brake system for proper performance.

(2) Driving skills. Applicants shall successfully complete the skills tests contained in § 383.113 in a representative vehicle equipped with air brakes.

(d) Test area. Skills tests shall be conducted in on-street conditions or under a combination of on-street and off-street conditions.

(e) Simulation technology. A State may utilize simulators to perform skills testing, but under no circumstances as a substitute for the required testing in on-street conditions.

Cornell University Law School

Search Cornell

Legal Information Institute [LII]
OPEN ACCESS TO LAW SINCE 1992

SHOW YOUR SUPPORT MAKE A DONATION

Search all of LII... Go

ABOUT LII / GET THE LAW / FIND A LAWYER / LEGAL ENCYCLOPEDIA / HELP OUT

Follow 5,473 followers

CFR › Title 49 › Subtitle B › Chapter III › Subchapter B › Part 383 › Subpart E › Section 383.77

PREV | NEXT

SEARCH CFR: Search

Content blocked by

Tweet 0 0

49 CFR 383.77 - SUBSTITUTE FOR DRIVING SKILLS TESTS.

There is 1 rule appearing in the Federal Register. Select the Currency tab below to view.

CFR Currency Authorities (U.S. Code) Rulemaking

prev | next

At the discretion of a State, the driving skill test as specified in § 383.113 may be waived for a CMV operator who is currently licensed at the time of his/her application for a CDL, and substituted with either an applicant's driving record and previous passage of an acceptable skills test, or an applicant's driving record in combination with certain driving experience. The State shall impose conditions and limitations to restrict the applicants from whom a State may accept alternative requirements for the skills test described in § 383.113. Such conditions must require at least the following:

(a) An applicant must certify that, during the two-year period immediately prior to applying for a CDL, he/she:

(1) Has not had more than one license (except in the instances specified in § 383.21 (b));

(2) Has not had any license suspended, revoked, or canceled;

(3) Has not had any convictions for any type of motor vehicle for the disqualifying offenses contained in § 383.51(b) ;

(4) Has not had more than one conviction for any type of motor vehicle for serious traffic violations; and

(5) Has not had any conviction for a violation of State or local law relating to motor vehicle traffic control (other than a parking violation) arising in connection with any traffic accident, and has no record of an accident in which he/she was at fault; and

(b) An applicant must provide evidence and certify that:

(1) He/she is regularly employed in a job requiring operation of a CMV, and that either:

(2) He/she has previously taken and passed a skills test given by a State with a classified licensing and testing system, and that the test was behind-the-wheel in a representative vehicle for that applicant's driver's license classification; or

(3) He/she has operated, for at least 2 years immediately preceding application for a CDL, a vehicle representative of the commercial motor vehicle the driver applicant operates or expects to operate.

[53 FR 27649, July 21, 1988, as amended at 55 FR 25606, June 22, 1990; 67 FR 49760, July 31, 2002]

ABOUT LII CONTACT US ADVERTISE HERE HELP TERMS OF USE MORE [LII]

U.S. Department of Transportation
Federal Motor Carrier Safety Administration

Send to Printer

Hours-of-Service Regulations

NOTE: A new Hours-of-Service (HOS) Proposed Rulemaking was published on December 29, 2010. For details, visit the HOS Proposed Rule page to view the complete rulemaking, summary of changes, FAQs, and other related information.

Related Links
Retention of Supporting Docs & Use of Electronic Mobile Devices Policy
How to Participate in HOS Listening Sessions
FMCSA Announces HOS Listening Sessions - News Release January 4, 2010
HOS News Release - November 18, 2008
HOS Regulations
Maximum Driving Time for Passenger-carrying Vehicles

The Hours-of-Service regulations (49 CFR Part 395) put limits in place for when and how long commercial motor vehicle (CMV) drivers may drive. These regulations are based on an exhaustive scientific review and are designed to ensure truck drivers get the necessary rest to perform safe operations. FMCSA also reviewed existing fatigue research and worked with organizations like the Transportation Research Board of the National Academies and the National Institute for Occupational Safety in setting these HOS rules.

The regulations are designed to continue the downward trend in truck fatalities and maintain motor carrier operational efficiencies. Although the HOS regulations are found in Part 395 of the Federal Motor Carrier Safety Regulations, many States have identical or similar regulations for intrastate traffic.

Who must comply with the Hours-of-Service Regulations?
Most drivers must follow the HOS Regulations if they drive a commercial motor vehicle, or CMV.

In general, a CMV is a vehicle that is used as part of a business and is involved in interstate commerce and fits *any* of these descriptions:

- Weighs 10,001 pounds or more
- Has a gross vehicle weight rating or gross combination weight rating of 10,001 pounds or more
- Is designed or used to transport 16 or more passengers (including the driver) not for compensation
- Is designed or used to transport 9 or more passengers (including the driver) for compensation
- A vehicle that is involved in Interstate *or* Intrastate commerce and is transporting hazardous materials in a quantity requiring placards is *also* considered a CMV.

HOS Reference Materials

- Interstate Truck Driver's Guide to HOSNew!
- Interstate Passenger Carrying Driver's Guide To Hours of ServiceNew!
- Frequently Asked Questions
- Logbook Examples [PDF]
- HOS Final Rule [Federal Register Notice PDF]
- Recordkeeping Forms

Summary of the Hours-of-Service Regulations

The following table summarizes the HOS regulations for property-carrying and passenger-carrying CMV drivers.

HOURS-OF-SERVICE RULES	
Property-Carrying CMV Drivers	Passenger-Carrying CMV Drivers
11-Hour Driving Limit May drive a maximum of 11 hours after 10 consecutive hours off duty.	**10-Hour Driving Limit** May drive a maximum of 10 hours after 8 consecutive hours off duty.
14-Hour Limit May not drive beyond the 14th consecutive hour after coming on duty, following 10 consecutive hours off duty. Off-duty time does not extend the 14-hour period.	**15-Hour On-Duty Limit** May not drive after having been on duty for 15 hours, following 8 consecutive hours off duty. Off-duty time is not included in the 15 -hour period.
60/70-Hour On-Duty Limit May not drive after 60/70 hours on duty in 7/8 consecutive days. A driver may restart a 7/8 consecutive day period after taking 34 or more consecutive hours off duty.	**60/70-Hour On-Duty Limit** May not drive after 60/70 hours on duty in 7/8 consecutive days.
Sleeper Berth Provision Drivers using the sleeper berth provision must take at least 8 consecutive hours in the sleeper berth, plus a separate 2 consecutive hours either in the sleeper berth, off duty, or any combination of the two.	**Sleeper Berth Provision** Drivers using a sleeper berth must take at least 8 hours in the sleeper berth, and may split the sleeper-berth time into two periods provided neither is less than 2 hours.

Find this page at: http://www.fmcsa.dot.gov/rules-regulations/topics/hos/index.htm

Department of Motor Vehicles

CDL Skills Test Exemption for Military Applicants

Active duty, recently separated (within 90 days of application), or reservist military personnel may be allowed an exemption from the CDL driving skills test based on their holding of a military license, which authorizes operation of military vehicles that are representative of a commercial motor vehicle of a similar class.
Military personnel described above will be granted an exemption from the CDL skills test provided he or she meets all criteria required under Federal Motor Carrier Safety Regulations (FMCSR). This exemption applies only to the CDL skills test and does not include any testing requirements for public transportation, school bus, or hazardous material.
All applicants must pass the required knowledge test(s) based on the type of vehicle to be driven. Knowledge tests will be provided at no fee if the applicant is in active duty status, or meets the current military fee exemption criteria. Applicants must also provide information on all states where they were previously licensed during the past 10-years.
All applicants must present the following:

- Valid Connecticut operator's license
- Valid Form OF-346 (U.S. Government Motor Vehicle Operator Identification Card)
- Military Identification Card or DD-214 if recently separated
- Letter from commanding officer indicating which CMV class (A, B, or C) is representative of the military vehicle the applicant is licensed to operate
- Medical certification dated within 2 years (actual physical or medical certification card)
- Completed DMV Forms B-88 (fee waiver) and R-229A (application for CT license)
- Color Photograph (passport-size)
- Social Security card or proof of SSN
- Certification Form (will be issued at the branch office)

The US Government license must indicate the type of vehicle(s) and the vehicle capacity that the applicant is qualified to operate. In order to qualify for the exemption, the capacity must be at least 26,001 lbs. GVWR.
The applicant must certify the following:

- They have operated a vehicle representative of the commercial motor vehicle that they currently operate or expect to operate for at least two (2) years immediately preceding this application for the CDL. Evidence must be included such as: a letter from the applicant's employer; or test results from another state.

OR

- They are regularly employed in a job requiring operation of a CMV and have either previously taken and passed a skills test given by a State with a classified licensing and testing system and that the test was behind the wheel in a representative vehicle for the applicant's license classification.

AND

- They do not have more than one (1) license; have not had any license suspended, revoked, or cancelled; have not had a conviction in any type of motor vehicle for the **disqualifying offenses*** found in 383.51(b); have not had more than one (1) conviction for **serious traffic violations**** in any type of motor vehicle; have not had any conviction for a violation of State or local law relating to motor vehicle or traffic control (other than a parking violation) arising in connection with any traffic accident and have no record of an accident in which they were at fault.

*** 383.51 – Disqualifying Offenses- Conviction for:**

- being under the influence of alcohol while operating a CMV

- being under the influence of a controlled substance
- having a alcohol concentration of 0.04 or greater while operating a CMV
- refusing to take an alcohol test as required by a State or jurisdiction under its implied consent laws or regulations as defined in 383.72
- leaving the scene of an accident
- using the vehicle to commit a felony
- driving a CMV while the driver's CDL is revoked, suspended, or cancelled or the driver is disqualified from operating a CMV
- causing a fatality through negligent operating of a CMV, including, but not limited to the crimes of motor vehicle manslaughter, homicide by motor vehicle and negligent homicide
- using the vehicle in the commission of a felony involving manufacturing, distributing, or dispensing a controlled substance

****Serious Traffic Violations – Conviction for:**

- speeding in excess of fifteen miles per hour or moreover the posted speed limit
- reckless driving
- following too closely
- improper or erratic lane changes
- driving a CMV without a valid CDL
- failure to carry a CDL
- failure to have proper class of license or endorsement or violation of a license restriction
- in connection with an accident related to operation of a CMV and which resulted in a fatality
- failure to stop at a railroad crossing while operating a CMV

A certification form will be given to the applicant at the branch office for completion. The current CT license must be surrendered and the licensing fee paid, if applicable.

Content Last Modified on 11/17/2009 12:51:45 PM

New York State Department of Motor Vehicles

CDL CERTIFICATION FOR MILITARY WAIVER OF SKILLS TEST

Waiver is available for ONLY up to ninety (90) days after discharge or for active military and active duty New York National Guard.

(bring copy of your DD-214 or NGB-22 military discharge or military ID card to DMV)

PART 1 - APPLICANT CERTIFICATION (please print)

Name: _____
Last First Middle

Social Security Number: _____ Date of Birth: _____ License ID Number: _____

I certify that during the 2-year period immediately preceding this date:

I have not had more than one driver's license in more than one jurisdiction at one time.

I have not had my license suspended, revoked, cancelled or denied.

I have not had any convictions for any of the disqualification offenses listed below:

- Any alcohol or drug related offenses
- Leaving the scene of an accident
- Commission of a felony involving the use of a motor vehicle
- Driving a commercial motor vehicle (CMV) when, as a result of prior violations committed operating a CMV, the driver's commercial driver license (CDL) is revoked, suspended, or canceled, or the driver is disqualified from operating a CMV
- Causing a fatality through the negligent operation of a CMV, including but not limited to the crimes of motor vehicle manslaughter, homicide by motor vehicle and negligent homicide
- Use of a motor vehicle in a felony involving the manufacturing, distribution or dispensing of a controlled substance
- Violations of state or local law relating to motor vehicle traffic control (other than a parking violation) arising in connection with any traffic accident and have no record of an accident in which I was at fault

I have not had more than one (1) conviction for any of the serious violations listed below:

- Following a vehicle ahead too closely
- Reckless driving
- Improper or erratic lane changes
- Excessive speeding (15 mph or more above the posted speed limit)
- Any violation for Railroad Highway Grade Crossing
- Driving a CMV without obtaining a CDL
- A violation arising in connection with a fatal accident
- Driving a CMV without the proper class of CDL and/or endorsements for the specific vehicle group being operated or for the passengers or type of cargo being transported
- Driving a CMV without a CDL in the driver's possession (Any individual who provides proof to the enforcement authority that issued the citation, by the date the individual must appear in court or pay any fine for such a violation, that the individual held a valid CDL on the date the citation was issued, shall not be guilty of this offense.)

I also certify that:

- I have not had my license or privilege to drive a motor vehicle suspended, revoked or cancelled during the immediately preceding 4 years.
- I have not been convicted of a violation of NRS 484.37955 (vehicular homicide).
- I have not been convicted during the immediately preceding 7 years of a violation of driving under the influence of alcohol or drugs.
- I have not had three (3) or more convictions of moving traffic violations during the immediately preceding 4 years.
- I have not been convicted of any of the offenses related to the use or operation of a motor vehicle which must be reported to the National Driver Register Problem Driver Pointer System during the immediately preceding 4 years (pursuant to the provisions of Parts 1327 et seq. of Title 23 of the Code of Federal Regulations).

I also certify that:

- I am regularly employed or was regularly employed within the last 90 days in a military position requiring operation of a commercial motor vehicle; and
- For at least two years immediately preceding this date if actively serving, or the date of my military discharge, I operated a vehicle of the same class and type as the one I want to be licensed to drive.

I certify I am qualified for the waiver of my driving skills under the conditions above, and that the information I have given is true. **IMPORTANT: Making a false statement in any license or non-driver ID card application, or in any proof or statement in connection with it, or deceiving or substituting, or causing another person to deceive or substitute in connection with application, may subject you to criminal prosecution for a misdemeanor or felony under the Vehicle and Traffic Law and/or the Penal Law.**

Signature: _____ Date: _____

PART 2 - COMMANDING OFFICER'S CERTIFICATION

Name of CO: _____

Address: _____

Telephone: (_____) _____

Applicant's Date of Qualification: from _____ to _____

Mark a "✓" in the box for the class(es) of vehicle(s) that the applicant operates and for the applicable endorsements:

Vehicle Class: ☐ A ☐ B ☐ C Endorsements: ☐ T ☐ P ☐ N ☐ H ☐ X

Experience Operating Commercial Motor Vehicles

Mark a "✓" in the box for the type(s) of vehicles the applicant has been driving:

☐ Tractor-trailer ..... Air brake equipped? ..... ☐ Yes ☐ No

☐ Truck-trailer (truck over 26,000 lbs.) ..... Air brake equipped? ..... ☐ Yes ☐ No

☐ Truck-trailer (truck does not exceed 26,000 lbs.) ..... Air brake equipped? ..... ☐ Yes ☐ No

☐ Single Vehicle ..... Air brake equipped? ..... ☐ Yes ☐ No

☐ Vehicle designed to transport 16 or more persons including the driver .... Air brake equipped? ..... ☐ Yes ☐ No

☐ Vehicle designed to transport 8 - 15 persons including the driver ..... Air brake equipped? ..... ☐ Yes ☐ No

Class A Vehicle - Any combination of vehicles with a GCWR of 26,001 pounds or more, provided the GVWR of the vehicle being towed is in excess of 10,000 pounds GVWR. This includes tractor-trailer and truck-trailer.

Class B Vehicle - Any single vehicle with a GVWR of 26,001 pounds or more, or any such vehicle towing a vehicle not in excess of 10,000 pounds GVWR.

Class C Vehicle - Any single vehicle or combination of vehicles that does not meet the definition of Class A or Class B, but that is designed to transport 16 or more people including the driver or is placarded for hazardous materials.

Endorsements: T - Doubles/Triples; P - Passengers; N - Tankers; H - Hazardous Materials; X - Hazardous Materials and Tankers

I certify that the applicant named in Part I is/was assigned in a job/assignment requiring operation of a commercial motor vehicle and that the information I have provided is correct. **IMPORTANT: Making a false statement in any license or non-driver ID card application, or in any proof or statement in connection with it, or deceiving or substituting, or causing another person to deceive or substitute in connection with such application, may subject you to criminal prosecution for a misdemeanor or felony under the Vehicle and Traffic Law and/or the Penal Law.**

Print Name/Rank: _____ Date: _____

Signature: ➧ _____ Date: _____

Authority of Article 136, Uniform Code of Military Justice or 10 U.S.C. 1044A

ADVERTISEMENT

Qualified vets can skip road test for CDL licenses

11:13 PM, Feb. 11, 2012 | Comments

Content blocked by your

Tweet 0 0 A A

Written by
Staff report

FILED UNDER

Local News
News

As part of Gov. Andrew Cuomo's "experience counts" campaign, the state will waive road tests for veterans applying for a commercial driver's license if they have military experience operating a similar vehicle.

Active duty military and New York National Guard members are eligible for the waiver for up to 90 days following their discharge.

The waiver would eliminate the CDL road test requirement and $40 fee, but applicants must still take the written test and pay that $10 fee.

To be eligible, a veteran must:

» Have a valid driver's license.

» Be regularly employed, or have been regularly employed within the last 90 days in a military position requiring operation of a commercial motor vehicle.

» Have operated a vehicle similar to a civilian commercial vehicle for at least two years immediately preceding discharge from the military.

"In this economy, many returning soldiers have had difficulty in finding work," said state Department of Motor Vehicles commissioner Barbara J. Fiala.

"We hope that this small way of thanking them for their service, and recognizing that the skills they learned in the military are transferable to civilian jobs, will make things just a little easier for our returning veterans."

Applicants must fill out a CDL Certification for Military Waiver of Skills Test form (CDL-102), available at any DMV office or online at www.dmv.ny.gov/forms/cdl102.pdf.

View Comments (1) | Share your thoughts »

ADVERTISEMENT

Most Popular Most Commented More Headlines

1 Elmira preparing site for $10M restaurant, hotel project
2 Sheriff's office joins Pine City fire probe
3 Road reopened near Webb Mills fire scene
4 Elmira man pleads guilty in child porn case
5 Wysox man charged in sex toy incident

Most Viewed

Jenny McCarthy at Leather and Laces Party for Super Bowl 2012
Feb. 03, 2012

DL-398 (3-09)

MILITARY COMMERCIAL DRIVER'S LICENSE (CDL) SKILLS TEST WAIVER APPLICATION

MUST BE A PENNSYLVANIA RESIDENT TO APPLY

pennsylvania
DEPARTMENT OF TRANSPORTATION

- Applicant must complete Sections A, B, and D. Section C needs to be completed if military license does not clearly define the type(s) of vehicle(s) authorized to operate.
- See reverse side for REQUIRED ORIGINAL documents (b(2)) needed in section C below.

A APPLICANT INFORMATION List all information as it appears on your Pennsylvania Driver's License or Learner's Permit

DRIVER'S LICENSE NUMBER	LAST NAME	JR./ETC

FIRST NAME	MIDDLE NAME

DATE OF BIRTH			TELEPHONE NUMBER (8:00 a.m. to 4:30 p.m.)	E-MAIL ADDRESS
MONTH	DAY	YEAR		

B CERTIFICATION

I certify that subject to the limitations and requirements of 49 CFR 383.77 (relating to the substitute for driving skills tests), I meet all certifications required for waiver under 49 CFR 383.77 and certify the following:

1. I certify that I am a member of the active or reserve components of any branch or unit of the armed forces of the United States or a veteran who received an honorable discharge from any branch or unit of the active or reserve components of the armed forces of the United States. . . . . ❑

2. I certify that I am or was regularly employed in a position in the armed forces of the United States requiring operation of a commercial motor vehicle. . . . . ❑

3. I certify that I legally operated, for at least two years immediately preceding application for a commercial driver's license, a vehicle representative of the commercial motor vehicle that I operate or expect to operate either under exemption from this Commonwealth's commercial driver's license requirement provided by the Pennsylvania Vehicle Code, Title 75 Section 1607(b)(2) (relating to requirement for commercial driver's license) or the equivalent exemption of another state or while on active duty in a foreign jurisdiction. . . . . ❑

C DRIVER QUALIFICATION REPORT (Authorized Military Personnel MUST complete if military license does not clearly define type(s) of vehicle authorized to drive; see reverse side for the required original documents to process DL-398 Military CDL Skills Test Waiver.)

I certify that _____ (Applicant Name) meets the Federal Motor Carrier Safety Regulations contained in 49 CFR 383.113(a,b,c)(1,2) relating to "Required Skills" and also meets the requirements contained in 49 CFR 383.135(b) relating to "Minimum Passing Scores" for a commercial driver's license. Your signature certifies that the above named applicant has successfully performed the required skills and has achieved the minimum passing score necessary to operate a commercial motor vehicle as prescribed in the Federal Motor Carrier Safety Regulations 49 CFR 383.113 and 49 CFR 383.135.

Signature of Provost Marshall/Company Commander/Department Head/OIC	Print Name		
Title	Location	Phone Number	Date

D SIGNATURE

I certify under penalty of law that all information given on this application is true and correct. I hereby acknowledge this day that I have received notice of the provisions of Section 3709 of the Vehicle Code. (See reverse for provisions.)

SIGN HERE

APPLICANT SIGNATURE	PHONE NUMBER	DATE

WARNING: Misstatement of fact is a misdemeanor of the third degree punishable by a fine of up to $2,500 and/or imprisonment up to 1 year (18 PA C.S., Section 4904(b)).

How to Obtain Your CDL Learner's Permit

You must be a Pennsylvania resident to apply for a Pennsylvania CDL Learner's Permit. To apply for a CDL Learner's Permit:

- Complete the DL-31CD Form (Application for CDL Learner's Permit), available on PennDOT's Driver and Vehicle Services Web site, www.dmv.state.pa.us.
- Mail your completed DL-31CD Form with appropriate fee to the Bureau of Driver Licensing, P.O. Box 68272, Harrisburg, PA 17106-8272.
- When you receive the Knowledge Test Authorization Letter, you may visit your nearest Driver License Center to take the applicable knowledge tests.
- After all required knowledge testing is complete, please refer to the **"Required Original Documents to Process DL-398 Military CDL Skills Test Waiver"** section below.

NOTE: If your Pennsylvania Driver's License expires within the next six months, you will be required to renew your Pennsylvania CDL or Non-CDL before your application for a CDL Learner's Permit can be processed.

Required Original Documents to Process DL-398 Military CDL Skills Test Waiver

You must submit a completed DL-398 Form (Application for Military CDL Skills Test Waiver), to upgrade to a CDL or upgrade your current CDL privilege. To obtain a DL-398 Form, visit PennDOT's Driver and Vehicle Services Web site, www.dmv.state.pa.us, and select the Forms and Publications link at the top of the home page. Once you've completed the DL-398 Form, you must visit your near Driver License Center with the following original documents.

Required Documents

a) Valid PA Non-CDL or CDL

b) Military Driver's License that clearly defines the types of vehicles you are/were authorized to drive. If not clearly defined, additional documentation is required such as:

1) Verification of Military Experience and Training Document (VMET) that clearly defines the types of vehicles you are/were authorized to drive, that lists the Gross Vehicle Weight Rating (GVWR), Gross Vehicle Weight (GVW), and if the vehicle(s) are equipped with air brakes that you are/were licensed to operate in the military (this form can be obtained by military personnel only by visiting www.dmdc.osd.mil), or:

2) Documentation of the types of vehicles you operated or are/were licensed to operate in the military, that lists the Gross Vehicle Weight Rating (GVWR), Gross Vehicle Weight (GVW), and if the vehicle(s) are equipped with air brakes that you are/were licensed to operate in the military. The explanations need to be on military letterhead, signed by your Provost Marshall, Company Commander, Department Head or OIC and section C on the DL-398 Form must be completed by your Provost Marshall, Company Commander, Department Head or OIC.

c) DD-2 (Active Duty Military ID Card) or DD-214 (within 2 years of Honorable Discharge)

d) DL-398 (Application for Military CDL Skills Test Waiver)

How to Transfer Your Out-of-State Driver's License to Pennsylvania

To qualify for the Military CDL Skills Test Waiver, you must be a Pennsylvania resident. Please visit the New Resident/Relocating Information Center on PennDOT's Driver and Vehicle Services Web site, www.dmv.state.pa.us, and select "Moving into Pennsylvania" link or contact PennDOT's Customer Call Center at; 1-800-932-4600, TDD 1-800-228-0676 (in state); or 1-717-412-5300, TDD 1-717-412-5380 (out-of-state). You will also need to complete the DL-180R Form for Non-CDL or DL-180RCD Form for CDL transfers. These forms are available on PennDOT's Driver and Vehicle Services Web site, or may be obtained by visiting your nearest Driver License Center. You must appear in person at a Driver License Center to transfer your out-of-state driver's license to Pennsylvania. Driver License Centers only accept check or money order for payment. If you have lost your out-of-state driver's license, you must contact your home state DMV to obtain an original Driver Abstract.

SECTION 3709 OF THE VEHICLE CODE

Section 3709 provides for a fine of up to $300 for dropping, throwing or depositing, upon any highway, or upon any other public or private property without the consent of the owner thereof or into or on the waters of this Commonwealth, from a vehicle, any waste paper, sweepings, ashes, household waste, glass, metal, refuse or rubbish or any dangerous or detrimental substance, or permitting any of the preceding without immediately removing such items or causing their removal.

For any violation of Section 3709, I may be subject to a fine of up to $300 upon conviction, including any violation resulting from the conduct of any other persons present within any vehicle of which I am the driver.

Washington

Search this Blog
Search

Back to all Blog Posts

October 28, 2010 at 11:59am

New military training certification to shorten state's CDL issuance

By Department of Veteran Affairs Comments (1)

Recommend Post
Total Recommendations (0)
Leave A Comment
Read Comments (1)
0 tweet

The Washington State Department of Veterans Affairs (WDVA) and Washington State Department of Licensing (DOL) have joined forces to help veterans.

Beginning November 1, getting a CDL just got easier for military personnel with specialized truck driver training, thanks to the new Military Training Certification Process.

Here's how it works: WDVA staff will assess the training a military member or veteran received in the military and verify whether it meets the required minimum commercial motor vehicle driver training requirements in Washington State. Once verification is made, a Commercial Drivers Military Training Certificate is provided.

Military member and veteran applicants must pass the applicable knowledge and skills test, pay all basic license and commercial drivers license fees, and present the Commercial Drivers Military Training Certificate to DOL in order to be issued a CDL.
Veterans have one year following their release from the military to take advantage of this new program.

"We often hear of the challenges our men and women in uniform face when they leave the military and try to find jobs that they qualify for," said WDVA program manager Ric Price. "This is a tremendous step forward in removing a financial barrier to a smoother transition from military to civilian employment."

In the past, veterans were required to attend additional and often expensive commercial drivers training programs to learn the skills they had used for years in the military. WDVA's Helmets to Hardhats liaison Todd Mitchell questioned why this training had to be repeated and worked with a number of organizations to develop this new process.

Thanks to the hard work of WDVA, DOL, Tacoma-Pierce County Chamber of Commerce, Army Reserve Employer Relations, Washington Trucking Association, Teamsters Union and the Washington Defense Partnership, the transition from a military job to a civilian one will require one less step.

This new program allows WDVA to verify an individual CDL applicant has the required minimum commercial motor vehicle driver training requirements provided and documented by a military service.

TOPICS

3rd Brigade, 5 Things To Do, Afghanistan, Air Support, Army News, Army Rangers, Arts, Bargains, Benefit, Books, Business, Ceremony, Crime, Defense News, Dependent, Deployment, Education, Engineers, Environment, Familes, Family Readiness Group, Flickr Post of the Day, Food and Drink, Fort Lewis, Games, Get A Job Blog, Health, History, Hobbies, Holidays, Honors, Infantry, Iraq, J.M. Simpson, Lacey, Lakewood, Links a-plenty, Madigan, McChord AFB, Medical, Memorial, Mid-Day Hot Topics, Military Discount, Morning Embed, Morning Report, Music, MWR, National Guard, NCO, News To Us, Olympia, Operation Warrior Forge, Opinion, Photo of the Day, Puyallup, Reservists, ROTC, Science, Screens, Special Operations Units, Spew, Sports, Strykers, Tacoma, Tillicum, Training, Veterans, Volunteer, Warrior Forge, Wash. National Guard, Web/Tech, Weblogs, Weekly Volcano, Welcome to the Neighborhood, Word, Your Biz ... A Blog

ARCHIVES

2012 January, February
2011 January, February, March, April, May, June, July, August, September, October, November, December
2010 January, February, March, April, May, June, July, August, September, October, November, December
2009 May, June, July, August, September, October, November, December

RECENT COMMENTS

Davis said:
This is exactly what the military does NOT want to happen. This is why after a death a unit...
about Text message Tells Army Wife of Husband's Death

Marybel said:
There are various reasons why a spouses cannot be located by military i.e. they do not update...
about Text message Tells Army Wife of Husband's Death

GoldFalcon3 said:
Move I Corps HQ permanently to Camp Zama, Japan where I Corps (Fwd) is stationed now. Move the...
about I Corps headed into the Pacific?

"This is another instance of agencies working together to make things more seamless for Washingtonians," said DOL director Liz Luce. "This program is important so that our service members can utilize the training they've received and get right to work in the civilian sector."

For additional information about this new program, contact WDVA at 1-800-562-2308 or contact Ric Price at **Ricp@dva.wa.**

Filed under: Veterans

Unvie Buck said:
Go get 'em Dilly! Please bring me back one of those cool head scarves! Oooo-Rah!
about JBLM's 2nd Stryker Brigade headed to Afghanistan

PFC said:
2-17FA Medics!
about JBLM's 2nd Stryker Brigade headed to Afghanistan

Comments for "New military training certification to shorten state's CDL issuance" (1)

Northwest Military is not responsible for the content of these reviews. Northwest Military reserves the right to remove reviews at their discretion.

Arthur Hood said on May. 30, 2011 at 11:19am

Greetings ,my name is Arthur Hood I am a SGT with the United States Army Reserve .I've been a 88mike (truck driver) for 17 years . I was looking for a program from the Military that would help pay for CDL training .But if there is a smoother way to obtain my CDL I'm all ears . I will be contacting you on your program .I live in Mississippi if thats any help .Please give me any info you have on the subject .Thank you .

Sgt. Arthur M. Hood

Leave A Comment

Name:

Email: (This will not be published)

Website: (Optional)

Comment: Please stay on topic, and be respectful.

Add Comment

Respond on Your Blog

If you have an Account you can not only post comments, but you can also respond to articles in your own blog. It's just another way to make your voice heard.

Create an Account
or
Login

Content © Copyright 2012 - Northwest Military All Rights Reserved.

Missouri

MISSOURI DEPARTMENT OF REVENUE
DRIVER LICENSE BUREAU
301 WEST HIGH STREET — ROOM 470
P.O. BOX 200
JEFFERSON CITY MO 65105-0200

PHONE: (573) 751-2730
FAX: (573) 522-8174
WEB SITE: www.dor.mo.gov

FORM **5140** (REV. 8-2007)

APPLICATION FOR MILITARY CDL SKILLS TEST WAIVER

The Commercial Driver License (CDL) skills test waiver form may be used by qualified active duty or retired military applicants. This waiver allows a qualified military applicant to apply for a CDL without skills testing. CDL knowledge (written) test(s) are not waived and must be submitted to the contract office along with this application.

APPLICANT INFORMATION

NAME (LAST, FIRST, MIDDLE)			DRIVER LICENSE NUMBER	
RESIDENCE ADDRESS (STREET)	CITY	STATE	ZIP CODE	COUNTY
MAILING ADDRESS (IF DIFFERENT)	CITY	STATE	ZIP CODE	COUNTY

DRIVER RECORD CERTIFICATION

During the two years before today's date:

- Have you had more than one license? ☐ YES ☐ NO
- Has your license been suspended, revoked, cancelled or disqualified in this or any state? ☐ YES ☐ NO
- Have you been convicted of causing a fatality through the negligent operation of a commercial motor vehicle? ☐ YES ☐ NO
- Have you been convicted of using any vehicle in the commission of a felony involving the manufacturing, distributing or dispensing of a controlled substance? ☐ YES ☐ NO
- Have you been convicted of driving a commercial motor vehicle without a commercial license? ☐ YES ☐ NO
- Have you been convicted of driving a commercial motor vehicle without a commercial license in your possession? ☐ YES ☐ NO
- Have you been convicted of driving a commercial motor vehicle without the proper class and/or endorsements? ☐ YES ☐ NO
- Have you been convicted of driving while intoxicated, driving while under the influence of alcohol (includes BAC)? ☐ YES ☐ NO
- Have you been convicted of driving while under the influence of a controlled substance or refusal to submit to an alcohol test? ☐ YES ☐ NO
- Have you been convicted of leaving the scene of an accident? ☐ YES ☐ NO
- Have you been convicted of a felony involving a motor vehicle? ☐ YES ☐ NO
- Have you been convicted of speeding 15 or more MPH over the posted speed limit? ☐ YES ☐ NO
- Have you been convicted of careless and imprudent driving? ☐ YES ☐ NO
- Have you been convicted of following too closely? ☐ YES ☐ NO
- Have you been convicted of improper lane change? ☐ YES ☐ NO
- Have you been convicted of a violation in connection with a fatal accident? ☐ YES ☐ NO
- Have you been convicted of any state law or county or municipal ordinance relating to the operation of any type of motor vehicle in connection with an accident? ☐ YES ☐ NO
- Have you had more than one conviction for any type of motor vehicle for serious traffic violations? ☐ YES ☐ NO

CERTIFICATION OF DRIVING EXPERIENCE

Have you been regularly employed in a job requiring operation of a commercial motor vehicle and have operated the vehicle for at least sixty days during the two years immediately preceding this application for a commercial driver license? ☐ YES ☐ NO

Is the vehicle you have operated representative of the commercial motor vehicle you currently operate or expect to operate? ☐ YES ☐ NO

Select One That Applies:

☐ I have been honorably discharged from military service. I am providing proof of military service (a copy of Form DD214); a notarized statement specifying the types of commercial vehicles I am qualified to operate completed by my former commanding officer on the reverse of this form; and a copy of my military driving record.

☐ I am an active duty member of the Armed Forces. I am providing a notarized statement specifying the types of commercial vehicles I am qualified to operate completed by my commanding officer on the reverse of this form; and a copy of my military driving record.

I HEREBY CERTIFY UNDER PENALTY OF PERJURY, THAT ALL INFORMATION CONTAINED IN THIS APPLICATION IS TRUE AND ACCURATE.

APPLICANT'S SIGNATURE	DATE (MM/DD/YYYY)
	__ __ / __ __ / __ __ __ __

COMMERCIAL DRIVING EXPERIENCE CERTIFICATION (To be completed by commanding officer and notarized)

COMMANDING OFFICER NAME (LAST, FIRST, MIDDLE)	TELEPHONE NUMBER
	(__ __ __) __ __ __ - __ __ __ __

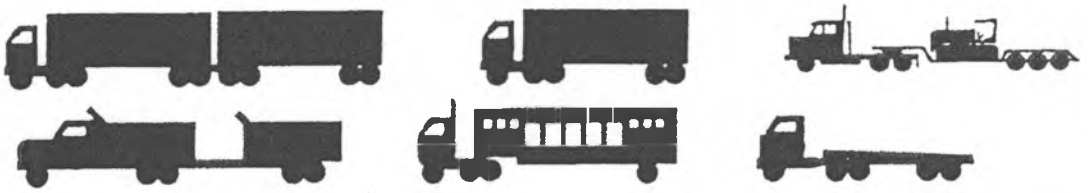
RESIDENCE ADDRESS (STREET)

CITY	STATE	ZIP CODE	COUNTY
		__ __ __ __ __	

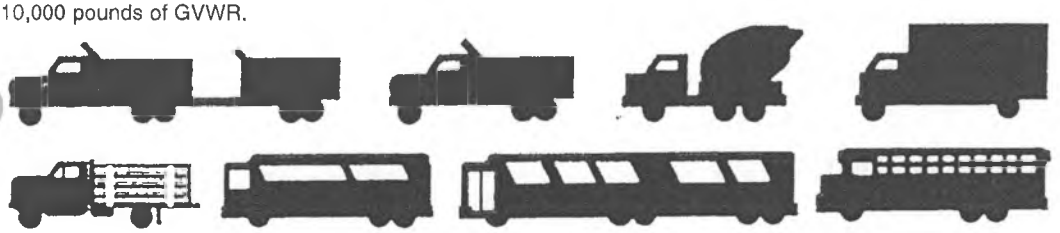
I hereby certify the applicant named on the front of this form has operated the following commerical class vehicles a minimum of sixty days within the two years prior to this application.

Mark the Boxes Below for the Classes of Vehicles Operated

☐ **Class A**
Any combination of vehicles with a Gross Combination Weight Rating (GCWR) of 26,001 or more pounds provided the Gross Vehicle Weight Rating (GVWR) of the vehicle(s) being towed is in excess of 10,000 pounds.



☐ **Class B**
Any single vehicle with a Gross Combination Weight Rating (GCWR) of 26,001 or more pounds or any such vehicle towing a vehicle not in excess of 10,000 pounds of GVWR.



☐ **Class C**
Any single vehicle less than 26,001 pounds GVWR or any such vehicle towing a vehicle not in excess of 10,000 pounds GVWR. This group applies only to vehicles which are placarded for hazardous materials or are designed to transport 16 or more persons, including the operator.

COMMANDING OFFICER SIGNATURE	DATE
	__ __ / __ __ / __ __ __ __

NOTARY INFORMATION

Notary Public Embossed or Black Rubber Stamp Seal

STATE	
SUBSCRIBED AND SWORN BEFORE ME THIS	DAY OF 20
NOTARY PUBLIC SIGNATURE	
MY COMMISSION EXPIRES	
NOTARY PUBLIC NAME (TYPED OR PRINTED)	
COUNTY	

Nevada

Commercial Drivers License
Reno/Sparks/Carson City (775) 684-4DMV (4368)
Las Vegas Area (702) 486-4DMV (4368)
Rural Nevada (877) 368-7828
Fax: (775) 684-4992
Website: www.dmvnv.com

CDL CERTIFICATION FOR WAIVER OF SKILLS TESTS

Waiver is valid for ONLY ninety (90) days after discharge or for Active Military and Nevada National Guard
(Bring a copy of your DD-214 Military Discharge or National Guard Letter to the DMV)
NRS 483.330, NAC 483.850, 49 CFR 383.77

Part I – Applicant Certification *(Please Print)*

Name_____ Date of Birth_____
Last First Middle

Vehicle Class: ☐ A ☐ B ☐ C Endorsements: ☐ T ☐ P ☐ N ☐ H ☐ X

In compliance with Title 49 CFR 383.77, I certify that during the 2-year period immediately preceding this date:
I have not had more than one driver's license in more than one jurisdiction at one time.
I have not had my license suspended, revoked, cancelled or denied.
I have not had any convictions for any of the disqualification offenses listed below:

- Any alcohol or drug related offenses
- Leaving the scene of an accident
- Commission of a felony involving the use of a motor vehicle
- Use of a motor vehicle in a felony involving the manufacturing, distribution or dispensing of a controlled substance
- Violations of state or local law relating to motor vehicle traffic control (other than a parking violation) arising in connection with any traffic accident and have no record of an accident in which I was at fault.

I have not had more than one (1) conviction for any serious violations listed below:

- Following a vehicle ahead too closely
- Reckless driving
- Improper or erratic lane changes
- Excessive speeding (15 mph or more above the posted speed limit)
- Any violation for Railroad Highway Grade Crossing
- Driving a CMV without obtaining a CDL
- A violation arising in connection with a fatal accident
- Driving a CMV without the proper class of CDL and/or endorsements for the specific vehicle group being operated or for the passengers or type of cargo being transported
- Driving a CMV without a CDL in the driver's possession. (Any individual who provides proof to the enforcement authority that issued the citation, by the date the individual must appear in court or pay any fine for such a violation, that the individual held a valid CDL on the date the citation was issued, shall not be guilty of this offense.)

In compliance with NRS 483.330, I also certify that:

- I have not had my license or privilege to drive a motor vehicle suspended, revoked or cancelled during the immediately preceding 4 years.
- I have not been convicted of a violation of NRS 484.37955 (vehicular homicide).
- I have not been convicted during the immediately preceding 7 years of a violation of driving under the influence of alcohol or drugs.
- I have not had three (3) or more convictions of moving traffic violations during the immediately preceding 4 years
- I have not been convicted of any of the offenses related to the use or operation of a motor vehicle which must be reported to the National Driver Register Problem Driver Pointer System during the immediately preceding 4 years (pursuant to the provisions of Parts 1327 et seq. of Title 23 of the Code of Federal Regulations).

In compliance with Title 49 CFR 383.77, I also certify that:

- I am regularly employed in a job requiring operation of a commercial motor vehicle; and
- For at least two years immediately proceeding this date, I have operated a vehicle of the same class and type as the one I want to be licensed to drive.

I certify that I am qualified for the waiver of my driving skills tests and that the information I have provided is true.

Signature: _____ Date: _____

Subscribed and sworn before me this _____ day of _____, _____

_____
Notary Public or Authorized Nevada DMV Representative

Part II – Command Certification

Name of CO: _____

Address: _____

Telephone: (_____) _____-_____

Applicant's Date of Qualification: from _____ to _____

Mark an "X" in the square for the type(s) of vehicle(s) that the employee operates:

Vehicle Class: ☐ A ☐ B ☐ C Endorsements: ☐ T ☐ P ☐ N ☐ H ☐ X

The vehicle the employee operates is equipped with air brakes: ☐ Yes ☐ No

The transmission on the vehicle the employee operates is equipped with:
☐ Standard ☐ Automatic

I certify that the applicant named in Part I is/was assigned in a job/assignment requiring operation of a commercial motor vehicle and that the information I have provided is correct.

Name/Rank: _____ Date: _____

Signature: _____ Date: _____

Authority of Article 136, Uniform Code of Military Justice or 10 U.S.C. 1044A

Class A Vehicle – Any combination of vehicles with a GCWR of 26,001 or more pounds, provided the GVWR of the vehicle being towed is in excess of 10,000 pounds GVWR.

Class B Vehicle – Any single vehicle with a GVWR of 26,001 or more pounds, or any such vehicle towing a vehicle not in excess of 10,000 pounds GVWR.

Class C Vehicle – Any single vehicle or combination of vehicles, that does not meet the definition of Class A or Class B, but that either is designed to transport 16 or more people including the driver or is placarded for hazardous materials.

Endorsements:

T – Doubles/Triples
P – Passengers
N – Tankers
H – Hazardous Materials
X – Hazardous Materials and Tankers

ALASKA STATE LEGISLATURE

Session:
State Capitol, Room 409
Juneau, AK 99801-1182
Phone: (907) 465-3783
Fax: (907) 465-2293
Toll Free: (877) 460-3783

Interim:
10928 Eagle River Road, Ste. 238
Eagle River, AK 99577
Phone: (907) 622-3783
Fax: (907) 622-3784
Toll Free: (877) 460-3783

REPRESENTATIVE DAN SADDLER
Chairman, Chugiak-Eagle River Delegation

MEMORANDUM

TO: Senator Bill Wielechowski, Chair
Senate State Affairs Committee

FROM: Representative Dan Saddler Dan Saddler

DATE: April 6, 2012

RE: Scheduling HB 345, Waive CDL Skill Test for Certain Veterans

I respectfully request a hearing for HB 345, Waive CDL Skill Test for Certain Veterans, in the Senate State Affairs Committee. Attached you will find the required information.

If you need any additional information, please contact Lynne Smith at 465-3768

Thank you for your consideration.

HB 347

<TARGET><BILL>HB 347</BILL><SUBJECT>HB 347</SUBJECT><COMM>SSTA27</COMM></TARGET>

ALASKA STATE LEGISLATURE
Senate State Affairs Committee

Senator Bill Wielechowski, Chair

State Capitol Building, Room 101
Juneau, Alaska 99801-1182
Phone (907) 465-2435
Fax (907) 465-6615
sen.bill.wielechowski@legis.state.ak.us

Committee Members:

Senator Joe Paskvan, Vice-chair
Senator Kevin Meyer
Senator Albert Kookesh
Senator Cathy Giessel

MEMORANDUM

Date: April 14, 2012

To: Members, Senate State Affairs Committee

From: Senator Bill Wielechowski, Chair
Senate State Affairs Committee

Re: Waiver of HB 347 (Use of Municipal Funds for Initiatives) and HB 219 (Fire and Emergency Medical Services) from Committee

---

Please initial below if you agree to waive the following two bills from the State Affairs Committee:

Senator Paskvan	JP	HB 347 (Use of Municipal Funds for Initiatives)
	JP	HB 219 (Fire and Emergency Medical Services)
Senator Kookesh	AK	HB 347 (Use of Municipal Funds for Initiatives)
	AK	HB 219 (Fire and Emergency Medical Services)
Senator Meyer	KM	HB 347 (Use of Municipal Funds for Initiatives)
	KM	HB 219 (Fire and Emergency Medical Services)
Senator Giessel	CG	HB 347 (Use of Municipal Funds for Initiatives)
	CG	HB 219 (Fire and Emergency Medical Services)

ALASKA STATE LEGISLATURE

REPRESENTATIVE KURT OLSON

- Chair: Labor and Commerce
- Vice Chair: Rules, Administrative Regulation Review
  Economic Development Trade & Tourism
- Member: Energy, Legislative Budget & Audit

Session: January - April
State Capitol, Room 24
Juneau, AK 99801-1182
Phone: 907-465-2693
Fax: 907-465-3835

Interim: May - December
145 Main Street Loop, Ste 221
Kenai, AK 99611
Phone: 907-283-2690
Fax: 907-283-2763

Official Business

House Bill 347
Sponsor Statement

"An Act prohibiting the use of municipal funds to support or oppose an initiative proposal to circulate a petition for a ballot initiative, or to influence the outcome of an election concerning a ballot initiative, without approval by municipal voters at an election."

Currently municipalities can spend thousands of dollars on consultants and paid signature collectors to influence the outcome of a ballot initiative. Requiring voters to approve the use of funds for special interests keeps the agenda of the municipality aligned with its voters, and prohibits municipalities from spending copious amounts of money to advance their own agendas.

This legislation empowers all citizens of a municipality by giving them the chance to weigh in on important issues. Giving citizens the opportunity to approve or disapprove of spending for a ballot initiative makes them acutely aware of exactly how municipal funds are being spent.

The intent of HB 347 is to keep the ballot initiative process fair, and to ensure that the priorities of the municipality are the same as the priorities of its citizens.

Email: Representative_Kurt_Olson@legis.state.ak.us

ALASKA STATE LEGISLATURE

REPRESENTATIVE KURT OLSON

- Chair: Labor and Commerce
- Vice Chair: Rules, Administrative Regulation Review
  Economic Development Trade & Tourism
- Member: Energy, Legislative Budget & Audit

Session: January - April
State Capitol, Room 24
Juneau, AK 99801-1182
Phone: 907-465-2693
Fax: 907-465-3835

Interim: May - December
145 Main Street Loop, Ste 221
Kenai, AK 99611
Phone: 907-283-2690
Fax: 907-283-2763

Official Business

Sectional Analysis
House Bill 347

"An Act prohibiting the use of municipal funds to support or oppose an initiative proposal to circulate a petition for a ballot initiative, or to influence the outcome of an election concerning a ballot initiative, without approval by municipal voters at an election."

Section 1. Amends AS 15.13.145 (d) to include expenditures that have been authorized by municipal voters.

Section 2. Adds a new subsection to AS 15.13.145 to include funds that have been approved by municipal voters at an election.

Email: Representative_Kurt_Olson@legis.state.ak.us

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **HB 347**
Fiscal Note Number: **1**
(H) Publish Date: **3/23/12**

Identifier (file name): HB347-DCCED-DCRA-02-24-12
Title: USE OF MUNICIPAL FUNDS FOR INITIATIVES
Sponsor: Representative Olson
Requester: House State Affairs

Dept. Affected: Commerce
Appropriation: Community and Regional Affairs
Allocation: Community and Regional Affairs
OMB Component Number: 2879

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial Version

Prepared by: Scott Ruby — Phone: (907) 269-4569
Division: Community and Regional Affairs — Date/Time: 2/23/2012 2:30pm
Approved by: JoEllen Hanrahan, Director Administrative Services — Date: 2/24/2012
Commerce, Community and Economic Development

(Revised 1/17/2012 OMB)

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. HB 347

Analysis

This bill authorizes municipalities to expend funds to influence the outcome of a statewide ballot initiative, if the expenditure is approved by voters. It also adds a requirement that if a municipality authorizes funds to be spent to influence the outcome of a ballot initiative election, the expenditures must be reported to the Alaska Public Offices Commission.

There is no anticipated fiscal impact to the Division of Community and Regional Affairs.

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 April 6, 2012

SUBJECT: Sectional Summary of CSHB 347(JUD), as it would be amended by 27-LS1396\M.3 (Work Order No. 27-LS1396\M.3)

TO: Representative Kurt Olson
Attn: Konrad Jackson

FROM: Alpheus Bullard
Legislative Counsel

You have requested a sectional summary of the above-described bill **as it would be amended by 27-LS1396\M.3**.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Amends AS 15.13.145(d) to require that a municipality report expenditures to support or oppose an initiative proposal filed with the lieutenant governor under AS 15.45.020 or to circulate a petition for a statewide initiative.

Section 2. Prohibits a municipality from expending funds to support or oppose an initiative proposal filed with the lieutenant governor under AS 15.45.020 or to circulate a petition for a statewide initiative without the expenditure being approved by municipal voters at an election.

Section 3. Provides the bill an effective date of August 29, 2012 (the day after the statewide primary election).

TLAB:plm
12-212.plm

ALASKA STATE LEGISLATURE

REPRESENTATIVE KURT OLSON

- Chair: Labor and Commerce
- Vice Chair: Rules, Administrative Regulation Review
  Economic Development Trade & Tourism
- Member: Energy, Legislative Budget & Audit

Session: January - April
State Capitol, Room 24
Juneau, AK 99801-1182
Phone: 907-465-2693
Fax: 907-465-3835

Interim: May - December
145 Main Street Loop, Ste 221
Kenai, AK 99611
Phone: 907-283-2690
Fax: 907-283-2763

Official Business

MEMORANDUM

TO: Representative Max Gruenberg

FROM: Anna Latham, Staff to Rep. Olson

DATE: March 27, 2012

RE: HB 347

At the State Affairs meeting on March 22, you asked for any legal research related to HB 347.

Originally our office requested that a bill was drafted prohibiting the payment of initiative petition circulators. This draft had constitutional conflicts, but I am enclosing the related memo from Legal Services because it touches on the issue of free speech and first amendment rights.

I have requested that Legal Services look into the constitutionality of HB 347, particularly regarding the free speech rights of municipalities.

Please feel free to contact our office with any additional questions regarding this bill.

Email: Representative_Kurt_Olson@legis.state.ak.us

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 January 19, 2012

SUBJECT: Prohibiting payment of initiative petition circulators
(Work Order No. 27-LS1218\A)

TO: Representative Kurt Olson
Attn: Konrad Jackson

FROM: Alpheus Bullard TLAB
Legislative Counsel

This memorandum accompanies the draft bill described above. The bill prohibits the payment of initiative petition circulators.[1] This memorandum is to alert you to constitutional issues raised by the bill.

While the legislature may statutorily regulate the initiative process in order to keep the process open, fair, and free of corruption, the United States Supreme Court has held that a state may not prohibit the payment of initiative petition circulators.

In Meyer v. Grant, 486 U.S. 414 (1988), the Supreme Court found a Colorado statute that prohibited payment for the circulation of initiative petitions unconstitutional because the state could not demonstrate that the statute, which burdened initiative sponsors' ability to communicate their message, was necessary in order to meet the state's concerns. The Court found that initiative petition circulation is "core political speech" entitled to substantial First Amendment protection and that states may not burden the exercise of the right to petition through use of the initiative by prohibiting the payment of petition circulators.

If you have questions, would like a bill drafted that provides limitations on how initiative petition circulators may be paid, or if I can be of further assistance, please do not hesitate to contact me.

TLAB:plm:ljw
12-027.plm

Enclosure

---

[1] The prohibition you requested applies only to circulators soliciting signatures for initiatives. It does not apply to persons soliciting signatures for a referendum (AS 15.45.340(b) and (c)) or recall of an elected state official (AS 15.45.580(b) and (c)).

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 April 2, 2012

SUBJECT: Questions relating to the constitutionality of HB 347 (Work Order No. 27-LS1396\A)

TO: Representative Kurt Olson
Attn: Anna Latham

FROM: Alpheus Bullard
Legislative Counsel

Anna asked two questions about HB 347. The questions, and my responses are below. Please note that I have paraphrased the questions for clarity.

Does HB 347 raise any issues under either the state or federal constitutions? Do municipalities have a right to "free speech" under the United States' Constitution?

It is my legal opinion that HB 347, which prohibits the use of municipal funds to support or oppose an initiative proposal, to circulate a petition for a ballot initiative, or to influence the outcome of an election concerning a ballot initiative, without approval by municipal voters at an election, is constitutional under the free speech clauses of both the state and federal constitutions, and I do not see any other potential constitutional issues.

You asked whether municipalities have a right to "free speech." This is a broad question involving the complex "government speech doctrine" that itself, exists in a larger body of First Amendment jurisprudence which has been evolving rapidly in the last few years.[1] Accordingly, I've limited my response to the subject of HB 347, a state constraint on certain municipal expenditures.

Under our system of government in which voters' opinions are supposed to shape the policies of government, the expenditure of municipal funds to influence voter opinion

---

[1] See *Citizens United v. Federal Election Commission*, 558 U.S.___, 130 S. Ct. 876 (January 21, 2010) (government cannot suppress political speech, in the form of independent election campaign expenditures, on the basis of the speaker's corporate identity), *Holder v. Humanitarian Law Project*, 561 U.S. ____, 130 S. Ct. 2705 (June 21, 2010) (upholding a federal law prohibiting material support to groups designated as terrorists, this is the first time a restriction on political speech has survived the strict scrutiny test) and *Sorrell v. IMS Health Inc.*, ___ U.S. ___, 131 S. Ct. 2653, (June 23, 2011) (some government restrictions on commercial speech should be subjected to some sort of "heightened" scrutiny as opposed to "intermediate" scrutiny).

could easily be construed as a threat to democratic electoral processes. The distinctive role played by government as both a possible threat to, and participant in, our system of freedom of expression warrants caution in analyzing municipal speech as a subject of First Amendment protection. However, in application to HB 347, the issue is not complex, because it involves a state statutory limitation on municipal speech.

> Political subdivisions of States--counties, cities, or whatever--never were and never have been considered as sovereign entities." *Reynolds* v. *Sims*, 377 U.S. 533, 575, 84 S. Ct. 1362, 12 L. Ed. 2d 506 (1964). They are instead "subordinate governmental instrumentalities created by the State to assist in the carrying out of state governmental functions." *Ibid.*; see also *Louisiana ex rel. Folsom* v. *Mayor and Administrators of New Orleans*, 109 U.S. 285, 287, 3 S. Ct. 211, 27 L. Ed. 936 (1883) ("Municipal corporations are instrumentalities of the State for the convenient administration of government within their limits"). State political subdivisions are "merely . . . department[s] of the State, and the State may withhold, grant or withdraw powers and privileges as it sees fit." *Trenton* v. *New Jersey*, 262 U.S. 182, 187, 43 S. Ct. 534, 67 L. Ed. 937 (1923) . . .

Ysursa v. Pocatello Educ. Ass'n, 555 U.S. 353, 362 (2009).

A municipality, as a political subdivision of the state, is a subordinate unit of government created by the state to carry out delegated governmental functions. Such a political subdivision, "created by a state for the better ordering of government, has no privileges or immunities under the federal constitution which it may invoke in opposition to the will of its creator." *Id.* at 363 citing *Williams* v. *Mayor of Baltimore*, 289 U.S. 36, 40, 53 S. Ct. 431, 77 L. Ed. 1015 (1933). The state is the sovereign body from which any municipal power must flow. Consequently, if the legislature decides to limit the authority of a municipality to "speak" in relation to initiative campaigns, the municipality does not enjoy any First Amendment protection from the statutory limitation on municipal expenditures.

Would it be unconstitutional to prohibit the use of municipal funds to support or oppose an initiative proposal, to circulate a petition for a ballot initiative, or to influence the outcome of an election concerning a ballot initiative?

For the reasons articulated above, the legislature could constitutionally prohibit the use of municipal funds to support or oppose an initiative proposal, to circulate a petition for a ballot initiative, or to influence the outcome of an election concerning a ballot initiative with or without the approval of municipal voters.

If you have further questions, please do not hesitate to contact me.

TLAB:plm
12-197.plm

STATE OF ALASKA

SEAN PARNELL
GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

LABOR & STATE AFFAIRS
1031 WEST 4th AVENUE, SUITE 200
ANCHORAGE, ALASKA 99501-1994
PHONE: (907) 269-6612
FAX: (907) 258-4978

March 27, 2012

Anna Latham, Legislative Aide
Office of Representative Olson
State Capitol, Room 24
Juneau, Alaska 99801

Re: House Bill No. 347

Dear Ms. Latham,

You have asked two questions about House Bill No. 347—a bill which will limit a municipality's ability to appropriate public money to support or oppose a ballot initiative or question. Your first question was whether this proposed law infringes on a municipality's free speech rights. The answer is no. Second, you asked whether the law would prohibit a municipal officer from flying to Juneau to testify on issues related to their district during session. The answer is also no. Allow me to elaborate.

First, House Bill No. 347 is constitutional.

Governmental entities—including municipalities—have no independent First Amendment rights.[1] Municipalities are not treated like individual citizens for purposes of constitutional inquiries, and the legislature is allowed to restrict municipal appropriations for speech related activities.[2] Recently, in *Associated Students of Univ. of Cal. at Santa Barbara v. Regents of the Univ. of Cal.*, a federal district court held that a public university's decision to prohibit using public funds for ballot initiative speech was not a violation of a student group's constitutional rights.[3]

---

1 *See, e.g., Demery v. Arpaio*, 378 F.3d 1020, 1032-33 (9th Cir. 2004) (affirming that "the Bill of Rights protects the individual from the government, not the other way around").

2 *Buckley v. Valeo,* 424 U.S. 1, 93-108 (1976). *See also Regan v. Taxation with Representation of Washington*, 461 U.S. 540, 546, 549 (1983) (affirming that First Amendment rights do not require state subsidization of First Amendment speech).

3 *Associated Students of Univ. of Cal. at Santa Barbara v. Regents of the Univ. of Cal.,* 2007 WL 196747, at 4 (N.D. Cal. 2007).

In House Bill No. 347, the legislature proposes to limit a municipality's ability to spend during the ballot initiative process. The new law would allow a municipality to appropriate ballot initiative funds only if, by popular vote, the citizens of the municipality agree to do so. The legislature is also considering whether to eliminate the municipality's ability to fund ballot initiative activities altogether. Either law would be constitutional. If challenged, there would be no genuine issue of fact regarding whether the money appropriated was public money. As such, the legislature's decision to restrict funding is simply a decision not to subsidize free speech; a choice which is always at the discretion of the legislature.[4] And because this law would not restrict an individual's freedom of speech, it is constitutional.

Second, House Bill No. 347 does not prevent a municipal member from representing the district's interests during the legislative session. Municipal officers acting within the scope of their duties are exempt from Alaska's comprehensive lobbying laws.[5] Appropriating funds for a municipal officer to travel to Juneau during session to "lobby" is not implicated by House Bill No. 347.[6]

Sincerely,

MICHAEL C. GERAGHTY
ATTORNEY GENERAL

By:
John M. Ptacin
Assistant Attorney General

JMP/ljt

cc: Deborah Behr, Section Chief, Department of Law, Legislation & Regulations Section (*via email*)
Cori Badgley, Legislative Liaison, Department of Law, Legislation & Regulations Section (*via email*)

---

4 *Id.* at 8.

5 AS 24.45.161(a)(2) (2010).

6 Under House Bill No. 347, a municipal member could not go to Juneau during session solely for purposes of ballot initiative advocacy. But that is not likely ever the intention of sending a municipal member to Juneau during the session.

LEGISLATIVE RESEARCH SERVICES

Alaska State Legislature
Division of Legal and Research Services
State Capitol, Juneau, AK 99801

(907) 465-3991 phone
(907) 465-3908 fax
research@legis.state.ak.us

Memorandum

TO: Representative Kurt Olson
FROM: Tim Spengler, Legislative Analyst
DATE: March 9, 2012
RE: State Prohibitions on Spending Municipal Funds on Initiatives without Voter Approval
LRS Report 12.215

You asked if any states prohibit the use of municipal funds to support or oppose an initiative proposal without voter approval.

Briefly, we identified no states with specific statutory provisions prohibiting the use of municipal funds to support or oppose an initiative (or other political or electoral matter) *without* voter approval.[1] Most of the states we reviewed, however, prohibit municipalities from expending funds for such purposes *regardless* of whether municipal voters approve of such actions or not.

Fourteen of the 20 states we reviewed prohibit the use of public funds to support or oppose an initiative.[2] Those states are Arizona; California; Georgia; Florida; Idaho; Massachusetts; Montana; Nevada; New Mexico; North Dakota; Oregon; Utah; Washington; and Wyoming.[3] It is interesting to note that none of the 11 Western States that we contacted (where initiatives are more commonly used) allow for the use of municipal funds to support or oppose an initiative. On the other hand, six of the nine states (excluding Florida, Georgia, and Massachusetts) that we contacted in the Northeast and South do not have such prohibitions.[4]

Below we provide an example of statutory language from the California Government Code 54964:

> a) An officer, employee, or consultant of a local agency may not expend or authorize the expenditure of any of the funds of the local agency to support or oppose the approval or rejection of a ballot measure, or the election or defeat of a candidate, by the voters. . . "Ballot measure" means an initiative, referendum, or recall measure certified to appear on a regular or special election ballot of the local agency, or other measure submitted to the voters by the governing body at a regular or special election of the local agency.

As previously noted, such state laws do not allow for the use of municipal funds for *any* political advocacy, not just advocacy pertaining to initiatives. Also, it appears that most or all of these states *do* allow municipalities to expend funds to provide *informational or educational* background materials regarding an initiative.

A few years ago, a wide-ranging effort was made in Alaska to prohibit public spending on political advocacy. The "Alaska Anti-Corruption Act," Ballot Measure 1, was on the primary election ballot in August of 2010. The initiative would have banned the

---

[1] For this report, we reviewed numerous state statutes and election websites, communicated with personnel from the National Conference of State Legislatures, the Initiative and Referendum Institute, the Council of State Governments, Ballot Access News, National League of Cities, and spoke with officials from many state municipal leagues.

[2] It is likely that a number of other states also have provisions prohibiting the use of municipal funds to advocate for or against a ballot initiative.

[3] In Idaho, Massachusetts and New Mexico, the prohibition is not codified in law but rather, pursuant to court rulings. (We were unable to identify the court case particulars in New Mexico.) Relevant statutory citations (or case law) are as follows: Arizona (ARS 9-500.14), California (CAL. Gov. Code 54964), Georgia (OCGA 21-5-30.2 and 21-5-3), Florida (FS 106.113), Idaho (pursuant to *Ameritel vs. Greater Boise Auditorium District*, 141 Idaho 849), Massachusetts (pursuant to *Anderson vs. City of Boston*, 367 Mass. 178), Montana (MCSA 2-2-121), Nevada (NRS 281A.520), New Mexico (pursuant to court decision), North Dakota (NDCC 16.1-10), Oregon (ORS 260.432), Utah (UCA 20A-11-1203), Washington (RCW 42.17A.555), and Wyoming (WSA 9-13-105(b) and 22-26-116).

[4] The states we identified that do not have laws prohibiting the spending of municipal funds for such purposes are Alabama, Connecticut, Maine, New Hampshire, Rhode Island, and Virginia. Again, there were numerous states that we did not contact and likely a number of those also do not prohibit municipalities from expending funds on initiatives.

use of public funds for political campaigns and lobbying by state and local government agencies and school districts to support or oppose ballot measures, lobby to pass a law, or request public funding. The measure failed as nearly 61 percent of voters cast their ballots against it.

While Ballot Measure 1 had the support of a number of groups such as Alaskans for Open Government and the Committee to Stop Corruption, it was opposed by such entities as the Alaska Chamber of Commerce, the Resource Development Council, the Alaska Municipal League, the Anchorage School Board and Assembly, and the Alaska Democratic Party.

The *Fairbanks Daily News-Miner,* which also opposed the measure, stated the following in their editorial published on August 20, 2010:

> Proponents of the measure say average voters should bring such troubles to the attention of legislators. The average voter might do so, but why cut out an authoritative source? We elect mayors, assembly members and school board members to represent us. And our local government officers shouldn't have to wait for a call from Juneau before they do that job. Alaskans should vote "no" on Ballot Measure 1.

We hope this is helpful. If you have questions or need additional information, please let us know.

City of Homer

City Manager

491 East Pioneer Avenue
Homer, Alaska 99603
907-235-8121, X-2222

Fax (907) 235-3148 E-mail: wwrede@ci.homer.ak.us Web Site: www.ci.homer.ak.us

March 30, 2012

Chair Gatto
House Judiciary Committee
State Capitol
Juneau, AK 99801

RE: HB 347 "An Act prohibiting the use of municipal funds to support or oppose an initiative proposal to circulate a petition for a ballot initiative, or to influence the outcome of an election concerning a ballot initiative, without approval by municipal voters at an election."

Dear Chair Gatto,

The City of Homer appreciates the opportunity to comment on HB 347 which is currently before your committee and scheduled to be heard on Monday.

A municipality has the duty to educate and inform constituents about ballot initiatives so the people can make an educated choice when voting on an initiative. I am concerned that HB 347 would restrict a municipality's ability to provide factual information to the voting public. AS.15.13.145(b) already requires that if a municipality is going to take a position or advocate for an initiative they must appropriate any funds spent on such advocacy through an ordinance. This provides for an accountable public process regarding the advocacy action. Requiring a special election before spending any funds on advocacy activity would be expensive and not allow enough time for the meaningful distribution of information.

HB 347 would have a negative impact on informed public discourse and I urge you not to support this legislation in its current form.

Thank you for your time and attention.

Sincerely,

Walt Wrede
City Manager, City of Homer

Cc:
Representative Thompson
Representative Keller
Representative Lynn
Representative Pruitt
Representative Gruenberg
Representative Holmes
Representative Hawker
Representative Seaton
Senator Stevens

ALASKA STATE LEGISLATURE

REPRESENTATIVE KURT OLSON

- Chair: Labor and Commerce
- Vice Chair: Rules, Administrative Regulation Review
  Economic Development Trade & Tourism
- Member: Energy, Legislative Budget & Audit

Session: January - April
State Capitol, Room 24
Juneau, AK 99801-1182
Phone: 907-465-2693
Fax: 907-465-3835

Interim: May - December
145 Main Street Loop, Ste 221
Kenai, AK 99611
Phone: 907-283-2690
Fax: 907-283-2763

Official Business

MEMORANDUM

TO: Senator Bill Wielechowski, Chair
Senate State Affairs Committee

FROM: Representative Kurt Olson

DATE: April 11, 2012

RE: Scheduling of HB 347

At your earliest convenience, I respectfully request the scheduling of House Bill 347 "An Act prohibiting the use of municipal funds to support or oppose an initiative proposal to circulate a petition for a ballot initiative, or to influence the outcome of an election concerning a ballot initiative, without approval by municipal voters at an election".

Please do not hesitate to contact my staff, Anna Latham at 465-4530 with any questions or concerns about this legislation. I look forward to hearing from you and discussing this bill in further detail.

Thank you for your consideration.

Email: Representative_Kurt_Olson@legis.state.ak.us

HCR

6

<TARGET><BILL>HCR 6</BILL><SUBJECT>HCR
6</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 3/1/11

FURTHER:

DATE TURNED IN TO OFFICE: 3-29-11

State Affairs Committee considered HOUSE CONCURRENT RESOLUTION NO. 6

HCR 6-SEXUAL ASSAULT AWARENESS MONTH

Proclaiming the month of April 2011 to be Sexual Assault Awareness Month.

and recommends:

[ ] be **replaced** with **SCS** _____ (_____)

[ ] Same Title [ ] Technical Title Change or [ ] New Title & SCR No._____

[ ] adopt **previous SCS** _____ (_____)

[ ] Same Title [ ] Technical Title Change or [ ] New Title & SCR No._____

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
H.RLS			X	1

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Giessel	X			
	Meyer	X			
	Preston	X			
	Kookesh	X			
CHAIR:	Wielechowski	X			

REPRESENTATIVE MIA COSTELLO
Member, House Finance Committee

MEMORANDUM

DATE: March 3, 2011

TO: Senator Bill Wielechowski, Chair, Senate State Affairs

FROM: Representative Mia Costello

RE: Request for Hearing **on HCR 6: Proclaim April 2011 Sexual Assault Awareness Month**

I respectfully request a hearing for HCR6 in the Senate State Affairs Committee at your earliest convenience. Given the daunting statistics regarding sexual assault and domestic violence in this state, it is crucial that state leaders continue to educate the public and promote awareness of this issue in an effort to eradicate this dark shadow that is cast across Alaska. Passing HCR 6 is just one way that we can help spread the message of no tolerance for this behavior.

With April just around the corner, I am hopeful that a hearing on the resolution will be scheduled at your earliest convenience.

Attached you will find:

1. HCR 6
2. Sponsor Statement
3. Fiscal Note
4. House Floor Vote
5. Governor's Choose Respect document
6. News Articles
7. 2010 Victimization Report
8. Council on Domestic Violence & Sexual Assault Annual Report 2010
9. Possible individuals to testify (depending on the hearing date)

If you have any additional questions, please contact Jane Alberts in my office at 465-6446.

SESSION:
Alaska State Capitol
Juneau, AK 99801
Tel: 907-465-4968
Fax: 907-465-2040

rep.mia.costello@legis.state.ak.us
1-800-773-4968

Sand Lake, Jewel Lake and Kincaid

INTERIM:
716 W. 4th Ave.
Anchorage, AK 99501
Tel: 907-269-0117
Fax: 907-269-0119

REPRESENTATIVE MIA COSTELLO
Member, House Finance Committee

House Concurrent Resolution 6
Sponsor Statement

Proclaiming the Month of April 2011
Sexual Assault Awareness Month

With Alaska possessing a sexual assault rate 2.5 times that of the rest of the nation, House Concurrent Resolution 6 encourages all Alaskans to speak out against sexual assault and let their families, friends and neighbors know that this behavior will not be tolerated.

In conjunction with the Governor's "Choose Respect" campaign and strides made in the past few years, the intention of HCR 6 is to continue public education and heighten awareness of the debilitating effects of sexual assault on Alaskans of all ages and walks of life.

HCR 6 also wishes to recognize the perseverance and dedication of the agencies, nonprofits and thousands of volunteers who work tirelessly to discourage the continuance of this shameful crime and who provide needed intervention, refuge and support for its victims.

Please join me in this endeavor by supporting this legislation to proclaim April 2011 Sexual Assault Awareness Month.

SESSION:
Alaska State Capitol
Juneau, AK 99801
Tel: 907-465-4968
Fax: 907-465-2040

rep.mia.costello@legis.state.ak.us
1-800-773-4968

Sand Lake, Jewel Lake and Kincaid

INTERIM:
716 W. 4th Ave.
Anchorage, AK 99501
Tel: 907-269-0117
Fax: 907-269-0119

Alaska State House of Representatives

Interim:

Phone: (907)
Fax: (907)

Session:
State Capitol, Room 412
Juneau, AK 99801-1182
Phone: (907) 465-4968
Fax: (907) 465-2040

Sponsor Statement from:

Representative Mia Costello

R - District 27

RELEASED: February 21, 2011 **CONTACT**: Jane Alberts, 465-6446

HCR6 - Sexual Assault Awareness Month

"Proclaiming the month of April 2011 to be Sexual Assault Awareness Month."

Status: TRANSMITTED TO (S) >> (S) STA : 2011-03-01

With Alaska possessing a sexual assault rate 2.5 times that of the rest of the nation, House Concurrent Resolution 6 encourages all Alaskans to speak out against sexual assualt and let their families, friends and neighbors know that this behavior will not be tolerated.

In conjunction with the Governor's "Choose Respect" campaign and strides made in the past few years, the intention of HCR 6 is to continue public education and heighten awareness of the debilitating effects of sexual assualt on Alaskans of all ages and walks of life.

HCR 6 also wishes to recognize the perseverance and dedication of the agencies, nonprofits and thousands of volunteers who work tirelessly to discourage the continuance of this shameful crime and who provide needed intervention, refuge and support for its victims.

Please join me in this endeavor by supporting this legislation to proclaim April 2011 Sexual Assault Awareness Month.

# # #

House Majority Press: http://housemajority.org/spon.php?id=27HCR6

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HCR 6
(H) Publish Date: 2/28/2011

Identifier (file name)
Title: SEXUAL ASSAULT AWARENESS MONTH
Sponsor: REP(S) COSTELLO, Fairclough, Kerttula
Requester: House Rules Committee

Dept. Affected
Appropriation
Allocation
OMB Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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 (please identify)							
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

N/A

Prepared by: House Rules Committee
Division:
Approved by: Rep. Craig Johnson, Chair

Phone: 465-3764
Date/Time: 2/28/11 12:00 AM
Date: 2/28/2011

(Revised 1/27/2011 OMB)

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HCR 6

Analysis

No fiscal impact

STATE CAPITOL
PO Box 110001
Juneau, Alaska 99811-0001
907-465-3500
fax: 907-465-3532

550 West 7th Avenue #1700
Anchorage, Alaska 99501
907-269-7450
fax 907-269-7463
www.Gov.Alaska.Gov
Governor@Alaska.Gov

Governor Sean Parnell
STATE OF ALASKA

January 31, 2011

The Honorable Mia Costello
Alaska House of Representatives
State Capitol, Room 412
Juneau, AK 99801

Mia

Dear Representative Costello,

Last March, my administration joined with mayors and communities from around Alaska to challenge all Alaskans to "Choose Respect" and end the epidemic of domestic violence and sexual assault that has existed in our state for too long. As a result, 18 communities joined together with a message of hope and healing for the many who have suffered from these crimes.

The work begun in 2010 has given more Alaskans the courage to speak and the strength to act. This March 31st, we will again coordinate statewide "Choose Respect" events – and I have issued a challenge for at least 40 communities to participate and take a stand in 2011. I am asking you to help lead or participate in a Choose Respect event in your area on March 31st, 2011.

I hope you will join us – my administration, Alaska's non-profits, stakeholders, your fellow legislators, and all Alaskans – as we raise awareness and challenge Alaskans to continue to "Choose Respect." Together, we can make a difference and continue to cultivate a culture of respect in our state. More information can be found on the "Choose Respect" website at http://chooserespect.alaska.gov. Please contact Katie TePas in my office at 907-465-3500 for more information.

I look forward to partnering with you as we gain even more ground for safe Alaska homes and strong families.

Best regards,

Sean

Sean Parnell
Governor

Jane Alberts

From: Jane Alberts
Sent: Wednesday, February 23, 2011 11:49 AM
To: Jane Alberts
Subject: Sexual assault stats/testimony

Senate finance subcommittee hears testimony on domestic violence funding

By Klas Stolpe | *JUNEAU EMPIRE*

The Senate Finance Subcommittee on Tuesday heard testimony on funding for domestic violence programs in the state from the head of the Council on Domestic Violence and Sexual Assault and also from Department of Public Safety Commissioner Joseph Masters.

"Over 10,600 people sought services during 2010," said Lauree Morton, the council's interim director. "And 61 percent described their primary issue as domestic violence."

Morton gave an overview of the council's work, detailing the importance of the council to the DPS. The council funded 20 victim's service programs across the state in fiscal year 2010.

Morton also said that 26 percent said their main problem was sexual assault.

Alaska's challenge, according to the CDVSA's annual report, is Alaska continues to lead the national average for both domestic violence and sexual assault.

Non-statutory rape occurs in Alaska at 2.3 times the national average and the highest rate of any state. The percentage of high school students in Alaska who reported having been slapped or physically hurt on purpose during the past 12 months is above the average as well, as is the number of students forced to have sexual intercourse when they did not want to.

The council requested an $550,000 to help with basic functions, such as the rising cost of health insurance, other insurances for emergency transportation and staff retention.

"This year in particular looks like it may be a struggle for the insurance programs," Morton said.

Another request of $697,500 was for legal advocates. A current federally-funded legal advocate program is for one year only.

Morton also discussed a program funded through STOP (Services Training Officers Prosecutors) by Violence Against Women Act grant funds.

"If victims have access to legal services including advocacy and representation, they have a much better chance of establishing and maintaining safety," Morton said.

Sen. Donny Olson, D-Golovin, said close to $500,000 had been spent in the last couple years on prevention and asked, "Are we seeing results?"

Morton said it is too early to see results, but what is seen is the increased numbers seeking help of the domestic violence programs around the state.

"We know that our numbers are high," Morton said. "We know that many people do not report domestic violence or sexual assault, and with the increased focused attention to those issues we have seen the numbers of people contacting the crisis lines and the programs increasing."

Sen. Fred Dyson, R-Wasilla, asked Morton, "With the accelerated number of people reporting are we seeing a jump in the number of convictions?"

DPS Commissioner Joseph Masters said the Department of Law had also increased its efforts and its internal policies on the prosecution of domestic violence cases.

"It may be a while before we actually get the statistics but it appears, at least anecdotally, that we are seeing an increase in the number of cases being referred and accepted for prosecution. I would expect with the DOL's increased efforts to focus on prosecution that there is an increased level, although I cannot give you a figure."

Morton also mentioned public awareness and prevention campaigns throughout the state, including Alaska Men Choose Respect, Stand Up Speak Up Youth Initiative, The Fourth R, and Delta/Pathways Community Based Prevention Projects.

The Fourth R (Relationships), a program out of Canada revised to fit Alaska's specific needs, was implemented in 20 schools around the state to help connect with parents through children.

"You name the community and it is probably in this group," Morton said of the Pathways program. "It has come together to look at domestic violence specifically and in the last year has merged with a statewide rape prevention to end this violence."

Stand Up Speak Up engages teenagers in leadership positions to speak out against domestic violence and sexual assault, helping to develop leadership skills and the opportunity to have input on the different prevention activities and media campaigns and messages.

Sen. Hollis French, D-Anchorage, asked Morton to ponder philosophically, since Alaska's rates are twice the national average, if all the small steps being taken incrementally are going to get the state to where it wants to go.

"If you had a budget of $25 million, where would you spend it?" he asked.

Morton stated a large portion would go in the communities on bystander prevention efforts, aimed towards having friends, neighbors, and relatives of those engaged in the violent behavior to stand up and speak out.

"Call attention to it," Morton said. "Say to that person that is not OK, we are not a community that tolerates this type of violence. Funding itself is not going to get us to a place where we have peaceful communities. But I think individually as we all step up and say it is not OK and we want peace and we will encourage that in our thoughts and in our words and our actions, which is where we will make the difference."

Morton also said it was important to have a cohesive statewide message, regional messages tweaked to various diverse communities in the state, and to ensure people have accurate translations of that information.

Morton would also increase victims' access to services closer to their home communities, particularly for sexual assault exams.

French said he shared the belief getting every victim an exam as soon as possible after an assault was important, and wondered who paid for the nurses' salaries for those exams.

"Through their agencies," Morton said. "If they are in a hospital, the hospital pays for their salaries."

French asked if more exams would lead to more prosecutions and Morton stated there was evidence to that effect, both nationally and at the state level.

Morton said while it was the goal of the council to focus on the victims, it is also a goal to hold perpetrators accountable for their actions and paying for restitution.

"Many of the programs operate on a sliding scale fee for monetary or community service," Morton said. "Anyone can be a victim of a violent crime. It has more to do with the person who chooses to commit the crime than it does with the person who has the crime committed against them."

Olson asked what other states with lower domestic violence rates were doing that seems to be working better.

"I don't know that they are doing that many things different," Morton said. "I think that some of the prevention efforts sweeping the nation have a few years on us. I think that reporting is always the question, do we actually have more domestic violence and sexual assault or have better reporting, or a combination. It could be for us that it is a combination and we actually hope to see our numbers increase over the next few years. Because we think that will show that people are more comfortable with the system and knowing that they can get help."

The Tuesday testimony will be considered as part of the state's overall spending plan being crafted by the finance committees of both the Senate and the House.

Jane Alberts
Staff to Representative Mia Costello
Alaska State Capitol, Room 412
Juneau, AK 99801
907-465-4968

adn.com
Anchorage Daily News

Print Page Close Window

Our view: Stunning numbers

Victimization survey quantifies a brutal Alaska reality

(01/24/11 20:28:21)

A joint hearing by two state Senate committees revealed grim numbers on Monday. • More than 47 percent of Alaska women report that they've been the victims of either threats and/or actual physical domestic violence in a romantic or intimate relationship at some time in their lives.

• More than 44 percent have suffered physical violence in a close relationship, from slapping to severe beatings.

• More than 9 percent report either physical violence or the threat of it in the last year.

• More than 37 percent report that they've suffered some form of sexual assault in their lives.

• More than 4 percent report that they've suffered sexual assault in the last year.

• More than 58 percent of Alaska women report that they've suffered either threats of violence or actual physical violence in an intimate relationship or sexual assault at some time in the lives.

Andre Rosay of the UAA Justice Center told the senators that these numbers are "astonishingly high." The numbers are based on a survey of 871 adult Alaska women in May and June of 2010, called the 2010 Alaska Victimization Survey. Both Rosay and Lauree Morton, interim director of the state Council on Domestic Violence and Sexual Assault, said even those staggering numbers are almost certainly conservative.

Sen. Hollis French asked Morton if the numbers surprised her. "Sen. French, no," Morton replied. She said people working in the field have long known that Alaska numbers were high. The survey -- which had women reporting sexual assault at about 10 times the rate sexual assault is reported to police -- only quantified what many Alaskans have known or suspected. Still, the numbers shock. What to do? Recent actions include Gov. Sean Parnell's "Choose Respect" campaign and his hiring of more village public safety officers in rural Alaska. Sen. Fred Dyson noted the success of programs to report crimes against children, in which police, nurses and counselors work together to ease the pain of interviews and exams; similar models could ease the ordeal of reporting, arrests and successful prosecutions for women.

Even in the brief testimony and comments Monday, two elements became clear. Prevention is far preferable to treatment. Morton talked about a pilot program in schools that teaches about the "fourth R": relationships. But when assault has occurred, Alaska's women need to know that the state's best and most caring people are on their side, that they are not and need not be alone. French said Monday's hearing and the report were a beginning. The end should be to change this violent reality.

BOTTOM LINE: Domestic violence and sexual assault survey should spur Alaskans to change numbers, save lives.

adn.com
Anchorage Daily News

Print Page Close Window

Poll aims to get baseline data for Alaska domestic violence

'ALARMING': Officials in Alaska may learn if efforts to curb the problem work.

By BECKY BOHRER
The Associated Press
(01/25/11 07:34:02)

JUNEAU -- Nearly half of all Alaska women have been threatened or physically harmed by a partner during their lifetime, according to a newly released survey intended to provide a baseline for domestic violence and sexual assault rates in the state.

About 37 percent of women polled said they'd been sexually victimized at some point during their lives.

Andre Rosay, director of the University of Alaska Anchorage Justice Center, which took the lead in conducting the poll commissioned by a legislative committee, called the rates "very alarming." It's not immediately clear how Alaska compares with other states: The survey, which found nearly 48 percent of women in the state have been threatened or harmed by a partner, was based on a national poll, the results of which aren't expected for several months, he said.

The Alaska survey of 871 women has holes: Conducted last May and June, it involved only English-speaking adults with at least one phone in their household. The report on its findings notes rates of violence "may be significantly higher" among those not interviewed -- including non-English speakers and women in prison or shelters.

It also notes the continued stigma connected with reporting violence and calls the findings conservative.

Rosay called the survey a "first wave" of information gathering. He said it provides a baseline that includes both incidents reported and not reported to law enforcement. Using the baseline, he said, officials should be able to track whether steps being taken to curb the violence are working.

Gov. Sean Parnell has made cracking down on what he calls the scourge of domestic violence and sexual assault a centerpiece of his legislative agenda -- calling on Alaskans to speak out, take away the stigma. So-called "Choose Respect" rallies, which Parnell helped lead in Juneau last year, are slated for communities around the state March 31.

Last year, the Legislature passed a suite of measures aimed at addressing the problem, including funding that Parnell said put village public safety officers in communities that did not have any law enforcement presence and what he called greater access to counseling services and shelters for abused women.

The governor is seeking funding for 15 additional officers for the next fiscal year.

Efforts are also under way to do regional victimization reports, said Lauree Morton, interim executive director of the Council on Domestic Violence and Sexual Assault. Variations among different parts of the state could be significant, Rosay said, and the results could show where additional attention or resources need to be focused.

The current proposals are "headed in the right direction," he said. "But I don't know if they'll be sufficient. It will take a great deal of effort and time to turn the curve."

Sen. Hollis French, chairman of the Judiciary Committee, which has been looking at the issue for some time, said the state has a "strong set" of laws for sentencing those convicted of sexual assault, but he said he wants to make sure investigators have the resources they need to build stronger cases to ensure there are more successful prosecutions. For example, he said, in many cases photos that could help build a case are never taken, or cell phone records that could establish a relationship between the victim and abuser aren't obtained.

Print Page Close Window

Copyright © Tue Jan 25 07:42:07 UTC-0900 20111900 The Anchorage Daily News (www.adn.com)

adn.com
Anchorage Daily News

Print Page Close Window

Lawmaker questions governor's anti-sex crime bills

HIT 'EM HARDER: Ramras wants tougher laws for sexual, domestic abuse.

By JEREMY HSIEH
The Associated Press
(01/25/10 23:23:28)

JUNEAU -- An Alaska lawmaker is questioning whether the Parnell administration's proposals for cracking down on domestic violence and sexual assault are far-reaching and tough enough to adequately address the problem.

"The remedy doesn't seem to meet the rhetoric of an epidemic," said Rep. Jay Ramras, a Fairbanks Republican also running for lieutenant governor this year.

Ramras' comment came Monday, when the first of three bills that Gov. Sean Parnell is proposing to address the problems came before the House Judiciary Committee, which Ramras chairs. Parnell has referred to domestic violence and sexual assault as epidemics.

The bill, which Ramras supports, would allow for stiffer penalties for certain offenders and require convicted sex offenders who move to Alaska to register in the state.

The state Department of Corrections submitted a cost estimate with the bill of $136,900 in the 2012 budget year. Ramras said that price tag translates into only three or four additional inmates a year, based on average inmate housing costs from Deputy Commissioner Dwayne Peeples.

Peeples said it would likely mean more inmates serving shorter sentences. He noted his department had submitted rough estimates.

Annie Carpeneti of the Department of Law said more substantial changes are in the governor's proposed budget, which includes money for a crime lab and more village public safety officers. Two more bills are forthcoming that address post-conviction DNA testing and revise bail laws for people charged with sexual assault or domestic violence.

Ramras also sought firmer Alaska-specific numbers for quantifying the problem and setting goals for addressing it. Department of Public Safety Commissioner Joseph Masters said state troopers respond to 800 to 1,000 cases a year of women and children who have been sexually assaulted.

Ramras aims to move the bill out of his committee after another hearing Wednesday. The Senate Judiciary Committee also held a hearing Monday on its version of the bill.

Like Ramras, Peggy Brown, the executive director of the Alaska Network on Domestic Violence and Sexual Assault praised the governor's intentions, but said more ought to be done, particularly on the prevention side.

"I'm happy the governor's doing it, but there's a part missing," Brown said.

Print Page Close Window

Copyright © Tue Jan 26 08:02:02 UTC-0900 20101900 The Anchorage Daily News (www.adn.com)

2010 Alaska Victimization Survey

Report to the Alaska State Legislature 1/24/11

University of Alaska Anchorage Justice Center
André B. Rosay

Council on Domestic Violence and Sexual Assault
Lauree Morton

UNIVERSITY of ALASKA ANCHORAGE

CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

Presentation Overview

- Update on recent statistics from Uniform Crime Reports
- 2009 Senate Judiciary Committee recommendation for victimization survey
- FY10 Alaska Victimization Survey
- FY11 Alaska Victimization Surveys

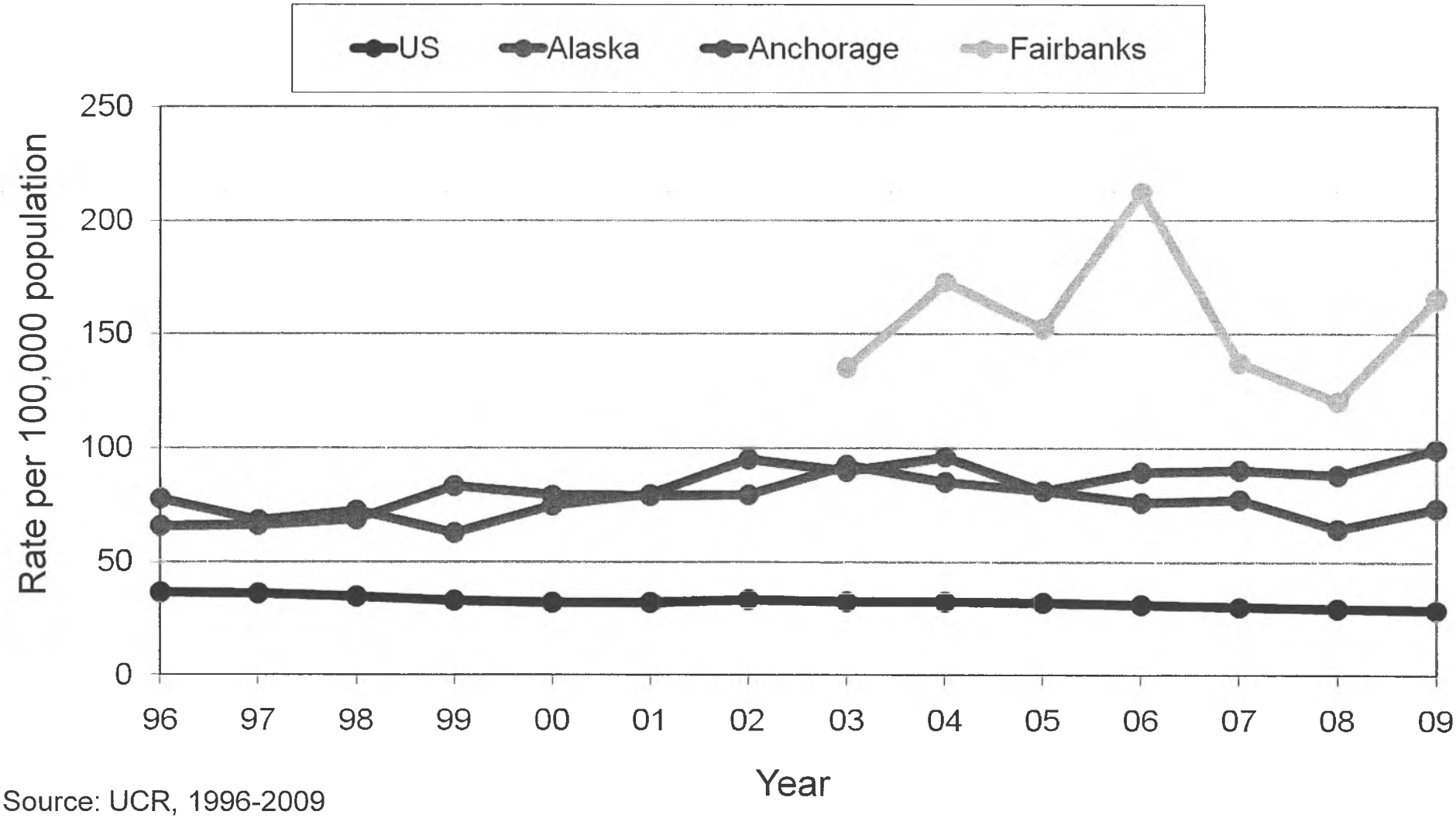
CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

Forcible Rape in Uniform Crime Reports

- **Forcible rape is defined as the carnal knowledge of a female forcibly and against her will**
- **UCR statistics show the number of forcible rapes reported to police each year**
- **Important limitations:**
  - Not all police agencies participate in the UCR program
  - These statistics only include rapes reported to police
  - These statistics exclude:
    - Statutory rapes
    - Incapacitated rapes
    - Rapes with male victims
    - Other sex offenses
    - Rapes with more serious offenses (e.g., homicide)

CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

UCR Forcible Rape Statistics: 1996-2009



Source: UCR, 1996-2009

CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

UCR Forcible Rape Statistics

	2007 to 2008	2008 to 2009
U.S.	-2.3%	-2.1%
Alaska	-16.9%	+12.3%
Anchorage	-2.7%	+11.6%
Fairbanks	-12.5%	+27.1%

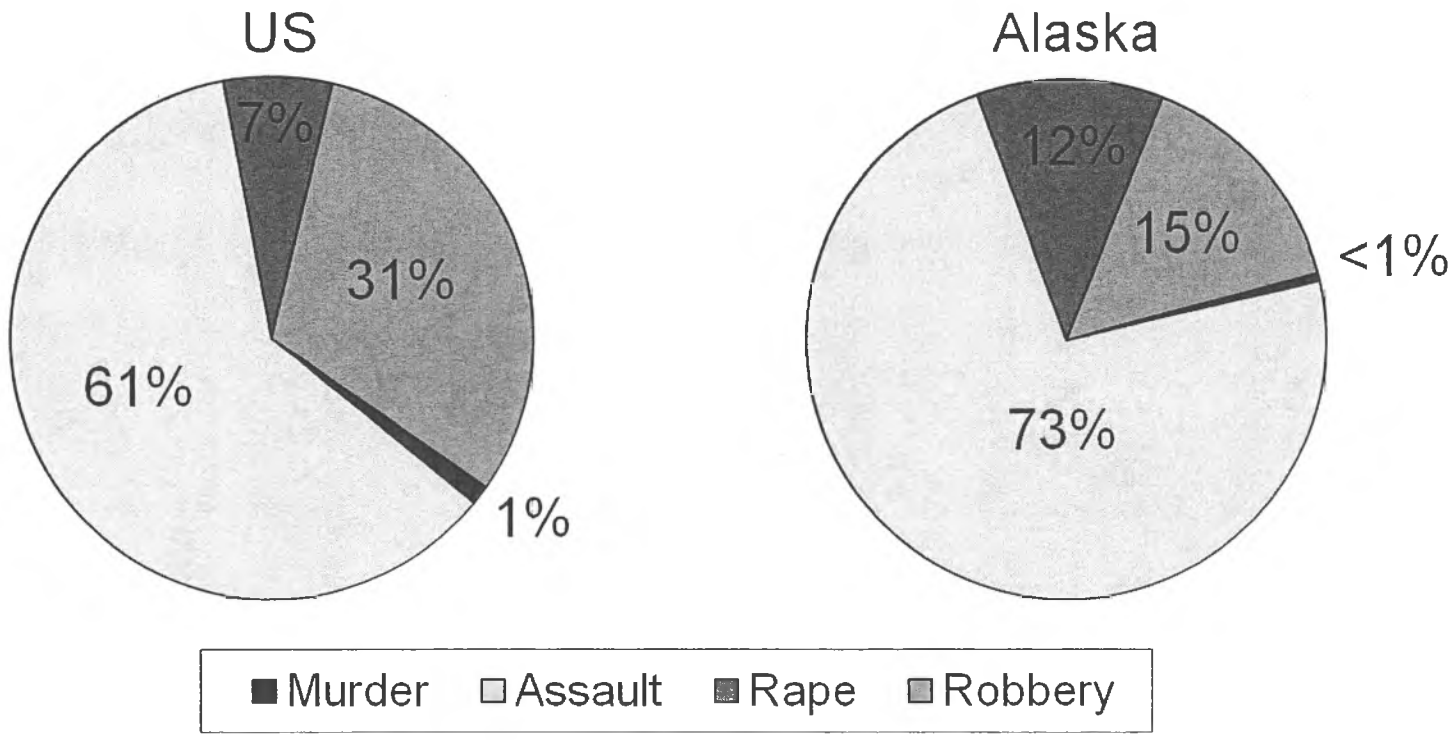
- Changes in UCR forcible rape statistics may be attributable to:
  - Changes in victimization rates,
  - Changes in reporting,
  - Changes in both victimization rates and reporting.

Source: UCR, 2007-2009

CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

Composition of Violent Crime: 2009

Forcible rape is still a more common form of violent crime in Alaska than in the U.S.



Source: UCR, 2009; Interpretation: 7% of violent crime reported to police in the US is attributable to rape; 12% of violent crime reported to police in Alaska is attributable to rape.

CDVSA
Council on Domestic Violence & Sexual Assault
Safety ★ Prevention ★ Accountability

Senate Judiciary Committee Recommendations

Alaska State Legislature

Senator Hollis French, Chair
State Capitol, Room 417
Juneau, Alaska 99801
Phone: (907) 465-3892
Fax: (907) 465-6595

Committee Members:
Senator Bill Wielechowski
Senator Dennis Egan
Senator Lesil McGuire
Senator Gene Therriault

Senate Judiciary Committee

Report and Recommendations: Reducing Sexual Assault in Alaska

"The legislature should fund a victimization survey to determine the actual rate of both reported and unreported sexual assaults in Alaska" (Senate Judiciary Committee, 2009).

Source: http://www.aksenate.org/french/101609_Senate_Judiciary_report_on_sexual_assault.pdf

Council on Domestic Violence and Sexual Assault

Council Vision:

Alaska, free from domestic and sexual violence

Council Mission:

Provide safety for Alaskans victimized or impacted by domestic Violence and sexual assault through a system of statewide crisis intervention, perpetrator accountability and prevention services.

CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

FY10 Alaska Victimization Survey

- Designed to establish a baseline with statewide intimate partner and sexual violence estimates.
- Modeled after the National Intimate Partner and Sexual Violence Surveillance System (CDC, NIJ, DoD) and administered by RTI.
- Utilized a statewide random digit dial dual frame phone survey (both land and cell phone lines).
- Maximized respondent safety and confidentiality.

CDVSA
Council on Domestic Violence & Sexual Assault
Safety ★ Prevention ★ Accountability

FY10 Alaska Victimization Survey

- Survey respondents were limited to English-speaking adult women residing in a household with at least one land or cell phone line.
- Includes 871 adult women throughout Alaska, surveyed in May/June 2010.
- Sample provides an excellent representation of the Alaska population of adult women.
- Sampling weights were used to control for selection, non-response, and coverage.

CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

Intimate Partner Violence Definitions

- Intimate partner violence includes two measures:
  - *A – Threats of physical violence.*
  - *B – Physical violence.*
  - *Both include intimate partners only, defined as romantic or sexual partners.*
  - *Measures are then combined into a single 'intimate partner violence' composite.*
- Threats of physical violence by intimate partners:
  - *Have your romantic or sexual partners made threats to physically harm you?*

CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

Intimate Partner Violence Definitions

- Physical violence by intimate partners:
  - *Have your romantic or sexual partners…*
    - *Slapped you?*
    - *Pushed or shoved you?*
    - *Hit you with a fist or something hard?*
    - *Kicked you?*
    - *Hurt you by pulling your hair?*
    - *Slammed you against something?*
    - *Tried to hurt you by choking or suffocating you?*
    - *Beaten you?*
    - *Burned you on purpose?*
    - *Used a knife or gun on you?*

CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

Intimate Partner Violence Estimates

Lifetime Estimates	Estimated %	Estimated N (out of 247,238)
Intimate Partner Violence[1]	47.6%	117,685
A. Threats	31.0%	76,644
B. Physical Violence	44.8%	110,763

1 – Includes both threats of physical violence and physical violence by intimate partners.

- *47.6% of adult women in Alaska (or 117,685) experienced intimate partner violence in their lifetime,*
  - *31.0% (or 76,644) experienced threats of physical violence,*
  - *44.8% (or 110,763) experienced physical violence.*

CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

Intimate Partner Violence Estimates

Past Year Estimates	Estimated %	Estimated N (out of 247,238)
Intimate Partner Violence[1]	9.4%	23,240
A. Threats	5.8%	14,340
B. Physical Violence	8.6%	21,262

1 – Includes both threats of physical violence and physical violence by intimate partners.

- *9.4% of adult women in Alaska (or 23,240) experienced intimate partner violence in the past year,*
  - *5.8% (or 14,340) experienced threats of physical violence,*
  - *8.6% (or 21,262) experienced physical violence.*

CDVSA
Council on Domestic Violence & Sexual Assault
Safety ★ Prevention ★ Accountability

Sexual Violence Definitions

- Sexual violence includes two measures:
  - *A – Alcohol or drug involved sexual assault.*
  - *B – Forcible sexual assault.*
  - *Measures are not limited to intimate partners.*
  - *Measures are then combined into a single 'sexual violence' composite.*
- Alcohol or drug involved sexual assault:
  - *When you were alcohol or drug intoxicated and unable to consent, has anyone…*
    - *Had vaginal sex with you?*
    - *Made you receive anal sex?*
    - *Made you perform oral sex?*
    - *Made you receive oral sex?*

CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

Sexual Violence Definitions

- Forcible sexual assault:
  - *Has anyone used physical force or threats to physically harm you to…*
    - *Make you have vaginal sex?*
    - *Make you receive anal sex?*
    - *Make you perform oral sex?*
    - *Make you receive oral sex?*
    - *Put their fingers or an object in your vagina or anus?*
    - *Try to have vaginal, oral, or anal sex with you?*

CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

Sexual Violence Estimates

Lifetime Estimates	Estimated %	Estimated N (out of 247,238)
Sexual Violence[1]	37.1%	91,725
A. Alcohol or Drug Involved Sexual Assault	26.8%	66,260
B. Forcible Sexual Assault	25.6%	63,293

1 – Includes both alcohol or drug involved sexual assault and forcible sexual assault.

- *37.1% of adult women in Alaska (or 91,725) experienced sexual violence in their lifetime,*
  - *26.8% (or 66,260) experienced at least one alcohol or drug involved sexual assault,*
  - *25.6% (or 63,293) experienced at least one forcible sexual assault.*

CDVSA
Council on Domestic Violence & Sexual Assault
Safety ★ Prevention ★ Accountability

Sexual Violence Estimates

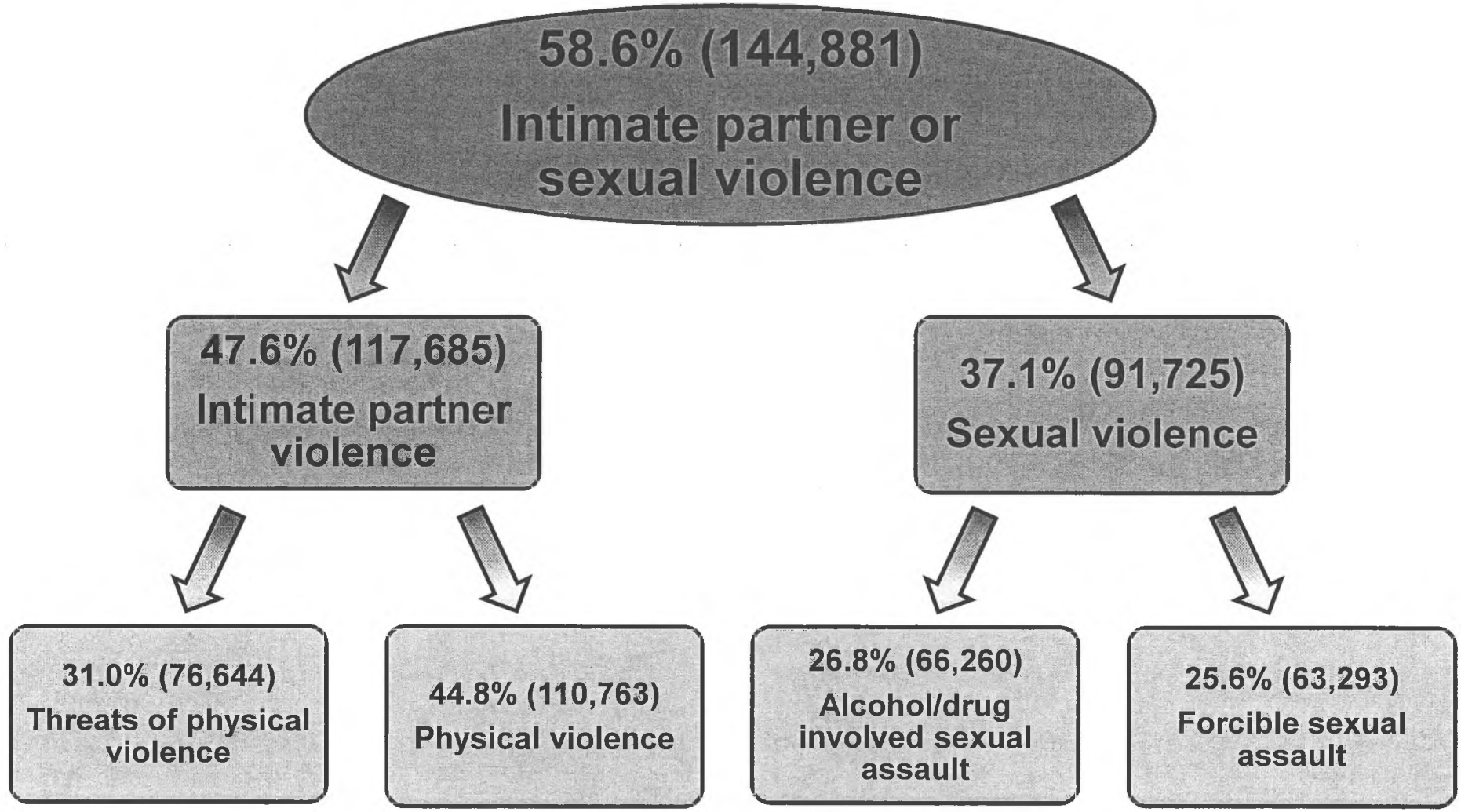
Past Year Estimates	Estimated %	Estimated N (out of 247,238)
Sexual Violence[1]	4.3%	10,631
A. Alcohol or Drug Involved Sexual Assault	3.6%	8,901
B. Forcible Sexual Assault	2.5%	6,181

1 – Includes both alcohol or drug involved sexual assault and forcible sexual assault.

- *4.3% of adult women in Alaska (or 10,631) experienced sexual violence in the past year,*
  - *3.6% (or 8,901) experienced at least one alcohol or drug involved sexual assault,*
  - *2.5% (or 6,181) experienced at least one forcible sexual assault.*

CDVSA
Council on Domestic Violence & Sexual Assault
Safety * Prevention * Accountability

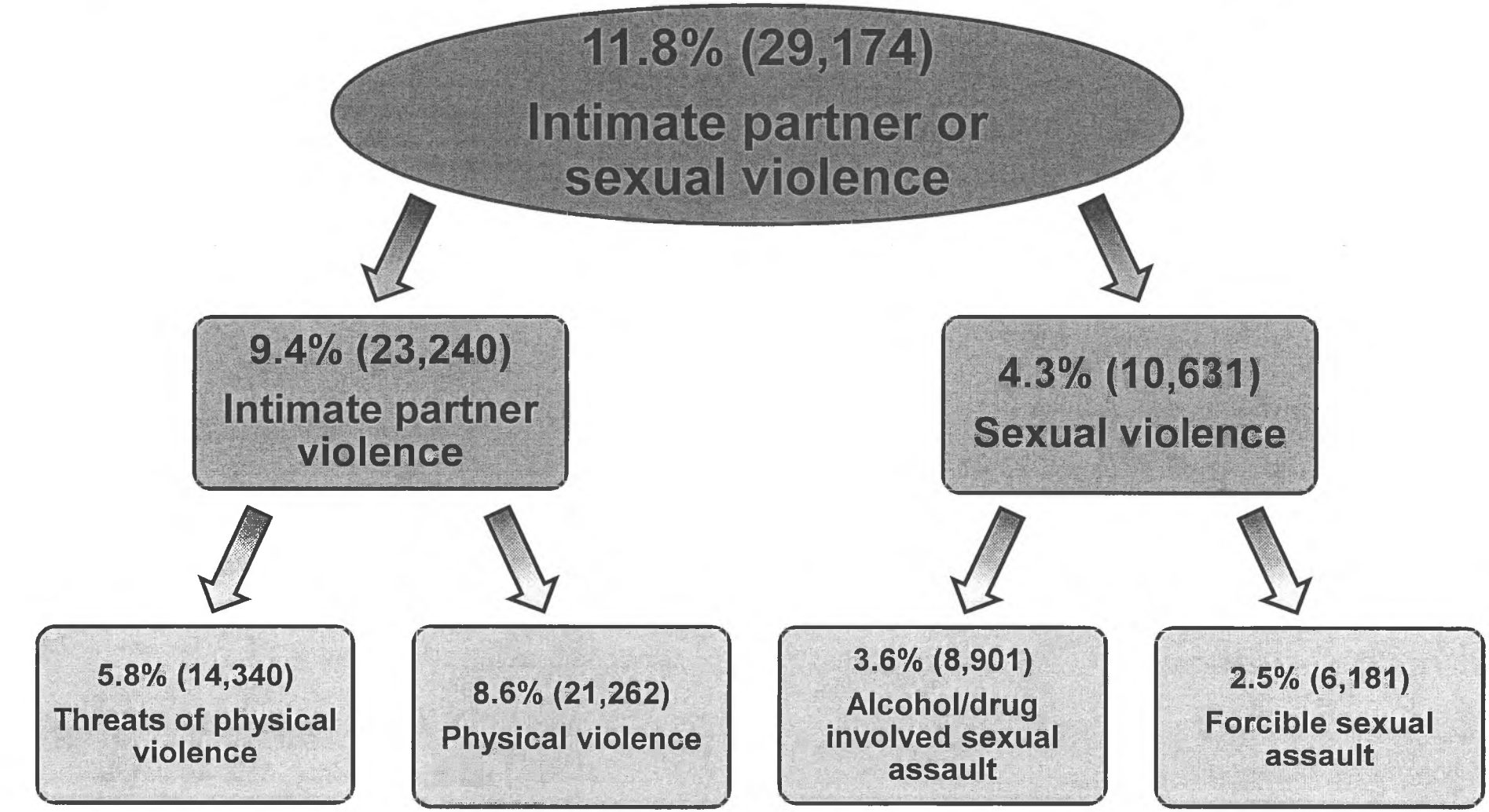
Summary of Lifetime Estimates



Note: percentages do not sum because some respondents experienced multiple victimizations.

CDVSA
Council on Domestic Violence & Sexual Assault
Safety ★ Prevention ★ Accountability

Summary of Past Year Estimates



Note: percentages do not sum because some respondents experienced multiple victimizations.

CDVSA
Council on Domestic Violence & Sexual Assault
Safety ★ Prevention ★ Accountability

Important Limitations

- Survey only provides a statewide average and masks regional differences. Regional estimates may vary significantly.
- Survey excluded non-English speaking women, women without phone access, and women not living in a residence (e.g., shelters, hospitals, homeless, prisons). Estimates may be significantly higher among women excluded from the survey.

CDVSA
Council on Domestic Violence & Sexual Assault
Safety ★ Prevention ★ Accountability

Important Limitations

- Measured *number of victims*, not *number of victimizations*. The number of victimizations is higher than the number of victims.
- Survey did not measure all forms of intimate partner violence or sexual violence. Estimates are therefore conservative.
- Estimates may also be conservative because of the continuing stigma of reporting intimate partner and sexual violence.

CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

A Special Thank You!

We sincerely thank the women who invested time and effort to participate in the 2010 Alaska Victimization Survey.

They re-lived horrendous experiences – experiences no one should be subjected to – to help the rest of us understand the extent of intimate partner and sexual violence in Alaska. Thank you!

CDVSA
Council on Domestic Violence & Sexual Assault
Safety ★ Prevention ★ Accountability

FY10 Alaska Victimization Survey

- Survey provides the first statewide, comprehensive, and behaviorally specific measures of violence against Alaskan women
- Establishes a new baseline for Alaska
- Fills an important gap left by police reports and public health records
- National comparisons and comparisons with other states will soon be available
- Results will be used to guide policy and practice

CDVSA
Council on Domestic Violence & Sexual Assault
Safety ★ Prevention ★ Accountability

FY11 Alaska Victimization Surveys

- Surveys will soon begin in Anchorage and Fairbanks
- In addition, surveys will include at least one rural location
- FY11 surveys will include two new questions:
  - Location of victimization (in/out of Alaska)
  - Child witnesses to violence
- FY11 surveys are again funded by the Alaska Council on Domestic Violence and Sexual Assault

CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

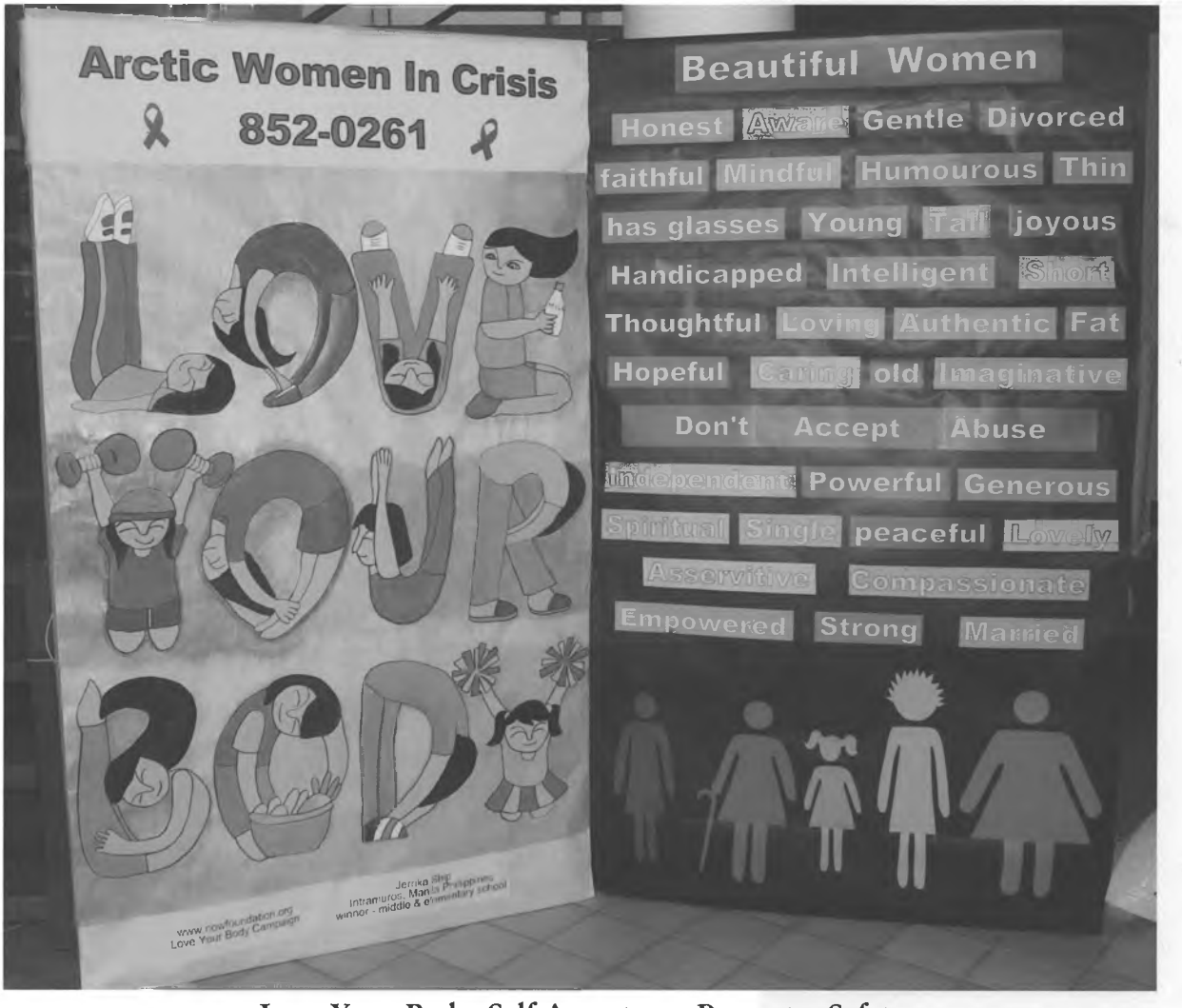
Contacts

University of Alaska Anchorage Justice Center
André B. Rosay (Anchorage)
(907) 786-1821
afabr@uaa.alaska.edu

CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

Council on Domestic Violence and Sexual Assault
Lauree Morton (Juneau)
(907) 465-4356
lauree.morton@alaska.gov

Annual Report
FY 2010



Love Your Body, Self-Acceptance Promotes Safety

Poster created by AWIC advocates: Cheryl Humme, Loida Casilla, Amy Casilla, Luz Lelis and the Women's Empowerment Group

CDVSA
COUNCIL ON DOMESTIC VIOLENCE & SEXUAL ASSAULT
Safety ★ Prevention ★ Accountability

Our Vision:

Alaska, free from domestic and sexual violence

Our Mission:

The Council provides safety for Alaskans impacted or victimized by domestic violence and sexual assault through a system of statewide crisis intervention, perpetrator accountability and prevention services

Our Purpose:

"There is established in the Department of Public Safety the Council on Domestic Violence and Sexual Assault. The purpose of the council is to provide for planning and coordination of services to victims of domestic violence or sexual assault or to their families and to perpetrators of domestic violence and sexual assault, and to provide for crisis intervention and prevention programs."

-Alaska Statute § 18.66.010

INTRODUCTION

In 1981, the Council on Domestic Violence and Sexual Assault (The Council or CDVSA) was created by legislation and established in the Department of Public Safety. For 30 years, the Council has funded programs across the state of Alaska to end domestic violence and sexual assault. In FY2010, the Council funded and supported 20 victim service programs and monitored 14 community and prison-based batterer intervention programs, 8 of which were funded partially through the Council.

COUNCIL FUNDED PROGRAMS PROVIDE:

- 24-hour emergency support
- safe shelter
- safety planning
- prevention initiatives
- children's services including child care, counseling, and group activities
- counseling for victims
- accountability for batterers
- information and referral for employment, housing, and medical care
- legal advocacy and civil legal referral
- community coordination focused on systemic change
- rural outreach and community education programs

THE COUNCIL ALSO DIRECTLY FUNDS TRAINING FOR:

- law enforcement personnel
- health providers and counselors
- attorneys and court personnel
- staff of Native organizations and other community groups
- school based educators
- prevention coordinators and advocates

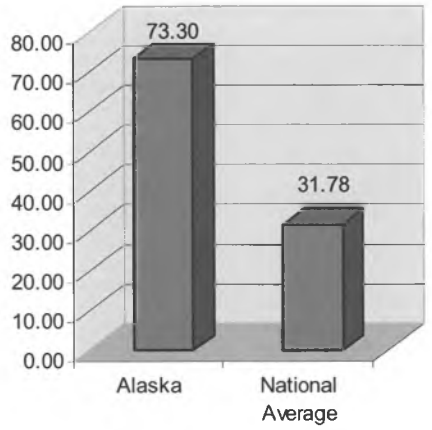
"Just wanted to say, Thank-you for all you did for my children and I. We are settling down here & things are going well – I even dropped off my first resume & cover letter today. Every one here has been so helpful & friendly too – it feels good – and we are starting to feel better too. Thanks for everything you did for us."

-Thank You Card sent to a shelter from a victim of domestic violence who received assistance in moving out of the area

ALASKA'S CHALLENGE

The collective efforts of the Council and its funded programs have ameliorated the effects of domestic violence and sexual assault. However, Alaska continues to face tremendous challenges as the incidents of both domestic violence and sexual assault in Alaska are still much higher than the national average.

Alaska's Rate of Forcible Rape is 2.3 Times the National Average



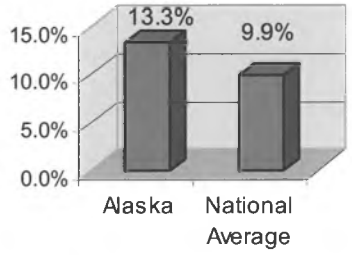
Rate of Forcible Rate
(per 100,000 population)

Alaska has the HIGHEST rate of forcible rape of ANY state.

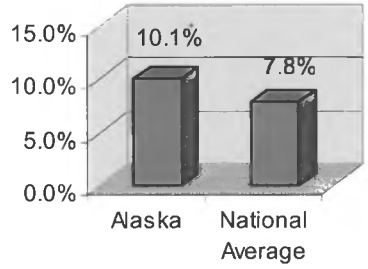
Source: Uniform Crime Reports 2000-2

% of High School Students in Alaska who reported having been:

hit, slapped, or physically hurt on purpose by their boyfriend/girlfriend during the past 12 months:

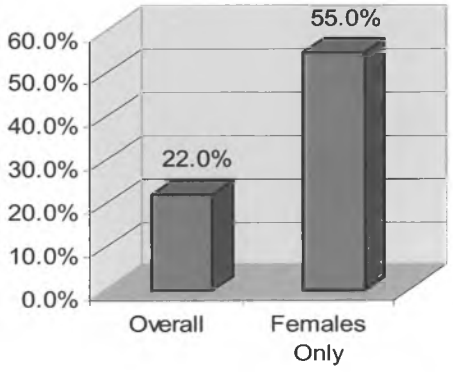


forced to have sexual intercourse when they did not want to:



Source: Alaska Youth Risk Behavior Survey, 2009

% of Homicides in Alaska resulting from Intimate Partner Violence



Both of these homicide percentages are HIGHER than the percentages of any of the other 15 states surveyed.

Source: National Violent Death Reporting System, 2005-2008

Council Purpose Areas, Goals & Activities

Purpose Areas:

- Prevention
- Crisis Management and Intervention
- Perpetrator Accountability

Goals:

- Coordinate domestic violence and sexual assault prevention efforts in Alaska
- Provide immediate, appropriate crisis response, intervention and shelter
- Build public awareness and support for crisis management and intervention services
- Develop crisis management options that allow victims, if they choose to do so, to stay safely in their homes while perpetrators are removed
- Perpetrators will be held accountable for their actions
- Implement and maintain best practices in the operation of programs providing domestic violence and sexual assault services
- Define and describe the scope and impact of domestic violence and sexual assault
- Ensure effective Council administration

Activities:

- Coordinate services with the Departments of Law, Education, Public Safety, Health and Social Services, Corrections and other state and community groups dealing with our identified population
- Request, receive, and disperse funds from the State of Alaska and the federal government for domestic violence and sexual assault programs
- Gather data on domestic violence, sexual assault, crisis intervention, and prevention
- Fund and support 20 victim service programs in 18 Alaska communities, collectively serving 235 towns and villages throughout the state
- Monitor and provide technical assistance to all approved Batterer Intervention Programs; 14 approved – 8 funded
- Coordinate and fund training on issues of domestic violence and sexual assault to government agencies, law enforcement, community agencies, and the public
- Conduct quarterly public meetings and participate in public forums on a regular basis

2010 HIGHLIGHTS

CDVSA SPECIAL PROJECTS IN FY2010:

- **Funded 20 victim service programs across the state resulting in:**
  - 2,235 people volunteering 54,832 hours of service to the cause
  - 201 staff members operating programs 24 hours a day, seven days a week, to ensure safe refuge and help their communities develop strategies for creating peace
  - 93% of program participants learning more about resources and help available to themselves and their families and how to access those resources
  - 92% of program participants knowing more or different intervention safety strategies than they did prior to the interaction

Candlelight vigil held by Interior Alaska Center for Non-Violent Living to raise awareness of domestic violence and sexual assault

- **Funded public awareness and prevention campaigns throughout the state, including:**
  - Alaska Men Choose Respect
  - Stand Up Speak Up Youth Initiative
  - The Fourth R
  - DELTA/PATHWAYS Community Based Prevention Projects & Statewide Committee Planning Group
  - (see page 18 for more information on these campaigns)

- **Enhanced training and prevention in Alaska by managing and securing grants for:**
  - Statewide Rural Domestic Violence and Child Victimization Conference; training on topics specific to child victimization in rural Alaska. Participants included 126 rural providers from diverse professions including child welfare, behavioral health, law enforcement and victim advocacy.

LEGISLATION

LEGISLATION RELATED TO DOMESTIC VIOLENCE AND/OR SEXUAL ASSAULT PASSED DURING THE SECOND SESSION OF THE 26TH ALASKA LEGISLATURE

HCR 20, Sexual Assault Awareness Month

The resolution proclaimed April 2010 as Sexual Assault Awareness Month in Alaska.

HB 307, Sexual Assault Protective Orders

This bill allows protective orders to be issued in cases involving sexual assault.

SCS CSHB 6(JUD), Cruelty to Animals

This bill adds animal cruelty to the pattern of assaultive behavior that is currently listed as an aggravating factor in considering the sentencing for someone convicted of felony offenses.

HB 52, Counseling for Jurors

This bill allows a trial judge to offer not more than 10 hours of post-trial psychological counseling, without charge, to a juror or an alternate juror who serves on a trial jury in a trial involving extraordinarily graphic, gruesome, or emotional evidence or testimony.

HJR 48, Resolution

The resolution urges Congress to support the Crime Victim Fund Preservation Act which would provide sustainability for the federal Crime Victims Fund through which Victim of Crime Act money is distributed to state Crime Victim Assistance and Compensation Programs.

HCS CSSB 110(FIN), DNA Testing & Evidence Preservation

The bill requires preservation of all evidence gathered relating to a sexual assault or sexual assault of a minor investigation or prosecution for the period of time the crime remains unsolved or 50 years whichever comes first. It further requires preservation of adequate biological evidence to create a DNA profile of someone convicted of a sex crime while the person is incarcerated and while the person is required to register as a sex offender. The bill also establishes a Task Force on Standards and Training of Evidence Technicians in the Department of Law.

CSSB 222(JUD)(ct rule fld H), Offensive Touching

The bill creates a Class A misdemeanor for offensive touching that does not rise to the level of sexual assault in the first, second, or third degree. The bill also grants more discretion in sentencing defendants, allowing a judge to increase a sentence above the usual range if the defendant knew that the victim was vulnerable as a result of having consumed alcohol or drugs.

SB 266 am H, Emergency Compensation

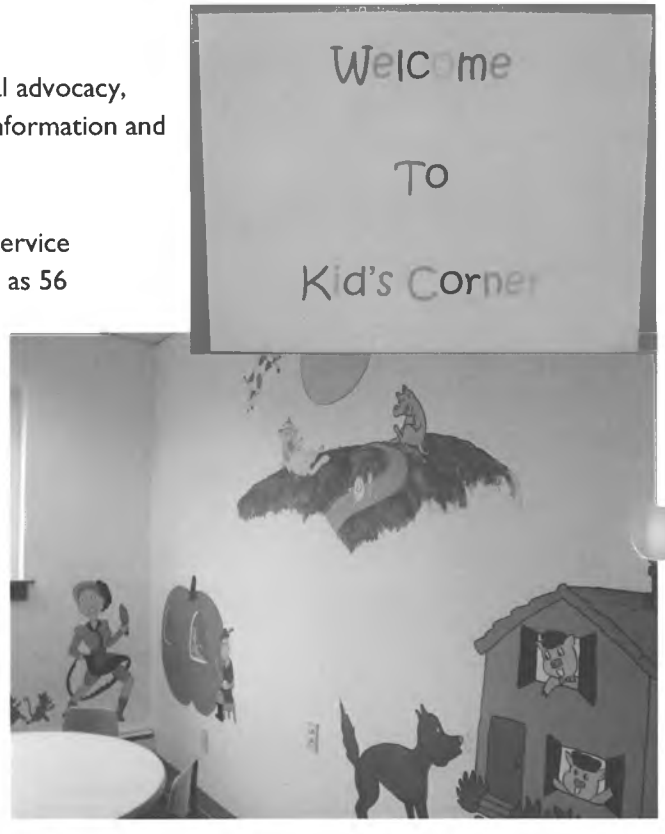
The bill raises the amount of emergency funds available to victims through the Violent Crimes Compensation Board from $1,500 to $5,000.

VICTIM SERVICE PROGRAMS

The Council provides funding for victim service programs throughout the state. These programs provide immediate and safe sanctuary, prevention services, crisis interventions, advocacy services, educational information and support to victims. Essentially, victim service programs inform and aid victims, and communities at large, towards healthy and safe choices for themselves and their families.

THE PROGRAMS PROVIDE:

- Shelter, crisis intervention, personal advocacy, legal advocacy, children's services, case management, education, information and referral, counseling, and support groups
- Coordination of services to communities in their service delivery areas, from as few as 3 villages to as many as 56
- Outreach, including safe houses within villages, working with the community leaders, and providing education and training
- Leadership in their communities through domestic violence/sexual assault community coalitions and partnerships that support prevention and intervention activities
- Prevention activities with youth on healthy relationships, building leadership and peer educator skills; community media and social norm campaigns and awareness focused on ending the tolerance of violence



The Kid's Corner at Seaview Community Services

On an Average Day in Alaska:

- Domestic and sexual violence service providers respond to 240 crisis situations, including 80 hotline calls and 160 in-person requests for assistance.
- Domestic violence shelters provide overnight accommodations to 307 victims.
- Sexual assault centers accompany 10 victims to receive medical services.
- 23 trainings are offered throughout the state to educate approximately 350 community members, students, first responders, and service providers on domestic violence.
- 45 individuals will receive legal advocacy assistance from victim service programs.

Program Service Areas:

Since it is not possible to have shelters in every village, programs must provide outreach services to many other communities. Program outreach requires a formalized system in place to contact villages on a regular basis. The purpose of outreach is to work with the village community to provide training, resources, and information to address the issues of domestic violence and sexual assault, stalking, and dating violence. A listing of villages served by each program begins on page 18.

Collaboration with Law Enforcement:

Many programs cover large areas of the state that are not connected by the road system. This presents a challenge to providing immediate safety. Program staff work closely with Village Public Safety Officers, Village Police Officers, the Alaska State Troopers, Health Aides and other community services to ensure safety. Many programs also support a network of volunteer "safe homes" in villages and small towns where victims can find temporary shelter until the perpetrator is removed or they can come to the "hub" community shelter.

Transportation Barriers:

The high cost of air transportation needed to bring victims to safe shelter is a challenge. Tickets for a family to reach safety can be up to $2,000 or more. Programs struggle with finding the resources to provide this essential service.

Emergency Transportation Services Provided in 2010	
Adults	423
Children	272

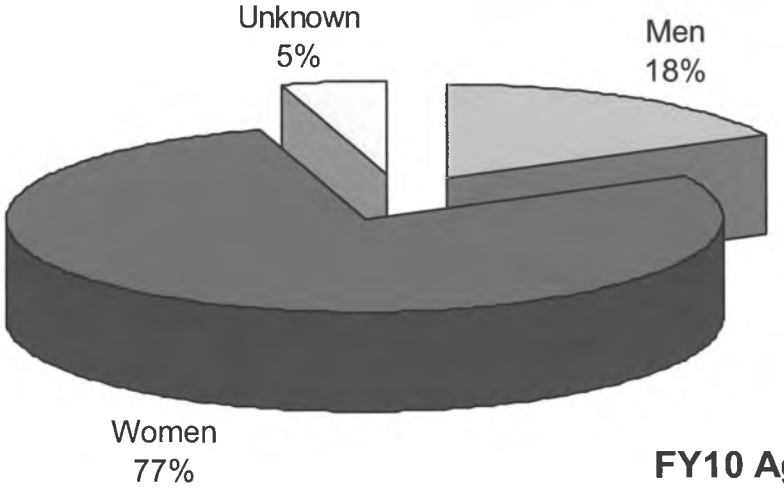
VICTIM SERVICE DATA

UTILIZATION OF SERVICES:

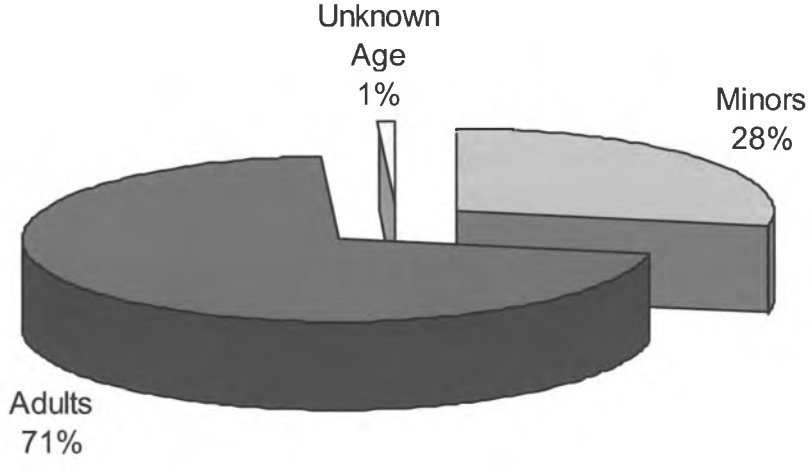
Victim service programs have experienced a steady rise in participants and services provided over the past two fiscal years.

Persons Served by Victim Service Programs		
Alaska Fiscal Year	Number of Persons Served	2 Year Percentage Increase
2008	8,476	26%
2009	8,550	
2010	10,657	

FY10 Gender of Persons Served

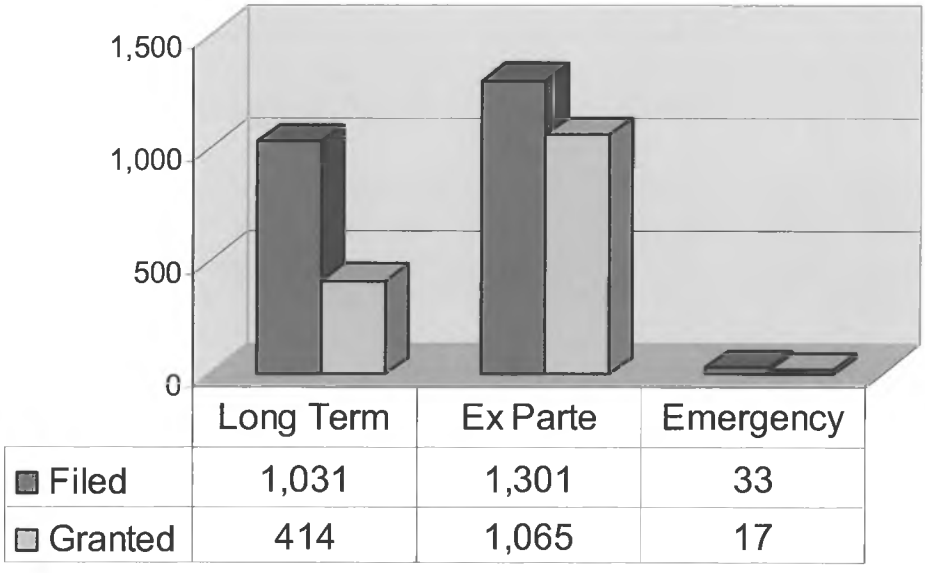


FY10 Age of Persons Served



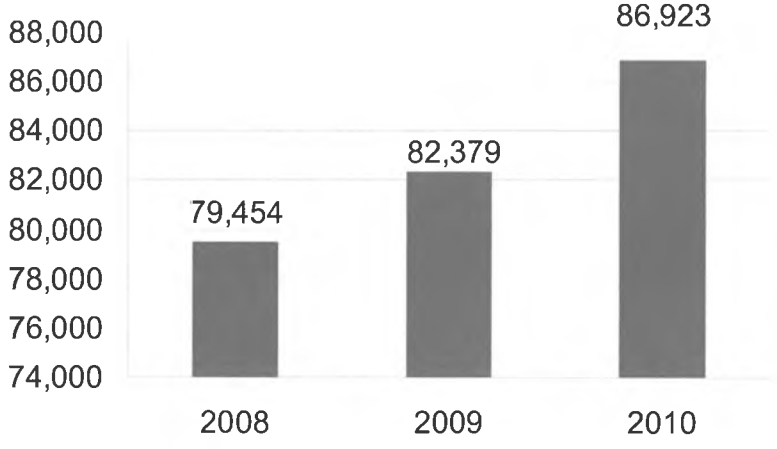
Primary Issues Reported by Victims				
Alaska Fiscal Year	% Reporting Domestic Violence	% Reporting Sexual Assault	% Reporting Stalking	% of all Other Issues
2008	62%	23%	2%	13%
2009	59%	21%	4%	16%
2010	61%	26%	3%	10%

Protective Orders Filed/Granted in FY10



	Long Term	Ex Parte	Emergency
Filed	1,031	1,301	33
Granted	414	1,065	17

Shelter Nights Provided by Victim Service Programs



BATTERERS INTERVENTION PROGRAMS

ABOUT BATTERER INTERVENTION PROGRAMS

There is sometimes a misunderstanding about batterer intervention programs (BIPs) when we fail to remember that, by themselves, these programs have little chance of rehabilitating perpetrators of domestic violence. BIPs are one part of a coordinated community response to the crime of domestic violence and to succeed, a strong, integrated criminal justice response is also needed. The arrest, incarceration, and sentencing of perpetrators to enroll in a batterers' program gives a clear message that abusive behaviors will not be tolerated. A swift consequence for a failure to comply with court orders reinforces that message.

PROGRAMS IN THE STATE OF ALASKA:

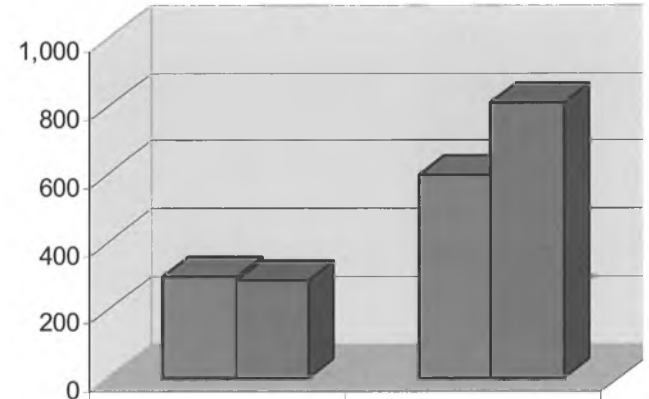
The Council reviews batterer intervention programs according to Department of Corrections regulations (22 AAC Chapter 25) for approved status and monitors the approved programs for compliance on an annual basis. The Council provided small grants to eight of the programs.

During FY10 fourteen batterer intervention programs operated in Alaska; eleven were community based Batterers Intervention Programs (BIP) and three were Prison Batterers Programs (PBP). All of these programs have the primary goal of victim safety. The Council collaborates with the Department of Corrections to provide these programs. In FY10, the overwhelming majority of participants admitted into batterers' programs were court ordered. Programs are available in Anchorage, Barrow, Fairbanks, Homer, Juneau, Kenai-Soldotna, Kodiak, Valdez, and Ketchikan. Many areas of the state still lack ready access to a batterer intervention program.

BIP/PBP STATISTICS AND TASK FORCE:

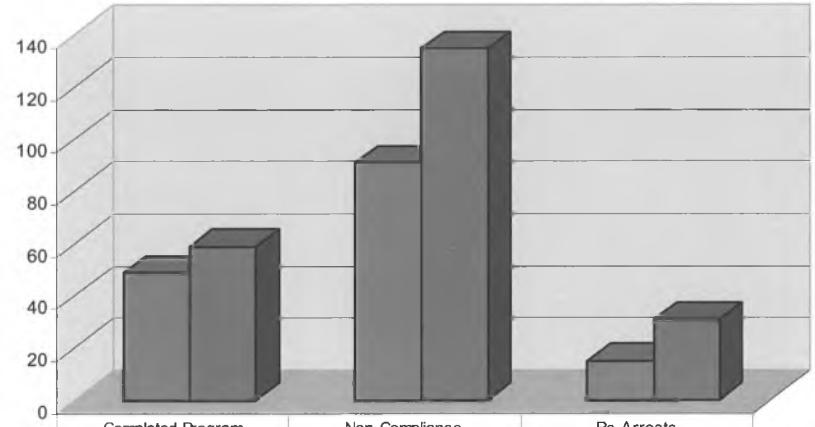
A task force has been formed to analyze State approved BIP and PBP programs. The Task Force will make recommendations on how BIP and PBP programs can be improved and how to further enrich data gathering and reporting techniques to understand the effectiveness of BIP/PBP programs within the State of Alaska.

BIP/PBP Intakes & Safety Checks



	Intakes	Safety Checks
FY09	298	599
FY10	289	812

Participant Completion Information



	Completed Program	Non-Compliance	Re-Arrests
FY09	49	91	15
FY10	59	135	31

STOP VIOLENCE AGAINST WOMEN GRANT PROGRAMS

KEY AREAS:

The Council funds a variety of programs through federal STOP (Services • Training • Officers • Prosecutors) Violence Against Women Act Grant funds. This grant funds four key areas in the fight against domestic violence and sexual assault: law enforcement, prosecution, courts, and victim service. FY2010 funding highlights are:

DEPARTMENT OF PUBLIC SAFETY

- Training for DPS recruits at the Sitka Academy included 24 hours of classroom and 16 hours of proctored scenarios for domestic violence response offered twice during the year; 16 hours of class room for sexual assault and sexual assault of a minor response offered twice during the year; 24 hours of class room and proctored scenarios at the VPSO Academy offered once; and 20 hours of class room at the University of Alaska Fairbanks' TVC Law Enforcement program
- A first responder training was conducted in conjunction with Tundra Women's Coalition and the Yukon Kuskokwim Health Corporation—participants included health aides, behavioral health aides and VPSOs
- A Sexual Assault Response Team statewide training for law enforcement, victim advocates, health care professionals and prosecutors was held in Bethel

ALASKA COURT SYSTEM

- The Court System provided telephonic language interpretation services to parties in 114 domestic violence protective order hearings
- Training was provided to 83 judicial officers and senior court staff
- Regional Clerks of Court training were held in Anchorage and Palmer this year

Department of Law

- Funded the criminal division's statewide victim witness coordinator position to provide statewide oversight of victim witness services which address the needs of victims of domestic violence, sexual assault, and stalking, and to ensure compliance with Alaska statutes requiring notification of criminal proceedings
- Funded the annual 2-day District Attorney Conference
- Funded series of advanced trial skills training for prosecutors
- Funded regional and telephonic training for paralegals

Alaska Network on Domestic Violence & Sexual Assault

Domestic Violence/Sexual Assault Legal Training for Advocates and Attorneys

- Sponsored the twelfth annual *Litigating Family Law Cases Involving Domestic Violence and Sexual Assault* continuing legal education conference. 92 participants attend the February 15 and 16, 2010 event at the Hotel Captain Cook in Anchorage. Featured speakers included Dr. Anna Salter, national expert on sexual assault and sex offenders, and Judge Paula Casey and Dr. Nancy Olesen from the National Council on Juvenile and Family Law Judges who discussed custody issues in cases with domestic violence and sexual assault. Christine Pate shared facts regarding domestic violence in Alaska and the role of the ANDVSA Pro Bono Program in aiding those victims with access to safety and justice. Alaska's Attorney General, Dan Sullivan addressed the group on the importance of providing legal services for victims and encouraging attorneys to donate their time to the project.

Technical Assistance

- Provided case consultations to legal advocates, attorneys and other social service providers through phone, e-mail, and web based communication
- Published and updated legal resource materials including the Family Law Practice Manual, and Legal Advocacy Curriculum

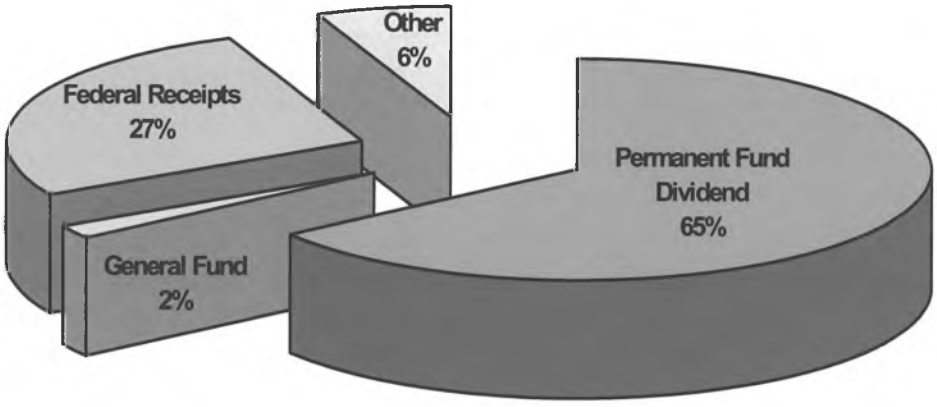
Direct Representation

- Trained and recruited volunteer attorneys and placed 60% of cases referred with volunteer attorneys
- Operated the Information & Referral Hotline, with volunteer lawyers answering requests for information and assistance from victims

ANDVSA
Alaska Network on Domestic Violence & Sexual Assault

FUNDING SOURCES

FY10 Funding - $12,774,100



FEDERAL FUNDING SOURCES

FAMILY VIOLENCE PREVENTION SERVICES ACT (FVPSA)

FVPSA provides federal funding to all states. The Council uses this funding to finance domestic violence programs throughout Alaska. All programs receiving these grant funds provide shelter or related assistance to domestic violence victims and their children. The programs operate shelter facilities that are staffed around the clock and provide a full spectrum of services including basic food and immediate shelter, crisis intervention, counseling, and advocacy.

VICTIMS OF CRIME ACT (VOCA)

Administered by the Dept. of Justice Office of Victims of Crime, VOCA funds provide financial support to state and local agencies that offer services to crime victims. This fund is a U.S. Treasury account generated entirely by the fines and penalties levied against criminals convicted of federal crimes. As such, the amount available in this fund can vary greatly from year to year. The Council awards the majority of this funding directly to programs that provide services to victims of domestic violence, sexual assault, and other violent crimes.

U.S. DEPARTMENT OF JUSTICE OFFICE OF VIOLENCE AGAINST WOMEN GRANTS

S.T.O.P. (SERVICES • TRAINING • OFFICERS • PROSECUTORS) GRANT

VAWA STOP grants serve to improve the national response to domestic violence and sexual assault by combining a series of federal sanctions and initiatives as well as national, state, and local resources to improve the response to crimes against women. S.T.O.P. funds are committed to four specific areas: prosecution, law enforcement, victim service, and courts. S.T.O.P. is awarded to all states and territories through a federal formula that uses a base amount plus a consideration for population. Activities funded under this grant are described on pages 11-12.

Rural Domestic Violence and Child Victimization Grant (RDVCV)

The primary purpose of the Rural Program is to enhance the safety of victims of domestic violence, dating violence, sexual assault, stalking, and child victimization by supporting projects uniquely designed to address and prevent these crimes in rural jurisdictions. In FY 2010, this grant funded projects in five rural areas of the state.

Supervised Visitation and Safe Exchange Grant Program (SVSEP)

The Safe Havens: Supervised Visitation and Safe Exchange Grant Program (Supervised Visitation Program) provides an opportunity for communities to support the supervised visitation and safe exchange of children in situations involving domestic violence, dating violence, child abuse, sexual assault, or stalking. Studies have shown that the risk of violence is often greater for victims of domestic violence and their children after separation from an abusive situation. Visitation and exchange services provided through the Supervised Visitation Program exhibit a clear understanding of the dynamics of domestic violence, dating violence, sexual assault and stalking; the impact of domestic violence on children; and the importance of holding offenders accountable for their actions.

STATE FUNDING SOURCES

Department of Health and Social Services

In FY2010, the Department of Health and Social Services (DHSS) provided funds to the Council for Sexual Assault Prevention activities. These funds were from the federal Sexual Assault Prevention (SAP) and Rape Prevention and Education (RPE) grants. The majority of these grants fund education programs delivered in schools by victim service programs in Anchorage and Juneau.

Department of Corrections

Department of Corrections (DOC) contributes funds to the Council to administer the Batterer Intervention and the Prison Batterer Programs.

Permanent Fund Dividend (PFD)

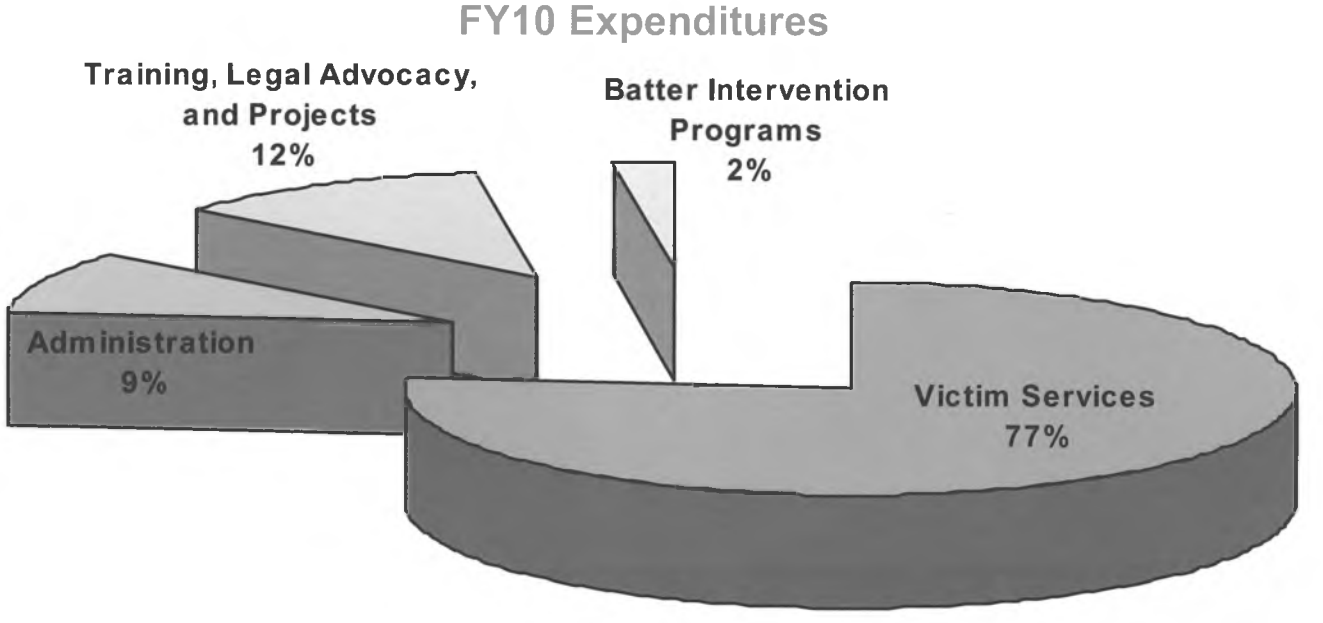
Incarcerated felons and qualifying misdemeanants forfeit PFDs to the state. The state allocates these funds to the Council for victim services, the Office of Victim Rights, the Violent Crimes Compensation Board and the Department of Corrections for programs.

Alaska General Fund

General funds comprise a portion of the budget; they are used to support victim service programs and Council administration.

SUMMARY OF EXPENDITURES

The Council continues to disburse the great majority of its budget directly to community victim service agencies. The 12% designated for Training, Legal Advocacy, and Projects is predominantly spent towards enhancing the expertise and ability of community service providers' response to domestic violence and sexual assault.



Victim Services	Administration	Training, Legal Advocacy, & Projects	Batter Intervention Programs
$9,787,480	$1,207,000	$1,481,383	$298,237

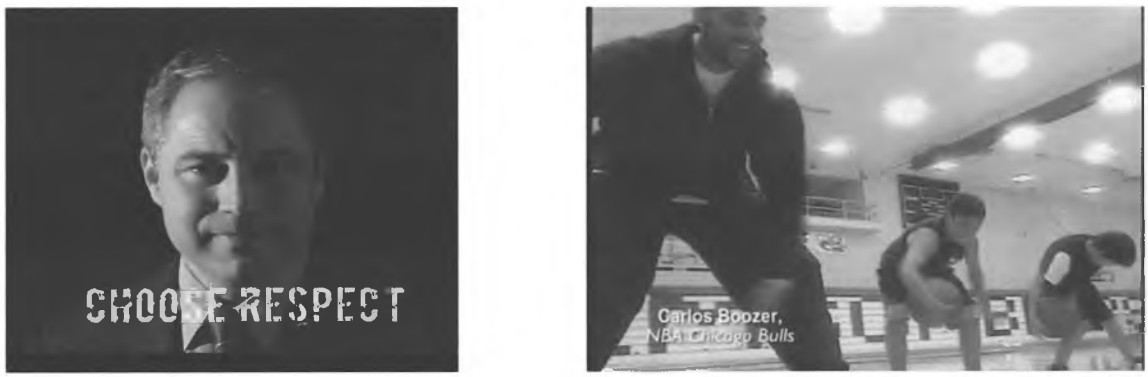
Total
$12,774,100

CDVSA's 2010 Public Awareness & Prevention Campaigns

In FY10, the Council supported prevention through a variety of campaigns. The Council contracted and worked in partnership with the Alaska Network on Domestic Violence & Sexual Assault (the Network or ANDVSA) to plan and implement this endeavor.

Alaska Men Choose Respect (launched December 2009)

This public awareness campaign was targeted towards men and focuses on prevention. The campaign is suppored by Governor Parnell and was launch at the Governor's Press Conference in Anchoarage at Bartlett High School. Five televsion commercials were shown on both cable and broadcast networks through April 2010.



Television commercials featuring Governor Sean Parnell (left) and NBA Player Carlos Boozer (right).

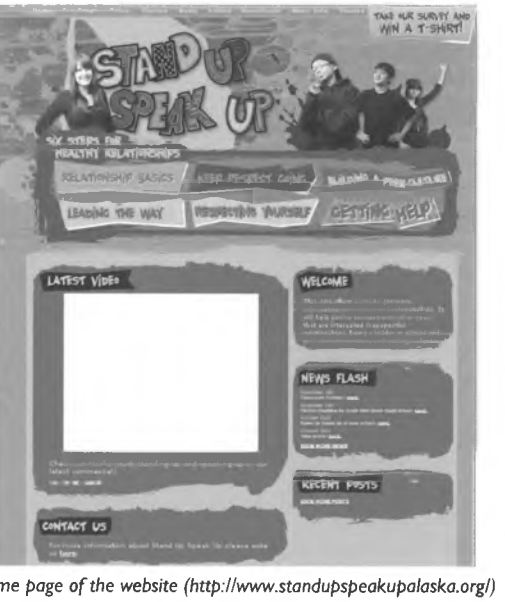
In addition, a website (located at www.AlaskaMenChooseRespect.org) was develped to support the public information campaign efforts. The more than 8,900 visits to the website during the fiscal year attest to the success of this campaign.

Home Page of www.AlaskaMenChooseRespect.org

Stand Up Speak Up Youth Initiative (launched April 2010)

This campaign is targeted toward youth to promote respect and create safer relationships and communities. Two commercials and six poster designs have been developed. In addition, T-shirts, lanyards, and stickers were distributed to every middle school and high school in the state, and to every public health clinic, every village clinic, and every member program. A website (located at http://www.standupspeakupalaska.org/) was also developed allowing children to learn more about the program and what they can do to make a difference.

Still from the Stand Up Speak Up Commercial



Home page of the website (http://www.standupspeakupalaska.org/)

Additionally, the campaign supported ten youth-led community projects throughout the state.

The Fourth R (began November 2009)

The Fourth R is a comprehensive school-based program designed to include students, teachers, parents, and the community in reducing violence and many of today's risk behaviors. The Fourth R provides information and practice opportunities for students to improve decision-making, establish positive relationship models, and explore alternatives to the negative decision-making they frequently see in the world around them.

"The Fourth R" was created in Canada a few years ago, but the program has been tailored to suit Alaska's population and Native communities.

DELTA/PATHWAYS Community Based Prevention Projects & Statewide Committee Planning Group (ongoing project)

The Council has played a significant role in the development of a statewide plan to augment the framework for statewide prevention. The idea is to provide a roadmap for ending domestic violence and sexual assault in Alaska in our lifetimes.

VICTIM SERVICE PROGRAMS & SERVICE AREAS

ANCHORAGE MUNICIPALITY

Abused Women's Aid in Crisis

100 West 13th Avenue
Anchorage, AK 99501
Phone: 279-9581
Fax: 279-7244
www.awaic.org
Capacity: 52 beds

Standing Together Against Rape

1057 West Fireweed Lane, Suite 230
Anchorage, AK 99503
Phone: 276-7279
Fax: 278-9983
1-800-478-8999
www.star.ak.org
Non-residential program

BARROW

Arctic Women in Crisis

P.O. Box 69
Barrow, AK 99723
Phone: (907) 852-0261
1-800-478-0267
Capacity: 14 beds

Service Area:

- Barrow, Anatuvuk Pass, Atqas, Kaktovik, Nuiqsut, Pt. Hope, Pt. Lay, and Wainwright

BETHEL

Tundra Women's Coalition

P.O. Box 2029
Bethel, AK 99559
Phone: 543-3444
1-800-478-7799
www.twcpeace.org
Capacity: 22 beds

Service Area:

- Bethel, Alakanuk, Chefornak, Chevak, Crooked Creek, Eek, Emmonak, Goodnews Bay, Hooper Bay, Kaltag, Kongiganak, Kotlik, Kwigillingok, Napakiak, Napaskiak, Nunapitchuk, Oscarville, Pilot Station, Red Devil, Scammon Bay, Sheldon's Point, Sleetmute, St. Marys, Stony River, Tununak, Tuntutuliak, Bill Moores, Hamilton, Napaimute, Paimuit, Akiachak, Akiak, Aniak, Atmautuak, Chuathbaluk, Georgetown, Kalskag, Kasigluk, Kipnuk, Kwethluk, Lime Village, Marshall, Mountain Village, Newtok, Nightmute, Pitkas Point, Platinum, Quinhagak, Russian Mission, Toksook Bay, Tuluksak, Chuloonqwick, Ohogamuit, and Umkumuit

CORDOVA

Cordova Family Resource Center

P.O. Box 863
Cordova, AK 99574
Phone: 424-5674
1-866-790-4357
Non-residential program

Service Area:

- Cordova, Chenega, Icy Bay, and Tatitlek

DILLINGHAM

Safe and Fear-Free Environment

P.O. Box 94
Dillingham, AK 99576
Phone: 842-2320
1-800-478-2316
www.besafeandfree.org
Capacity: 28 beds

Service Area:

- Dillingham, Aleknagik, Chignik, Egegik, Ekuk, Goodnews Bay, Igiugig, Iliamna, Ivanof Bay, King Salmon, Levelock, Manokotak, Naknek, New Stuyahok, Newhalen, Nondalton, Pedro Bay, Pilot Point, Platinum, Port Alsworth, South Naknek, Togiak, Ugashik, Port Heiden, Twin Hills, Chignik Lake , Chignik Lagoon, Ekwok, and Clarks Point

FAIRBANKS

Interior Alaska Center for Non-Violent Living

717 9th Avenue
Fairbanks, AK 99701
Phone: 452-2293
1-800-478-7273
Capacity: 80 beds

Service Area:

- Fairbanks, Telida, Tetlin, Tok, Takotna, Venetie, Arctic Village, Shageluk, Stevens Village, Tanacross, Tanana, Nikolai, Northway, Nulato, Rampart, Ruby, Lake Minchumina, Manley, McGrath, Medfra, Minto, Nenana, Holy Cross, Hughes, Huslia, Kaltag, Koyukuk, Fort Yukon, Louden, Galena, Grayling, Healy Lake, Canyon Village, Dot Lake, Eagle, Evansville, Alatna, Anvik, Beaver, Allakaket, and Dendun Gwich'in

HOMER

South Peninsula Haven House

3776 Lake Street, Ste. 100
Homer, AK 99603
Phone: 235-7713
1-800-478-7712
www.havenhousealaska.org
Capacity: 10 beds

Service Area:

- Homer Kachemak, Nikolaevsk, Ninilchik, Anchor Point, Seldovia, Nanwalek, Port Graham, Voznesenka, Razdolna, Kachemak, and Dolina

JUNEAU

Aiding Women in Abuse and Rape Emergencies

P.O. Box 20809
Juneau, AK 99802
Phone: 586-6623
1-800-478-1090
www.awareak.org
Capacity: 48 beds

Service Area:

- Juneau, Haines, Skagway, Hoonah, Tenakee Springs, Gustavus, Pelican, Elfin Cove, Yakutat, and Klukwan

KENAI/SOLDOTNA

The LeeShore Center

325 Spruce Street
Kenai, AK 99611
Phone: 283-9479
www.alaska.net/~leeshore
Capacity: 32 beds

Service Area:

- Kenai, Soldotna, Nikiski, Sterling, Kasilof, Clam Gulch, Hope, Cooper Landing, Ridgeway, and Moose Pass

KETCHIKAN

Women in Safe Homes

P.O. Box 6552
Ketchikan, AK 99901
Phone: 225-9474
Capacity: 25 beds

Service Area:

- Ketchikan, Metlakatla, Petersburg, Wrangell, Craig, Thorne Bay, Saxman, Coffman Cove, Klawock, Hyder, Kassan, Naukati, Hollis, Hydaburg, and Port Protection

KODIAK

Kodiak Women's Resource & Crisis Center

P.O. Box 2122
Kodiak, AK 99615
Phone: 486-6171
Capacity: 10 beds

Service Area:

- Kodiak, Chiniak, Akhiok, Larsen Bay, Karluk, Old Harbor, Port Lions, and Ouzinkie

KOTZEBUE

Maniilaq Family Crisis Center

P.O. Box 38
Kotzebue, AK 99752
Phone 442-3724
1-888-478-3969
Capacity: 11 beds

Service Area:

- Kotzebue, Ambler, Buckland, Deering, Kiana, Kivalina, Kobuk, Noatak, Noorvik, Point Hope, Selawik, and Shungnak

NOME

Bering Sea Women's Group

P.O. Box 1596
Nome, AK 99762
Phone: 443-5491
Capacity: 14 beds

Service Area:

- Nome, Brevig Mission, Diomede, Elim, Gambell, Golovin, Koyuk, St. Michael, Savoonga, Shaktoolik, Shishmaref, Stebbins, Teller, Unalakleet, Wales, and White Mountain

PALMER/MAT-SU

Alaska Family Services

1825 South Chugach St.
Palmer, AK 99645
Phone: 746-4080
1-800-746-4080
www.akafs.org
Capacity: 32 beds

Service Area:

- Palmer, Wasilla, Lazy Mountain, Butte, Sutton, Chickaloon, Glacier View, Lake Louise, Knik, Big Lake, Meadow Lakes, Houston, Willow, Caswell, and Trapper Creek

SEWARD

Seaview Community Services

P.O. Box 1045
Seward, AK 99664
Phone: 224-5257
1-888-224-5257
Non-residential program

Service Area:

- Moose Pass, Cooper Landing, and Hope

SITKA

Sitkans Against Family Violence

P.O. Box 6136
Sitka, AK 99835
Phone: 747-3370
1-800-478-6511
www.safv.org
Capacity: 25 bed

Service Area:

- Sitka, Kake, Port Alexander, and Angoon

UNALASKA

Unalaskans Against Sexual Assault & Family Violence

P.O. Box 36
Unalaska, AK 99685
Phone: 581-1500
Capacity: 8 beds

Service Area:

- Unalaska, Dutch Harbor, Adak, Atka, Nikolski, Sand Point, King Cove, Akutan, Cold Bay, Nelson Lagoon, St. Paul, and St. George

VALDEZ

Advocates for Victims of Violence

P.O. Box 524
Valdez, AK 99686
Phone: 835-2980
1-800-835-4044

Service Area:

- Chitina, Kenny Lake, Copper Center, Glennallen, Nelchina, Tazlina, Gulkana, Gakona, Chistochina, Tolsona, and Valdez

BATTERERS INTERVENTION PROGRAMS

ANCHORAGE MUNICIPALITY

The Recovery Connection (LLC)

500 Muldoon Road, Ste 9
Anchorage, AK 99504
Phone: (907) 332-7660
Fax: (907) 332-7661

Men and Women Center

600 Cordova St, Ste 3
Anchorage, AK 99501
Phone: (907) 272-4822
Fax (907) 272-6395

BARROW

North Slope Borough Domestic Violence Intervention Program, Arctic Women in Crisis

P.O. Box 69
Barrow, AK 99723
Phone: (907) 852-0261
Fax: (907) 852-2474

FAIRBANKS

ABC's Program, Alternatives to Violence, Interior Alaska Center for Non-Violent Living

717 9th Ave.
Fairbanks, AK 99701
Phone: (907) 452-2293
Fax: 907-452-2613

Life Education Action Program

P.O. Box 82842
Fairbanks, AK 99708
Phone: (907) 452-2473
Fax: (907) 452-6903

HOMER

Domestic Violence Intervention Program, Haven House

3776 Lake St., Ste 100
Homer, AK 99603
Phone: (907) 835-2838
Fax: (907) 235-2733

JUNEAU

Juneau Batterers Accountability Program, Aiding Women in Abuse and Rape Emergencies

P.O. Box 20809
Juneau, AK 99802
Phone: (907) 586-6623
Fax: (907) 586-2479

KENAI/SOLDOTNA

Central Peninsula Batterers Intervention Program, The Leeshore Center

325 Spruce Street
Kenai, AK 99611
Phone: (907) 283-9479

KETCHIKAN

Men ENDing Violence, Ketchikan Indian Community

2690 Tongass Ave., Fifth Floor
Ketchikan, AK 99901
Phone: (907)228-4921
Fax: (907) 247-4061

KODIAK

Violence Intervention Program, Behavioral Resource Consultants

320 Corner Street
Kodiak, AK 99615
Phone: (907)-486-2632
Fax (907) 486-2732

PALMER

Family Violence Intervention Program, Alaska Family Services

1825 S Chugach Street
Palmer, AK 99645-6339
Phone: (907) 746-4080
Fax: (907) 373-0640

VALDEZ

Providence Valdez Counseling Center, DV Intervention Program

911 Meals Ave.
P.O. Box 1050
Valdez, AK 99686
Phone: (907) 835-2838
Fax: (907) 835-5927

Possible Testifiers for HCR 6

1. Lauree Morton: Program Coordinator, CDVSA
2. Peggy Brown: Executive Director, Alaska Network on Domestic Violence & Sexual Assault
3. Nancy Haag: Executive Director, Standing Together Against Rape (STAR)
4. Michell DeWitt: Executive Director of Tundra Women's Coalition
5. Spokesperson for Department of Public Safety (undetermined at this time)
6. Spokesperson from Governor's Office (undetermined at this time)

HCR

7

<TARGET><BILL>HCR 7</BILL><SUBJECT>HCR 7</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 3/30/11

FURTHER:

DATE TURNED IN TO OFFICE: 3-7-11

State Affairs Committee considered HOUSE CONCURRENT RESOLUTION NO. 7

HCR 7-DECORATION OF HONOR

Relating to awarding the Alaska Decoration of Honor to certain members of the military.

and recommends:

[ ] be **replaced** with **SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
LEG			X	1

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Giessel	Giessel	X			
K. Macy	Meyer	X			
Joe Paskvan	Paskvan	X			
Albert Kookesh	Kookesh	X			
CHAIR:	Wielechowski	X			

ALASKA STATE LEGISLATURE

Session:
State Capitol, Room 409
Juneau, AK 99801-1182
Phone: (907) 465-3783
Fax: (907) 465-2293
Toll Free: (877) 460-3783

Interim:
10928 Eagle River Road, Ste. 238
Eagle River, AK 99577
Phone: (907) 622-3783
Fax: (907) 622-3784
Toll Free: (877) 460-3783

REPRESENTATIVE DAN SADDLER

MEMORANDUM

Date: March 30, 2011

From: Representative Dan Saddler -DAS
House Military and Veterans' Affairs, Co-Chair

To: Senator Bill Wielechowski
Senate State Affairs, Chair

Re: Hearing Request for HCR 7 – Alaska Decoration of Honor

Attached is the bill packet for House Concurrent Resolution 7, an act relating to awarding the Alaska Decoration of Honor to certain members of the military. In the packet, you will find the only version of the bill, the sponsor statement, and the fiscal note.

Your consideration to hear this resolution is greatly appreciated. It is my hope to get this measure passed this legislative session, if at all possible.

Please be sure to let me know if you have any questions or need additional information.

Thank you.

ALASKA STATE LEGISLATURE

Session:
State Capitol, Room 409
Juneau, AK 99801-1182
Phone: (907) 465-3783
Fax: (907) 465-2293
Toll Free: (877) 460-3783

Interim:
10928 Eagle River Road, Ste. 238
Eagle River, AK 99577
Phone: (907) 622-3783
Fax: (907) 622-3784
Toll Free: (877) 460-3783

REPRESENTATIVE DAN SADDLER

SPONSOR STATEMENT
HCR 7

This resolution awards the Alaska Decoration of Honor to thirty individuals who were killed in the line of duty while honorably serving our state and country, between January 1, 2009 and February 15, 2011.

Established in 2007 in House Bill 244, the Alaska Decoration of Honor is awarded to military service members from Alaska, or those service members deployed while stationed in Alaska, who were killed in action or in support of combat action.

The Legislature must authorize the award by resolution, so the decoration can be presented to the recipients' survivors. In 2008, the Legislature awarded the medal to 171 individuals dating back to statehood. In 2009, it authorized the award for another six individuals.

Passage of HCR 7 will allow the families of these thirty individuals to receive the decoration in honor of their loved ones' sacrifice. While it is our fervent hope that all those in uniform will return home from their service safely, the reality is that a few will not. It is our obligation, and our privilege, to authorize this decoration in their honor.

I respectfully request favorable support of House Concurrent Resolution 7.

Thank you.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version: HCR 7
() Publish Date

Identifier (file name): HCR7-LEG-COU-03-09-2011
Title: "Relating to Awarding the Alaska Decoration of Honor..."
Sponsor: Representative Saddler
Requester: House Special Committee on M&VA

Dept. Affected: Legislature
Appropriation: Legislative Council
Allocation: Session Expenses
OMB Component Number: 782

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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 Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Initial Version

Prepared by: Shane Miller, Finance Manager — Phone 465-6626
Division: Administrative Services Division — Date/Time 3/9/11 12:24 PM
Approved by: Pamela Varni, Executive Director — Date 3/9/2011
Legislative Affairs Agency

(Revised 12/29/2010 OMB)

STATE OF ALASKA
2011 LEGISLATIVE SESSION

BILL NO. HCR 7

Analysis

This fiscal note has zero impact on the Legislative Affairs Agency.

Alaska Decoration of Honor

The Alaska Decoration of Honor was created to recognize Alaskan service members who have been killed in action or in support of combat. The medal is awarded on behalf of the people of the State of Alaska to show our gratitude to the families of those who gave the ultimate sacrifice in serving our state and nation.

Jon Van Zyle, a local and nationally renowned artist and Vietnam veteran, donated his time and talents in designing the Alaska Decoration of Honor medal. His design (shown on front cover) has many symbolic elements:

Raven - is symbolic of life and is important in all Alaska Native cultures. The raven, which lives in Alaska year round, is shown in the shape of a cross to signify faith.

Northern Lights - represents of the souls of the departed

North Star - represents Alaska

Forget-me-not - is Alaska's state flower and was chosen for the term "forget-me-not"

Circle design – indicates "never ending"

It was Mr. Van Zyle's hope that when the families of these soldiers look up in the sky and see a raven, the Northern Lights, or the North Star, they will be reminded of their loved one.

HCR

28

<TARGET><BILL>HCR 28</BILL><SUBJECT>HCR 28</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 3/30/12

FURTHER: Rules

DATE TURNED IN TO OFFICE: 4/10/12

State Affairs Committee considered HOUSE CONCURRENT RESOLUTION NO. 28

HCR 28-SEXUAL ASSAULT AWARENESS MONTH

Proclaiming the month of April 2012 to be Sexual Assault Awareness Month.

and recommends:

[ ] be **replaced** with **SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] adopt **previous SCS** _____ (_____) *[ ] Same Title [ ] Technical Title Change [ ] New Title/SCR No._____*

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
H.STA			✓	1

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
Kookem	Kookem	✓			
Giessel	Giessel	✓			
CHAIR:	Wielechowski	✓			

REPRESENTATIVE CATHY MUÑOZ

HCR 28 SEXUAL ASSAULT AWARENESS MONTH

All Alaskans deserve a life free from violence. Whether it is in the home, in relationships, or in our communities, every individual should live a life without fear and with security and safety. This resolution encourages Alaskans to speak out against sexual assault as we rise in unison to dispel the anger, self-blame, depression and anxiety that can be exhibited both emotionally and physically by those who have endured this terrible experience. This resolution emboldens Alaskans to declare that sexual assault of any kind will not be accepted.

As we embrace the Governors "Choose Respect" campaign we join him and march arm in arm as we continue our message against all forms of sexual assault in Alaska. HCR 28 also recognizes the dedicated work in Alaska of the volunteers, staff, and agencies who dedicate their lives to ensure victims have someone to talk to, a place to go and other services and avenues to help. These individuals and groups deserve our respect and support and we join them to remove the veil of silence and declare intolerance towards sexual assault in Alaska.

HCR 28 proclaims the month of April 2012 to Sexual Assault Awareness Month in Alaska.

CONTACT TERRY HARVEY-907 465 3744

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version **HCR 28**
Fiscal Note Number
() Publish Date

Identifier (file name) HCR 28
Title Sexual Assault Awareness Month
Sponsor Community & Regional Affairs Committee
Requester

Dept. Affected
Appropriation
Allocation
OMB Component Number

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

None

Prepared by House State Affairs Committee
Division Representative Bob Lynn, Chair
Approved by

Phone (907) 465-2794
Date/Time 03/21/2012 7:26am
Date 3/21/2012

(Revised 11/18/2011 OMB)

Intimate Partner Violence and Sexual Violence in the State of Alaska:

Key Results from the 2010 Alaska Victimization Survey

CDVSA
Council on Domestic Violence & Sexual Assault
Safety * Prevention * Accountability

Out of every 100 adult women who reside in the State of Alaska:

48 experienced intimate partner violence (IPV):

37 experienced sexual violence:

59 experienced intimate partner violence, sexual violence, or both:

These lifetime estimates come from a 2010 survey of adult women in the State of Alaska.
Source: UAA Justice Center, Alaska Victimization Survey, http://justice.uaa.alaska.edu/avs.

Purpose of the Survey

Every human being has the right to be safe and free from violence in their own homes, in their relationships, and in their community. Intimate partner violence and sexual violence are endemic problems. Up until now, comprehensive statewide data were not available to guide planning and policy development or to evaluate the impact of prevention and intervention services. This study provides the first definitive measures of intimate partner violence and sexual violence for the State of Alaska. The survey was designed to establish a baseline for the State. Results can be used to support prevention and intervention efforts that reduce violence against women.

Methodology

A total of 871 adult women in Alaska participated in the survey. Respondents were randomly selected by phone (using both land lines and cell phones) in May and June of 2010. Respondents were asked behaviorally specific questions about intimate partner violence (both threats and physical violence). Intimate partners included romantic and sexual partners. Respondents were also asked about sexual violence (both alcohol or drug involved sexual assault and forcible sexual assault). These questions were not limited to intimate partners. Procedures were designed to maximize the safety and confidentiality of all respondents. The survey was approved by multiple institutional review boards and was supported by the Alaska Council on Domestic Violence and Sexual Assault.

Acknowledgments

We sincerely thank the 871 adult women in Alaska who invested time and effort to participate in this victimization survey. They re-lived horrendous experiences, experiences that no one should be subjected to, to help the rest of us understand the extent of intimate partner and sexual violence in Alaska. Funding for this project was provided by the Alaska Council on Domestic Violence and Sexual Assault. The survey was administered by RTI International. Data were analyzed by the UAA Justice Center.

Intimate Partner Violence and Sexual Violence in the State of Alaska: Key Results from the 2010 Alaska Victimization Survey

Key Estimates

The following table shows the percentage and number of adult women in the State of Alaska who experienced each form of violence. All estimates were weighted to control for selection, non-response, and coverage. Estimates show that 58.6% of adult women in Alaska (or 144,881) experienced sexual violence, intimate partner violence, or both, in their lifetime; and 11.8% (or 29,174) experienced these forms of violence in the past year.

Measures of Violence	Lifetime		Past Year	
	%	N	%	N
Intimate partner violence (composite)	47.6%	117,685	9.4%	23,240
Threats of physical violence	31.0%	76,644	5.8%	14,340
Physical violence	44.8%	110,763	8.6%	21,262
Sexual violence (composite)	37.1%	91,725	4.3%	10,631
Alcohol or drug involved sexual assault	26.8%	66,260	3.6%	8,901
Forcible sexual assault	25.6%	63,293	2.5%	6,181
Any Violence (composite)	**58.6%**	**144,881**	**11.8%**	**29,174**

Intimate Partner Violence Estimates:

The intimate partner violence composite includes both threats of physical violence and physical violence.

- 47.6% of adult women (or 117,685) experienced intimate partner violence in their lifetime, with:
  - 31.0% (or 76,644) experiencing threats of physical violence, and
  - 44.8% (or 110,763) experiencing physical violence.
- 9.4% of adult women (or 23,240) experienced intimate partner violence in the past year, with:
  - 5.8% (or 14,340) experiencing threats of physical violence, and
  - 8.6% (or 21,262) experiencing physical violence.

Sexual Violence Estimates:

The sexual violence composite includes both alcohol or drug involved sexual assault and forcible sexual assault.

- 37.1% of adult women (or 91,725) experienced sexual violence in their lifetime, with:
  - 26.8% (or 66,260) experiencing at least one alcohol or drug involved sexual assault, and
  - 25.6% (or 63,293) experiencing at least one forcible sexual assault.
- 4.3% of adult women (or 10,631) experienced sexual violence in the past year, with:
  - 3.6% (or 8,901) experiencing at least one alcohol or drug involved sexual assault, and
  - 2.5% (or 6,181) experiencing at least one forcible sexual assault.

Important Limitations

The survey excluded non-English speaking women, women without phone access, and women not living in a residence. Estimates may be higher among women excluded from the survey. Estimates may also be conservative because of the continuing stigma of reporting victimization. This survey measured the number of *victims*, not the number of *victimizations*. In addition, not all forms of intimate partner violence or sexual violence were measured.

For additional information on the Alaska Victimization Survey, please visit http://justice.uaa.alaska.edu/avs, or contact André Rosay with the UAA Justice Center (907-786-1821) or Lauree Morton with the Council on Domestic Violence and Sexual Assault (907-465-5503). National, statewide, and local resources for domestic violence, sexual assault, stalking, and teen dating abuse can be found online at: http://gov.alaska.gov/parnell/priorities/choose-respect/links-to-organizations.html.

CDVSA
Council on Domestic Violence & Sexual Assault
Safety • Prevention • Accountability

2012 Alaska Dashboard

Key Issues Impacting

Domestic Violence and Sexual Assault in Alaska

Some of the data below are based on self-disclosures to survey questions on domestic violence (DV) and sexual assault (SA). These estimates are conservative (actual rates are much higher). As the stigma of reporting violence lessens and as we increase victim safety, those experiencing violence will be more likely to report and seek help. Certain estimates may increase over time (e.g., reports of harm, utilization of services, and reports to law enforcement).

Key Population Indicators for Alaska	Previous AK Data	Current AK Data	Percent Change	Progress
Childhood Exposure to Domestic Violence				
1. Percent of adults exposed to intimate partner violence of parent (BRFSS)	19.1%	19.2%	+1%	○
2. Percent of mothers whose 3 year old child saw violence or physical abuse (CUBS)	4.0%	7.2%	+80%	●
Child and Youth Victimization				
3. Percent of students experiencing physical dating violence in past year (YRBS)	13.3%	12.0%	-10%	●
4. Percent of students experiencing sexual violence in lifetime (YRBS)	10.1%	9.2%	-9%	●
Reports of Harm (Child and Youth)				
5. Rate of reported child abuse and neglect per 10,000 (US DHHS)	190.1	150.8	-21%	●
6. Rate of reported child sexual maltreatment per 10,000 (OCS)	5.8	6.5	+12%	●
Adult and Elder Victimization				
7. Percent of women experiencing physical intimate partner violence in past year (AVS)	N/A	9.4%	N/A	○
8. Percent of women experiencing sexual violence in past year (AVS)	N/A	4.3%	N/A	○
9. Percent of pregnant women experiencing intimate partner physical abuse (PRAMS)	3.6%	4.0%	+11%	●
Reports of Harm (Adult and Elder)				
10. Number of vulnerable adults reporting abuse or neglect (APS)	176	160	-9%	●
11. Number of vulnerable elders reporting abuse or neglect (APS)	73	76	+4%	○
Primary Prevention and Protective Factors				
12. Percent of pregnant women whose health provider talked to them about DV (PRAMS)	60.0%	61.3%	+2%	○
13. Percent of students comfortable seeking help from 3 or more adults (YRBS)	44.6%	43.8%	-2%	○
14. Percent of schools implementing Fourth R healthy relationship curriculum (DEED)	9.7%	12.5%	+29%	●
Reports to Law Enforcement				
15. Rate of forcible rape reported to law enforcement per 10,000 (UCR)	7.3	7.5	+3%	○
16. Number of domestic violence related homicides reported to law enforcement (DPS)	5	15	+200%	●
17. Number of elderly victims reporting DV-related sexual/physical assaults to AST (DPS)	176	149	-15%	●
Utilization of Services				
18. Rate of children evaluated by child advocacy centers per 10,000 (ACA)	81.9	94.8	+16%	●
19. Rate of adults utilizing services for domestic violence per 10,000 (CDVSA)	84.2	89.7	+7%	●
20. Rate of children with adults in domestic violence services per 10,000 (CDVSA)	74.0	74.4	+1%	○
21. Rate of adults utilizing services for sexual assault per 10,000 (CDVSA)	21.8	21.9	+0%	○
22. Rate of youth utilizing services for domestic violence per 10,000 (CDVSA)	22.5	17.9	-20%	●
23. Rate of youth utilizing services for sexual assault per 10,000 (CDVSA)	43.3	31.4	-27%	●
Offender Accountability				
24. Percent of reported forcible rapes resulting in an arrest (DPS)	24.3%	21.0%	-14%	●
25. Rate of juveniles referred for sex offenses per 10,000 (DJJ)	10.9	13.8	+27%	●
26. Rate of juveniles referred for a DV-related assault per 10,000 (DJJ)	N/A	38.5	N/A	○
27. Number of sexual assault cases accepted for prosecution (DOL)	111	118	+6%	●
28. Percent of accepted sexual assault cases with a conviction (DOL)	63.0%	66.1%	+5%	●
29. Number of sexual abuse of minor cases accepted for prosecution (DOL)	109	123	+13%	●
30. Percent of accepted sexual abuse of minor cases with a conviction (DOL)	84.4%	78.0%	-8%	○
31. Number of domestic violence cases accepted for prosecution (DOL)	2,617	2,977	+14%	●
32. Percent of accepted domestic violence cases with a conviction (DOL)	73.8%	73.1%	-1%	○

Progress: ● Progress Satisfactory ○ Progress Uncertain ● Progress Needs Improvement

Percent change is relative to previous data. See definition on page 3. Percent changes may or may not be statistically significant.

Definitions for each population indicator and dates for current and previous data are found starting on page 3.
Alaska Dashboard, January 2012. State of Alaska, Council on Domestic Violence and Sexual Assault, http://dps.alaska.gov/cdvsa/.

2012 Alaska Dashboard

Key Issues Impacting Domestic Violence and Sexual Assault in Alaska

National Comparisons

National data for comparison purposes are only available for a few of the population indicators on the Alaska dashboard for key issues impacting domestic violence and sexual assault in Alaska. Few of the data sources on the Alaska dashboard are available nationally or in other states. When they are available, data are rarely directly comparable. In particular, different states have different definitions for domestic violence and sexual assault. Listed below are the few indicators that are directly comparable to national data.

Key Population Indicators for Alaska	Previous AK Data	Current AK Data	U.S. Data
Child and Youth Victimization			
3. Percent of students experiencing physical dating violence in past year (YRBS)	13.3%	12.0%	9.8%
4. Percent of students experiencing sexual violence in lifetime (YRBS)	10.1%	9.2%	7.4%
Reports of Harm (Child and Youth)			
5. Rate of reported child abuse and neglect per 10,000 (US DHHS)	190.1	150.8	92.2
Reports to Law Enforcement			
15. Rate of forcible rape reported to law enforcement per 10,000 (UCR)	7.3	7.5	2.8

Percent of students experiencing physical dating violence in the past year (YRBS)
In 2009 (previous AK data), the percentage of Alaska high school students experiencing physical dating violence in the past year was 13.3%, compared to 9.8% of high school students in the U.S. The percentage of high school students experiencing physical dating violence in the past year was 1.4 times higher in Alaska than in the U.S.

Percent of students experiencing sexual violence in lifetime (YRBS)
In 2009 (previous AK data), the percentage of Alaska high school students experiencing sexual violence in their lifetime was 10.1%, compared to 7.4% of high school students in the U.S. The percentage of high school students experiencing sexual violence in their lifetime was 1.4 times higher in Alaska than in the U.S.

Rate of reported child abuse and neglect per 10,000 (US DHHS)
In 2010 (current AK data), the rate of reported and substantiated child abuse and neglect was 150.8 per 10,000 children (ages 0 to 17) in Alaska, compared to 92.2 per 10,000 children in the U.S. The Alaska rate was 1.6 times higher than the U.S. rate.

Rate of forcible rape reported to law enforcement per 10,000 (UCR)
In 2010 (current AK data), the rate of forcible rape reported to law enforcement was 7.5 per 10,000 in Alaska, compared to 2.8 per 10,000 in the U.S. The Alaska rate was 2.7 times higher than the U.S. rate.

Forthcoming Indicators

Reports to Law Enforcement
1. Number of sexual assaults reported to law enforcement (DPS)
2. Number of sexual abuses of minors reported to law enforcement (DPS)
Offender Accountability
3. Percent of juvenile sex offenders who recidivate (DJJ)
4. Percent of adult sex offenders who recidivate (DOC)
Primary Prevention and Protective Factors
5. Percent of students who feel connected to their school (SCCS)

2012 Alaska Dashboard

Key Issues Impacting Domestic Violence and Sexual Assault in Alaska

Percent Change

Percent change is the increase or decrease in the current Alaska data relative to the previous Alaska data. It is not an absolute difference in percent. For example, indicator #2 has increased from 4.0% to 7.2%. The absolute difference in percent is 3.2, but the percent change from the previous to the current Alaska data is 80%, because 3.2 is 80% of the previous Alaska data. Percent changes may or may not be statistically significant since some change randomly occurs from year to year.

$$\textbf{Percent Change is } \frac{\textbf{Current AK data - Previous AK data}}{\textbf{Previous AK data}} \times 100$$

Dashboard Indicator Definitions

Childhood Exposure to Domestic Violence
1. Percent of adults exposed to intimate partner violence of parent Behavioral Risk Factor Surveillance System (BRFSS). Approximately every third year, 2,500 adults in Alaska are asked "As a child, did you ever see or hear one of your parents or guardians being hit, slapped, punched, shoved, kicked or otherwise physically hurt by their spouse or partner?" Most current Alaska data are from 2009 and previous Alaska data are from 2006.
2. Percent of mothers whose 3 year old child saw violence or physical abuse Childhood Understanding Behaviors Survey (CUBS). Each year, over 1,000 mothers of three year old children are asked "Has your child ever experienced seeing violence or physical abuse in person?" Most current Alaska data are from 2010 and previous Alaska data are from 2009.

Child and Youth Victimization
3. Percent of students experiencing physical dating violence in past year Youth Risk Behavior Survey (YRBS). Every two years, over 1,000 students in traditional high schools are asked "During the past 12 months, did your boyfriend or girlfriend ever hit, slap, or physically hurt you on purpose?" Most current Alaska data are from 2011 and previous Alaska data are from 2009.
4. Percent of students experiencing sexual violence in lifetime Youth Risk Behavior Survey (YRBS). Every two years, over 1,000 students in traditional high schools are asked "Have you ever been physically forced to have sexual intercourse when you did not want to?" Most current Alaska data are from 2011 and previous Alaska data are from 2009.

Reports of Harm (Child and Youth)
5. Rate of reported child abuse and neglect per 10,000 US Department of Health and Human Services (US DHHS). Rate of unique victims of reported and substantiated child abuse and neglect per 10,000 children ages 0-17. Child abuse and neglect is defined as any recent act or failure to act on the part of a parent or caretaker which results in death, serious physical or emotional harm, sexual abuse or exploitation; or an act or failure to act which presents and imminent risk of serious harm. Most current Alaska data are from 2010 and previous Alaska data are from 2009. For the purpose of the dashboard, this indicator is not used to measure rates of victimization. It is used to measure rates of reporting harm.
6. Rate of reported child sexual maltreatment per 10,000 Office of Children's Services (OCS). Rate of non-duplicated children per 10,000 (ages 0-17) that are referred to the Office of Children's Services for substantiated incidents of sexual maltreatment. Sexual maltreatment includes sexual abuse (sexual assault, sexual abuse of a minor, incest, online enticement of a minor, unlawful exploitation of a minor, indecent exposure), sexual exploitation (allowing, permitting, or encouraging child prostitution), and prostitution or promoting prostitution. Most current Alaska data are from 2010 and previous Alaska data are from 2009. For the purpose of the dashboard, this indicator is not used to measure rates of victimization. It is used to measure rates of reporting harm.

Adult and Elder Victimization

7. Percent of women experiencing intimate partner violence in past year
Alaska Victimization Survey (AVS). In 2010, over 800 adult women were asked if in the past year, an intimate partner (a) "Made threats to physically harm you?" (b) "Slapped you?" (c) "Pushed or shoved you?" (d) "Hit you with a fist or something hard?" (e) "Kicked you?" (f) "Hurt you by pulling your hair?" (g) "Slammed you against something?" (h) "Tried to hurt you by choking or suffocating you?" (i) "Beaten you?" (j) "Burned you on purpose?" or (k) "Used a knife or gun on you?" Most current Alaska data are from 2010.

8. Percent of women experiencing sexual violence in past year
Alaska Victimization Survey (AVS). In 2010, over 800 adult women were asked "When you were drunk, high, drugged, or passed out and unable to consent" in the past year, has anyone (a) "Had vaginal sex with you?" (b) "Made you receive anal sex?" (c) "Made you perform oral sex?" or (d) "Made you receive oral sex?" and has anyone in the past year "used physical force or threats to physically harm you to" (a) "Make you have vaginal sex" (b) "Make you receive anal sex?" (c) "Make you perform oral sex?" (d) "Make you receive oral sex?" (e) "Put their fingers or an object in your vagina or anus?" or (f) "Try to have vaginal, oral, or anal sex with you, but sex did not happen?" Most current Alaska data are from 2010.

9. Percent of pregnant women experiencing intimate partner physical abuse
Pregnancy Risk Assessment Monitoring System (PRAMS). Each year, one of every six women who delivered a live-born infant is asked "During your most recent pregnancy, did your husband or partner push, hit, slap, kick, choke, or physically hurt you in any other way?" Most current Alaska data are from 2010 and previous Alaska data are from 2009.

Reports of Harm (Adult and Elder)

10. Number of vulnerable adults reporting abuse or neglect
Adult Protective Services (APS). Number of vulnerable adults with a substantiated allegation of abuse or neglect reported to Adult Protective Services. Vulnerable adults are people 18 years of age or older who, because of physical or mental impairment, are unable to meet their own needs or to seek help without assistance. Abuse includes the willful, intentional, or reckless nonaccidental, and nontherapeutic infliction of physical pain, injury, or mental distress; or sexual assault in the first or second degree. Neglect includes the intentional failure by a caregiver to provide essential care or services necessary to maintain the physical and mental health of the vulnerable adult (self-neglect is not included). Most current Alaska data are from 2011 and previous Alaska data are from 2010. For the purpose of the dashboard, this indicator is not used to measure rates of victimization. It is used to measure rates of reporting harm.

11. Number of vulnerable elders reporting abuse or neglect
Adult Protective Services (APS). Number of vulnerable elders with a substantiated allegation of abuse or neglect reported to Adult Protective Services. Vulnerable elders are people 65 years of age or older who, because of physical or mental impairment, are unable to meet their own needs or to seek help without assistance. Abuse includes the willful, intentional, or reckless nonaccidental, and nontherapeutic infliction of physical pain, injury, or mental distress; or sexual assault in the first or second degree. Neglect includes the intentional failure by a caregiver to provide essential care or services necessary to maintain the physical and mental health of the vulnerable adult (self-neglect is not included). Most current Alaska data are from 2011 and previous Alaska data are from 2010. For the purpose of the dashboard, this indicator is not used to measure rates of victimization. It is used to measure rates of reporting harm.

Primary Prevention and Protective Factors

Primary prevention includes approaches before violence has occurred to prevent initial perpetration or victimization

12. Percent of pregnant women whose health provider talked to them about DV
Pregnancy Risk Assessment Monitoring System (PRAMS). Each year, one of every six women who delivered a live-born infant is asked "During any of your prenatal care visits, did a doctor, nurse, or other health care worker talk with you about physical abuse to women by their husbands or partners?" Most current Alaska data are from 2010 and previous Alaska data are from 2009.

13. Percent of students comfortable seeking help from 3 or more adults
Youth Risk Behavior Survey (YRBS). Every two years, over 1,000 students in traditional high schools are asked "Besides your parents, how many adults would you feel comfortable seeking help from if you had an important question affecting your life?" Most current Alaska data are from 2011 and previous Alaska data are from 2009.

14. Percent of schools implementing Fourth R healthy relationship curriculum
Department of Education & Early Development (DEED). Percentage of public secondary schools that have teachers trained in the Fourth R healthy relationship curriculum. Secondary schools include public high schools, middle schools, and alternative schools. Most current Alaska data are from FY12 and previous Alaska data are from FY11.

Reports to Law Enforcement

15. Rate of forcible rape reported to law enforcement per 10,000

Uniform Crime Reports (UCR). Rate of forcible rape reported to most law enforcement agencies in Alaska per 10,000 population. Forcible rape is defined as the carnal knowledge of a female forcibly and against her will. Attempted forcible rapes are included, regardless of the age of the victim. Statutory offenses (no force used – victim under age of consent) are excluded. To obtain rates per 100,000, multiply the rates per 10,000 by 10. Most current Alaska data are from 2010 and previous Alaska data are from 2009.

16. Number of domestic violence related homicides reported to law enforcement

Alaska Department of Public Safety (DPS). Number of homicides (willful nonnegligent killings) known to law enforcement that occurred in Alaska where the homicide was committed by a household member against another household member. Household members include adults or minors who are current or former spouses, who live together or who have lived together, who are dating or who have dated, who are engaged in or who have engaged in a sexual relationship, who are related to each other up to the fourth degree of consanguinity, who are related or formerly related by marriage, who have a child of the relationship. Household members also include children of a person in any of these relationships. In some cases, the relationship of the victim to the offender is unknown. These cases are not included in the number of domestic violence related homicides. Most current data are from 2010 and previous Alaska data are from 2009.

17. Number of elderly victims reporting DV-related sexual/physical assaults to AST

Alaska Department of Public Safety (DPS). Number of elderly victims (age 60 or older) who reported an assault involving domestic violence or a sexual assault involving domestic violence to Alaska State Troopers. This is the unduplicated count of victims, not the count of offenses or cases. In addition, each victim is counted only once per year. This number does not include offenses reported to local or municipal police departments. This number also does not include other domestic violence offenses (other crimes against the person, burglary, criminal trespass, arson or criminally negligent burning, criminal mischief, terrorist threatening, violating a protective order, and harassment). Crimes are domestic violence related if they occur between household members (i.e., adults or minors who are current or former spouses, who live together or who have lived together, who are dating or who have dated, who are engaged in or who have engaged in a sexual relationship, who are related to each other up to the fourth degree of consanguinity, or who are related or formerly related by marriage; persons who have a child of the relationship; and minor children of a person in any of these relationships). Most current data are from 2010 and previous Alaska data are from 2009.

Utilization of Services

18. Rate of children evaluated by child advocacy centers per 10,000

Alaska Children's Alliance (ACA). Number of children evaluated at a child advocacy center (duplicated count) per 10,000 children ages 0-17. Children are evaluated at child advocacy centers for allegations of child sexual abuse or assault, child physical abuse, drug endangerment, witnessing violent events in the home where they are present, and neglect or medical failure to thrive. Most current Alaska data are from state fiscal year 2010 and previous Alaska data are from state fiscal year 2009.

19. Rate of adults utilizing services for domestic violence per 10,000

Council on Domestic Violence and Sexual Assault (CDVSA). Number of unduplicated adults per 10,000 adults (age 18 and older) who utilized services from a CDVSA-funded domestic violence and sexual assault service agency, and who were recorded at that agency as being a primary victim of domestic violence. Primary victims are adults who are directly harmed, either physically or emotionally, by the actions of another. Domestic violence is defined as any pattern of coercive behavior that is used by one person to gain power and control over a current or former intimate partner. Domestic violence includes dating violence, which is violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the program participant. Most current Alaska data are from state fiscal year 2011 and previous Alaska data are from state fiscal year 2010.

20. Rate of children with adults in domestic violence services per 10,000

Council on Domestic Violence and Sexual Assault (CDVSA). Number of unduplicated minors per 10,000 minors (ages 0-17) who utilized services from a CDVSA-funded domestic violence or sexual assault service agency, and who were recorded as being a secondary victim of domestic violence. Secondary victims are minors beyond the immediate victim who have been affected by the repercussions of an event or events. These may include child witnesses who although not the direct target of abuse, have been affected. This number does not include minors who were primary victims of domestic violence (even if they were also secondary victims). Domestic violence is defined as any pattern of coercive behavior that is used by one person to gain power and control over a current or former intimate partner. Domestic violence includes dating violence, which is violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the program participant. Most current Alaska data are from state fiscal year 2011 and previous Alaska data are from state fiscal year 2010.

21. Rate of adults utilizing services for sexual assault per 10,000
Council on Domestic Violence and Sexual Assault (CDVSA). Number of unduplicated adults per 10,000 adults (age 18 and older) who utilized services from a CDVSA-funded domestic violence and sexual assault service agency, and who were recorded at that agency as being primary victims of sexual assault. Primary victims are adults who are directly harmed, either physically or emotionally, by the actions of another. Sexual assault includes both assaults committed by offenders who are strangers to the program participants and assaults committed by offenders who are known to, related by blood or marriage to, or in a dating relationship with the program participant. Most current Alaska data are from state fiscal year 2011 and previous Alaska data are from state fiscal year 2010.

22. Rate of youth utilizing services for domestic violence per 10,000
Council on Domestic Violence and Sexual Assault (CDVSA). Number of unduplicated youth per 10,000 youth (ages 12-17) who utilized services from a CDVSA-funded domestic violence and sexual assault service agency, and who were recorded at that agency as being a primary victim of domestic violence. Primary victims are youth who are directly harmed, either physically or emotionally, by the actions of another. Domestic violence is defined as any pattern of coercive behavior that is used by one person to gain power and control over a current or former intimate partner. Domestic violence includes dating violence, which is violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the program participant. Most current Alaska data are from state fiscal year 2011 and previous Alaska data are from state fiscal year 2010.

23. Rate of youth utilizing services for sexual assault per 10,000
Council on Domestic Violence and Sexual Assault (CDVSA). Number of unduplicated youth per 10,000 youth (ages 12-17) who utilized services from a CDVSA-funded domestic violence and sexual assault service agency, and who were recorded at that agency as being primary victims of sexual assault. Primary victims are youth who are directly harmed, either physically or emotionally, by the actions of another. Sexual assault includes both assaults committed by offenders who are strangers to the program participants and assaults committed by offenders who are known to, related by blood or marriage to, or in a dating relationship with the program participant. Most current Alaska data are from state fiscal year 2011 and previous Alaska data are from state fiscal year 2010.

Offender Accountability

24. Percent of reported forcible rapes resulting in an arrest
Alaska Department of Public Safety (Crime Reported in Alaska). Number of offenses cleared by arrest or exceptional means per actual offenses reported or known to law enforcement. Unfounded complaints are excluded. Most current Alaska data are from 2010 and previous Alaska data are from 2009.

25. Rate of juveniles referred for sex offenses per 10,000
Alaska Division of Juvenile Justice (DJJ). Rate of non-duplicated juveniles per 10,000 (ages 11-17) that are referred to the Alaska Division of Juvenile Justice for sexual assault in the first to fourth degree or sexual abuse of a minor in the first to fourth degree. Most current Alaska data are from FY11 and previous Alaska data are from FY10.

26. Rate of juveniles referred for a DV-related assault per 10,000
Alaska Division of Juvenile Justice (DJJ). Rate of non-duplicated juveniles per 10,000 (ages 11-17) that are referred to the Alaska Division of Juvenile Justice for domestic violence related assault in the first to fourth degree. An assault is domestic violence related if it occurred between household members (i.e., minors who are current or former spouses, who live together or who have lived together, who are dating or who have dated, who are engaged in or who have engaged in a sexual relationship, who are related to each other up to the fourth degree of consanguinity, or who are related or formerly related by marriage; persons who have a child of the relationship; and minor children of a person in any of these relationships). Most current Alaska data are for FY11 (these were extrapolated from data that were available from 2/23/11 to 6/30/11). These data were not collected prior to 2/23/11.

27. Number of sexual assault cases accepted for prosecution
Alaska Department of Law (DOL). Number of cases referred to the Alaska Department of Law that were accepted for prosecution with a sexual assault charge in the first, second, third, or fourth degree. A case is accepted for prosecution when the district attorney's office, after reviewing the file and evidence, determines that there is sufficient credible evidence to convict a specific person of the particular crime. Most current Alaska data are from 2009 and previous Alaska data are from 2008.

28. Percent of accepted sexual assault cases with a conviction
Alaska Department of Law (DOL). Percent of sexual assault cases accepted for prosecution that resulted in a conviction. Percentage is based on the number of cases accepted for prosecution with a sexual assault charge in the first, second, third, or fourth degree. A conviction is an accepted charge resulting in a finding of guilt (on any charge). A finding of guilt can occur through plea bargaining or being found guilty beyond a reasonable doubt by either a judge or jury. Most current Alaska data are from 2009 and previous Alaska data are from 2008. Conviction data were retrieved on 11/10/11. Data across years are not directly comparable because recent cases are more likely to be pending prosecution at the time of the data retrieval than older cases.

29. Number of abuse of minor cases accepted for prosecution
Alaska Department of Law (DOL). Number of cases referred to the Alaska Department of Law that were accepted for prosecution with a sexual abuse of a minor charge in the first, second, third, or fourth degree. A case is accepted for prosecution when the district attorney's office, after reviewing the file and evidence, determines that there is sufficient credible evidence to convict a specific person of the particular crime. Most current Alaska data are from 2009 and previous Alaska data are from 2008.

30. Percent of accepted sexual abuse of minor cases with a conviction
Alaska Department of Law (DOL). Percent of sexual abuse of minor cases accepted for prosecution that resulted in a conviction. Percentage is based on the number of cases accepted for prosecution with a sexual abuse of a minor charge in the first, second, third, or fourth degree. A conviction is an accepted charge resulting in a finding of guilt (on any charge). A finding of guilt can occur through plea bargaining or being found guilty beyond a reasonable doubt by either a judge or jury. Most current Alaska data are from 2009 and previous Alaska data are from 2008. Conviction data were retrieved on 11/10/11. Data across years are not directly comparable because recent cases are more likely to be pending prosecution at the time of the data retrieval than older cases.

31. Number of domestic violence cases accepted for prosecution
Alaska Department of Law (DOL). Number of cases referred to the Alaska Department of Law that were accepted for prosecution with an assault charge in the first, second, third, or fourth degree involving domestic violence. Most current Alaska data are from 2009 and previous Alaska data are from 2008.

32. Percent of accepted domestic violence cases with a conviction
Alaska Department of Law (DOL). Percent of assault cases involving domestic violence accepted for prosecution that resulted in a conviction for an assault involving domestic violence. Percentage is based on the number of cases accepted for prosecution with an assault charge in the first, second, third, or fourth degree involving domestic violence. Most current Alaska data are from 2009 and previous Alaska data are from 2008. Conviction data were retrieved on 11/10/11. Data across years are not directly comparable because recent cases are more likely to be pending prosecution at the time of the data retrieval than older cases.

HJR

15

<TARGET><BILL>HJR 15</BILL><SUBJECT>HJR 15</SUBJECT><COMM>SSTA27</COMM></TARGET>

SENATE COMMITTEE REPORT

DATE: 3/30/11

FURTHER:

DATE TURNED IN TO OFFICE: 3-5-11

State Affairs Committee considered CS FOR HOUSE JOINT RESOLUTION NO. 15(EDT)

HJR 15-SUPPORT ARCTIC CAUCUS

Relating to collaboration with the Yukon and the Northwest Territories through the Pacific NorthWest Economic Region and its Arctic Caucus to address common issues.

and recommends:

[ ] be **replaced** with SCS _____ (HJR 15) [X] *Same Title* [ ] *Technical Title Change* [ ] *New Title/SCR No.*_____

[ ] adopt **previous SCS** ____ SCS/CS- Forthcoming ____) [ ] *Same Title* [ ] *Technical Title Change* [ ] *New Title/SCR No.*_____

[ ] attached amendment(s)

[ ] adopt _____Letter of Intent

[ ] further referral to _____Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
LEG			X	1

[ ] **APPROPRIATION - no fiscal note**

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Giessel	X			
	PATKVA	X			
	KOOKUK	X			
CHAIR:	Wielechowski	X			

27-LS0477\I.1
Bannister
3/21/11

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE HERRON

TO: CSHJR 15(EDT)

Page 3, line 14:

Delete "Honorable"

Insert "Right Honourable"

Representative Bob Herron

Rep.Bob.Herron@legis.state.ak.us

State Capitol • Juneau, Alaska 99801-1182
Phone: (907) 465-4942 • Fax: (907) 465-4589

House District 38
Kuskokwim & Johnson Rivers
Kuskokwim Bay & Nelson Island

Akiachak
Akiak
Atmautluak
Bethel
Chefornak
Eek
Goodnews Bay
Kasigluk
Kipnuk
Kongiganak
Kwethluk
Kwigillingok
Lower Kalskag
Mekoryuk
Mertarvik
Napakiak
Napaskiak
Newtok
Nightmute
Nunapitchuk
Oscarville
Platinum
Quinhagak
Toksook Bay
Tuluksak
Tununak
Tuntutuliak
Upper Kalskag

MEMORANDUM

Date: March 28, 2011

To: Senator Bill Wielechowski, State Affairs Chair

From: Rep. Bob Herron

RE: HJR 15 (EDT), Supporting Arctic Caucus

I respectfully request that **HJR 15 (EDT),** "Relating to collaboration with the Yukon and the Northwest Territories through the Pacific NorthWest Economic Region and its Arctic Caucus to address common issues" **be scheduled for a hearing in the Senate State Affairs Committee.**

This resolution encourages the Alaska Legislature to collaborate with the legislative assemblies of the Yukon and the Northwest Territories through PNWER and its Arctic Caucus to facilitate communication and cooperation among the Arctic Caucus member jurisdictions and, as a result, to more effectively address common problems.

Notably, the Arctic Caucus will also strive to promote a synchronized message detailing the common needs of the Arctic Caucus member regions to their respective federal governments and emphasizing that coordinated United States and Canadian federal policies are vital for the well-being of the region's citizens.

If you have any questions or need additional information, please contact myself or my staff Rob Earl at 465.4942.

CS FOR HOUSE JOINT RESOLUTION NO. 15(EDT)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE, AND TOURISM

Offered: 3/18/11
Referred: Rules

Sponsor(s): REPRESENTATIVES HERRON, Kerttula, Peggy Wilson, Gardner

A RESOLUTION

Relating to collaboration with the Yukon and the Northwest Territories through the Pacific NorthWest Economic Region and its Arctic Caucus to address common issues.

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

WHEREAS the Pacific NorthWest Economic Region was formed in 1991 as a forum for collaborative public and private sector planning among the states of Alaska, Montana, Washington, Oregon, and Idaho, the Canadian provinces and territories of the Northwest Territories, Yukon, British Columbia, Alberta, and Saskatchewan, and the national capitals of Washington, D.C., and Ottawa, Canada; and

WHEREAS the Arctic Caucus of the Pacific NorthWest Economic Region was formed in November 2009 as an informal group of legislators, government officials, business leaders, and leaders of nonprofit organizations committed to the responsible development of North America's Arctic regions; and

WHEREAS the purpose of the Arctic Caucus is to provide a forum within the Pacific NorthWest Economic Region for the Arctic jurisdictions of Alaska, the Yukon, and the Northwest Territories to share information, discuss issues of mutual concern, and identify areas for collaboration, including working with other jurisdictions and providing Arctic-

related input to the working groups of the Pacific NorthWest Economic Region; and

WHEREAS, on December 1 - 3, 2010, the Arctic Caucus met in Barrow, Alaska, to discuss the federal Arctic policies of the United States and Canada, the Arctic transportation and communication infrastructure needs of the Arctic Caucus member regions, and the priorities and action of the Arctic Caucus; and

WHEREAS the Alaska Northern Waters Task Force attended the 2010 meeting of the Arctic Caucus in Barrow, and future cooperative action between the Alaska Northern Waters Task Force and the Arctic Caucus was outlined; and

WHEREAS the 21st Annual Summit of the Pacific NorthWest Economic Region will be held July 19 - 22, 2011, in Portland, Oregon, and will provide a forum for continued Arctic Caucus collaboration; and

WHEREAS Alaska, the Yukon, and the Northwest Territories, the three northern regions of the Pacific NorthWest Economic Region, have problems in common, including limited educational opportunities; a minimal distance-delivery education infrastructure; a need for expanded workforce development programs; a need for better cold climate housing; a high rate of suicide; a high rate of domestic violence; a high rate of substance abuse; an economic reliance on resource-extraction industries and a corresponding need for economic diversification; remote and inaccessible communities that face high costs for fuel and commodities; and an urgent need for investment in transportation and communication infrastructure; and

WHEREAS there is much to be gained by Alaska, the Yukon, and the Northwest Territories more closely sharing strategies to solve common problems and working together to solve those problems; and

WHEREAS some of the issues that the Arctic Caucus might address include increasing cooperation on scientific research and vessel tracking; exploring strategies to address and mitigate tension between local users and industry; identifying economic development opportunities through tourism, infrastructure development, and regional partnerships; supporting Arctic marine safety through appropriate jurisdictional licensing of marine pilots; exploring increased cooperation in emergency and disaster preparedness; and increasing coordination of search and rescue efforts;

BE IT RESOLVED that the Alaska State Legislature will collaborate with the

legislative assemblies of the Yukon and the Northwest Territories through the Pacific NorthWest Economic Region and its Arctic Caucus to facilitate communication and cooperation among the Arctic Caucus member regions and, as a result, to address more effectively problems common to those regions; and be it

FURTHER RESOLVED that the Alaska State Legislature will work with the legislative assemblies of the Yukon and the Northwest Territories through the Pacific NorthWest Economic Region and the Arctic Caucus to promote a synchronized message detailing the common needs of the Arctic Caucus member regions to their respective federal governments and emphasizing that coordinated United States and Canadian federal policies are vital to the welfare of Alaska, the Yukon, and the Northwest Territories; and be it

FURTHER RESOLVED that the Alaska State Legislature invites the governments of the Yukon and the Northwest Territories to join Alaska in an enduring alliance to pursue the common goals of their regions.

right honourable

COPIES of this resolution shall be sent to the Honorable Stephen Harper, Prime Minister of Canada; the Honorable John Morris Duncan, Canadian Minister of Indian Affairs and Northern Development; the Honorable Jim Kenyon, Member of the Legislative Assembly of the Yukon; the Honorable Bob McLeod, Member of the Legislative Assembly of the Northwest Territories; the Honorable Denis Stevens, Consul General of the Consulate General of Canada in Seattle, Washington; the Honorable Barack Obama, President of the United States; the Honorable Hillary Rodham Clinton, United States Secretary of State; the Honorable Robert M. Gates, United States Secretary of Defense; the Honorable Ken Salazar, United States Secretary of the Interior; the Honorable Sean Parnell, Governor of Alaska; the Honorable Mead Treadwell, Lieutenant Governor of Alaska; and the Honorable Lisa Murkowski and the Honorable Mark Begich, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.

Representative Bob Herron

Rep.Bob.Herron@legis.state.ak.us

State Capitol • Juneau, Alaska 99801-1182
Phone: (907) 465-4942 • Fax: (907) 465-4589

House District 38
Kuskokwim & Johnson Rivers
Kuskokwim Bay & Nelson Island

Akiachak
Akiak
Atmautluak
Bethel
Chefornak
Eek
Goodnews Bay
Kasigluk
Kipnuk
Kongiganak
Kwethluk
Kwigillingok
Lower Kalskag
Mekoryuk
Mertarvik
Napakiak
Napaskiak
Newtok
Nightmute
Nunapitchuk
Oscarville
Platinum
Quinhagak
Toksook Bay
Tuluksak
Tununak
Tuntutuliak
Upper Kalskag

Sponsor Statement
CS HJR 15 (EDT)

"Relating to collaboration with the Yukon and the Northwest Territories through the Pacific NorthWest Economic Region and its Arctic Caucus to address common issues."

The Arctic Caucus was formed in November 2009 as an informal group of legislators, government officials, business leaders, and leaders of nonprofit organizations committed to the responsible development of North America's Arctic regions, including Alaska, Northwest Territories, and the Yukon. The Arctic Caucus is now a working group within the Pacific Northwest Economic Region (PNWER), a statutory public-private partnership which promotes economic development between three Canadian provinces, two territories and five American states, including Alaska. Alaska was a founding member of PNWER in 1991. The Arctic Caucus is designed to facilitate communication and cooperation among the Arctic Caucus member jurisdictions.

The Arctic Caucus held its first Leadership Forum in Barrow, AK Dec. 1-3, 2010. This meeting was attended by six Alaska legislators, key officials from the US and Canada, and leadership from Yukon and the Northwest Territories.

Issues on which the Arctic Caucus has agreed to focus on include:

- Increasing cooperation on scientific research and vessel tracking
- Exploring strategies to reduce tension between local users and industry
- Identifying bi-national economic development opportunities through tourism
- Regional infrastructure and partnership development
- Exploring increased cooperation in emergency and disaster preparedness, and
- Increasing coordination of search and rescue efforts.

This resolution encourages the Alaska Legislature to collaborate with the legislative assemblies of the Yukon and the Northwest Territories through PNWER and its Arctic Caucus to facilitate communication and cooperation among the Arctic Caucus member jurisdictions and, as a result, to more effectively address common problems.

Notably, the Arctic Caucus will also strive to promote a synchronized message detailing the common needs of the Arctic Caucus member regions to their respective federal governments and emphasizing that coordinated United States and Canadian federal policies are vital for the well-being of the region's citizens.

This resolution's final resolve calls on "the governments of the Yukon and the Northwest Territories to join Alaska in an enduring alliance to pursue the common goals of their regions." We feel the time has come for such an alliance and are confident it will be embraced by our closest Canadian neighbors. We further hope and expect that the Alaska Legislature will welcome this spirit of northern camaraderie and support this resolution as a vehicle toward increased cooperation in the Arctic.

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version HJR 15
() Publish Date

Identifier (file name) HJR15-LEG-COU-3-17-2011
Title "Relating to Collaboration with the Yukon and the Northwest Territories through the Pacific NorthWest Economic Region..."
Sponsor Representative Herron
Requester House Special Committee on Economic Development, Trade...]

Dept. Affected Legislature
Appropriation Legislative Council
Allocation Session Expenses
OMB Component Number 782

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
OPERATING EXPENDITURES	**FY 2012**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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 Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2011) cost

POSITIONS							
Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version

Initial Version

Prepared by Shane Miller, Finance Manager
Division Legislative Affairs Agency
Approved by Pamela Varni, Executive Director
Legislative Affairs Agency

Phone 465-6626
Date/Time 3/17/11 7:53 AM
Date 3/17/2011

(Revised 12/29/2010 OMB)

Analysis

This fiscal note has zero impact on the Legislative Affairs Agency.

Representative Bob Herron

Rep.Bob.Herron@legis.state.ak.us

State Capitol • Juneau, Alaska 99801-1182
Phone: (907) 465-4942 • Fax: (907) 465-4589

House District 38
Kuskokwim & Johnson Rivers
Kuskokwim Bay & Nelson Island

Akiachak
Akiak
Atmautluak
Bethel
Chefornak
Eek
Goodnews Bay
Kasigluk
Kipnuk
Kongiganak
Kwethluk
Kwigillingok
Lower Kalskag
Mekoryuk
Mertarvik
Napakiak
Napaskiak
Newtok
Nightmute
Nunapitchuk
Oscarville
Platinum
Quinhagak
Toksook Bay
Tuluksak
Tununak
Tuntutuliak
Upper Kalskag

Explanation of Changes for HJR 15, Support Arctic Caucus

For Senate State Affairs Committee

Changes from the original HJR 15 in the House Economic Development, Trade & Tourism Committee

P.2, line 14, after "including" -- inserted
"limited educational opportunities; a minimal distance-delivery education infrastructure; a need for expanded workforce development programs;"

P. 2, line 28, after "partnerships" – inserted:
"supporting Arctic marine safety through appropriate jurisdictional licensing of marine pilots"

Lieutenant Governor Mead Treadwell
STATE OF ALASKA

February 21, 2011

The Honorable Representative Herron
Chairman House Special Committee on Economic Development,
Trade & Tourism
State Capitol Room 411
Juneau, Alaska 99811

Dear Representative Herron,

I appreciate the opportunity to be able to provide comment on HJR 15. For the record, I am Mead Treadwell, Lieutenant Governor, State of Alaska.

First, I would like to underscore the premise of this resolution: The Arctic is strategic to Alaska, the nation and the world. We feed, fuel, and defend America from the Arctic. Our Arctic location makes us a global player in aviation, and increasingly in shipping. Our Arctic scenery and culture inspires the world, and we have a major share of Arctic tourism. Arctic research conducted by Alaskans is central to global discussions on energy, climate change, shipping, health and biodiversity.

The Arctic Caucus of PNWER, and PNWER itself, is a way for us to get the word out about these important things we do, and want to do. It is a way to promote cooperation we need to develop our resources safely, protect our environment, establish safe, secure, reliable shipping, solve the Alaska-Canada border disputes, promote common investment in infrastructure, ranging from aids to navigation, oil spill response, search and rescue capability, energy development, ports and icebreakers.

As a joint resolution is an expression of the sense of the house and senate rather than of the administration, we will not be taking a position on whether or not the resolution should pass. Instead, we would like to express our appreciation for the Legislature's willingness to consider these important issues and pledge our willingness to work together on them.

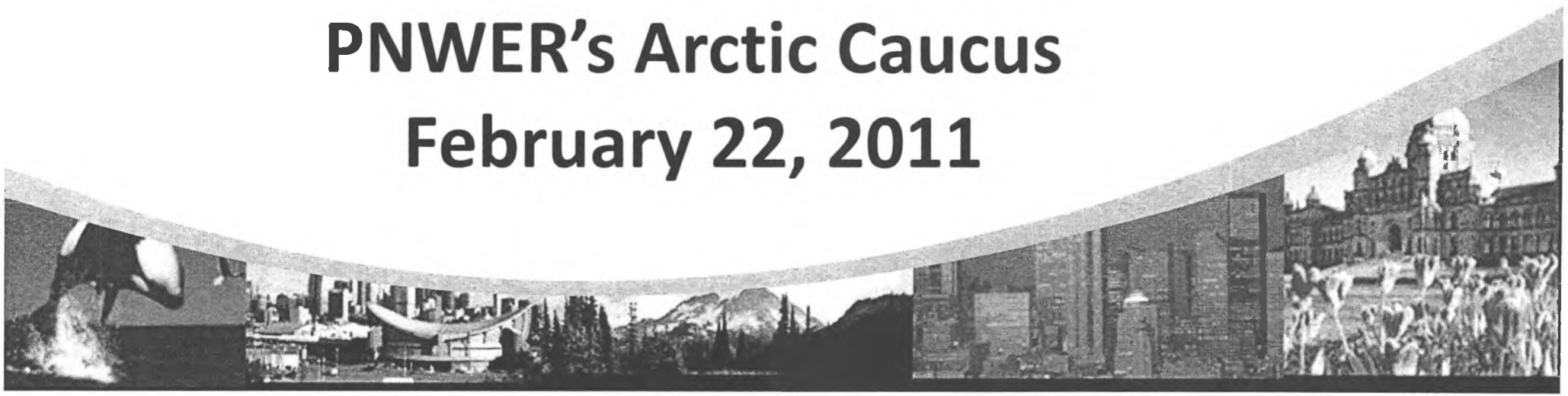
Sincerely,

Mead Treadwell
Lieutenant Governor

Juneau Office: Post Office Box 110015 • Juneau, Alaska 99811 • 907.465-3520 voice • 907-465-5400 fax
Anchorage Office: 550 West 7th Avenue, Suite 1700 • Anchorage, Alaska 99501 • 907.269.7460 voice • 907-269-0263 fax
lt.governor@alaska.gov • www.ltgov.alaska.gov

Pacific NorthWest Economic Region

PNWER's Arctic Caucus
February 22, 2011



PNWER Profile

- PNWER – formed by statute in 1991
- PNWER is a Public/Private Partnership
- Alaska, Alberta, British Columbia, Idaho, Oregon, Montana, Saskatchewan, Washington, Yukon & Northwest Territories
- Alaska Delegate Council:
  - Governor Sean Parnell
  - Sen. Fred Dyson
  - Sen. Charlie Huggins
  - Sen. Lesil McGuire
  - Sen. Tom Wagoner
  - Rep. Anna Fairclough
  - Rep. Bryce Edgmon
  - Rep. Lindsey Holmes
  - Rep. Peggy Wilson

Recent Successes

- Facilitation of Enhanced Drivers License
- Legislative Energy Horizon Institute
- 2010 Olympics and Border Symposium
- Arranged visit for AK Legislators to Alberta Oil Sands
- Foundation of the Arctic Caucus
- Support of international rail connection BC-WA

Arctic Caucus

- Founded in 2009 during Presidency of Senator McGuire
- A forum for PNWER Northern Jurisdictions to enhance collaboration amongst themselves and with other members
- Lead by Alaska, Yukon and Northwest Territories
- First Leadership Forum held in Barrow, Dec. 2010

Action Items – (see Arctic Caucus Report for complete list)

- Advocate for cabinet-level (US) participation in the Arctic Council
- Promote a pan-Northern approach to federal governments. (Including Legislative concurrent resolution)

Action Items – (see Arctic Caucus Report for complete list)

- Explore means to support the expansion of the Marine Exchange of Alaska's AIS System in Alaska as well as Northwest Territories (NWT), Yukon and BC. Support current efforts to increase Search and Rescue response capacity and infrastructure on both sides of the border including joint training/exercises
- Promote federal support of the Alaska/Canada highway and Shakwak funding.

Other Identified Issues :

- Gas Pipeline development
- UN Convention on the Law of the Sea
- Transmission/Local Energy Development
- Joint Tourism/Marketing
- Training/Workforce Development
- Support development of youth exchange programs
- Conduct an infrastructure gap analysis and provide a justification for investment in cross-border infrastructure.

Next Steps

- Arctic Caucus will meet at PNWER Summit in Portland Oregon, July 2011
- Second Leadership forum will be held August 18 – 19 in Yellowknife, NWT
- Meetings in Washington, DC and Ottawa to push Action Items to both Federal Governments
- Further development of plan for implementation and support of Arctic Caucus

Contact

Pacific Northwest Economic Region (PNWER)
2200 Alaskan Way, Suite 460
Seattle, WA 98121
206-443-7723
www.pnwer.org
Matt.Morrison@pnwer.org

HJR

34

<TARGET><BILL>HJR 34</BILL><SUBJECT>HJR 34</SUBJECT><COMM>SSTA27</COMM></TARGET>

Representative Bob Herron

Rep.Bob.Herron@legis.state.ak.us
State Capitol • Juneau, Alaska 99801-1182
Phone: (907) 465-4942 • Fax: (907) 465-4589

House District 38
Kuskokwim & Johnson Rivers
Kuskokwim Bay & Nelson Island

Akiachak
Akiak
Atmautluak
Bethel
Chefornak
Eek
Goodnews Bay
Kasigluk
Kipnuk
Kongiganak
Kwethluk
Kwigillingok
Lower Kalskag
Mekoryuk
Mertarvik
Napakiak
Napaskiak
Newtok
Nightmute
Tuntutuliak
Oscarville
Platinum
Quinhagak
Toksook Bay
Tuluksak
Tununak
Tuntutuliak
Upper Kalskag

HJR 34 – Coast Guard Icebreakers & Arctic Base

SPONSOR STATEMENT

The Alaska Northern Waters Task Force's Final Report was released January 30, 2012. HJR 34 formalizes two of the Task Force's recommendations and calls for the United States to:

1. Forward base the US Coast Guard in the Arctic, and
2. Fund icebreakers and other ice capable vessels.

The entire Arctic region is experiencing increased human activity related to shipping, oil and gas development, commercial fishing, and tourism and this increased activity leads to a commensurate need for immediate investment in the United States Arctic to enable the responsible development of resources; foster maritime commerce, safeguard the well-being of Arctic residents and ecosystems; facilitate emergency and disaster preparedness and response; and protect United States sovereignty.

The Coast Guard's mission in the Arctic is broad and it's becoming increasingly clear that the Coast Guard lacks the necessary assets to adequately complete its mission – without a corresponding increase in Arctic investment by the United States, this deficiency will only worsen over time. Having a sufficient number of ice-capable vessels (including shallow-draft vessels with icebreaking capability) is vital for the Coast Guard to fulfill its expanding mission in the Arctic.

Congress and the Administration are mandated by multiple laws and policies to maintain icebreaking operations, including:

- A 1936 Executive Order from President Franklin Roosevelt
- The Arctic Research Policy Act of 1984
- The Coast Guard Authorization Act of 2010, and
- The 2011 Arctic Search & Rescue (SAR) Agreement

Should a tragedy – such as the recent wreck of the cruise ship *Costa Concordia* in Italy – occur in the Arctic, the Coast Guard would be hard pressed to respond with sufficient assets in a timely fashion given their single Polar Class Icebreaker and their nearest base being in Kodiak, over 900 miles away from Alaska's Arctic coast.

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version: **HJR34**
Fiscal Note Number:
() Publish Date:

Identifier (file name): HJR34-LEG-COU-2-15-12
Title: "Urging the US Congress to fund all of the facilities and vessels necessary for the USCG to fulfill its Arctic..."
Sponsor: Reps Herron, Joule, Foster, Edgmon, Austerman...
Requester: Military & Veterans' Affairs

Dept. Affected: Legislature
Appropriation: Legislative Council
Allocation: Council & Subcomittees
OMB Component Number: 783

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY13**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial Version

Prepared by: Jessica Geary, Finance Manager — Phone: 465-6626
Division: Legislative Affairs Agency — Date/Time: 2/15/12 12:55 PM
Approved by: Pamela Varni, Executive Director — Date: 2/15/2012
Legislative Affairs Agency

(Revised 1/17/2012 OMB)

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. HJR34

Analysis

This Legislation has zero fiscal impact on the Legislative Affairs Agency.

Representative Bob Herron

Rep.Bob.Herron@legis.state.ak.us
State Capitol • Juneau, Alaska 99801-1182
Phone: (907) 465-4942 • Fax: (907) 465-4589

House District 38
Kuskokwim & Johnson Rivers
Kuskokwin Bay & Nelson Island

Akiachak
Akiak
Atmautluak
Bethel
Chefornak
Eek
Goodnews Bay
Kasigluk
Kipnuk
Kongiganak
Kwethluk
Kwigillingok
Lower Kalskag
Mekoryuk
Mertarvik
Napakiak
Napaskiak
Newtok
Nightmute
Nunapitchuk
Oscarville
Platinum
Quinhagak
Toksook Bay
Tuluksak
Tununak
Tuntutuliak
Upper Kalskag

CS HJR 34 (STA) am – COAST GUARD ICEBREAKERS & ARCTIC BASE

Changes from HJR 34 to CS HJR 34 (MLV)

P. 4, line 28, In the Copies Section:

Removed the Senior Arctic Officials of all eight Arctic Nations and inserted the Foreign Ministers of the other seven Arctic Nations (Secretary Clinton was already a recipient). This was done due to protocol, since the Foreign Ministers are higher ranking than the Senior Arctic Officials.

Changes from CS HJR 34 (MLV) to CS HJR 34 (STA)

P.1, line 6:
After "1959;" Deleted: ", on equal footing with the previously admitted states"

P.2, line 4:
After "tourism," Added ", and other activities"

P.4 , lines 25-27:
Removed: "icebreakers, including charging for icebreaker escorts, the option to lease rather than own the icebreakers needed in the Arctic, and selling our aging icebreakers to the private sector for refurbishment" AND

After "finance" Inserted: "the refurbishment of our current polar class icebreakers, the acquisition of new icebreakers, and the long-term maintenance funding of the United States Coast Guard icebreaker fleet and Arctic facilities"

This removes reference to charging for escorts, leasing and selling aging icebreakers to the private sector and adds reference to refurbishment and long-term maintenance.

Changes from CS HJR 34 (STA) to CS HJR 34 (STA) am

P.4, line 11:

After "the" inserted "strategically important"

Other countries fully understand the need for more Icebreakers in the Arctic:

- Russia has a fleet of eight nuclear powered icebreakers;
- Canada has committed $38 billion to a 30-year plan to build additional icebreakers and other ice-strengthened ships;
- Sweden, Finland, South Korea, and Japan have recently added icebreakers to their fleets; and
- China has a large icebreaking research ship and will have a second vessel operational in 2013

Considering it will take from seven to ten years to design and construct just one new Polar Class icebreaker, it is time critical that the U.S. fund & construct additional Icebreakers. Delay on this action will inevitably lead to undesirable consequences for the United States in the Arctic.

The Coast Guard must have a greater overall presence in the Arctic, with the ability to stage assets closer to future shipping, oil and gas drilling, and commercial fishing activities. I urge your support for this resolution.

Representative Bob Herron

Rep.Bob.Herron@legis.state.ak.us
State Capitol • Juneau, Alaska 99801-1182
Phone: (907) 465-4942 • Fax: (907) 465-4589

House District 38
Kuskokwim & Johnson Rivers
Kuskokwin Bay & Nelson Island

Akiachak
Akiak
Atmautluak
Bethel
Chefornak
Eek
Goodnews Bay
Kasigluk
Kipnuk
Kongiganak
Kwethluk
Kwigillingok
Lower Kalskag
Mekoryuk
Mertarvik
Napakiak
Napaskiak
Newtok
Nightmute
Tunapitchuk
Oscarville
Platinum
Quinhagak
Toksook Bay
Tuluksak
Tununak
Tuntutuliak
Upper Kalskag

United States Arctic Policy – NSPD-66

On January 9, 2009, President Bush signed National Security Presidential Directive (NSPD)-66 on Arctic Region Policy. Replacing the Clinton-era Arctic policy directive, NSPD-66 is now the stated Arctic policy of the Obama Administration as well.

The policy aims to:

- support the ratification of the United Nations Convention on the Law of the Sea (UNCLOS);
- promote participation in the Arctic Council;
- develop agreements with other Arctic countries on increased human activity in the region; and
- "continue to cooperate with other countries on Arctic issues through the United Nations (U.N.) and its specialized agencies."

The policy argues against the need for a treaty among Arctic nations similar to the Antarctic Treaty restricting commercial and military activities. The policy calls for the US to, "assert a more active and influential national presence to protect its Arctic interests and project sea power throughout the region," and to secure free passage of vessels through the Northwest Passage and the Northern Sea Route.

The following is a link to NSPD-66 in its entirety:
http://www.fas.org/irp/offdocs/nspd/nspd-66.htm

U.S. Department of Homeland Security

United States Coast Guard

Commandant
United States Coast Guard

2100 2nd St, S.W. Stop 7683
Washington, DC 20593-7683
Staff Symbol: CG-5X
Phone: (202) 372-2670

COMDTINST 16003.1
26 APR 2011

COMMANDANT INSTRUCTION 16003.1

Subj: U.S. COAST GUARD ARCTIC STRATEGIC APPROACH

Ref: (a) Arctic Region Policy, National Security Presidential Directive-66 / Homeland Security Presidential Directive-25 (NSPD-66/HSPD-25) dtd 09 Jan 2009
(b) U.S. Coast Guard Strategy for Maritime Safety, Security, and Stewardship
(c) National Environmental Policy Act Implementing Procedures and Policy for Considering Environmental Impacts, COMDTINST M16475.1(series)

1. PURPOSE. To promulgate the U.S. Coast Guard's strategic approach for mission execution in the Arctic[1] region.

2. ACTION. All U.S. Coast Guard unit commanders, commanding officers, officers-in-charge, deputy/assistant commandants, and chiefs of headquarters staff elements shall comply with the provisions of this Instruction. Internet release is authorized.

3. DIRECTIVES AFFECTED. None.

4. ARCTIC STRATEGIC VISION. As the Nation's lead agency for ensuring maritime safety, security, and stewardship, the U.S. Coast Guard will lead our nation's maritime engagement in the Arctic, and be a leader in advancement of U.S. national interests in the Arctic maritime domain. The U.S. Coast Guard must have the capability to perform the Service's statutory missions in the demanding Arctic maritime environment to ensure the Arctic remains a safe, secure, and environmentally sustainable region. The U.S. Coast Guard's Arctic strategy is founded on its

[1] A definition of the Arctic is contained in 15 USC § 4111. However, for the purposes of this Instruction, the Arctic region is defined as: "All United States and foreign territory north of the Arctic Circle and all United States territory north and west of the boundary formed by the Porcupine, Yukon, and Kuskokwim Rivers; all contiguous seas and straits north of and adjacent to the Arctic Circle, including the Arctic Ocean, the Bering, Chukchi, Beaufort, Greenland, Norwegian, Barents, Kara, Laptev, Lincoln, Wandel, and East Siberian seas, the Bering, Davis, Fram, and Denmark straits, the Canadian archipelago and Baffin Bay, and the Aleutian islands chain." This definition was agreed upon by U.S. Coast Guard and U.S. Navy in 2009 and is more inclusive of regions in which we may be called to operate.

DISTRIBUTION – SDL No. 158

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z
A	1	1		1	1		1						1									1				
B	1	1	1		1	1			1		1		1		1				1					1		
C	1	1			1	1	1									1	1						1		1	
D	1	1																					1		1	
E	1									1	1	1				1										
F																	1									
G		1																								
H						1																				

NON-STANDARD DISTRIBUTION:

overarching strategy for maritime safety, security, and stewardship; and its intent to strengthen operational capability and field an adaptive, responsive force.

5. DISCUSSION.

a. U.S. Coast Guard Strategic Approach to the Arctic.

(1) As outlined in reference (a), the Arctic region is primarily a maritime domain. Human activity in the region is increasing and is projected to increase further in coming years. The National Arctic Policy directs the Departments of State, Homeland Security, and Defense to develop greater capabilities and capacity, as necessary, to protect U.S. borders; increase Arctic maritime domain awareness (MDA); preserve global mobility; project a sovereign United States maritime presence; encourage peaceful resolution of disputes; cooperate with other Arctic nations to address likely issues from increased shipping; establish a risk-based capability to address hazards in the region including cooperative search and rescue (SAR), basing and logistical support; and evaluate the feasibility for using the Arctic for strategic sealift. This tasking requires the United States to assert a more active and influential national presence to protect its Arctic interests throughout the region. Reference (b) is the overarching strategy for accomplishing the U.S. Coast Guard's missions in the maritime domain, and it will guide our efforts in meeting our national objectives in the Arctic region.

(2) Driven by changes in the physical environment, the Arctic operational and tactical environment has changed dramatically in recent years. Greater accessibility and human activity in Arctic waters, previously covered by ice, have increased the significance and national urgency associated with ensuring the United States has the ability to preserve freedom of navigation, provide safety of life at sea, protect our natural resources, and preserve the natural environment.

(3) The U.S. Coast Guard will be a leader in supporting the Nation's policy objectives and interests as outlined above and in reference (a). We will assert an active, layered, adaptive, fiscally responsible and scalable approach in meeting maritime safety, security, and stewardship requirements in the dynamic and challenging Arctic maritime domain.

(4) Although the U.S. Coast Guard will face complex and different operational challenges than experienced just a few years ago, we will aggressively work to overcome these challenges and operational gaps in a fiscally responsible manner. In doing so, the U.S. Coast Guard will build on the interlocking system of governance comprised of legal regimes, awareness, and operational capabilities outlined in reference (b). Similarly, we must meet the broad and fundamental national interests and tasks outlined in reference (a).

b. Arctic Strategic Focus.

(1) Maritime Safety, Security, and Stewardship: The core elements of our strategic approach to maritime safety, security and stewardship remain valid in the Arctic. However, the vast and harsh environment, lack of infrastructure, and current low levels of commercial maritime activity represent unique challenges in this regard. To overcome these challenges, we must work to build upon existing legal regimes, enhance our partnerships with key stakeholders,

such as tribal governments, enhance maritime domain awareness, and field an operational capability that is adaptive to the seasonal operational mission demands.

(a) Legal Regimes and Partnerships: Statutes, regulations, international agreements, conventions, and standards all establish the maritime rule set. As the Arctic maritime community continues to evolve, legal regimes required to ensure sound safety, security and stewardship will likely evolve as well. The U.S. Coast Guard will take a leadership role in ensuring proper maritime legal regimes are in place for the Arctic domain. In addition, the U.S. Coast Guard's extensive history of Arctic service that began in 1865 provides both experience and an expansive network of governmental, non-governmental, and private partnerships which we will leverage to meet the demands of the Arctic. The U.S. Coast Guard will make enhancing federal, state, local, tribal, and industry partnerships a priority. Strong partnerships and broad authorities are key to our leadership in a comprehensive approach to meet national policy objectives in the Arctic.

(b) MDA: It results from the full integration of situational awareness and intelligence. Greater awareness and effective understanding of maritime activity in the Arctic is required to promote safety, protect the environment, and respond to maritime incidents and threats. The U.S. Coast Guard will assert its leadership in developing an integrated MDA program that will fuse the expertise and input from our tribal, local, state, federal and industry partners and the myriad of informative sources available in the region.

(2) Mission Performance and Preparedness: The U.S. Coast Guard must build toward a level of mission performance and preparedness in the Arctic comparable to that of other maritime regions. This will require enhancement of our partnerships with other Arctic nations, industry, and state, local, tribal, and federal agencies. This phased approach will use available resources balanced against other national priorities. In doing so, we will be prepared for and conduct operations across a broad range of mission sets, including environmental response in the Arctic region.

(3) Capability: The U.S. Coast Guard must be prepared to respond to all threats, all hazards, and fully perform its mission responsibilities in the Arctic. We will work to develop the appropriate capabilities with sufficient capacity to execute our missions at an acceptable level of risk, and in a manner that is adaptive to the drastic changes in environmental conditions. It is important that we adopt an approach in the Arctic that leverages the capability of our federal, state, local, tribal and industry partners.

(a) Capability Partnerships: As public and private infrastructure is developed in the Arctic, it should be leveraged to build MDA, and where appropriate, operational capability. In concert with our international and interagency partners, state, local and tribal governments, and the private sector, the U.S. Coast Guard will be a leader in safeguarding the Arctic against all maritime threats and hazards, while meeting our national objectives, today and in the future.

(b) Technology: Recent advances in surveillance, navigation, and communications systems present the potential to eliminate the need for traditional, industrial-age marine transportation infrastructure, and at a fraction of the life-cycle cost. Not only can our Arctic partners benefit from technological advances to reduce costs and increase

effectiveness, but the U.S. Coast Guard can benefit as well. We will be a leader in leveraging technology to meet our mission demands.

(c) Right-sized Assets: There are few U.S. Coast Guard (or other federal) assets capable of operating in the harsh maritime environment of the Arctic. As new capabilities are developed, the U.S. Coast Guard will work to ensure its force structure is appropriately sized, trained, equipped, and postured to meet national Arctic mission and regulatory requirements as seasonal environmental conditions demand. As stated previously, this phased approach will be consistent with available resources and balanced with other national priorities.

6. ENVIRONMENTAL ASPECT AND IMPACT CONSIDERATIONS.

a. Environmental considerations under the National Environmental Policy Act (NEPA) of 1969 were examined in the development of this Instruction. This Instruction includes preparation of guidance documents that implement, without substantive change, the applicable Commandant Instruction or other Federal agency regulations, procedures, manuals, and other guidance documents. The policies contained in this Instruction provide a broad general plan for a U.S. Coast Guard strategy in the Arctic, which includes the guidance and direction for appropriate environmental planning and compliance with all applicable environmental laws. Because this Instruction contains specific guidance and direction, as appropriate, on completion of necessary environmental planning analysis under NEPA (which would ensure compliance with other environmental mandates), it is appropriate to categorically exclude the policy from further NEPA analysis. Specifically, Categorical Exclusion (CE) (33) as published in National Environmental Policy Act Implementing Procedures and Policy for Considering Environmental Impacts, COMDTINST M16475.1(series), and Figure 2-1 (reference (c)) is applicable. An Environmental Checklist and Categorical Exclusion Determination (CD) are not required for this CE.

b. However, additional NEPA analysis and documentation should be completed as appropriate for specific actions resulting from, or connected to, implementation of this policy. Any such actions should be assessed for potential environmental impacts under NEPA and the applicability of other environmental mandates and appropriate compliance completed, as necessary.

7. FORMS/REPORTS. None.

Brian M. Salerno /s/
Vice Admiral, U.S. Coast Guard
Deputy Commandant for Operations

U.S. Department of Homeland Security
United States Coast Guard

Commandant
United States Coast Guard

2100 2nd St, S.W. Stop 7683
Washington, DC 20593-7683
Staff Symbol: CG-5X
Phone: (202) 372-2670

COMDTINST 16003.1
26 APR 2011

COMMANDANT INSTRUCTION 16003.1

Subj: U.S. COAST GUARD ARCTIC STRATEGIC APPROACH

Ref: (a) Arctic Region Policy, National Security Presidential Directive-66 / Homeland Security Presidential Directive-25 (NSPD-66/HSPD-25) dtd 09 Jan 2009
(b) U.S. Coast Guard Strategy for Maritime Safety, Security, and Stewardship
(c) National Environmental Policy Act Implementing Procedures and Policy for Considering Environmental Impacts, COMDTINST M16475.1(series)

1. PURPOSE. To promulgate the U.S. Coast Guard's strategic approach for mission execution in the Arctic[1] region.

2. ACTION. All U.S. Coast Guard unit commanders, commanding officers, officers-in-charge, deputy/assistant commandants, and chiefs of headquarters staff elements shall comply with the provisions of this Instruction. Internet release is authorized.

3. DIRECTIVES AFFECTED. None.

4. ARCTIC STRATEGIC VISION. As the Nation's lead agency for ensuring maritime safety, security, and stewardship, the U.S. Coast Guard will lead our nation's maritime engagement in the Arctic, and be a leader in advancement of U.S. national interests in the Arctic maritime domain. The U.S. Coast Guard must have the capability to perform the Service's statutory missions in the demanding Arctic maritime environment to ensure the Arctic remains a safe, secure, and environmentally sustainable region. The U.S. Coast Guard's Arctic strategy is founded on its

[1] A definition of the Arctic is contained in 15 USC § 4111. However, for the purposes of this Instruction, the Arctic region is defined as: "All United States and foreign territory north of the Arctic Circle and all United States territory north and west of the boundary formed by the Porcupine, Yukon, and Kuskokwim Rivers; all contiguous seas and straits north of and adjacent to the Arctic Circle, including the Arctic Ocean, the Bering, Chukchi, Beaufort, Greenland, Norwegian, Barents, Kara, Laptev, Lincoln, Wandel, and East Siberian seas, the Bering, Davis, Fram, and Denmark straits, the Canadian archipelago and Baffin Bay, and the Aleutian islands chain." This definition was agreed upon by U.S. Coast Guard and U.S. Navy in 2009 and is more inclusive of regions in which we may be called to operate.

DISTRIBUTION – SDL No. 158

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z
A	1	1		1	1		1						1									1				
B	1	1	1		1	1			1		1		1		1				1					1		
C	1	1			1	1	1									1	1						1		1	
D	1	1																					1		1	
E	1									1	1	1				1										
F																	1									
G		1																								
H						1																				

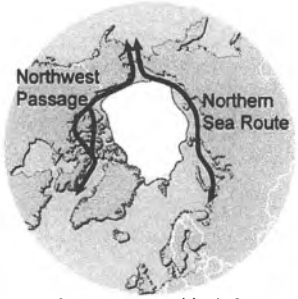
NON-STANDARD DISTRIBUTION:

Marine Transportation

Introduction

Within the next ten to twenty years, the loss of perennial sea ice is expected to open Arctic waters for a part of each year to new shipping routes. Maritime powers have been searching for a shorter route from the Atlantic to Asia for centuries. The melting Arctic raises the possibility of two such routes:

- The Northern Sea Route runs along Russia's northern border from Murmansk to Providenya and could be used for trade between northeast Asia and northern Europe.
- The Northwest Passage runs through the Canadian Arctic Islands and the Alaskan Arctic Ocean and could be used for trade between northeast Asia and North America.



Source: Hugo AhleniUS, UNEP/GRID- Arendol

The economic benefits of these new routes could be significant. Of the two sea lanes, the Northern Sea Route holds particular promise due to superior depth, summers freer of ice, and comparatively direct routing. Therefore, it is anticipated that this will be the preferred Arctic sea lane in the near future. Ships sailing between East Asia and Western Europe could save more than 40% in transportation time and fuel costs by navigating this route instead of the Suez Canal.

Currently, most Arctic marine traffic is destinational, delivering goods and supplies to the Arctic or transporting minerals out of the region. In 2006, it was estimated that some 6,000 vessels operated in or transited the Arctic in tourism, minerals mining, oil and gas exploration, military operations, and other activities. Today this number has reached more than 7,000, and many nations are actively building more ships designed to operate in Arctic waters. Notably, traffic related to eco-tourism is expanding rapidly in the region. In 2004, an estimated 1.2 million passengers visited the Arctic; by 2007 this number had doubled.

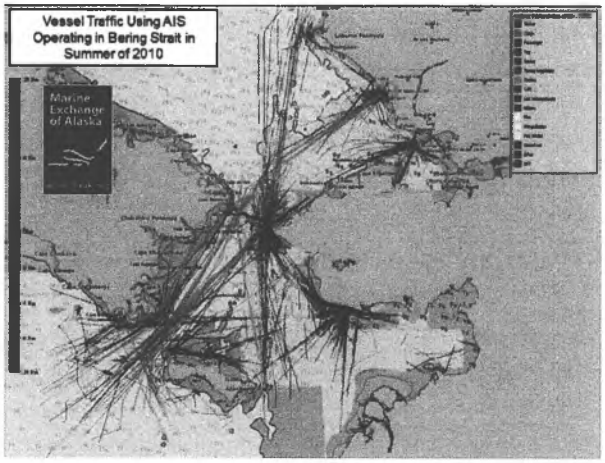
With increased shipping and marine traffic comes increased risk of vessel groundings, spills, collisions, pollutants, noise disturbances, and invasive species. This risk is particularly high due to the lack of detailed navigational charts, reliable weather forecasting, vessel traffic separation protocols, search and rescue infrastructure, and overall maritime domain awareness throughout the Arctic.

Based on these factors the ANWTF makes the following recommendations:

1. The ANWTF Recommends that the United States Work with the International Community to Finalize the Polar Code and Establish a Bering Strait Vessel Traffic Separation Scheme.

Maritime shipping is regulated through international treaties that establish standards for the safety and security of maritime operations. These standards are agreed upon through the International Maritime Organization (IMO), an agency of the United Nations.

Currently, ships navigating the Arctic are governed by the same requirements as any other open water ships. The IMO



Vessel Traffic in the Bering Strait Region during the summer of 2010 as depicted by the Marine Exchange of Alaska.

needs to finalize the Polar Code to supplement international maritime and environmental conventions that already apply in the Arctic. The Polar Code can provide additional requirements regarding rescue equipment, passenger safety, firefighting, ice navigation, and navigation in uninhabited areas. Additionally, the code can include requirements for ship construction, design, equipment, crew training, and operations. The IMO should also consider measures or regulatory frameworks to provide safety mechanisms for the regions of the central Arctic Ocean beyond coastal state jurisdiction.

The Polar Code is currently being drafted, and the rules are expected to be in force by 2014. The United States and Alaska should be actively involved in discussions with the IMO to ensure that Alaska's unique needs are met.

The United States and Russia need to begin a process with the IMO of establishing Bering Strait routing measures.

Clearly, all transient traffic in the future, regardless of the route taken, must transit the Bering Strait. This remote, narrow, and hazardous international strait is located in an environmentally sensitive area with little to no search and rescue or maritime disaster-response capability within 800 miles. Increased vessel traffic in the future will make this area particularly vulnerable to maritime disasters. It is only prudent that basic routing measures and vessel monitoring systems be put in place to reduce the risk of calamity in the Bering Strait.

2. The ANWTF Recommends the Establishment of Non-Tank Vessel Rules and Standards for Arctic Transit.

Today the most likely environmental threat to the Arctic is an incident involving a non-tank vessel. These are typically large commercial vessels with fuel tanks in excess of one million gallons of fuel and related hazardous cargos. These vessels make up the greatest percentage of transits, and they have proven over time to be the vessels most likely to experience an accident that puts them in jeopardy of sinking or running aground. Non-tank Vessel rules will require these vessels to meet more stringent standards of responsible-party requirements and allow government agencies to provide greater oversight.

Immediate implementation of the USCG Non-tank Vessel Response Plan (NTVRP) rules would advance development of a response capability as well as marine firefighting and salvage capacity in the Aleutians. This is critical in an area of the state that supports the largest commercial fishery in the country. This rule would require vessel response plans for non-tank vessels calling in U.S. ports. In combination with the tank vessel rule already in place, this rule would place the burden of providing sufficient salvage, firefighting, and response capabilities on all vessels passing through the Aleutians that call on U.S. ports. The requirement to comply with these rules would provide the necessary incentives for vessel owners/operators to fund increased salvage and spill response capabilities in the Aleutians. It may also be the means for financing an appropriate rescue tug for this economically and biologically important resource area.

3. The ANWTF Recommends that Navigational Charts and Other Aids to Navigation be Updated and Improved along with Vessel Tracking and Automatic Identification Systems (AIS).

For safe shipping, existing nautical charts for the Arctic need to be updated. In an effort to reduce the likelihood of accidents, an assessment of navigational needs should be undertaken to identify priority actions and target locations most likely to present hazards. Short and long range navigation aids will be needed, including buoys, iceberg and other sea-condition warning systems, high-risk-area vessel-traffic management systems, and improved communication technology.

Alaska currently has over 70 automatic identification stations that track vessels in Alaskan waters. The existing Automatic Identification System should be expanded across Alaskan northern waters beyond the Canadian border to Tuktoyuktuk. This should be a high priority. The current system—an international government/industry partnership—serves vital governmental and private sector needs by aiding safe, secure, efficient, and environmentally sound maritime operations. Expanding AIS will provide a clear record of transport across the U.S. Arctic waters, particularly for vessels servicing Canadian western Arctic communities or bound for transit through the Northwest Passage. AIS also provides emergency contact information, port data, locations of other vessels, and navigational information via the internet. Expanding the AIS network across the western Arctic will also allow for compliance under the International Maritime Organization Guidelines for Ships Operating in Polar Waters (Resolution A.1024(26)).

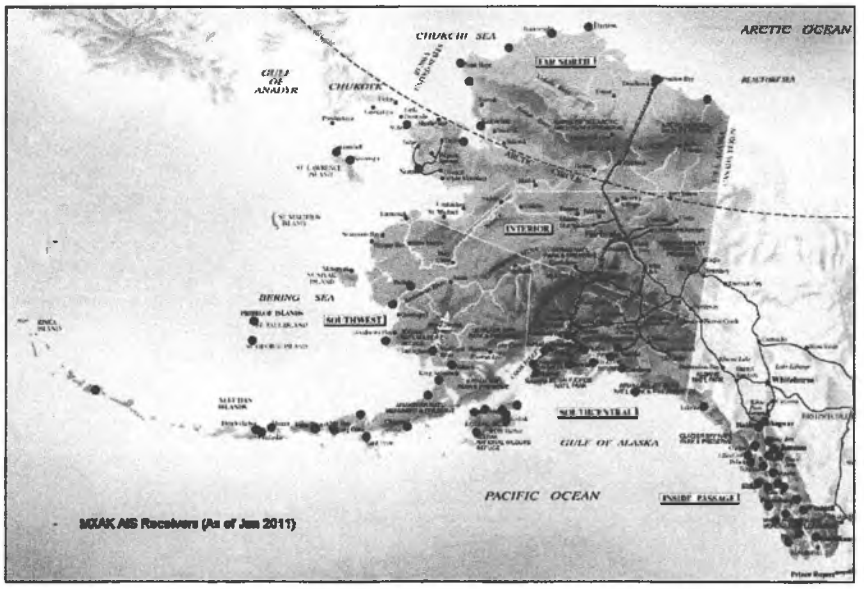
The Alaska State Legislature and the state of Alaska should continue to support the expansion of vessel tracking in the Arctic. The task force encourages the organizations and agencies involved in vessel tracking to pursue all channels of funding to increase their vessel tracking range.

4. Alaska Northern Waters Task Force Supports the National Oceanic and Atmospheric Administration's (NOAA) Hydrographic Arctic Mapping and Recommends that NOAA Also Include Detailed Near-Shore Bathymetric Mapping.

The ANWTF supports increased funding to expedite the mapping of the Arctic regions of Alaska, with particular support for updated mapping of coastal navigation routes and entrance routes to coastal villages.

The ANWTF concurs with the 2011 National Hydrographic Survey Priorities for Alaska. However, NOAA priorities for Alaska in the Bering Strait should be moved from priority two to priority one. The Bering Strait is the shipping choke point in Alaska's northern waters. It is imperative that up-to-date bathymetric information be provided for safe navigation. The ANWTF encourages the exchange of this information with the Russian government so that both governments have complete mapping of the entire strait.

The task force also supports NOAA's efforts to fund additional tidal observations to close the tidal data gap in accordance with the 2008 NOAA Network Gap Analysis for the National Water Level Observation Network. These increased observations will allow the joining of the digital mapping initiative vertical data with the Mean High Water and Mean Lower Low Water data that determine own-



Locations of the Marine Exchange of Alaska's AIS Receivers as of Jan 2011.

ership and jurisdiction of state, federal, Native, and private lands.

The ANWTF also encourages public release of bathymetric data collected by the U.S. Navy that would not threaten our national security, as well as public release of bathymetric data collected by private industry that would not threaten their proprietary economic interests.

5. The ANWTF Recommends that the Alaska State Legislature and the State of Alaska Continue to Support Maritime Training Centers in Alaska.

The need for trained and experienced mariners to operate in the Arctic is clear. The task force highly recommends the development of training programs throughout Alaska that can produce competent seafarers for safe operations in the Arctic. Specialized training—such as a USCG approved Ice Navigator curriculum that would implement the recommendations of the Arctic Marine Shipping Assessment and be consistent with the future requirements of the IMO Polar Code—is essential. In addition, qualifications, training, and experience standards for operation of icebreakers, arctic lightering operations, and high latitude navigation should be considered to ensure that increased maritime commerce in the Arctic is developed safely.

The ANWTF sees a real opportunity for Alaska to become the U.S. center of excellence in Arctic maritime training and seafarer development. Building on the state's strong university system, institutions such as the AVTEC Maritime Training Center, and practical training opportunities in Alaska's ice covered waters, this state is uniquely positioned to become an international leader in high latitude navigation safety training.

6. The ANWTF Supports Completion of the Aleutian Islands Risk Assessment; State of Alaska Participation in the U.S. Coast Guard Port Access Route Study; and Development of a Bering Strait Vessel Traffic Separation Scheme.

Aleutian Islands Risk Assessment

The Aleutian Islands Risk Assessment is a joint venture between the National Fish & Wildlife Foundation, the USCG, and the Alaska Department of Environmental Conservation. The project was organized in response to the grounding of the M/V Selendang Ayu in 2004 and the oil spill it caused. It is a multi-phase risk assessment of maritime transportation in the Bering Sea and the Aleutian Archipelago. Phase A of the Aleutian Island Risk Assessment has been completed.[1]

The study mainly focused on traffic following the great circle route through the Aleutian Islands and Bering Sea. The guiding principles applied to the analysis of risk reduction options were that prevention measures take priority over response measures and all measures should be realistic and practical.

The advisory panel assembled for the project developed recommendations for risk reduction options in two categories: those recommended for immediate implementation and those recommended for further study in Phase B of the assessment.

Options for immediate implementation include:

- Develop an enhanced vessel monitoring and reporting program;
- Enhance towing capabilities on USCG cutters, and increase cutter presence in the Aleutians;
- Stage additional emergency towing systems in the Aleutians.

1. The findings of the Aleutian Islands Risk Assessment can be found at http://aleutiansriskassessment.com/.

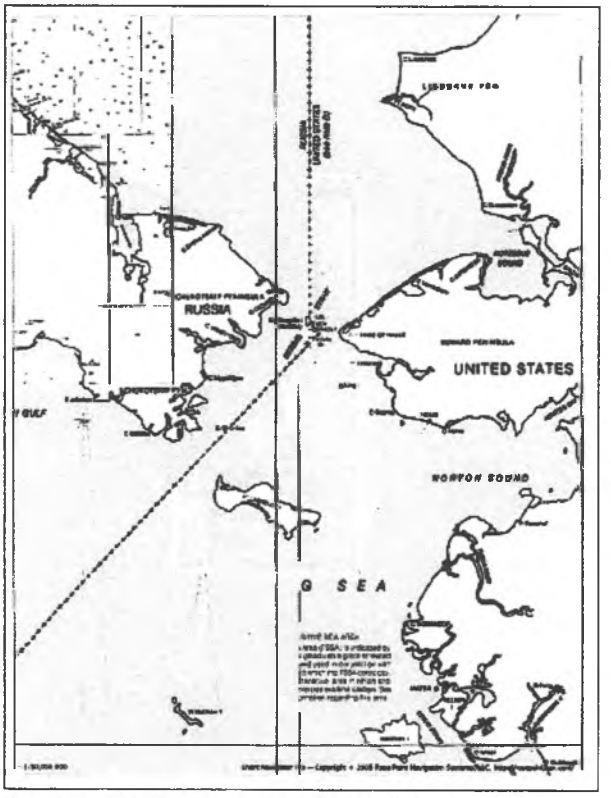
Options recommended for additional development or study in Phase B, prior to full implementation, include:

- Increase rescue tug capability in the Aleutians;
- Increase salvage and spill response capability in the Aleutians;
- Determine the boundaries of IMO Particularly Sensitive Sea Areas, and develop recommendations for associated protective measures;
- Strengthen the Aleutians Subarea Contingency Plan.

The ANWTF recommends that the risk assessment move forward with those risk reduction options that were identified by the advisory panel for immediate implementation. In addition, it is recommended that an additional risk reduction option be evaluated in Phase B of the project. A key consideration for reducing the risk of groundings and spills is offshore vessel routing for circumpolar traffic to provide timeframes for responding to disabled vessels. Offshore vessel routing has been successfully employed along the Pacific west coast and is a primary, cost-effective tool for reducing risk.

Bering Strait Port Access Route Study and Vessel Traffic Separation Scheme

The ANWTF recommends that the state of Alaska participate in and support the efforts of the USCG Port Access Route Study of the Bering Strait. Alaska should work with the USCG and Russia to bilaterally assess the risk of increased shipping through the Bering Strait and analyze the options for staging international assets to respond to that risk. The location of staging areas in Nome or other Alaska coastal locations should be considered for U.S. assets. Provideniya or other Russian coastal areas should be considered for Russian assets. This effort would contribute greatly to the development of any future IMO-led effort to establish internationally binding ship routing measures, such as a Bering Strait Vessel Traffic Separation Scheme.



The shaded region represents the Study Area for the USCG's Bering Strait Port Access Route Study as described in 75 FR 68568.

Planning and Infrastructure Investment

Introduction

A number of state initiatives are underway to look at the potential needs and feasibility of infrastructure projects in Alaska's Arctic region. These include the Alaska Department of Transportation and Public Facilities' (ADOTPF) Industrial Use Roads Study, several Arctic Ports studies, and similar work relating to possible land transportation links to Nome, Ambler, and the Umiat region.

Changes in temperature and precipitation are likely to hold enormous implications for both existing and future construction of all sorts. The ability to better predict and understand the effects of phenomena such as widespread thawing of permafrost will help Alaska prepare for considerable maintenance issues on existing roads, airports, buildings, and pipelines. Just as importantly, it will aid engineers when it comes to properly siting, designing, and constructing new infrastructure capable of withstanding future changes in their specific environments. These important concerns have also been examined in ADOTPF's "Impact of Climate Change on Alaska's Transportation Infrastructure."

These changes also pose significant challenges to some communities in Arctic coastal and riverine areas, most notably those located along the Bering and Chukchi Seas. A number of communities are threatened with increased rates of coastal erosion and flooding as a result of storm activity and battered shorelines once protected by shore-fast ice. These problems could become chronic as the climate warms, seasonal sea ice retreats, and destructive coastal storms become more frequent. These important concerns have been recognized in reports issued by the state of Alaska's Climate Change Subcabinet Immediate Action and Adaptation work groups.

Immediate investment in Arctic infrastructure is a foremost priority for Alaska and the entire United States. Alaska will need to explore ways to attract substantial sources of capital investment in addition to state and federal funding. Action is needed to enable the responsible development of resources; facilitate, secure, and benefit from new global transportation routes; and safeguard Arctic residents and ecosystems.

This investment will improve the safety, security, and reliability of transportation in the region—a goal established by the U.S. Arctic Policy signed by President Bush in 2009. As interest and activity in the Arctic continues to rise, America's preparedness in the region becomes ever more important to national security.

Increased human activity related to shipping, oil and gas development, commercial fishing, and tourism will require, at a minimum, new ports and safe harbors, equipment and facilities for oil spill response, additional Polar Class icebreakers for the U.S. fleet, and improved charting and mapping.

The U. S. Coast Guard's needs in these areas well illustrate the magnitude of infrastructure investment necessary in the Arctic. The Search & Rescue (SAR) agreement recently negotiated by the eight Arctic Nations through the Arctic Council commits the United States to search and rescue response in regions of the Arctic. Domestically, the National Contingency Plan requires the U.S. Coast Guard to oversee oil spill planning and preparedness in coastal waters and to supervise any oil spill response. Additionally, the U.S. Coast Guard's mission is to protect the public, the environment, and U.S. economic interests in the nation's ports and waterways, along the coast, on international waters, or in any maritime region as required for national security.[1]

At present, the Coast Guard has very limited Arctic emergency response capabilities and no permanent bases on Alaska's North Slope to support its operations. Basic needs there include communications, housing, and support facilities. It is especially notable that the Coast Guard has only one operational Polar Class icebreaker, the USCG Cutter Healy. Clearly, the Coast Guard does not have the assets required to carry out its expanding mission in the Arctic.

With transformation in the Arctic calling for a broad spectrum of new facilities on such a large scale, the state of Alaska must take an active role in regional planning efforts with communities and their stakeholders. This will help communities develop local strategies and ensure that the state is getting the most return on investment for local projects. Some communities may not have the resources to adequately prepare for the future, and the state should take this opportunity to help increase local capacity for the benefit of all Alaskans.

1. The ANWTF Recommends that the Alaska State Legislature Urge the United States to Forward Base the U.S. Coast Guard in the Arctic.

As human activity increases in Alaska's northernmost waters, the need to establish a Coast Guard base in the Arctic grows. The most northern Coast Guard base in the United States is in Kodiak, Alaska, more than 1,000 miles from pos-

1. The Coast Guard has 11 Statutory (non-discretionary) missions: Search and Rescue, Maritime Safety, Ports & Waterways Security, Drug Interdiction, Migrant Interdiction, National Defense, Living Marine Resources, Marine Environmental Protection, Aids to Navigation, Ice Operations, and Law Enforcement.

sible Chukchi Sea drilling sites and nearly as far from existing Arctic shipping lanes in the Bering Strait.[1] This distance causes untenable logistical problems that negatively impact response times and capabilities. The Coast Guard must have a greater overall presence in the Arctic, with the ability to stage assets closer to future shipping, oil and gas drilling, and commercial fishing activities.

The federal government should begin planning immediately to establish an Arctic base, and it must also move forward on interim measures for search and rescue and oil spill response in the region. The latter include working with communities to site required equipment at strategic locations, upgrading regional airports and associated storage facilities to enable efficient airlifting of assets, and increasing communications infrastructure.

2. The ANWTF Recommends that the Alaska State Legislature Urge the United States to Fund Icebreakers and Other Ice-capable Vessels.

At present, the United States has only one Polar Class icebreaker in service, the Coast Guard's Healy. A second Polar Class icebreaker, the Polar Star, is undergoing extensive repairs in Seattle and is not expected to return to service until 2013. Its sister ship, the Polar Sea, was decommissioned in 2011.

Meanwhile, Russia has a fleet of eight service-ready nuclear powered icebreakers, including an ice-breaking container ship. A ninth is under construction and will join their fleet in 2015. China owns the world's largest non-nuclear icebreaker and plans to launch a second by 2013. Canada has committed $38 billion to a 30-year plan to build additional icebreakers and other ice-strengthened ships suitable for Arctic service. Sweden, Finland, South Korea, and Japan are adding icebreakers to their fleets.[2]

The United States Coast Guard Cutter Healy is a medium strength vessel used most recently as a platform for scientific research. Its design is less suited to military missions. Congress has appropriated $60 million for repairs to the Polar Star. At this level of funding, its overhaul is estimated to provide for seven to ten years of additional service—the same length of time the Coast Guard estimates is required to design and construct a new Polar Class icebreaker, at a cost of about $860 million.

This limited number of icebreakers presents a major challenge to the Coast Guard mission in Alaska. Having ice-capable vessels is vital to maintain sovereignty, continue scientific research, and provide emergency and oil spill response. Overreliance on the Healy, which was not designed to meet all these challenges, poses risks for the United States and Alaska.

The ANWTF urges the state of Alaska to prevail upon the U.S. government to fund the construction of new heavy icebreakers and additional cutters for the U.S. Coast Guard. The Coast Guard is developing a long term vessel asset plan, but so far it has been unable to secure funding. It is expected that additional vessels will be required in support of oil spill response; these vessels must be capable of year-round Arctic operations. Immediate steps should be taken to begin construction of these assets.

Further, the ANWTF supports planning for other necessary facilities for search and rescue responsibilities, spill cleanup equipment and response vessels, and research. The Coast Guard needs this infrastructure to fulfill its mission.

3. The ANWTF Recommends that the Alaska State Legislature Support Search and Rescue Coordination Centers along the Coast to Assist Federal and State Responders.

The ANWTF supports search and rescue efforts at all levels—federal, state, and local. Because the USCG doesn't have an Arctic presence, local communities are often the first responders to an emergency.

The state of Alaska should coordinate planning with the USCG and local communities to develop strategies for increased search and rescue capabilities in the Arctic. Strategies may include purchase of equipment, training, and increased communications capability at the community level.

Other countries are already moving ahead with similar initiatives. Russia is currently in the process of building ten search and rescue centers along its Arctic coast line. Given the size of the Alaskan Arctic, effective local response will be critical. State planning should begin immediately.

4. The ANWTF Recommends Supporting the University of Alaska Fairbanks Scenarios Network for Alaska and Arctic Planning.

Scientists reviewing weather data for Alaska believe the state has been experiencing a warming trend with drier conditions in parts of the state. The ANWTF heard presentations on impacts this could have on Arctic communities and businesses. They include, among others, drier conditions in Interior Alaska resulting in more frequent and severe forest fires; species moving outside their historical ranges and perhaps displacing other species; changes in the active layer and permafrost in areas of the state resulting in loss of structural support and other adverse effects on roads and infrastructure; increase in the rate of coastal erosion in areas of

1. To put this distance into perspective, the distance between Kodiak and Barrow is about the distance between Los Angeles and Seattle.
2. For a list of ice breaker assets around the world go to: http://www.globalsecurity.org/military/world/icebreakers-list.htm

the state; and changes in hydrology including loss of surface ponds used for drinking water. It is important for state and local governments and industry to have a better understanding of possible future climatic conditions in the state when planning long-term infrastructure and critical services.

The University of Alaska Fairbanks formed the Scenarios Network for Alaska and Arctic Planning (SNAAP) to help decision makers understand possible future climate scenarios and their impacts in the state. SNAAP has developed data-driven models and scenarios for specific areas of the state that describe possible effects from longer-term changes in air temperature and precipitation. SNAAP has been working with other researchers to integrate down-scaled climatic models with terrestrial models to make predictions of landscape changes and the implications of such changes (melting permafrost, shifting and intensity of fire regimes, etc.) on the state's roads, airports, ports, pipelines, and rural communities. Both marine and terrestrial models should include predictions of impacts on resource development and related infrastructure. Such models would inform future infrastructure development and management.

The ANWTF recommends the state of Alaska support the work being done by SNAAP and encourages making this information, along with any important caveats on the limitations on such climatic predictions, available to state agencies, local governments, and the public to assist them in their long-term planning. The ANWTF believes this information could also be useful to agencies and organizations involved in setting standards for construction around the state.

5. The ANWTF Recommends Continuing the Analysis and Development of Ports and Safe Harbors in the Arctic Region.

Studies by the U.S. Coast Guard, the U.S. Navy, the Arctic Council, the U.S. Army Corps of Engineers, and the Alaska Department of Transportation and Public Facilities all identify the need to develop ports and harbors in Arctic Alaska. Given the long lead times for such construction, ports should be among the highest priorities for Arctic infrastructure.

Building on the findings of the 2008 and 2011 state/federal Alaska Regional Ports Workshops and the 2011 Arctic Ports Charette, the state of Alaska and the U.S. Army Corps of Engineers should continue analyzing options for deep- and medium-draft port and safe harbor construction in the Alaskan Arctic. The state should convene an industry-focused Alaska Arctic Ports Workshop to assess the pros and cons of alternative locations and types of ports, address environmental conditions and engineering approaches, and explore funding alternatives.

Locations to consider include:

- St. Paul Island in the Pribilof Islands. Here there is an existing harbor for the Central Bering Sea fishing fleet and fish processing facilities.
- St. Lawrence Island. There is no existing sea port on St. Lawrence.
- Nome/Teller. A medium-draft port exists at Nome. Considerations include expanding the Nome causeway, improving the Nome-Teller road, and developing a seasonal deep-draft port at Port Clarence Bay off Teller.
- Kotzebue/Cape Blossom. A shallow-draft port complex exists at Kotzebue. During the ice-free season, deep-draft freighters anchor 15 miles out to sea and cargo is lightered to port. Shallow-draft barges deliver cargo to area communities. Cape Blossom, across Kotzebue Sound, offers a potential deep-draft port site.
- Mekoryuk. Located on Nunivak Island, Mekoryuk has no boat harbor but does have moorage for small boats protected by a breakwater.
- Cape Thompson. Located on the Chukchi Sea about 26 miles southeast of Point Hope, Cape Thompson has previously been considered for a port site. It is located on a promontory with bulk rip-rap and aggregate potential and is broadly sheltered from the north by the spit of Point Hope. It has an old airstrip but is otherwise largely undeveloped.
- Wainwright. Wainwright is the nearest village to the Chukchi Sea OCS leases and is located on Wainwright Inlet, which is capable of sheltering shallow- to medium-draft vessels. It is located 90 miles west of Barrow. The city presently does not have a seaport.
- Point Franklin. Located between Wainwright and Barrow, Point Franklin and its adjacent barrier islands may serve as a shelter and possible port site for shallow- to medium-draft vessels.
- Barrow. With a population of more than 4000, Barrow boasts considerable infrastructure despite its remote location and is the geographic midpoint between the active exploration areas in the Beaufort and Chukchi Seas. Just east of Point Barrow is Eluitkaak Pass, which is the "notch" between the Barrow spit and the barrier islands of Elson Lagoon. Eluitkaak Pass is about 50 feet deep at its deepest, although it shallows at both ends toward the north and the south. Elson Lagoon, although shallow, is protected from the open ocean by barrier islands. At present there is no protected harbor at Barrow.
- Prudhoe Bay. Prudhoe Bay has been extensively developed for oil industry support. There is a causeway and dock system on the east and west sides of Prudhoe Bay that currently services the line-haul barges that transport drilling and production infrastructure to the North Slope. The community, made up almost entirely of oil industry

employees, is connected year-round to the North American road system by the Dalton Highway.

- Mary Sachs Entrance. This is a channel between barrier islands located about 60 miles north and east of Prudhoe Bay.

Plans for the development of deep-draft ports and improved safe harbors in northern waters should be intended also to improve access to inland resources in the region. Consideration should be given to the proximity of exploitable natural resources and access to them by navigable inland waterways or through the construction of railways or roads.

A key economic factor in the viability of developing natural resources in Alaska is the distance to an ocean port. Natural resources within 100 miles of a coast line typically have a higher probability of development due to shipping proximity. Development of resource transportation corridors to Arctic ports is critical for both shipping of product to market and for resupply of materials and equipment necessary for resource exploration, development, and extraction. Options for public-private partnerships (P3's) should be explored as a mechanism to capitalize development of the resource deposits and provide a return on investment to the state and private sector industries. Port planning for the Arctic should include a prioritized strategy for approaches to specific resource deposits and options for developing infrastructure to support exploration, development, and transportation of the resource.

6. The ANWTF Recommends the State of Alaska Consider Proposals to Expand Fiber Optic Cable Routes Across Northern Waters.

The retreat of sea ice and stability of the sea floor in the Arctic is creating interest in a potential fiber optic cable route from London to Tokyo via the Canadian Northwest Passage and Alaskan Arctic. Just as shipping routes are significantly shorter across the northern waters, so would be cable routes.

Linking Alaska's Arctic communities to trans-Arctic cable routes would bring many benefits. Increased communications will be needed in support of the Coast Guard's mission, including search and rescue and oil-spill response operations. Better communications are also required for the safe operations of ships transiting the region and offshore oil field development activities. At the same time, broadband links would enhance economic development and distance learning opportunities for Arctic communities.

The state should consider an assortment of strategies. In 2010, Kodiak Kenai Cable Company developed an international consortium for a Tokyo-London link with a landing at Prudhoe Bay. The company also proposed branches linking Kodiak with the more remote communities of Dutch Harbor, Nome, Kotzebue, and Barrow before rejoining the primary cable at the Prudhoe Bay landing. While this proposal was unsuccessful in obtaining funding, the effort produced valuable research, and the related Arctic Cable Company has now been formed.

On land, GCI's Terra SW has connected 65 coastal villages and communities in the Bristol Bay and Yukon-Kuskokwim Delta regions to a fiber optic/microwave network. GCI is exploring expanding the network to include the communities of northwest Alaska. On the North Slope of Alaska, the Arctic National Broadband Network initiative explored developing broadband capability between Barrow and Nuiqsut.

The state should continue to encourage fiber optic cable ventures that will include links to coastal hub communities and industry bases adjoining the northern waters.

7. The ANWTF Recommends that the State of Alaska Explore Models to Access Funding for Arctic Infrastructure.

As the state of Alaska determines its priorities for Arctic infrastructure projects, the Alaska Industrial Development and Export Authority (AIDEA) should begin examining which categories of projects are likely to meet its criteria for funding and which will need additional or wholly alternative sources.

The state should consult with financing and investment specialists to explore strategies to attract additional sources of capital to infrastructure priorities. Such considerations could include private sector investment as well as the creation of state, national, and international development corporations.

UNIVERSITY OF ALASKA GEOGRAPHY PROGRAM

University of Alaska Geography Program
uagp

901 Koyukuk Drive, Suite 182
Arctic Health Research Building
PO Box 755840
Fairbanks, AK 99775-5840
Phone 907.474.7494 * Fax 907.474.7484

UAF UNIVERSITY OF ALASKA FAIRBANKS

12 February 2012

lwb48@aol.com
Home Phone: 907-622-7119

Representative Bob Herron
Alaska State Legislature
State Capitol Room 411
Juneau, AK 99801

Potential Changes to HJR34 (Coast Guard Icebreakers & Arctic Base)

Dear Representative Herron,

I am writing this as an Arctic policy researcher at UAF with experience as a U.S. Coast Guard officer and work within the Arctic Council. I have reviewed HJR34 and propose two, key changes to the Committee. One is a protocol issue and the second, removal of, or changes to, the final resolution statement in the draft text.

(A)-Protocol Issue ~ In the Draft HJR34, the Resolution is being sent to Senior Arctic Officials (SAOs) of the eight Arctic states. Since the Resolution is being sent to our Secretary of State, among many, it should also by protocol be sent to the seven Foreign Ministers who act as Arctic Ministers of their respective Arctic state. Sending the Resolution directly to the SAO's is inappropriate since they are the administrative agents for the Arctic Ministers doing the work of the Arctic Council. The Senior Arctic Official's are not the leaders of the Arctic Council as leadership of the Council is the responsibility of the eight Foreign Ministers of the Arctic states. I highly recommend the Alaska Legislature pass this Resolution to the Secretary of State and her seven colleagues, the Foreign Ministers of Canada, Denmark, Finland, Iceland, Norway, Sweden and Russia.

(B)-Further Resolved.... (Final Text) ~ I believe this passage should be removed as the overall sense of the resolution prior to this text is that the Congress and the Administration are to fund all federal (in this case Coast Guard) facilities and vessels. HJR34 should not specify how to execute this responsibility. This is the responsibility of the Congressional appropriators working in concert with the federal agencies. As for the charging for icebreaker escorts, most of these waters around Alaska allow for freedom of navigation (where no fees can be charged under international law); these waters are not the internal waters of the U.S. Charging fees for icebreaker escort in the Arctic is only conducted along Russia's Northern Sea Route; Canada does not charge fees (and never has) for escort by federal icebreakers in the Canadian Arctic. Both in the U.S. and Canada, under emergency situations, icebreakers will assist in escort (such as the recent Nome operation). I do not believe the Alaska State Legislature should have words in the Resolution regarding options involving the private sector, specifically leasing of future U.S. Coast Guard icebreakers (rather than fully funded by the Congress) or passing our current icebreakers to the private sector for commercial operation.

UNIVERSITY OF ALASKA GEOGRAPHY PROGRAM

901 Koyukuk Drive, Suite 182
Arctic Health Research Building
PO Box 755840
Fairbanks, AK 99775-5840
Phone 907.474.7494 * Fax 907.474.7484

Thank you for the opportunity to review HJR34 and provide recommended changes to the text. I would be pleased to assist you and your staff with Arctic policy matters at any time.

Very Respectfully,

Lawson W. Brigham

Lawson W. Brigham, PhD
Distinguished Professor of Geography & Arctic Policy,
University of Alaska Fairbanks
Captain, U.S. Coast Guard (Retired)

Statement for the Record
The Honorable Mead Treadwell
Lieutenant Governor
State of Alaska
Before the
United States House of Representatives
Committee Transportation on Transportation and Infrastructure
Subcommittee on Coast Guard and Maritime Transportation

"America is Missing the Boat"
December 1, 2011
Washington, D.C.

Introduction

Mr. Chairman, members of the Committee, Congressman Young, for the record, I am Mead Treadwell, the lieutenant governor of the State of Alaska. Thank you for inviting me to offer some views from Alaska about the future of Arctic shipping and maritime activities, and the need to ensure we are prepared to embrace those challenges and opportunities safely.

We've said it before – in my appearance before this Subcommittee in 2006 and in Governor Sean Parnell's Senate testimony in 2009,[1] and we'll say it again, because not much has changed: it is time for the nation to act – and act now – to add new polar class icebreakers to the United States Coast Guard's fleet. With so much happening in the North today, the need is more urgent and apparent than ever. We would like to ask this Committee, and by extension Congress and the Executive Branch, to look with us at the bigger picture – the historic changes happening in the Arctic and what they portend for world commerce and Alaska's shores – and recognize three imminent needs:

First, the United States must commission new heavy icebreakers to operate in the Arctic.

Second, we need legal measures in addition to icebreakers to protect our shores from the dangers of unregulated itinerant vessels carrying hazardous cargoes near our coasts.

And third, Congress and the Administration must fulfill the legal mandates that are already in place regarding icebreakers. These mandates reflect needs in commerce, science, and protection of Americans' sovereignty, safety, and security. The State of Alaska is responding to opportunities and risks associated with the historic changes in global shipping patterns resulting from changes in the Arctic Ocean. We are eager to continue in cooperation with the nation.

I. Congress needs to act now on icebreakers.
A. Other nations have already seen the big picture.

[1] Governor Sean Parnell made the case for icebreakers in the Arctic in his 2009 testimony before the Senate Subcommittee on Homeland Security Appropriations, stating, "The Coast Guard needs to move north and improve its capability – our heavy class icebreakers are on their last legs."

The purchase of Alaska in 1867 made America an Arctic nation, yet after 150 years, the myth of Seward's Folly still lingers. It's time to quit arguing whether investment in the North is worth it and recognize the valuable people, resources and location we gained as a nation.

Arctic resources include globally significant quantities of commercial fisheries, minerals, renewable energy sources, and world-class amounts of oil and gas. A 2008 U.S. Geological Survey estimates 13% of the world's undiscovered oil, and 23% of undiscovered gas lies in the Arctic. Six of the Arctic nations are already pursuing oil and gas development offshore, and energy may soon be the primary cargo transiting the Bering Strait.

America is one of only eight Arctic nations, and one of two with territory adjoining the Bering Strait – really a "Bering Gate," the only route from the Pacific to the Arctic.

Changes in the Arctic are creating opportunities in a once remote and harsh region. Ice cover is at historic minimums, and multi-year ice is decreasing. Icebreaking technology has advanced, bringing significant new efficiencies. Northern sea routes, sought by explorers for hundreds of years, are opening up.

Several sources report that international shipping of crude oil, refined products, and other potentially hazardous cargoes through the Bering Strait is growing rapidly as European and Asian shippers see the advantages of the Arctic route. Other Arctic – and even non-Arctic – nations have seen the potential, but America is missing the boat.

Most traffic occurs under arrangements for icebreaker escort by vessels working with Russia's Northern Sea Route Administration. We understand that last year, for the first time, Norway's Tschudi Shipping Company worked a partnership with Russian maritime authorities to bring 41,000 tons of iron ore from Kirkenes, Norway to China.

Again this year, Russian ships, and ships of other nations escorted by Russia's Northern Sea Route Administration, are coming in force. Hazardous cargoes are making the backhaul as well – at least one tanker bringing gas condensate to Asia this year is reported to have returned to Europe with aviation fuel.

In August of this year, Norway's *MV Nordic Barents* was the first non-Russian bulk cargo ship to transit the Northern Sea Route in Russian waters.

Other records are being set along the Northern Sea Route, from the *STI Heritage's* fastest-ever voyage from Murmansk to Thailand, transiting in just eight days, to the *Perseverance's* latest-ever northern voyage, which ended just two weeks ago on November 18. Altogether, the Northern Sea Route saw nine tankers carrying 600,000 tons of gas condensate pass by this year.

I joined an Arctic conference in Arkhangelsk, Russia in September, where Russia's Prime Minister Vladimir Putin told the Russian Geographical Society that his country sees the opportunities in the Arctic, and they are ready to pounce. Speaking of the Northern Sea Route at the Russian Geographical Society conference, Putin told us, "We are planning to turn it into a

key commercial route of global importance. … We see its future as an international transport artery capable of competing with traditional sea routes in cost of services, safety, and quality."[2] President Medvedev, dedicating a new northern rail project in Yakutsk – headed for the Bering Strait – indicated as much last month.

Russia intends to make the Northern Sea Route as important to global shipping and commerce as the Suez Canal.

And Russia is putting its money where its mouth is, building nine new icebreakers in the next decade, and discounting tariffs on icebreaker escorts to make sure that shippers find the Northern Sea Route for distance savings of up to 40 percent. Russia's claim to new extended continental shelf resources in the Arctic Ocean under the United Nations Convention on the Law of the Sea could give Russia greater control of Arctic shipping. Cargo moving through the Bering Strait this year – from Russian and American sources – is worth well over $1 billion. Add to that a Bering Sea fishery owned by both nations worth billions each year and the situation is clear: in monetary terms, there's billions to be made and billions to protect.

At the same Arkhangelsk conference, Russia's Academy of Sciences Vice President Nikolai Laverov showed a slide of Alaska's declining throughput in the Trans-Alaska Pipeline System (or TAPS) and Russia's competitive success in attracting Arctic investment. All Arctic energy production depends on access, and Russia has it. Russia is now in the lead in Arctic oil production – and they're keen to stay there.

Meanwhile, other Arctic and circumpolar nations are investing in fleets of icebreakers. The report of exactly how many ships are being operated by other countries varies (some count polar, medium and light icebreakers, as well as ice 'strengthened' or 'capable' vessels), but all the tallies make one thing clear: other nations have seen the writing on the wall and are investing in infrastructure. Sweden has at least four vessels; Finland, at least six; and Russia over two dozen (and counting). Canada has about eight, and even the European Union is constructing an icebreaker – a heavy, polar class icebreaker.[3]

Our Arctic neighbors are leaps and bounds ahead of our position, and non-Arctic nations are in hot pursuit.

A Chinese researcher, Mr. Li Zhenfu of Dalian Maritime University, writes that, "Whoever has control of the Arctic route will control the new passage of world economics and international strategies."[4] The prospect of commercial and strategic opportunities presented by receding sea ice cover and accessibility of Arctic resources has moved the Chinese government to allocate more resources for Arctic research, and they have asked to join the Arctic Council as an observer. China's Rear Admiral Yin Zhuo has asserted that no nation has sovereignty over the

---

[2] Putin, Vladimir (2011, September). Remarks presented at the second International Arctic Forum, "The Arctic – Territory of Dialogue", Arkhangelsk, Russia. Available online: http://premier.gov.ru/eng/events/news/16536/.

[3] "The World Icebreaker, Ice Breaking Supply and Research Vessel Fleet." A report commissioned by the Finnish Maritime Administration on behalf of the Baltic Icebreaker Management. Released by the Finnish Transport Agency, Helsinki, February 2011.
"Polar Icebreakers of the World." A list developed and maintained by Mobility and Ice Operations. July 25, 2011.

[4] Li, Zhenfu. *Zhonggua Hanghai*, vol. 32, no. 2 (June 2009).

Arctic, and said that China must plan to have an indispensable role in Arctic exploration as they have one-fifth of the world's population.[5]

Japan has stepped up its research in global environment, climate and marine science in the Arctic. And with China and Korea, Japan has applied for permanent observer status on the Arctic Council.

Polar air routes have characterized the jet age since the late 1950s, and Arctic air transport is now key to air cargo bound between North America or Europe and Asia. Governments and industries in Russia, Europe and Asia see the same potential for shipping. Why don't we?

B. Our national mandates are not being met.

The irony of America's present situation is painful: a staggering national debt weighs on the future of our children, while the contributions of a promising and abundant region go largely unnoticed. When we ask you for icebreakers, it's for safety, security, and American jobs. It's to serve American shipping, American exports. It's to help lower costs for Americans in regions like Western Alaska, which has a higher cost of living than anyplace in the nation. Americans lack jobs, our industries struggle with the cost of doing business, and rural Alaskans suffer the staggering cost of energy, while huge amounts of foreign energy are beginning to pass by our front door in tankers, taking advantage of game-changing shipping opportunities.

The United States is falling behind in maintaining an Arctic presence and in helping to set best practices as this region sees increasing international resource development and shipping. But more importantly, we are failing in our own national mandates, goals and policy.

In 1936, President Franklin Roosevelt issued Executive Order 7521, directing the Coast Guard, under the direction of the Secretary of the Treasury and with the cooperation of the Secretaries of War (Army), the Navy, and Commerce, to keep channels and harbors open to navigation by means of icebreaking operations. That order has never been implemented in the Arctic.

The Arctic Research and Policy Act of 1984 recognized that the United States was lagging behind other circumpolar nations even then, and it directs the Office of Management and Budget to "seek to facilitate planning for the design, procurement, maintenance, deployment and operations of icebreakers needed to provide a platform for Arctic research by allocating all funds necessary to support icebreaking operations, except for recurring incremental costs associated with specific projects, to the Coast Guard."

Last year's Coast Guard Authorization Act of 2010, section 307, implements the Arctic Marine Shipping Assessment (AMSA), mandating that the Coast Guard "shall promote safe maritime navigation by means of icebreaking where necessary, feasible, and effective..." That makes

---

[5] Qtd. in Wright, David Curtis. *The Dragon Eyes the Top of the World: Arctic Policy Debate and Discussion in China*. China Maritime Study No. 8. Newport, RI: U.S. Naval War College (Aug. 2011). Page 2. Available online: http://www.usnwc.edu/Research---Gaming/China-Maritime-Studies-Institute/Publications/documents/China-Maritime-Study-8_The-Dragon-Eyes-the-Top-of-.pdf.

President Roosevelt's order the law of the land for the entire nation. We welcome this mandate as Alaska has half the nation's coastline, and likely over half of America's ice.

That act also required that a report on the comparative cost-benefit analyses of icebreaker renovation or construction be delivered no later than October 15 of this year to the Senate Committee on Commerce, Science and Transportation, and the House Committee on Transportation and Infrastructure. It moreover required a report from the Commandant of the Coast Guard on the High-Latitude Study assessing the polar icebreaking requirements for Coast Guard missions, including search and rescue, marine pollution response and prevention, fisheries enforcement, and maritime commerce. We understand that full report is embargoed still by President Obama's administration.

This past spring, the President updated the United States military's Unified Command Plan to give U.S. Northern Command advocacy responsibility for Arctic capabilities. Accompanying shifts of UCP geographic boundaries mark the military's awareness of the vital and ever-growing importance of the Arctic. Then Commander of the Northern Command, U.S. Navy Admiral James Winnefeld, Jr., recognized the implications of the changing Arctic, and noted the gaps faced by the military, including infrastructure and mobility, and search and rescue capabilities.[6] General Charles Jacoby, his successor, formerly ran the U.S. Army in Alaska. He, too, knows our challenges.

Around the same time as this spring's announcement, a report by the National Research Council on the implications of climate change on national security cited major gaps in U.S. naval forces' ability to perform their missions in the Arctic.[7] That report advised that the U.S. Navy, Marine Corps and Coast Guard take action to ready themselves for Arctic conditions. The protection of our domestic security is the fundamental mandate of the U.S. Armed Forces, and it is threatened if we remain unprepared.

This year, in response to the recommendations of AMSA, the eight Arctic Council nations signed a binding Search and Rescue Agreement. Alaska supported this, and sent experts to the first multinational exercise conducted under this agreement in October in Whitehorse, Yukon Territory. Without icebreakers and other Arctic USCG assets, major deficiencies in the region's life safety response capabilities exist – and our promise to provide search and rescue in our sector of the Arctic is compromised.

Finally, the United States Congress, in the 2010 Coast Guard Authorization Act, charged the Committee on Marine Transportation Services (CMTS) to develop an integrated Arctic shipping regime, and to coordinate the establishment of domestic transportation policy to realize the goal set by President George W. Bush of safe, secure and reliable shipping in the Arctic. The AMSA Implementation Act, additionally, encourages the Coast Guard to negotiate agreements with

---

[6] Winnefeld, Jr., Admiral James A., U.S. Navy Commander, United States Northern Command and North American Aerospace Defense Command. Statement before the House Armed Services Committee, 30 Mar. 2011. Available online:
http://www.northcom.mil/Docs/2011%20NORAD%20and%20USNORTHCOM%20Posture%20Statement%20(HASC%20Final).pdf.

[7] *National Security Implications of Climate Change for U.S. Naval Forces.* Committee on National Security Implications of Climate Change for U.S. Naval Forces. Washington, D.C.: The National Academies Press, 2011.

other Arctic nations through the International Maritime Organization. Those agreements would focus on aids to navigation; marine safety, tug, and salvage capabilities; oil spill prevention and response capability; maritime domain awareness (including long-range vessel tracking); and search and rescue.

The United States has been protecting our sovereign airspace along Alaska's shores for over 50 years. The United States Coast Guard has been protecting America's coast for over 200 years. Why don't we protect our sovereign waters along Alaska's Arctic coast with the same vigor?

America has a duty to protect its citizens in coastal communities and to safeguard their way of life. Coastal Alaskans have spent thousands of years relying on the sea for their food and clothing, for the heat they create from whale oil and the shelter they derive from driftwood. The majority of Alaska Natives in the North get more than half of their meat and fish from wild, local harvests. Sixty percent of those wild harvests are from marine mammals. It is imperative we ensure that the increasing foreign ship traffic off our shores does not jeopardize the freedom of Americans to maintain a subsistence lifestyle.

Mr. Chairman, the United States has a long history of national mandates and policy that require our action. And yet we fail to act on them. Moreover, the recent decision of the U.S. House of Representatives to retire the nation's only heavy icebreaking ships without replacements is a disappointment. But to the extent that the all-or-nothing approach forces a legitimate conversation about the need for icebreakers and an opportunity to spotlight the conversation – I applaud the decision.

We should, however, be cautious about the risky "game of chicken." If it fails, it fails Americans – and Alaskans most of all.

C. The savings and benefits outweigh the costs.

We understand that the action we are asking Congress to take will require significant funds. We understand the costs, but we cannot ignore our obligations or the major opportunities we face.

In a conference recently in Juneau, University of Alaska Professor Dr. Lawson Brigham, a former USCG icebreaker captain, noted that the U.S. Navy is building 47 Littoral Combat Ships at a price of $400-500 million each. He asked, why not consider building 45 of these ships, and allocating that other $800 million to $1 billion in the budget for the Coast Guard to build one major polar icebreaker?

Some have argued we should charge for icebreaker escort services as other nations do. Ship owners pay for services in the Panama and Suez Canals. U.S. vessels pay for oil spill preparedness and insurance. A bill pending in this Congress would have the U.S. lease, rather than own, icebreakers it needs in the Arctic. Long term charter agreements are in place in the Antarctic, and it has been argued that private contractors are able to build icebreakers more quickly and less expensively, operate them more efficiently in terms of cost and maintenance, and would bear the expense of decommissioning. This is worthy of consideration if it moves us forward faster in the Arctic.

However we work out our finances, America and its trading partners could reap huge economic benefits from accessing northern sea routes. Former U.S. Coast Guard Lieutenant Commander Scott Borgerson wrote nearly four years ago about the financial advantages available to world commerce through Arctic shipping.[8] He told us how plying the Northern Sea Route from Rotterdam to Yokohama instead of traveling via the Suez Canal would yield distance savings of more than 40 percent. He told us that one container ship voyage from Seattle to Rotterdam via the Northwest Passage instead of the Panama Canal could save about 20 percent of its costs – then about $3.5 million dollars.

Borgerson envisioned a future of global Arctic shipping where "a marine highway directly over the North Pole will materialize. Such a route," he wrote, "which would most likely run between Iceland and Alaska's Dutch Harbor, would connect shipping megaports in the North Atlantic with those in the North Pacific and radiate outward to other ports in a hub-and-spoke system."

As the Arctic Marine Shipping Assessment predicted, most Arctic shipping traffic today is destinational, carrying resources out from or products in to Arctic regions. But we need to envision a time, coming soon, when products travelling to and from non-Arctic ports traverse our Arctic Ocean and Bering Sea – and we need to be ready.

II. Our lack of legal protection.

I want to make sure Congress understands there are now two classes of ships operating in the Bering Strait region – those that are under contingency planning requirements for oil spills, and those that are not. U.S. vessels are highly regulated: by NOAA, by EPA air quality controls, by the Interior Department's BOEM and BSEE oversight of exploration – in fact, over 120 federal laws regulate the use of the coastal zone and offshore areas. But ships originating outside the U.S. – such as those traveling between Russia or Europe and Asia, are not even required to have a spill contingency plan, even though they pass by hundreds of miles of U.S. coastline. We face the prospect of increasing international ship traffic through the Bering Strait – carrying anything from crude oil to aviation fuel – with minimal requirements to prepare for oil spills, maintain air quality, or care for wildlife and subsistence needs.[9]

Icebreakers can help us reduce the risks brought about by that disparity. If we are to achieve our policy of advancing safe, secure and reliable shipping as the Arctic Ocean becomes more accessible, the U.S. must operate new polar class icebreakers. Without them, little or no appropriate government capability exists to enforce prevention measures or to respond to a spill in this region. It is folly to rely on aircraft and submarines alone to protect U.S. interests. We learned that tragic lesson when we lost six lives as a helicopter crashed trying to evacuate crew from the shipwrecked *Selendang Ayu* in 2004.

---

[8] Borgerson, Scott G. "Arctic Meltdown: the Economic and Security Implications of Global Warming." *Foreign Affairs*, vol. 87, no. 2.

[9] The State of Alaska has sought remedies to this situation in its comments on the USCG Port Access Route Study for the Bering Strait.

There are a range of legal ways and international agreements we might pursue to require safety measures from itinerant vessels transiting the Bering Strait. (None are quick or easy solutions, but measures that protect our national security rarely are.)

- Working on a vessel routing system to prevent collisions and groundings from increased shipping, following protocols of the International Maritime Organization, and coordinating with the Russian Federation. The State of Alaska provided comments to the USCG's Port Access Route Study for the Bering Strait regarding this approach.

- Having all Arctic nations seek ship owners' participation in an Oil Spill Response Organization with a contingency plan, perhaps as part of the upcoming Arctic Council Oil Spill Preparedness and Response Agreement. Alaska has joined U.S. delegations negotiating this agreement.

- Resolving the debate on Law of the Sea, and ratifying the Law of the Sea Treaty, which with Article 234 authorizes the extension of environmental law in traditionally ice-covered areas. As the debate on ratification continues, the State has asked for clarification of U.S. intent in implementing Article 234.

- Using existing authority in the Oil Pollution Act of 1990 to cover nontank vessels and working a reciprocal deal with Russia and Canada. The Final Rule on Nontank Vessel Response Plans and Other Vessel Response Plan Requirements Regulations is still under development within the Coast Guard and the Department of Homeland Security. Section 701 of the Coast Guard Authorization Act of 2010 directs that this final rule be issued no later than April 15, 2012.

- Forming an agreement with Canada and/or Russia similar to the 1817 Rush-Bagot Agreement, creating a mechanism like that of the St. Lawrence Seaway Development Corporation, whereby Arctic nations establish a shipping authority that administers the route, provides compliance, icebreaking, and other aids to navigation, including spill preparedness and response. (Borgerson also suggested this in his 2008 article, "Arctic Meltdown".)

III. How Alaska is helping America live up to the promise of the Arctic.

Mr. Chairman, Congress spoke last year in the Coast Guard Authorization Act of 2010 and AMSA Implementation, and charged the Committee on Marine Transportation System with this mission: to coordinate the establishment of domestic transportation policy to ensure safe and secure maritime shipping in the Arctic. I would like to say for the record now that as these processes get underway, we need to be ambitious, creative, and determined. The United States must acknowledge its responsibilities and embrace new possibilities. The Arctic needs resources, not just rules. What's happening in the Arctic Ocean and along northern sea routes has global, historic and exciting significance, and we need to take an active role. We must plan for an Arctic shipping future that could be like a new Suez Canal.

In a visit to D.C. last month, I briefed the leaders of CMTS in some activities the State of Alaska is conducting to help America move toward the new world of Arctic shipping, and how we are bringing resources to the table to help to achieve safety, create jobs, and spur exports of goods and services. We are hopeful the CMTS will mesh with the outcome of our current work with the Arctic Council, the International Maritime Organization, and the U.S. Coast Guard and Army Corps of Engineers, and Alaska's Northern Waters Task Force.

Below is a non-comprehensive list of these activities:

- **Arctic Council:** The State of Alaska actively supports the United States' work within the Arctic Council, and I serve as our state's liaison on Council issues. As we support the Council's work to implement recommendations of the 2009 AMSA, the State is active in implementing the Arctic Council's aforementioned Search and Rescue Agreement, signed at the Ministerial in Greenland this past May. We are likewise a participant in the Council's oil spill response instrument negotiations. In addition, through the Pacific Northwest Economic Region (PNWER), Alaska is bringing resources and support for the Arctic Council Sustainable Development Working Group's proposed aviation and maritime infrastructure project, which will survey the region's infrastructure needs.

- **USARC/Research programs:** Alaska is also deeply involved in Arctic research. I work closely with the U.S. Arctic Research Commission (USARC), which I chaired under Presidents Bush and Obama from 2006-2010, and served on from 2001-2010 as a Commissioner, and which is currently chaired by Ms. Fran Ulmer, former lieutenant governor of Alaska and former chancellor of the University of Alaska Anchorage. Our University is currently working hard to launch the newest ice-strengthened research vessel, the Sikuliaq (see KOO lee auk), in the nation's NSF-sponsored UNOLS fleet. Moreover, with the University vice president, I co-chair a State Committee on Research which is writing a research and development plan that assesses Alaska's research and development needs for our economy, health, safety, environment, and culture. Alaska researchers play a major role in our understanding of Arctic change and Arctic resources, Arctic engineering and methods of spill response in ice-covered waters.

- **USCG forward basing:** In Alaska we are supporting the U.S. Coast Guard's efforts to bring forward basing to Alaska's North Coast, and we're examining ways we can help provide hangars for fixed and rotary wing aircraft in Barrow and Nome. The Alaska National Guard air-refuelable helicopters and aircraft, as well as helicopters of the North Slope Borough, are America's front-line for search and rescue in the Arctic Ocean today – Coast Guard response is based much further away.

- **New and improved ports:** The State of Alaska has also joined with the U.S. Army Corps of Engineers to conduct a port study for western and northern Alaska. Our intent after the study is to foster investment to establish a deep water port in Western Alaska to serve as a port of refuge for Coast Guard vessels and itinerant traffic. The port would also meet the needs of large vessels, including fishing fleets, and resource export vessels. At the same time, we see a need to upgrade the minimal port facilities which now exist for cargo import and export in a range of Western Alaska communities.

- **Shuttle container shipping:** In 2006, the State of Alaska committed $50,000 for the first pre-feasibility study on transarctic container shipping, looking at the economics and logistics of trans-shipping containers from North America and Asia between Aleutian and Icelandic ports, thus tying North Atlantic and North Pacific shipping together through the Arctic. The results of the study are promising.[10] Recently, we have heard interest to look at this again from Aleutian, Asian and European ports that would send and receive cargo in such a system. One option to consider as we proceed would be to include this work under the Arctic Council's proposed Arctic Maritime and Aviation Transportation Infrastructure Initiative.

- **Early warning system:** The State is a major financial sponsor of the Automatic Identification System receiver network established by the Marine Exchange of Alaska, which now covers all traffic operating in the Arctic region, approaching or leaving the Bering Strait and the Aleutian Archipelago. The network provides location data and advanced warning to the U.S. Coast Guard and state emergency responders of all ships approaching state waters, and gives us – and communities – a heads-up on traffic, including stalled itinerant vessels that might be headed for a shipwreck.

- **Review of new regimes for shipping administration:** Last year, Alaska's State Legislature created the Northern Waters Task Force (NWTF).[11] This task force is charged with examining the effects of changes in the Arctic on shipping, energy and local industry and making recommendations on infrastructure and regulatory needs, mitigation strategies, and ways for the State to be involved in governance of Arctic shipping. NWTF will present their report to the Legislature in January of 2012. Early discussions indicate that international cooperation and investment in oil spill response capabilities will be among the measures recommended.

Conclusion

Mr. Chairman, members of the Committee, Alaska has and will continue to work hard on Arctic policy because we are America's Arctic – it's our home, our history, our heritage and our future. And we work hard with high hopes for outcomes.

But we ask for the U.S. to work hard with us. To reiterate, Mr. Chairman, we ask for three things.

First, we need icebreakers. Without action on this, America is putting its national security on the line, and we are going to miss the opportunities of the Arctic while watching other nations advance. Good policy only goes so far without the infrastructure to act upon it. We have mandated icebreakers more than once. We're missing the boat. Let's build them.

---

[10] Niini, M., M. Arpiainen, and R. Kiili. *Arctic shuttle container link from Alaska, US to Europe*. Report AARC K-63. Aker Arctic Technology Inc., Mar. 2006.

[11] Alaska State Legislature, HCR 22, Legislative Resolve No. 54 (2010), Establishing and relating to the Alaska Northern Waters Task Force. Available online: http://housemajority.org/coms/anw/pdfs/26/Scan001.pdf.

Second, while we wait for new icebreakers, we need to take legal action to protect our coasts and prevent spills in the Arctic and Aleutians. We made this clear in our comments to the U.S. Coast Guard's Port Access Route study, and we urge the U.S. to step up the pace.

And third, the federal and state governments need to continue working together through the CMTS and Arctic Council processes to ensure that America does not miss out on the historic, game-changing opportunities in Arctic shipping. Arctic shipping presents safety challenges for sure. But for America, it is an opportunity, and one that could pass us by.

Alaska encourages America's new shipping policy to be ambitious. It should keep us safe, create jobs, help improve the quality of life in Western Alaska, and generate goods and service exports, as polar aviation does today. We need to grasp the historic opportunities of the changing Arctic. America has been an Arctic nation for 150 years. It's time we started acting like it.

Thank you.

FROM USCG AUTH. ACT OF 2010

SEC. 307. ARCTIC MARINE SHIPPING ASSESSMENT IMPLEMENTATION.

(a) Purpose- The purpose of this section is to ensure safe and secure maritime shipping in the Arctic including the availability of aids to navigation, vessel escorts, spill response capability, and maritime search and rescue in the Arctic.

(b) International Maritime Organization Agreements- To carry out the purpose of this section, the Secretary of the department in which the Coast Guard is operating is encouraged to enter into negotiations through the International Maritime Organization to conclude and execute agreements to promote coordinated action among the United States, Russia, Canada, Iceland, Norway, and Denmark and other seafaring and Arctic nations to ensure, in the Arctic--

(1) placement and maintenance of aids to navigation;
(2) appropriate marine safety, tug, and salvage capabilities;
(3) oil spill prevention and response capability;
(4) maritime domain awareness, including long-range vessel tracking; and
(5) search and rescue.

(c) Coordination by Committee on the Maritime Transportation System- The Committee on the Maritime Transportation System established under a directive of the President in the Ocean Action Plan, issued December 17, 2004, shall coordinate the establishment of domestic transportation policies in the Arctic necessary to carry out the purpose of this section.

(d) Agreements and Contracts- The Secretary of the department in which the Coast Guard is operating may, subject to the availability of appropriations, enter into cooperative agreements, contracts, or other agreements with, or make grants to individuals and governments to carry out the purpose of this section or any agreements established under subsection (b).

(e) Icebreaking- The Secretary of the department in which the Coast Guard is operating shall promote safe maritime navigation by means of icebreaking where necessary, feasible, and effective to carry out the purposes of this section.

(f) Independent Ice Breaker Analyses-

(1) IN GENERAL- Not later than 90 days after the date of enactment of this Act, the Secretary of the department in which the Coast Guard is operating shall require a nongovernmental, independent third party (other than the National Academy of Sciences) that has extensive experience in the analysis of military procurements, to--

(A) conduct a comparative cost-benefit analysis, taking into account future Coast Guard budget projections (which assume Coast Guard budget growth of no more than inflation) and other recapitalization needs, of--

(i) rebuilding, renovating, or improving the existing fleet of polar icebreakers for operation by the Coast Guard;

(ii) constructing new polar icebreakers for operation by the Coast Guard;

(iii) construction of new polar icebreakers by the National Science Foundation for operation by the Foundation;

(iv) rebuilding, renovating, or improving the existing fleet of polar icebreakers by the National Science Foundation for operation by the Foundation; and

(v) any combination of the activities described in clause (i), (ii), (iii), or (iv) to carry out the missions of the Coast Guard and the National Science Foundation; and

(B) conduct a comprehensive analysis of the impact on all Coast Guard activities, including operations, maintenance, procurements, and end strength, of the acquisition of polar icebreakers described in subparagraph (A) by the Coast Guard or the National Science Foundation assuming that total Coast Guard funding will not increase more than the annual rate of inflation.

(2) REPORT- Not later than 1 year after the date of enactment of this Act, the Secretary of the department in which the Coast Guard is operating shall submit a report containing the results of the analyses required under paragraph (1), together with recommendations the Commandant considers appropriate under section 93(a)(24) of title 14, United States Code, to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

(g) High-Latitude Study- Not later than 90 days after the date of enactment of this Act or the date of completion of the ongoing High-Latitude Study to assess polar icebreaking mission requirements for all Coast Guard missions including search and rescue, marine pollution response and prevention, fisheries enforcement, and maritime commerce, whichever occurs later, the Commandant of the Coast Guard shall submit a report containing the results of the study, together with recommendations the Commandant considers appropriate under section 93(a)(24) of title 14, United States Code, to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

(h) Arctic Definition- In this section the term 'Arctic' has the same meaning as in section 112 of the Arctic Research and Policy Act of 1984 (15 U.S.C. 4111).