

**SB**

**37**

<TARGET><BILL>SB 37</BILL><SUBJECT>SB  
37</SUBJECT><COMM>SFIN28</COMM></TARGET>

# SENATE FINANCE COMMITTEE REPORT

DATE: 2/6/13

FURTHER:

DATE TURNED  
IN TO OFFICE: \_\_\_\_\_

**Finance Committee** considered SENATE BILL NO. 37

## SB 37-EXTEND SUICIDE PREVENTION COUNCIL

"An Act extending the termination date of the Statewide Suicide Prevention Council; 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	LWF
CED	LAW
COR	LEG
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 #
DHS	✓			1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Hoffman	✓			
Anna L. Fairclough	FAIRCLOUGH	✓			
Clint Bishop	Bishop	✓			
	DUNLAVAN	✓			
	OLSON	✓			
CO-CHAIR:	Meyer	✓			
CO-CHAIR:	Kelly	✓			

# Fiscal Note

State of Alaska  
2013 Legislative Session

Bill Version: SB 37  
Fiscal Note Number: 1  
(S) Publish Date: 2/6/13

Identifier: SB037-DHSS-SPC-2-4-13  
Title: EXTEND SUICIDE PREVENTION COUNCIL  
Sponsor: FAIRCLOUGH  
Requester: Senate Labor & Commerce Committee

Department: Department of Health and Social Services  
Appropriation: Behavioral Health  
Allocation: Suicide Prevention Council  
OMB Component Number: 2651

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2014 Appropriation Requested	Included in Governor's FY2014 Request	Out-Year Cost Estimates					
			FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b>OPERATING EXPENDITURES</b>								
Personal Services		92.4	92.4	92.4	92.4	92.4	92.4	92.4
Travel		38.7	53.7	53.7	53.7	53.7	53.7	53.7
Services		51.3	80.0	80.0	80.0	80.0	80.0	80.0
Commodities		3.5	3.5	3.5	3.5	3.5	3.5	3.5
Capital Outlay								
Grants & Benefits		415.0	415.0	415.0	415.0	415.0	415.0	415.0
Miscellaneous								
<b>Total Operating</b>	<b>0.0</b>	<b>600.9</b>	<b>644.6</b>	<b>644.6</b>	<b>644.6</b>	<b>644.6</b>	<b>644.6</b>	<b>644.6</b>

**Fund Source (Operating Only)**

1037 GF/MH		600.9	644.6	644.6	644.6	644.6	644.6	644.6
<b>Total</b>	<b>0.0</b>	<b>600.9</b>	<b>644.6</b>	<b>644.6</b>	<b>644.6</b>	<b>644.6</b>	<b>644.6</b>	<b>644.6</b>

**Positions**

Full-time		1.0	1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

<b>Change in Revenues</b>							
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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
If yes, by what date are the regulations to be adopted, amended or repealed?

**Why this fiscal note differs from previous version:**

Not applicable, initial version.

Prepared By: Melissa Stone, Director  
Division: Behavioral Health  
Approved By: Sarah Woods, Deputy Director  
Finance & Management Services

Phone: (907)269-3410  
Date: 02/04/2013 11:00 AM  
Date: 02/04/13

FISCAL NOTE ANALYSIS #1

STATE OF ALASKA  
2013 LEGISLATIVE SESSION

BILL NO. SB 37

Analysis

The bill extends the Statewide Suicide Prevention Council for six years. This permits the Council to continue to coordinate and support statewide suicide prevention efforts under the state plan, *Casting the Net Upstream: Promoting Wellness to Prevent Suicide*.

Assumptions –

The Governor's FY2014 Budget includes costs associated with current operations. In the out-years from FY2015 through FY2019, travel is increased to accommodate full attendance of quarterly meetings by all voting members and the majority of legislative members. Services are increased to reflect increased facility, printing/copying and postage expenses (due to expanded sharing of resources, materials, and prevention information) and an additional \$20,000 to allow the Council to partner with organizations on special projects. It would also allow the Council to pool resources with Alaska Native Heal Consortium, the University of Alaska and others to do research projects that cannot be done with existing staff.

Program Summary –

The Statewide Suicide Prevention Council consists of seventeen governor appointed members from the State Division of Behavioral Health, Alaska State Representatives and Senators, board members from the Alaska Mental Health Board and Advisory Board on Alcoholism and Drug Abuse, the Alaska Federation of Natives, clergy, general public, student and youth representatives, and the military. The Council advises the governor and legislature on issues relating to suicide. In collaboration with communities, faith-based organizations, and public-private entities, the Council works to improve the health and wellness of Alaskans by reducing suicide and its effect on individuals and communities.

The Council's budget supports the following:

**FY2014 Administrative Costs: \$600.9**

Positions/Personal Services – \$92.4

- 1.0 FTE Project Assistant, PCN 06-0529, Range 16 (\$55.2 salary plus \$37.2 benefits)

Other Expenditures –

- Travel for the group to meet quarterly in order to better understand and comprehend the complexities of suicide in Alaska and to share this information with other Alaskans: \$38.7
- Leased office space, printing/copying for resource materials and prevention information, teleconferencing and video conferencing, Human Resource, telecommunication, and mail service costs allocated from the Department: \$51.3
- Meeting and business supplies: \$3.5
- School Based Suicide Prevention Grants: \$415.0

**FY2015 – FY2019 Administrative Costs: \$644.6**

Positions/Personal Services – \$92.4

- 1.0 FTE Project Assistant, PCN 06-0529, Range 16 (\$55.2 salary plus \$37.2 benefits) and

**Analysis Continued**

Other Expenditures –

- Travel for the group to meet quarterly in order to better understand and comprehend the complexities of suicide in Alaska and to share this information with other Alaskans: \$57.3
- Leased office space, printing/copying for resource materials and prevention information, teleconferencing and video conferencing, Human Resource, telecommunication, and mail service costs allocated from the Department: \$60.0
- Outreach and research contracts: \$20.0
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**SENATE BILL NO. 37**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-EIGHTH LEGISLATURE - FIRST SESSION**

**BY SENATORS FAIRCLOUGH, Dyson, Ellis, Gardner**

**Introduced: 1/25/13**

**Referred: Labor and Commerce, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act extending the termination date of the Statewide Suicide Prevention Council;**  
2 **and providing for an effective date."**

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

4 \* **Section 1.** AS 44.66.010(a)(7) is amended to read:

5 (7) Statewide Suicide Prevention Council (AS 44.29.300) - June 30,  
6 2019 [2013];

7 \* **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to  
8 read:

9 **RETROACTIVITY.** If sec. 1 of this Act takes effect on or after June 30, 2013, sec. 1  
10 of this Act is retroactive to June 30, 2013.

11 \* **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).

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	FY2014	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2014 Request	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b>OPERATING EXPENDITURES</b>	<b>FY 2014</b>	<b>FY 2014</b>					
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STATE OF ALASKA  
2013 LEGISLATIVE SESSION

BILL NO. SB 37

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# Alaska State Legislature

**Senator Anna Fairclough** — Senate District M

## MEMORANDUM

**DATE:** February 5, 2013

**TO:** Senator Kevin Meyer  
Co-Chair, Senate Finance Committee

Senator Pete Kelly  
Co-Chair, Senate Finance Committee

**FROM:** Senator Anna Fairclough *Anna*

**RE:** Hearing Request Senate Bill 37

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I am requesting a hearing as soon as your committee schedule will permit for Senate Bill 37 relating to the extension of the Statewide Suicide Prevention Council.

This council is set to sunset June 30, 2013, for this reason it is critical this legislation be passed this legislative session.

Thank you for your consideration and attention to this request. Please do not hesitate to contact Laura Pierre on my staff with any questions at 465-4695.



# Alaska State Legislature

**Senator Anna Fairclough** – Senate District M

## Sponsor Statement

### Senate Bill 37

"An Act extending the termination date of the Statewide Suicide Prevention Council; and providing for an effective date."

In 2001 the Alaska State Legislature created the Statewide Suicide Prevention Council. The Council is made up of 17 members: two appointed by the president of the senate, two appointed by the speaker of the house, and 13 members appointed by the governor.

The duties of the Council are outlined in statute 44.29.350:

- Improve health and wellness throughout the state by reducing suicide and its effects on individuals, families and communities;
- Broaden Alaskans' awareness of suicide and the role of risk and protective factors in suicide;
- Enhance Alaska's suicide prevention services and programs;
- Develop healthy communities through comprehensive, collaborative, community-based and faith-based approaches implemented at the community level and supported by regional, state, and federal resources;
- Develop and implement a statewide suicide prevention plan; and
- Strengthen existing and build new partnerships between public and private entities that will advance suicide prevention efforts in the state.

Alaska has the highest rate of suicide per capita in the country. The Council has designed a state plan of action for preventing suicide. This plan, *Casting the Net Upstream*, promotes wellness to prevent suicide in Alaska.

I appreciate your support and consideration of this legislation.

# Major Provisions Under Proposed and Current Oil Production Tax Systems for North Slope Production

Version revised 3/12/13 by Alaska Department of Revenue Version 12:15PM

FEATURE	ACES	SB21 as introduced	CSSB21(RES)	SB21 -CS Finance version
<b>Base Tax Rate</b>				
Base Tax Rate - the base percentage of the tax charged on the Production Tax Value (PTV). The Production Tax Value is the net value of the taxable oil after allowable operating, capital, and transportation costs are deducted from the market value.	25% of PTV on all fields	25% of PTV on all fields	35% of PTV on all fields	30% of PTV on all fields
<b>Progressivity</b>				
Progressivity - a tax mechanism that increases the tax rate at higher oil prices and/or profits	Based on PTV	No progressivity	No progressivity	No progressivity
• "Bracketed" or "unbracketed"	Unbracketed 0.4 % per dollar of per barrel-PTV from \$30 to \$92.50; 0.1% per dollar of per barrel-PTV above \$92.50	No progressivity	No progressivity	No progressivity
• Progressivity calculation	Calculated monthly	No progressivity	No progressivity	No progressivity
<b>Incentives for New Oil</b>				
Gross Revenue Exclusion (GRE)	None	Gross Revenue Exclusion (GRE): In calculating the PTV, a producer's GVPP is reduced by 20% of the Gross Value of the eligible production. Oil is from new PA.	Gross Revenue Exclusion (GRE): In calculating the PTV, a producer's GVPP is reduced by 30% of the Gross Value of the eligible production. Oil is from new PA and PA expansions.	Gross Revenue Exclusion (GRE): In calculating the PTV, a producer's GVPP is reduced by 20% of the Gross Value of the eligible production. Oil is from new PA, PA expansions, and "challenged" oil in legacy fields.
GRE Time limit	Not applicable	None	None	Ten years
<b>Maximum and Minimum Tax</b>				
Maximum Tax	75% of PTV for all fields	25% of PTV for all fields	35% of PTV for all fields	30% of PTV for all fields
Minimum Tax	4% of Gross Value at Point of Production when oil prices are above \$25 per barrel; reduced to 0% at \$15 per barrel	4% of Gross Value at Point of Production when oil prices are above \$25 per barrel; reduced to 0% at \$15 per barrel	4% of Gross Value at Point of Production when oil prices are above \$25 per barrel; reduced to 0% at \$15 per barrel	4% of Gross Value at Point of Production when oil prices are above \$25 per barrel; reduced to 0% at \$15 per barrel
<b>Tax Credits</b>				
Qualified Capital Expenditure Credit under AS 43.55.023(a)(1) and (a)(2)	20% for qualified capital expenditures all AK Must be taken over two years	Eliminated for qualified capital expenditures after December 31, 2013 for NS May be applied in a single year No change for QCE Credit Cook Inlet and Middle Earth	Eliminated for qualified capital expenditures after December 31, 2013 for NS May be applied in a single year No change for QCE Credit Cook Inlet and Middle Earth	Eliminated for qualified capital expenditures after December 31, 2013 for NS May be applied in a single year No change for QCE Credit Cook Inlet and Middle Earth
Qualified oil and gas industry service expenditures against tax liabilities under AS 43.20			10% of qualified oil and gas industry service expenditures up to \$10 million per taxpayer per year	10% of qualified oil and gas industry service expenditures up to \$10 million per taxpayer per year
Per oil barrel allowance	None	None	\$5 per barrel of oil, applies to North Slope and other areas	\$5 per barrel of oil, applies to North Slope and other areas
Carry-Forward Annual Loss Credit under AS 43.55.023(b); applicability				30% for Carry-Forward Annual Loss Credit for NS, monetizable to the extent additional spend is made in following years
• Percentage	25% for Carry-Forward Annual Loss Credit for NS	25% for Carry-Forward Annual Loss Credit	35% for Carry-Forward Annual Loss Credit for NS	
• Period applied	Must be taken over two years	May be applied in a single year	May be applied in a single year	May be applied in a single year
• Applicability	May be transferred, used against tax liability, or refunded by State 25% for Carry-Forward Annual Loss Credit for Cook Inlet and Middle Earth	Must be applied against production tax liability, increases in value at 15% compounded per year, and may be carried forward for 10 years No change for Cook Inlet and Middle Earth (25% for Carry-Forward Annual Loss Credit)	Must be applied against production tax liability, increases in value at 15% compounded per year, and may be carried forward for 10 years No change for Cook Inlet and Middle Earth (25% for Carry-Forward Annual Loss Credit)	If not monetized (see above), must be applied against production tax liability, increases in value at 15% compounded per year, and may be carried forward for 10 years No change for Cook Inlet and Middle Earth (25% for Carry-Forward Annual Loss Credit)
Small Producer Credit under AS 43.55.024	Expires in 2016	Extended to 2022	Extended to 2022	Extended to 2022
<b>Other provisions</b>				
Interest rate for delinquent payments	Greater of Fed rate plus 5% or 11 % , compounded quarterly	Same as ACES	Same as ACES	Lesser of Fed rate plus 3 % or 11 % , compounded quarterly
Competitiveness Board	No	No	Yes	No
Community Sharing Provision	Yes	Yes	Yes	Yes

\*Different provisions may apply to oil and gas production in other parts of the state outside of the North Slope.