

Leg. Finance - Finance Comte Files (1971-72) 8879

HB 281, 287, 291, 292, 295, 336 / 10



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James D. Smith
Signature of Camera Operator

4/4/89
Date

Introduced: 3/25/71
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY HOLM

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 281

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the income tax; and providing
7 for an effective date."

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

9 * Section 1. AS 43.20.010(a) is repealed and re-enacted to read:

10 (a) A tax equal to 20 per cent of the total income tax payable
11 for the same taxable year to the United States is levied upon the
12 net income of every resident and nonresident individual, fiduciary
13 and bank. The tax is levied each taxable year upon all income
14 derived from sources within the state.

15 * Sec. 2. AS 43.20.010(b) is repealed and re-enacted to read:

16 (b) A tax equal to 20 per cent of the total income tax payable
17 for the same taxable year to the United States is levied upon the
18 net income of every resident and nonresident corporation. The tax
19 is levied each taxable year upon all income derived from sources
20 within the state.

21 * Sec. 3. AS 43.20.010(c)(4) is repealed.

22 * Sec. 4. The provisions of this Act apply to taxable years beginning
23 on or after January 1, 1971.

24 * Sec. 5. This Act takes effect on July 1, 1971.
25
26
27
28
29

ALASKA STATE LEGISLATURE

SEVENTH Legislature

FIRST Session

HOUSE SPONSOR SUB. NO. 281

By HOLM

"An Act relating to the income tax; and providing for an effective date."

Income tax

Introduced in the House 3/25/ 71, 19

HISTORY IN THE HOUSE

19 71

Mar 25

Read first time and referred to Committee on State Affairs and Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS : Yeas
Nays
Absent
Excused

Effective Date

PASS : Yeas
Nays
Absent
Excused

Reported correctly engrossed
Signed by Speaker
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Read first time and referred
to Committee on

Reported back with
reccommendation that

Read second time and

Read third time and

PASS

Yeas
Nays
Absent
Excused

Effective Date

PASS

Yeas
Nays
Absent
Excused

Reported correctly engrossed
Signed by President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Secy. State

Chapter No.

Committee Report

HOUSE OF REPRESENTATIVES

4/13/71

_____ Date

Mr. Speaker:

The Committee on FINANCE has had SSHB 281

under consideration. A majority of the members of the Committee

recommends it do pass

recommends it do not pass

recommends it do pass with attached amendment(s)

recommends it be replaced with CS for _____ and that

CS for _____ do pass

(and) recommends it be referred to the _____

committee

reports it back without recommendation

(other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____	recommends:
_____	recommends:
_____	recommends:
_____	recommends:
_____	recommends:

_____ CHAIRMAN

Committee Report

13

HOUSE OF REPRESENTATIVES FINANCE

3/25/71

April _____ 1971
Date

Mr. Speaker:

The Committee on STATE AFFAIRS has had SSHB 281

under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that
CS for _____ do pass
- (and) recommends it be referred to the _____
committee
- reports it back without recommendation
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

John Hol _____
James Hucker _____
Thomas G. ... _____
Richard P. McVeigh _____
W. D. ... _____
Jess Harris _____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

Frank ... recommends: No Recommendation
 _____ recommends:
 _____ recommends:
 _____ recommends:
 _____ recommends:

Richard P. McVeigh
 CHAIRMAN

MEMORANDUM

State of Alaska

TO: R. D. Stevenson
Deputy Commissioner

DATE: April 2, 1971

FROM: Fred Boetsch, Director
Audit Division

SUBJECT: Sponsor Substitute for HB 281--
Administrative Problems

In my previous memo on this bill on March 12 I pointed out a possible administrative problem due to the fact that this bill would tie Alaska's rates to the "current" Federal rate. The problem is that the Federal Government changes this rate or imposes a surtax on it from time to time as its fiscal policy changes. This means that we would either have to change our percentage each time the Federal changed its rates in order to maintain the same level of receipts from income taxes or we would have to face the possibility of a change in tax receipts as a result of change in Federal rates. If we want to maintain our projected receipts, then it would be necessary to pass legislation every time the Federal changed its rates. The problem involved here would be primarily one of timing. As much as a year might pass before we could get legislation through to change the Alaska rates and this time lag could have a bad effect on the Treasury.

Another administrative problem that we would have under the substitute bill would be with respect to Section 3. The effect of Section 3 would be to allow an individual to deduct his Alaska income tax in computing his Alaska income tax. The question arises here as to what amount should be taken as the deduction on the return. Should it be the amount of tax withheld during the tax year, the amount of tax liability as actually established, or the amount of tax withheld less the amount of refund from the previous year? If the actual tax liability is used as the basis, then the taxpayer would have a difficult computational problem since a change in the amount of the deduction would change the amount of the tax which in turn would change the amount of the deduction again. To do this on a trial and error basis would require many, many computations; although this also could be accomplished through the use of a mathematical formula, due to the incremental rate changes, this formula could become very complicated and cumbersome. I would recommend that if this provision does go through that the computation be spelled out as being amounts actually paid during the tax year either through withholding or estimated tax payments less the amount of any refunds received during the tax year; the amount of the deduction would not necessarily equal the liability for that particular tax year but would equal the net income taxes paid during the tax year. This would avoid the problem of saying that X is equal to C minus a percentage of X.

FPB:abc

MEMORANDUM

State of Alaska
 APR 1 1971

TO: R. D. Stevenson
 Deputy Commissioner

RECEIVED
 STATE OF ALASKA
 DEPARTMENT OF REVENUE
 APR 1 1971

DATE: April 1, 1971

FROM: Fred Roetsch, Director
 Audit Division

SUBJECT: Sponsor Substitute for HB 281--
 Treasury Effects

My memo to you dated March 12 on the original bill discussed the Treasury effects that would result from changing the current percentages based on 1963 Federal rates for individual and corporate income taxes to 20% of the current Federal rates. This is exactly the change that has been made in the Sponsor Substitute.

To recapitulate, the net effect on Treasury of this bill would be to increase tax revenues by about \$400,000. This net increase would be broken down as follows:

Increase in individual tax revenues resulting from change in rates and without a change in deductions	\$1,220,000
Decrease in individual income tax revenues resulting from allowing deduction of Alaska State income taxes	<u>\$ 960,000</u>
Net increase in individual income taxes	\$ 260,000
Increase in corporate tax revenues as a result of increase in rates	<u>\$ 148,950</u>
Total increase in tax revenues	<u>\$ 408,950</u>

A change of 1% in either direction on individual income taxes would change tax revenues by \$1,845,000. Therefore, at 21% we would have \$1,845,000 more than the amount shown above. At 19% we would have \$1,845,000 less than the amount shown above. A change of 1% in corporate income taxes would change tax revenues by about \$298,000. Again, an increase of 1% would increase the above results by that amount and a decrease of 1% would decrease the above results by \$298,000.


FPB:mhc

MEMORANDUM

State of Alaska

TO: [The Honorable George H. Hohman, Chairman
House Finance Committee
Alaska State Legislature
Juneau, Alaska

DATE : April 13, 1971

FROM: 
R. D. Stevenson
Deputy Commissioner
Department of Revenue
Juneau, Alaska

SUBJECT: Sponsor Substitute for House Bill 281
Income Tax

Attached are eight copies of a memorandum from Fred Boetsch, Director, Audit Division, concerning the effect on Treasury of Sponsor Substitute for House Bill 281. There are also transmitted eight copies of a memorandum from Mr. Boetsch concerning administrative problems that relate to Section 3 of the proposed legislation.

In the event you have any questions on the material submitted, kindly advise and Mr. Boetsch will be available for further testimony for your Committee.

RDS:eh

Attachments

The Legislature of the State of Alaska
FISCAL NOTE
Second Session - Seventh State Legislature

I. REQUEST

Bill Identification: SS House Bill No. 281
 Title: An Act relating to the Income Tax
 Requested by: Legislative Finance Date: January 11, 1972
 Return Date Requested: January 28, 1972
 Agency: Revenue Program: Fiscal Services

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____
 A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 72	FY 73	FY 74	FY 75	FY 76	FY 77
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-					

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	-0-/	/	/	/	/	/
MAN MONTHS (P./T.)	-0-/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See attached memoranda from Fred Boetsch, Director, Audit Division, Department of Revenue concerning effects on Treasury.

IV. ATTACHMENTS

V. DATE: January 21, 1972

PREPARED BY: 

R. D. Stevenson
Deputy Commissioner
Department of Revenue

Original: Legislative Finance
 cc: Budget and Management
Prime Sponsor (First Legislator Named)

MEMORANDUM

TO: R. D. Stevenson
Deputy Commissioner

DATE: January 19, 1972

FILE NO:

FROM: Fred Boetsch, Director
Audit Division

SUBJECT: Fiscal Note Request--
SSHB No. 281

I am enclosing copies of my memos dated March 12, 1971, April 1, 1971, and April 2, 1971, all of which discuss this bill. There is a substantial change in the figures, however, that was indicated on my memo dated April 1 which discussed Treasury effects.

As a result of the 1971 Federal Tax Reform Act we have projected that the increase in the personal exemptions and standard deductions would create a tax loss of \$1,198,855 in FY 1973. If this bill were adopted as it is, then instead of producing a \$408,950 gain, it would produce approximately a \$790,000 loss. In order to offset this loss it would be necessary to raise the personal income tax rate to 20.5 per cent of current Federal rates rather than 20 per cent. The additional one-half per cent would produce an additional \$900,000 in income so that we would then have a net gain of about \$110,000. I would recommend, therefore, that the bill be amended to 20.5 per cent rather than 20 per cent. If it is desirable to have the corporate tax rate also raised to the 20.5 per cent, then the above figure should be raised by an additional \$150,000, which is the effect that a one-half per cent raise in the corporate tax rate would have.

FPB:mbc

MEMORANDUM

State of Alaska

RECEIVED

TO: R. D. Stevenson
Deputy Commissioner

DATE : March 12, 1971

FROM: Fred Boetsch, Director
Audit Division

SUBJECT: HB 281, Income Tax

You have asked me to comment further on this bill, assuming changes were made in the rates proposed by the bill.

If the rate in Section 1 were increased from 16% to 20% the individual income tax receipts would increase about \$1,220,000. This is calculated on the basis that our "average taxpayer" is filing a joint return and has a taxable income of \$10,115. Under the current Federal rates he would pay \$1,845 in Federal taxes, and 20% of this would be \$369. Figuring 100,000 taxpayers this would increase the revenues by the \$1,220,000.

If the rate in Section 2 were also changed to 20%, this would bring an increase in receipts of \$148,950. This is based on the fact that 20% of the current Federal rate of 48% would be 9.60% as compared to our current rate which is 18% of the 52% Federal rate, or 9.36%. The difference of .24% is approximately 2.5% of the current tax rate and we could expect the tax receipts of \$5,958,000 to increase by 2.5%. This would give us the \$148,950.

I understand that Section 3 really refers to AS 43.20.010 (c) (4) which would be repealed. This would make the Alaska individual income tax unique in the United States. In fact, it would make it contrary to the current Federal provision which does not allow deduction of the tax which is being calculated. Although the Federal Government does allow state income taxes to be deducted in calculating the Federal tax, it does not allow the Federal tax to be so deducted. No other state permits the deduction of its own tax in the calculation of the income tax, either. However, assuming this section were repealed, the effect on individual income tax receipts would be to decrease them by some \$960,000. This is based on the assumption that some 60%, or 60,000 of our taxpayers, would save approximately \$16 each (\$369 deduction at 4.4%) in Alaska income taxes if they were able to take their Alaska income tax as an itemized deduction in determining the tax liability. Sixty thousand taxpayers at \$16 per taxpayer comes out to the \$960,000. Our estimate of 60% is based on two factors: the first is the result of a survey we did of 1968 income tax returns where we found that 53 1/3% of the taxpayers were itemizing deductions; the second is based on the fact that there are a number of people who itemize deductions for the Federal but not for the State --the difference being the amount of the State income tax deduction which is taken on the Federal, i.e., these are borderline itemized deduction cases. If we assume that another 7% of the taxpayers would be able to itemize for State purposes as a result of being allowed deduction for State income taxes,

Mr. R. D. Stevenson
Re: HB 291, Income Tax

-2-

March 12, 1971

then we have our 60% figure.

The overall net effect on Treasury, then, of the provisions of this bill as amended to reflect the rates stated above would be to increase income tax revenues by about \$400,000, or 1%. This increase is really negligible, however, since the above calculations are based on estimates and actual conditions could vary our calculation by more than 1%. However, this is close enough, I think, to fairly state that the net effect of this bill on income tax revenues would be "none."

I would like to point out an administrative problem, however, that could occur. During the last few years the Federal Government has changed its rates several times and has added and deleted varying different rates of surtaxes. If this practice continues it will become necessary for us to change our applicable rate, i.e., the 20%, each time the Federal Government changes its rates in order to maintain the projected revenues from this source. Although the rates right now under the above assumptions would be a simple, flat 20%, we could wind up with some very strange percentages if the Federal Government changed its rate schedule. Alternatively, if we stuck to a whole percentage, we could wind up increasing or decreasing the amount of income taxes collected. The Legislature would have to amend the rates each time the Federal Government changed its rate schedule.

FPB:mbc

MEMORANDUM

State of Alaska RECEIVED

R. D. Stevenson
Deputy Commissioner

DATE April 1, 1971

FROM Fred Boetsch, Director
Audit Division

SUBJECT Sponsor Substitute for HB 281--
Treasury Effects

My memo to you dated March 12 on the original bill discussed the Treasury effects that would result from changing the current percentages based on 1963 Federal rates for individual and corporate income taxes to 20% of the current Federal rates. This is exactly the change that has been made in the Sponsor Substitute.

To recapitulate, the net effect on Treasury of this bill would be to increase tax revenues by about \$400,000. This net increase would be broken down as follows:

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FPB:mbc

MEMORANDUM

State of Alaska

TO: R. D. Stevenson
Deputy Commissioner

DATE: April 2, 1971

FROM: Fred Boetsch, Director
Audit Division

SUBJECT: Sponsor Substitute for HB 281--
Administrative Problems

In my previous memo on this bill on March 12 I pointed out a possible administrative problem due to the fact that this bill would tie Alaska's rates to the "current" Federal rate. The problem is that the Federal Government changes this rate or imposes a surtax on it from time to time as its fiscal policy changes. This means that we would either have to change our percentage each time the Federal changed its rates in order to maintain the same level of receipts from income taxes or we would have to face the possibility of a change in tax receipts as a result of change in Federal rates. If we want to maintain our projected receipts, then it would be necessary to pass legislation every time the Federal changed its rates. The problem involved here would be primarily one of timing. As much as a year might pass before we could get legislation through to change the Alaska rates and this time lag could have a bad effect on the Treasury.

Another administrative problem that we would have under the substitute bill would be with respect to Section 3. The effect of Section 3 would be to allow an individual to deduct his Alaska income tax in computing his Alaska income tax. The question arises here as to what amount should be taken as the deduction on the return. Should it be the amount of tax withheld during the tax year, the amount of tax liability as actually established, or the amount of tax withheld less the amount of refund from the previous year? If the actual tax liability is used as the basis, then the taxpayer would have a difficult computational problem since a change in the amount of the deduction would change the amount of the tax which in turn would change the amount of the deduction again. To do this on a trial and error basis would require many, many computations; although this also could be accomplished through the use of a mathematical formula, due to the incremental rate changes, this formula could become very complicated and cumbersome. I would recommend that if this provision does go through that the computation be spelled out as being amounts actually paid during the tax year either through withholding or estimated tax payments less the amount of any refunds received during the tax year; the amount of the deduction would not necessarily equal the liability for that particular tax year but would equal the net income taxes paid during the tax year. This would avoid the problem of saying that X is equal to C minus a percentage of X.

FPE:mhc

This bill is on State Affairs
as of 3-25-71 - Maden

April 7, 1971

HB 281

Mr. Robert S. Williams
1/2 11th Street NW
Lynchburg, Virginia 23901

Dear Mr. Williams:

Thank you for your recommendation on House Bill 271. After reading over the bill, I am in complete agreement with you that the terms are not as explicit as they should be.

I have forwarded your recommendation, changes and inclusions on the bill to the Finance Committee where it is presently being studied. I believe they will find merit in your suggestions and make the necessary corrections.

Thank you for bringing this to my attention and if you have any further recommendations on this or any other matter before the legislature, I would appreciate hearing from you.

Sincerely,

Gene Guess
Speaker of the House

W. Williams
re: Alaska
March 25, 1971

March 25, 1971

Honorable Gene Guess
Speaker of the House
House of Representatives
Alaska State Legislature
Capitol Building
Juneau, Alaska 99801

Re: H.C. No. 201

Dear Speaker Guess:

This communication is being sent to you in response to H.C. BILL NO. 201, "An Act relating to the income tax; and providing for an effective date".

My primary reason for writing does not have to deal with objections or major recommendations to the repeal and re-enactment of the income tax statute. It is more for a point of clarification or definition.

The Bill No. 201 as written provides for "A tax equal to 10 per cent of the total income tax payable for the same taxable year to the United States is levied upon the net income of every citizen who derives income from sources within Alaska.

The Federal Internal Revenue Service in Washington, D. C., has advised us that retired Alaska Public employees must pay income taxes on "the monies received from the retirement funds". Federal and State income taxes have been reported and paid on a portion of the monies withheld over the years for the State Employees Retirement Funds.

The Alaska Department of Revenue informs us that "All civil service annuities and teachers' retirement (Alaska) are wholly exempt from State income tax. Alaska employees' retirement income becomes exempt after July 1, 1970". All 1971 retirement income from this source is also wholly exempt".

There is no definitions in Bill No. 201 to inform citizens that income or funds received from State of Alaska, local government annuities, pensions, etc., are exempt from income taxation in this State. It is recommended that the non-taxable income such as retirement funds be included in the wording or listing of exceptions, or that the word "income from sources within the State" be defined to include only those sources such as "dividends, salaries, monies gained from commercial ventures and sale of goods or products, etc".

It is assumed that the income tax payable to the State of Alaska is on the 10 per cent of the total income tax payable to the Federal Internal Revenue Service less the monies received from rents, business receipts and other sources of funds paid in one or more of the other 49 States, based on the statement in the act on sources of income. These monies are exempt from taxation in Alaska.

Sincerely yours
Patricia Williams
9/11/71
Juneau 99801

STATE OF ALASKA
THE LEGISLATURE

PO BOX Y - STATE CAPITOL
NOME, ALASKA 99801

LEGISLATIVE AFFAIRS AGENCY

April 12, 1971

MEMORANDUM

TO: Representative John Holm
FROM: Russell Mulaskey, Deputy Director
SUBJECT: Constitutionality of SSHB 281

This memorandum is in reply to inquiry as to whether SSHB 281 if enacted, would be an unconstitutional delegation of the legislature's power because it provides that persons in Alaska pay state net income taxes on the basis of a percentage of what they pay in federal income taxes.

There is a great deal of conflict among the courts and authorities as to whether the adoption of the statutes of another state or of Congress is a delegation of legislative power. This is particularly true in the case when one state adopts prospective legislation in another state or in Congress.

Because of the division of opinion which exists it is impossible to give a definitive opinion as to whether SSHB 281 is unconstitutional. However, it does seem from a close study of the court decisions and views espoused by at least one authority, that the better line of reasoning favors the validity of statutes which adopt prospective legislation in Congress.

The view probably held by the majority of courts which have considered the question is that the adoption by or under authority of a state statute of prospective federal legislation constitutes an unconstitutional delegation of legislative power. (State v. Intoxicating Liquors (1922) 121 Me 438, 117 A 588; State v. Gauthier (1922) 121 Me 522, 118 A 380, 26 ALR 652; Opinion of Justices (1921) 239 Mass 606, 133 NE 453; Smithberger v. Banning (1935) 129 Neb 651, 262 NW 492, 100 ALR 686; Darweger v. Staats (1935) 267 NY 290, 196 NE 61; Cline v. Consumers' Co-op. Gas & Oil Co. (1934) 152 Misc 653, 274 NYS 362; De Agostina v. Berkshire Ridge Amusements (1935) 155 Misc 518, 278 NY 622; People ex rel. West v. Princeton (1935) 154 Misc 811, 278 NYS 631; Holgate Bros. Co. v. Bashore (1935) 331 Pa 255, 200 A 672, 117 ALR 639.)

In other cases, however, it has been held there was no unconstitutional delegation of authority by a state statute which provided that prospective federal legislation should control. (Re Lasswell (1934) 1 Cal App(2d) 183, 36 P(2d) 678; People ex rel. Pratt v. Goldfogle (1926) 242 NY 277, 151 NE 452; Com. v. Alderman (1923) 275 Pa 483, 119 A 551.

April 12, 1971

Although the Alaska Supreme Court has not decided the specific issue involved here, there is Alaska precedent under the territorial court. In the case of Alaska Steamship Co. v. Hullaney (12 Alaska Reports 594; 180 P. 2d 895) the court was faced with the question of whether a statute which incorporated the Internal Revenue Code of the United States as amended or as thereafter amended was an unconstitutional delegation of legislative power. In this case the Ninth Circuit Court of Appeals held in favor of the minority view and in doing so said:

"We think it is far from clear that any invalid delegation is attempted. There are of course many cases which have held attempts by a legislative body to incorporate provisions into its enactments by reference to future acts or amendments by other legislatures, to be invalid. But where it can be said that the attempt to make the local law conform to future changes elsewhere is not a mere labor-saving device for the legislators, but is undertaken in order to attain a uniformity which is in itself an important object of the proposed legislative scheme, there are a number of precedents for an approval of this sort of thing..."

"The effort of the Alaska legislature to make its territorial income tax machinery conform to the federal act, and to preserve and continue such conformity, makes sense. It makes for convenience to the taxpayer and for simplicity of administration. Cf. Underwood Typewriter Co. v. Chamberlin, 94 Conn. 47, 65, 108 A. 154, 160. A similar coordination has been recommended by students of income tax problems for adoption by the states generally. Since the attainment of this uniformity was in itself a major objective of the Alaska legislature, in enacting that the local law must conform, the Alaska legislature, which alone could make this decision, was itself acting, and was not abdicating its functions, nor, in our opinion, making an invalid delegation to Congress." (Ibid, p. 616 - 617).

Many writers who have also studied the question have supported the view that adoption of prospective legislation in other states and in Congress is a constitutional delegation. Speaking on this specific point, Sutherland comments:

"... the statute should be sustained for its enactment has not amounted to any permanent loss of sovereignty or legislative power. It is possible that for a period of time after the change in the foreign statute and before the local legislature convenes, the law of the jurisdiction may not reflect local legislative desires; but this is so even with regard to purely local enactments. The local legislature retains its power to change the statute if it is not satisfactory. The advantages gained by uniformity of law between the states and the advantage of uniformity with congressional legislation, to say nothing of protection against retaliatory legislation, outweighs the disadvantages which may temporarily arise from changes in foreign laws." (Sutherland, Statutory Construction sec. 310 (3rd ed. Horock 1943).

Introduced: 3/25/71
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY HOLM

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 281
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the income tax; and providing
7 for an effective date."

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

9 * Section 1. AS 43.20.010(a) is repealed and re-enacted to read:

10 (a) A tax equal to 20 per cent of the total income tax payable
11 for the same taxable year to the United States is levied upon the
12 net income of every resident and nonresident individual, fiduciary
13 and bank. The tax is levied each taxable year upon all income
14 derived from sources within the state.

15 * Sec. 2. AS 43.20.010(b) is repealed and re-enacted to read:

16 (b) A tax equal to 20 per cent of the total income tax payable
17 for the same taxable year to the United States is levied upon the
18 net income of every resident and nonresident corporation. The tax
19 is levied each taxable year upon all income derived from sources
20 within the state.

21 * Sec. 3. AS 43.20.010(c)(4) is repealed.

22 * Sec. 4. The provisions of this Act apply to taxable years beginning
23 on or after January 1, 1971.

24 * Sec. 5. This Act takes effect on July 1, 1971.
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RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James D. Smith
Signature of Camera Operator

4/4/89
Date

Introduced: 3/8/71
Referred: Resources and
Finance

BY TILLION, GUESS
AND E. MILLER

1 IN THE HOUSE

2 HOUSE BILL NO. 287

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act appropriating to the Department of Fish and
7 Game; and providing for an effective date."

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

9 * Section 1. The sum of \$286,000 is appropriated from the general fund
10 to the Department of Fish and Game for the cost of designing, constructing
11 and equipping a 50-foot vessel which shall have the capability of year-round
12 operation in Cook Inlet, be suitable for crab research and enforcement and
13 adaptable for other department research and enforcement programs.

14 * Sec. 2. This Act takes effect July 1, 1971.
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ALASKA STATE LEGISLATURE

Author _____ Session _____

HOUSE BILL NO. 207

By _____

For the purpose of the Department of Fish and Game, and providing for an effective date.

Wessel/Cook, Inter

Introduced in the House 3/8/71

HISTORY IN THE HOUSE

12 21
 Read first time and referred to Committee on

12 27 Resources and Finance

Reported back with recommendation that

Read second time and

Read third time and

YAYS
 NAYS
 Absent
 Excused

Effective Date

YAYS
 NAYS
 Absent
 Excused

Reported correctly engrossed
 Signed by Speaker
 Sent to Senate

CLERK OF THE HOUSE

HISTORY IN THE SENATE

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

YAYS
 NAYS
 Absent
 Excused

Effective Date

YAYS
 NAYS
 Absent
 Excused

Reported correctly engrossed
 Signed by President
 Returned to House

CLERK OF THE SENATE

HISTORY IN THE HOUSE

Received from Senate

Reported correctly engrossed

Sent to Governor

By Governor

Filed with Secy. State

Chapter No.

ALASKA STATE LEGISLATURE

SEVENTH Legislature FIRST Session

HOUSE BILL NO. 287

By TILLION, GUESS AND E. MILLER

"An Act appropriating to the Department of Fish and Game; and providing for an effective date."

Vessel/Coak Inlet

Introduced in the House 3/8/19 71

HISTORY IN THE HOUSE

19 71

Mar 8

Read first time and referred to Committee on

Resources and Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS

Yeas
Nays
Absent
Excused

Effective Date

PASS

Yeas
Nays
Absent
Excused

Reported correctly engrossed
Signed by Speaker
Sent to Senate

HISTORY IN THE SENATE

19

Read first time and referred
to Committee on

Reported back with
recommendation that

Read second time and

Read third time and

PASS : Yeas
Nays
Absent
Excused

Effective Date

PASS : Yeas
Nays
Absent
Excused

Reported correctly engrossed
Signed by President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Secy. State

Chapter No.

"An Act appropriating to the Department of Fish and Game; and providing for an effective date."

Committee Report

HOUSE OF REPRESENTATIVES

3/17/71

_____ Date

Mr. Speaker:

The Committee on FINANCE has had HE 287 under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that CS for _____ do pass
- (and) recommends it be referred to the _____ committee
- reports it back without recommendation
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ CHAIRMAN

"An Act appropriating to the Department of Fish and Game; and providing for an effective date.:

Committee Report

HOUSE OF REPRESENTATIVES FINANCE

3/8/71

_____ Date

Mr. Speaker:

The Committee on RESOURCES has had HB 287

under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that CS for _____ do pass
- (and) recommends it be referred to the _____ committee
- reports it back without recommendation
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

<u>Marty Tull</u>	<u>Leslie E. Simpson</u>	<u>K. Speck</u>
<u>Joe McGill</u>	<u>Clem Tillion</u>	<u>Robert...</u>
<u>Mike Colletta</u>	<u>Thomas...</u>	_____
<u>M. B. More</u>	<u>Ed Naughton</u>	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

<u>John Huber</u>	recommends: <u>NO RECOMMENDATION</u>
<u>Joe Hu...</u>	recommends: _____
_____	recommends: _____
_____	recommends: _____
_____	recommends: _____

Marty Tull
CHAIRMAN

HOUSE JOURNAL

Resources Committee Report

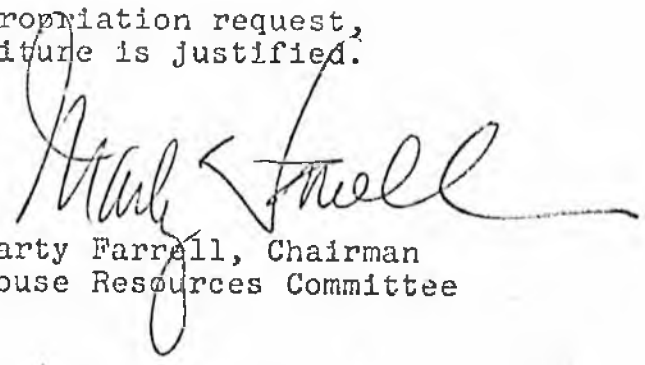
on

HOUSE BILL NO. 287

The Department of Fish and Game has submitted the following fiscal analysis on this bill:

Cost of vessel, operational and including all equipment	\$225,000
Insurance, hull and P.I. 6%	13,500
Salary, 2 men	21,696
Overtime, 2 men (180 days)	5,510
Employee benefits, 17%	4,625
Food	3,240
Moorage, light & power	500
Fuel and lube oil	4,100
Engine parts and supplies	2,500
Repairs and overhaul	4,000
Laundry	150
Freight	300
Car rental, Homer Spit, 10 miles round trip, 28¢ mile	420
Telephone and telegraph	100
	<hr/>
TOTAL	\$285,641

The committee has reviewed this appropriation request, and has determined that this expenditure is justified.


Marty Farrell, Chairman
House Resources Committee

Introduced: 3/8/71
Referred: Resources and
Finance

1 IN THE HOUSE

BY TILLION, GUESS
AND E. MILLER

2 HOUSE BILL NO. 287

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act appropriating to the Department of Fish and
7 Game; and providing for an effective date."

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

9 * Section 1. The sum of \$286,000 is appropriated from the general fund
10 to the Department of Fish and Game for the cost of designing, constructing
11 and equipping a 50-foot vessel which shall have the capability of year-round
12 operation in Cook Inlet, be suitable for crab research and enforcement and
13 adaptable for other department research and enforcement programs.

14 * Sec. 2. This Act takes effect July 1, 1971.

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RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James D. Smith
Signature of Camera Operator

4/4/89
Date

Introduced: 3/10/71
Referred: Resources and
Finance

1 IN THE HOUSE

BY MCGILL

2 HOUSE BILL NO. 291

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to vendor's commissions for the
7 issuance of fish and game licenses and tags."

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

9 * Section 1. AS 16.05.390 is amended to read:

10 Sec. 16.05.390. FEE FOR ISSUANCE OF LICENSES AND TAGS. A person
11 appointed and authorized by the commissioner of revenue to sell licenses
12 and tags, except a salaried employee of the state, is entitled to keep
13 10 [FIVE] per cent of the fee for the issuance of each license or tag
14 [OR A FEE OF 25 CENTS, WHICHEVER IS GREATER]. Each person selling
15 licenses or tags shall, as soon as practicable after the last day of
16 each calendar month, transmit the proceeds from the sales, except
17 the amount authorized to be retained, together with a report of the
18 sales to the commissioner for deposit in the fish and game fund or
19 the general fund.

20 * Sec. 2. AS 16.05.470 is amended to read:

21 Sec. 16.05.470. FEE FOR ISSUANCE OF LICENSES. A person appointed
22 and authorized by the commissioner of revenue to sell licenses under
23 secs. 440 - 720 of this chapter, except salaried employees of the
24 state, shall retain the sum of 10 [FIVE] per cent of the fee for the
25 issuance of a license. A deputy shall transmit monthly to the commis-
26 sioner all fees collected by him, less the authorized commission,
27 together with a full accounting of the fees. The commissioner shall
28 make monthly remittances of the fees collected to the proper state
29 official. The commissioner is not liable for defalcation or failure

COMMITTEE COPY

1 to account for the fees collected by a deputy, but he shall require a
2 bond in the sum he considers adequate, conditioned upon the faithful
3 accounting of money collected.
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ALASKA STATE LEGISLATURE

SEVENTH Legislature FIRST Session

HOUSE BILL NO. 291

By MCGILL

"An Act relating to vendor's commissions for the issuance of fish and game licenses and tags."

Fish & game licenses/vendor's

Introduced in the House 3/10/ 19 71

HISTORY IN THE HOUSE

19 71

Mar 10

Read first time and referred to Committee on Resources and Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS Yeas Nays Absent Excused

Effective Date

PASS Yeas Nays Absent Excused

Reported correctly engrossed Signed by Speaker Sent to Senate

HISTORY IN THE SENATE

19

Read first time and referred
to Committee on

Reported back with
recommendation that

Read second time and

Read third time and

PASS Yeas
 : Nays
 : Absent
 : Excused

Effective Date

PASS Yeas
 : Nays
 : Absent
 : Excused

Reported correctly engrossed

Signed by President

Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Secy. State

Chapter No.

"An Act relating to vendor's commissions for the issuance of fish and game licenses and tags."

Committee Report

HOUSE OF REPRESENTATIVES

3/18/71

_____ Date

Mr. Speaker:

The Committee on FINANCE has had HB 291 under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that CS for _____ do pass
- (and) recommends it be referred to the _____ committee
- reports it back without recommendation
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ CHAIRMAN

Committee Report

HOUSE OF REPRESENTATIVES FINANCE

3/10/71

March 16, 1971 Date

Mr. Speaker:

The Committee on RESOURCES has had HB 291

under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that
CS for _____ do pass
- (and) recommends it be referred to the _____
committee
- reports it back without recommendation
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

Marty Luell Richard K. Spuking
Joe McMill Ed Naughton
M. B. Moore Peratross
L. P. Swanson

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

Mike Colletta recommends: no recommendation
John Hove recommends: none
John Hester recommends: no recommendation
 _____ recommends:
 _____ recommends:

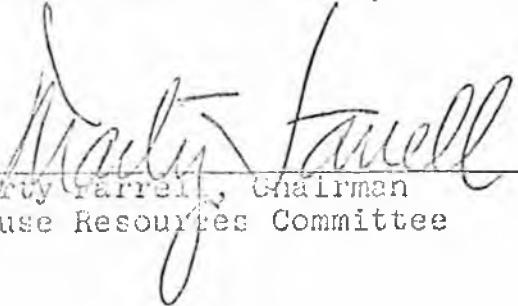
Marty Luell
CHAIRMAN

HOUSE JOURNAL

MARCH 16, 1971

RESOURCES COMMITTEE REPORT ON
HOUSE BILL 291

Under existing law the Commissioner of Revenue is authorized to appoint various persons throughout the state to sell fishing and hunting licenses. As payment for providing such services these persons are allowed to retain five percent of the fees collected for such licenses. The committee has heard testimony which indicates that this percentage is not sufficient to compensate at least some vendors for the time and effort devoted to providing this service. This bill would increase the amount retained by the vendor to ten percent.


Marty Farrell, Chairman
House Resources Committee

MEMORANDUM

State of Alaska

TO: The Honorable George Hohman, Chairman
House Finance Committee
ATTENTION: Jay Hogan

DATE : January 17, 1972

FROM: Wallace H. Noerenberg *HN*
Commissioner
Department of Fish and Game

SUBJECT: House Bill 291

The Department is in favor of an increase in the fees for license vendors provided SB 149 is passed as a companion measure. SB 149 proposes an increase in the basic sport fishing and hunting license fees, and has been discussed in detail in one of the Governor's Issue assignments to the Department of Fish and Game as a part of the budget preparation for FY 72-73. If the license vendor fee increase is adopted without an increase in the license fees themselves, the net result will be a decrease in funds accruing to the Fish and Game fund. Therefore, we cannot support the passage of HB 291 without the passage of both.

Net receipts from sale of fishing and hunting licenses are deposited to the Fish and Game fund and are used to match federal funds available to the State under the provisions of the Pittman-Robertson Act, the Dingell-Johnson Act and Public Law 89-304. These monies are available to the State for use in programs directed toward enhancement of sport fish and wildlife resources of the State. Since each Fish and Game fund dollar allows the State to match 3 federal dollars, up to the limit of this State's allocation, they are actually worth 4 dollars in programs they will fund. Any action which would impair the State's ability to obtain federal support for its programs would appear to be very unwise.

In recent years the State has received considerable support from the federal government for fish and game activities. Listed below is a summary of federal funds received during the last three years:

	P-R	D-J	PL 89-304	
FY 1969	722,138	317,264	37,341	
FY 1970	1,084,777	444,967	96,147	
FY 1971	2,087,625	745,697	137,967	
TOTAL				<u>5,673,923</u>

Based on licenses sold in FY 1971, enactment of HB 291 into law would result in a loss of \$77,438 to the State in revenues. This loss, while substantial in itself, represents only 25 per cent of the potential loss which amounts to a staggering \$309,752 combined state and federal revenues lost.

Again, this bill should be passed only after legislation increasing license fees is passed.

STATE
of ALASKA

MEMORANDUM

TO: R. D. Stevenson
Deputy Commissioner
Department of Revenue

DATE: January 17, 1972

FROM: Ralph Kimlinger, Manager
Juneau Field Office
Department of Revenue

SUBJECT: HB 291
Increase Commissions

Passage of HB 291 will not require additional budget costs within the Department of Revenue.

Commissions are deducted by the License Officers from the gross collections and the net amount is transmitted to the Department of Revenue.

The result of increasing the commission is therefore a reduction in the income received by the state from the sale of Fish and Game licenses and tags. Attached is a schedule showing the projected loss in revenue for Fiscal Years 1973 thru 1977 for Sport Fish and Game and Commercial fishing. The general assumptions used are the same as in the Budget Manual for 1973 and the specific assumptions are as follows:

- 1) Rate of Increase in sale of Sport Fish and Hunting Licenses and Big Game tags will continue at between 8 and 10 percent.
- 2) The number of commercial fishing licenses sold will remain within the 45,000 to 50,000 bracket for the next few years.

It should be noted that not all our License Officers are "Commissioned Agents". Sales of licenses by employees of the state are not subject to commissions. Of 291 license officers, 59 are state employees.

A raise in the fees charged for licenses and tags will also result in additional commissions for the agents. CSSB 149 am will increase the fees for sport fishing and hunting licenses and big game tags by approximately 100%. This increase would eliminate the necessity for changing 16.05.390 as called out in Section 1 of HB 291.

Department of Revenue
Fish and Game Licensing

HB 291 - Commissions to License Officers
Projected Revenue Loss
Thousands of Dollars

Sport Fishing and Hunting Licenses and Tags	FY 73	FY 74	FY 75	FY 76	FY 77
Estimated Net Receipts	\$1,744.5	\$1,877.4	\$2,024.9	\$2,185.4	\$2,358.2
Estimated Commission at 10%	170.6	183.6	198.0	213.8	230.6
Estimated Commissions at 5%	85.3	91.8	99.0	106.9	115.3
Difference - Reductions in Estimated Net Revenues	\$ 85.3	\$ 91.8	\$ 99.0	\$ 106.9	\$ 115.3

Commercial Fishing License
Sales and Vessel and Gear
Licenses

Estimated Net Receipts	\$ 840.9	\$ 840.9	\$ 840.9	\$ 840.9	\$ 840.9
Estimated Commission at 10%	57.6	57.6	57.6	57.6	57.6
Estimated Commission at 5%	28.8	28.8	28.8	28.8	28.8
Difference - Reductions in Estimated Net Revenues	\$ 28.8	\$ 28.8	\$ 28.8	\$ 28.8	\$ 28.8
Total Loss in Revenue	\$ 114.1	\$ 120.6	\$ 127.8	\$ 135.7	\$ 144.1

The Legislature of the State of Alaska
FISCAL NOTE
Second Session - Seventh State Legislature

I. REQUEST

Bill Identification: HB 291

Title: Vendors Commission Fish and Game License and Tag Sales

Requested by: Legislative Finance Date: January 11, 1972

Return Date Requested: January 21, 1972

Agency: Revenue Program: Fiscal Services

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 72	FY 73	FY 74	FY 75	FY 76	FY 77
100 PERSONAL SERVICES	0					
200 TRAVEL	0					
300 CONTRACTUAL	0					
400 COMMODITIES	0					
500 EQUIPMENT	0					
600 LAND & STRUCTURES	0					
700 GRANTS, CLAIMS, ETC.	0					
TOTAL	-0-					

B. FUNDING: (Thousands of dollars)

GENERAL FUND	0					
FEDERAL FUNDS	0					
OTHER	0					

C. POSITIONS:

PERMANENT/TEMPORARY	0 / 0	/	/	/	/	/
MAN MONTHS (P./T.)	0 / 0	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See attached memo from Ralph Kimlinger, Chief, Fish & Game Licensing Section.

IV. ATTACHMENTS

- (1) Memorandum from Ralph Kimlinger
- (2) Chart showing revenue losses for FY 73 through FY 77

V. DATE: January 17, 1972

PREPARED BY: _____


Robert D. Stevenson
Robert D. Stevenson
Deputy Commissioner

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

MEMORANDUM**State of Alaska**

TO: Honorable George H. Hohman
 Chairman, House Finance Committee
 Alaska State Legislature
 Juneau, Alaska

DATE : March 22, 1971

FROM: 
 R. D. Stevenson
 Deputy Commissioner
 Department of Revenue
 Alaska Office Building
 Juneau, Alaska

SUBJECT: House Bill No. 291
 Commissions for Fish and Game
 License Vendors; Sports and
 Commercial

Attached are 8 copies of a report from Mr. Ralph Kimlinger, Head Revenue Agent, Fish and Game Licensing Section of the Department of Revenue concerning effect on Treasury for additional commissions to vendors of sports fishing and hunting licenses and to vendors of commercial fishing licenses and gear tax.

At present the Department of Revenue employs the services of approximately 300 vendors of sports fishing and hunting licenses and about 60 vendors of commercial fishing licenses and gear tax.

With Mr. Kimlinger's report of additional costs for the increased commissions are reports for the fiscal year 1969-1970 for Sport Fish and Game receipts showing Commissions as \$75,985.30. This amount has been reduced to \$74,000.00 to exclude amounts retained by vendors on sales of the 25¢ licenses. This commission is not being doubled. There is also attached a report for the fiscal year 1969-1970 commercial fishing license and gear tax receipts and commissions.

Concerning the proposed 10% commission for the sales of sports fishing and hunting licenses, it is respectfully requested that attention be given to the provisions of Committee Substitute for Senate Bill No. 149 which in most cases doubles the present sports fishing and hunting license fees and greatly increases non-resident game tag fees. If this legislation were to pass in its present form, the vendors with their present 5% commission would receive in effect double their present commission because the present fees would be doubled. No such legislation to date has been introduced on commercial fishing and gear license taxes.

RDS:eh

cc: Honorable Joe McGill
 Vice-Chairman
 House Resources Committee
 Alaska State Legislature
 Juneau, Alaska

MEMORANDUM**State of Alaska**

TO: R. D. Stevenson
Deputy Commissioner
Department of Revenue

DATE: March 19, 1971

FROM: Ralph Kimlinger, Manager
Juneau Field Office
Department of Revenue

SUBJECT: HB 291 - Commissions for Fish
and Game License Vendors.

RE: My memo of 3/16/71

Per your request the following is the breakdown of the \$105,000.00 in additional commissions which will be allowed by passage of House Bill 291 as calculated on present license fees and fiscal 1969-70 statistics:

Sport Fish & Game	\$ 74,000.00
Commercial Fish	<u>31,000.00</u>
Total	\$ 105,000.00

RK:kh

SPORT FISH AND GAME RECEIPTS
FISCAL YEAR JULY 1, 1969 - JUNE 30, 1970
PREPARED JULY 1, 1970

RECEIPT CODE NUMBER	TYPE OF LICENSE	NUMBER OF PAID TAGS- LICENSES	GROSS RECEIPTS	NET RECEIPTS	DISTRIBUTION		
					TO SPORT FISH FUND	TO GAME FUND	TO GENERAL FUND
401	R-SPORT FISH	37,365	\$ 186,825.00	\$ 177,547.60	\$ 177,547.60	\$	\$
402	R-HUNTING	22,271	155,897.00	148,070.40		148,070.40	
403-A	R-HUNTING AND TRAPPING	1,009	10,090.00	9,571.08		6,699.75	2,871.33
404	R-SPORT FISHING AND HUNTING	21,707	260,484.00	247,578.10	103,157.57	144,420.53	
405	R-SPORT FISH., HUNT., TRAP.	3,826	57,390.00	54,516.43	18,172.14	25,441.00	10,903.29
406	NR-10-DAY SPORT FISHING	17,264	86,320.00	81,972.53	81,972.53		
407	NR-SPORT FISHING	18,697	186,970.00	177,612.12	177,612.12		
408	NR-HUNTING	8,535	85,350.00	81,106.36		81,106.36	
409	NR-SPORT FISHING, HUNTING	3,143	62,860.00	59,661.70	29,830.85	29,830.85	
410	NR-HUNTING, TRAPPING	19	1,900.00	1,805.51		180.56	1,624.95
411	R-REGISTERED GUIDE	331	16,550.00	15,753.16			16,753.16
412	R-ASSISTANT GUIDE	443	2,215.00	2,109.92			2,109.92
413	R-FUR DEALER, TAXIDERMIST	149	2,930.00	2,837.87			2,837.87
414	NR-FUR DEALER, TAXIDERMIST	13	1,300.00	1,236.08			1,236.08
415	R/NR-FISH., FUR, GAME FARM	11	55.00	52.51			52.51
401-B	BLIND SPORT FISH	1	1.00	.95	.95		
405-5A	25¢ SPORT FISH., HUNT., TRAP	5,367	1,341.75	1,274.01	424.68	594.59	254.74
417(3B)	R-TRAPPING	1,041	3,123.00	2,972.55			2,972.55
SUBTOTAL		141,192	1,121,651.75	1,065,678.88	588,718.44	435,344.04	40,616.40
416	BIG GAME TAGS	11,540	395,935.00	375,922.57		375,922.57	
TOTAL		152,732	1,517,586.75	1,441,601.45	588,718.44	812,266.61	40,616.40

RESIDENTS ENTITLED TO SPORT FISH	68,266	GROSS	1,517,586.75
NON-RESIDENTS ENTITLED TO SPORT FISH	39,104	COST	75,985.30
	107,370	NET	1,441,601.45
RESIDENTS ENTITLED TO HUNT	54,180		
NON-RESIDENTS ENTITLED TO HUNT	11,697		
	65,877		
RESIDENTS ENTITLED TO TRAP	11,243		
NON-RESIDENTS ENTITLED TO TRAP	11		
	11,254		

5.01%

BREAKDOWN OF TAG SALES		
B & G BEAR	777	\$58,275.00
POLAR BEAR	235	35,250.00
BLACK BEAR	2,348	23,480.00
DEER	943	9,430.00
MOOSE	2,666	133,300.00
SHEEP	826	41,300.00
MALRUS	17	1,700.00
ELK	86	2,150.00
GOAT	592	14,900.00
CARIBCU	3,050	76,250.00
TOTAL	11,540	395,935.00

FISCAL YEAR July 1, 1969 through June 30, 1970

Prepared July 1, 1970

RECEIPT CODE NO.	TYPE OF LICENSE RECEIPT	NUMBER SOLD	GROSS	COST	NET
270	Vessel	11,215	\$165,232.00	\$5,732.13	\$159,499.87
271	Troll Line	2,588	48,470.00	1,736.86	46,733.14
272	Long Line	1,130	30,195.00	1,051.13	29,143.87
273	Drift Gill Net	4,950	128,555.00	4,865.66	123,689.34
274	Set Gill Net	3,369	39,610.00	1,327.22	38,282.78
275	Beach Seine	74	1,035.00	24.06	1,010.94
276	Purse & Hand Purse Seine	1,304	129,550.00	3,714.75	125,835.25
277	Beam Trawl	14	700.00	24.40	675.60
278	Otter Trawl	35	2,050.00	41.05	2,008.95
279	Shellfish Pots	643	19,125.00	396.52	18,728.48
280 - 40%	Clam Digger's	163	390.00	32.37	357.63
281 - 40%	Res. Comm. Fisherman	14,433	57,732.00	4,792.70	52,939.30
282 - 40%	Non-Res. Comm. Fisherman	7,391	88,692.00	6,983.69	81,708.31
283	Scallop Dredge	9	950.00	24.74	925.26
SUBTOTAL		47,258	712,286.00	30,747.28	681,538.72
560 - 60%	Clam Digger's		585.00	-0-	585.00
561 - 60%	Res. Comm. Fishing		86,598.00	-0-	86,598.00
562 - 60%	Non-Res. Comm. Fishing		133,038.00	-0-	133,038.00
SUBTOTAL			220,221.00	-0-	220,221.00
TOTAL		47,258	932,507.00	30,747.28	901,759.72

→ Gross Sales	\$932,507.00	
→ Cost	<u>30,747.28</u>	3.2973%
→ Net	<u>901,759.72</u>	

HB 291

Commercial License Officers

Calendar Year 1970

<u>No. Licenses Sold</u>	<u>Commission</u>	<u>Vendor</u>
4,645	\$ 6,093.65	D. Adams, Ketchikan
2,288	-0-	Department of Fish and Game, Anchorage (M. Franklin)
5,852	-0-	Department of Fish and Game, Kodiak
782	458.00	F. Alstrom, Alakanuk
1,449	1,025.80	R. Anderson, Sitka
154	113.00	A. D. Aspaas, Homer
260	229.45	R. Bailey, Pelican
200	168.00	T. J. Young, Naknek
60	88.00	W. Bowman, Naknek
514	420.20	G. Bradley, Seward
159	172.50	W. E. Bright, False Pass
302	351.00	J. Canavan, South Naknek
3,747	-0-	K. G. Conn, Juneau (Dept. of Revenue)
287	238.50	K. Culp, Haines
287	269.50	C. Delany, Sand Point
513	346.75	C. Dierick, Yakutat
206	112.50	H. Dill, St. Michael
7	-0-	Department of Fish and Game, Homer (E. Fitzgerald)
8	8.00	R. Fowler, Unalaska
320	167.50	A. Francis, Kotzebue
184	147.75	E. Giles, Seldovia
167	209.50	E. Hansen, South Naknek
230	115.50	M. Haugen, Unalakleet
532	491.05	B. Isaacs, Craig
127	-0-	C. Jacobson, Angoon
3,001	2,350.25	M. Kallstrom, Dillingham
124	184.00	L. Kegley, Naknek
177	224.50	H. Kirkpatrick, Uganik, via Kodiak
7	5.50	A. Kitkoon, Hydaburg
227	177.50	M. Lamond, Chignik
61	82.50	O. Lie, Steamboat Bay
108	89.00	C. Miniken, King Cove
30	22.00	B. Lundgren, Naknek
38	-0-	Department of Fish and Game, Dillingham (M. Nelson)
199	179.00	F. Ness, Valdez
1,990	1,885.50	J. Nicholas, Jr., Kenai
4,579	5,387.75	A. Omholt, King Salmon
126	102.15	M. Peters, Elfin Cove
32	-0-	Department of Fish and Game, Cordova (R. Pirtle)
75	88.00	M. Ranta, Chatham
0	-0-	R. Regnart, ADFG, Anchorage
691	574.65	H. See, Hoonah
526	288.75	D. Sheppard, Mt. Village
202	-0-	E. Simpson, Dept. Revenue, Nome
2,345	2,805.25	D. Smith, Cordova
	63.65	T. Ferguson
760	-0-	C. Spoto, ADFG, Wrangell
2,303	2,485.70	N. Tenfjord, Petersburg
742	744.90	F. Thompson, Homer
238	199.50	E. Tiemann, Ninilchik
197	200.50	D. Wall, Hawk Inlet
89	-0-	C. Westerberg, ADFG, Petersburg
149	122.00	K. White, Metlakatla
287	254.50	M. Wiggum, Egegik
1,710	871.75	H. Jepsen, Bethel
44	23.75	A. Paukan

Introduced: 3/10/71
Referred: Resources and
Finance

1 IN THE HOUSE

BY MCGILL

2 HOUSE BILL NO. 291

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to vendor's commissions for the
7 issuance of fish and game licenses and tags."

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

9 * Section 1. AS 16.05.390 is amended to read:

10 Sec. 16.05.390. FEE FOR ISSUANCE OF LICENSES AND TAGS. A person
11 appointed and authorized by the commissioner of revenue to sell licenses
12 and tags, except a salaried employee of the state, is entitled to keep
13 10 [FIVE] per cent of the fee for the issuance of each license or tag
14 [OR A FEE OF 25 CENTS, WHICHEVER IS GREATER]. Each person selling
15 licenses or tags shall, as soon as practicable after the last day of
16 each calendar month, transmit the proceeds from the sales, except
17 the amount authorized to be retained, together with a report of the
18 sales to the commissioner for deposit in the fish and game fund or
19 the general fund.

20 * Sec. 2. AS 16.05.470 is amended to read:

21 Sec. 16.05.470. FEE FOR ISSUANCE OF LICENSES. A person appointed
22 and authorized by the commissioner of revenue to sell licenses under
23 secs. 440 - 720 of this chapter, except salaried employees of the
24 state, shall retain the sum of 10 [FIVE] per cent of the fee for the
25 issuance of a license. A deputy shall transmit monthly to the commis-
26 sioner all fees collected by him, less the authorized commission,
27 together with a full accounting of the fees. The commissioner shall
28 make monthly remittances of the fees collected to the proper state
29 official. The commissioner is not liable for defalcation or failure

1 to account for the fees collected by a deputy, but he shall require a
2 bond in the sum he considers adequate, conditioned upon the faithful
3 accounting of money collected.
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RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James D. Smith
Signature of Camera Operator

4/4/89
Date

Introduced: 3/10/71
Referred: Health, Welfare
and Education and Finance

1 IN THE HOUSE

BY WHITTAKER

2 HOUSE BILL NO. 292

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to community mental health centers."

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

8 * Section 1. AS 47.30.010(a) is amended by adding new paragraphs to read:

9 (4) provide for personnel to assist local governments in the
10 establishment and development of community mental health and mental
11 retardation centers in accordance with the requirements for federal
12 grants under P.L. 89-105, P.L. 88-164 and P.L. 90-31 and other
13 applicable federal programs;

14 (5) adopt regulations necessary to carry out the purposes
15 of secs. 10 - 340 of this chapter.

16 * Sec. 2. AS 47.30.010(b) is amended by adding new paragraphs to read:

17 (13) pay 75 per cent of that portion of the estimated cost
18 of operation of community mental health and mental retardation centers
19 not borne by the federal government; estimated costs shall be deter-
20 mined by the department based on review and approval of the annual
21 proposed budget submitted to the commissioner by the local government
22 or board;

23 (14) pay, in amounts determined to be appropriate under
24 applicable capital improvement programs and approved by the legislature,
25 those costs representing the state contribution for construction and
26 improvement of community mental health and mental retardation facilities;
27 the facilities may be independent facilities or part of general medical
28 facilities which are to be used to provide community mental health or
29 mental retardation services.

COMMITTEE COPY

ALASKA STATE LEGISLATURE

SEVENTH Legislature FIRST Session

HOUSE BILL NO. 292

By WHITTAKER

"An Act relating to community mental health centers."

Mental health centers

Introduced in the House 3/10/ 71, 19

HISTORY IN THE HOUSE

19 71

Read first time and referred to Committee on

Mar 10

HW&E and Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS

Yeas
Nays
Absent
Excused

Effective Date

PASS

Yeas
Nays
Absent
Excused

Reported correctly engrossed
Signed by Speaker
Sent to Senate

HISTORY IN THE SENATE

19

Read first time and referred
to Committee on

Reported back with
recommendation that

Read second time and

Read third time and

PASS : Yeas
Nays
Absent
Excused

Effective Date

PASS : Yeas
Nays
Absent
Excused

Reported correctly engrossed
Signed by President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Secy. State

Chapter No.

"An Act relating to community mental health centers."

Committee Report

HOUSE OF REPRESENTATIVES

4/12/71

_____ Date

Mr. Speaker:

The Committee on FINANCE has had HB 292 under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that CS for _____ do pass
- (and) recommends it be referred to the _____ committee
- reports it back without recommendation
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ CHAIRMAN

Committee Report

HOUSE OF REPRESENTATIVES FINANCE

3/10/71

9 April 1971 Date

Mr. Speaker:

The Committee on HEALTH, WELFARE & EDUCATION has had HB 292 under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that CS for _____ do pass
- (and) recommends it be referred to the _____ committee
- reports it back without recommendation
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

Gene Chance _____

Mike Colletta _____

[Signature] _____

Gene Whittaker _____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

- _____ recommends:
- _____ recommends:
- _____ recommends:
- _____ recommends:
- _____ recommends:

Gene Chance
CHAIRMAN

The Legislature of the State of Alaska
FISCAL NOTE
First Session - Seventh State Legislature

COPIES: THE CHAIRMAN OF THE COMMITTEE MAKING THE REQUEST, POUCH V
THE LEGISLATIVE FINANCE COMMITTEES' STAFF, POUCH Y
THE DIVISION OF BUDGET & MANAGEMENT, POUCH C
RETAIN A COPY FOR YOUR FILES

subject Comm. Mental Health Centers & 292 SB
requested by Chairman, House Finance Committee
referred to _____ date of request _____
completion date requested _____ date received _____

EXPENDITURE DETAIL	FY 1971	FY 1972	FY 1973
100 PERSONAL SERVICES	\$ ---	\$ 8,100	\$ 8,100
200 TRAVEL	---	---	---
300 CONTRACTUAL SERVICES	---	---	---
400 COMMODITIES	---	200	500
500 EQUIPMENT	---	1,000	200
600 LAND AND STRUCTURES	---	---	---
700 BENEFITS, CLAIMS & SHARED REVENUE	75,000	150,000	348,000
TOTAL	\$ 75,000	\$ 159,300	\$ 356,800

FUNDING DETAIL	FY 1971	FY 1972	FY 1973
FEDERAL RECEIPTS	\$ ---	\$ ---	\$ ---
SPECIAL FUNDS	---	---	---
UNAPPORTIONED FEDERAL FUND RECEIPTS	75,000	159,300	356,800
Man Months	---	12	12
Permanent Positions	---	1	1
Temporary Positions	---	---	---

FISCAL ANALYSIS

The Gateway Community Mental Health Center in Ketchikan started operation in February, 1970 and the Kodiak Community Mental Health Center began in March, 1970. We have projected their costs upon expense data received to date. It is expected that the Juneau Community Mental Health Center will commence operation in January, 1972 and the Anchorage Center in July, 1972. The following cost estimates are for the State's share based upon 75% of the cost not funded through federal grants:

CENTER	FY 1971	FY 1972	FY 1973
Ketchikan	\$43,000	\$ 81,750	\$100,000
Kodiak	29,400	38,000	45,000
Juneau	---	30,000	63,000
Anchorage	---	---	150,000
	\$72,400	\$149,750	\$358,000

HB 292 needs a qualifying statement regarding "funds available and appropriated". Its present wording bases the State's share on "estimated cost of operation". This office would suggest that payments be made quarterly with the final payment to be made after receipt of an audited expense statement. Auditing to be done either by licensed accountants or by a branch of a local government unit.

DATE March 16, 1971

SIGNATURE

C. M. M. Burns for

NAME & TITLE James R. Burns, Coordinator
Community Mental Health Centers

STATE OF ALASKA

WILLIAM A. EGAN, Governor

DEPARTMENT OF HEALTH AND WELFARE

OFFICE OF THE COMMISSIONER

POUCH H - JUNEAU 99801

MEMORANDUM

TO: The Honorable Genie Chance, Chairman
House Health, Welfare & Education Comm.

FROM: Frederick McGinnis, Commissioner *mess (one)*
Department of Health and Welfare

SUBJECT: H.B. 292

DATE: April 7, 1971

Pursuant to your request, attached is Fiscal Note pertaining to House Bill 292 (An Act relating to Community Mental Health Centers).

snb

Attachments

cc: Hon. George Hohman, Chairman
House Finance Committee

Hon. John Butrovich, Chairman
Senate Finance Committee

Introduced: 3/10/71
Referred: Health, Welfare
and Education and Finance

1 IN THE HOUSE

BY WHITTAKER

2 HOUSE BILL NO. 292

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to community mental health centers."

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

8 * Section 1. AS 47.30.010(a) is amended by adding new paragraphs to read:

9 (4) provide for personnel to assist local governments in the
10 establishment and development of community mental health and mental
11 retardation centers in accordance with the requirements for federal
12 grants under P.L. 89-105, P.L. 88-164 and P.L. 90-31 and other
13 applicable federal programs;

14 (5) adopt regulations necessary to carry out the purposes
15 of secs. 10 - 340 of this chapter.

16 * Sec. 2. AS 47.30.010(b) is amended by adding new paragraphs to read:

17 (13) pay 75 per cent of that portion of the estimated cost
18 of operation of community mental health and mental retardation centers
19 not borne by the federal government; estimated costs shall be deter-
20 mined by the department based on review and approval of the annual
21 proposed budget submitted to the commissioner by the local government
22 or board;

23 (14) pay, in amounts determined to be appropriate under
24 applicable capital improvement programs and approved by the legislature,
25 those costs representing the state contribution for construction and
26 improvement of community mental health and mental retardation facilities
27 the facilities may be independent facilities or part of general medical
28 facilities which are to be used to provide community mental health or
29 mental retardation services.



RECORDS



CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James C. Smith
Signature of Camera Operator

4/4/89
Date

Introduced: 3/10/71
Referred: Commerce and
Finance

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 HOUSE BILL NO. 295

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska State Development
7 Corporation."

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

9 * Section 1. AS 44.59.020, is amended to read:

10 Sec. 44.59.020. GOVERNING BODY. Except for those functions to
11 be performed by the executive director, the [THE] corporation's board
12 of directors shall conduct the business of the corporation.

13 * Sec. 2. AS 44.59.030(a) is amended to read:

14 (a) The board consists of the commissioner of commerce and five
15 [SIX] residents of the state and the executive director serving ex
16 officio. Members of the board are appointed by the governor and they
17 serve at his pleasure. Membership on the board is on a nonpartisan
18 basis with due regard to representation from all areas of the state.
19 At least one member shall be appointed from each judicial [MAJOR SENATE]
20 district if, in the opinion of the governor, a qualified person resides
21 in the district. No more than one [ONE-HALF] of the appointed members
22 shall [MUST] be active in the banking business [AND THE OTHER HALF MUST
23 BE FROM THE OTHER PROFESSIONS, BUT SHALL HAVE EXTENSIVE KNOWLEDGE OF
24 FINANCIAL MATTERS].

25 * Sec. 3. AS 44.59.040 is amended to read:

26 Sec. 44.59.040. TERM OF OFFICE. The term of office for an ap-
27 pointed member of the board is three years. The term of office expires
28 on February 1 of each year. Upon initial appointment, two members
29 serve for one year, two members serve for two years, and one [TWO]

COMMITTEE COPY

1 members serve for three years. A member appointed by the governor to
2 fill a vacancy serves for the unexpired term of the member he succeeds.

3 * Sec. 4. AS 44.59.080 is repealed and re-enacted to read:

4 Sec. 44.59.080. LEGAL COUNSEL. The corporation shall hire or
5 retain legal counsel to advise it in legal matters and represent it
6 in suits. Legal counsel shall provide a legal opinion concerning
7 loans approved and guaranteed by the corporation.

8 * Sec. 5. AS 44.59 is amended by adding a new section to read:

9 Sec. 44.59.085. EMPLOYMENT OF PERSONNEL. The board shall hire
10 or retain a bookkeeper. The board may appoint other officers, hire
11 employees and agents, and engage professional and technical service
12 and advice upon an employment or independent-contract basis. The
13 board shall prescribe the duties and compensation of corporation
14 personnel.

15 * Sec. 6. AS 44.59.120 is amended to read:

16 Sec. 44.59.120. EXECUTIVE DIRECTOR [VICE PRESIDENT]. The board
17 shall [MAY] employ an executive director [VICE PRESIDENT] to approve
18 certain loans and manage the corporation. He must have a background in
19 loan appraisal and loan administration and otherwise be professionally
20 trained and experienced in the performance of his duties. His selection
21 is subject to the approval of the governor. The executive director
22 [VICE PRESIDENT] may not have any financial or business interest that
23 might conflict with the approval of loans or the management of the cor-
24 poration in the best public interest. The board shall [MAY] delegate
25 powers and duties to the executive director [VICE PRESIDENT].

26 * Sec. 7. AS 44.59.200(b) and (c) are amended to read:

27 (b) "Class A certificates" shall be issued as evidence of indebted-
28 ness of the corporation either through private or public sales. The
29 maximum principal amount of class A certificates that may be sold is

1 \$15,000,000. Class A certificates are backed by the full resources
2 and credit of the corporation, and take priority in the payment of
3 principal and interest to class B and C certificates. Class A certi-
4 ficates shall be sold at a price which results in an effective interest
5 rate over the life of the certificates of not more than _____ [FIVE]
6 per cent a year and upon other terms set by the board, except that
7 the class A certificates outstanding at any time may not exceed five
8 times the principal amount of class B certificates outstanding.

9 (c) "Class B certificates" shall be issued as evidence of indebted-
10 ness of the corporation either through private or public sales. The
11 maximum principal amount of class B certificates that may be sold is
12 \$3,000,000. Class B certificates are backed by the full resources
13 and credit of the corporation and take priority in the payment of
14 principal and interest to class C certificates. Class B certificates
15 shall be sold at a price which results in an effective interest rate
16 over the life of the certificates of not more than _____ [SIX] per
17 cent a year and upon other terms set by the board.

18 * Sec. 8. AS 44.59 is amended by adding a new section to read:

19 Sec. 44.59.275. GUARANTY LOSS RESERVE FUND. The corporation
20 shall maintain a guaranty loss reserve fund. Each year the board
21 shall credit a sum equal to one-fourth per cent of all operating
22 capital loans it has guaranteed to the fund. Guaranty losses shall
23 be charged to the guaranty loss reserve fund. If a guaranty loss
24 charged to the fund is recovered, it shall be credited to the guaranty
25 loss reserve fund.

26 * Sec. 9. AS 44.59.310 is amended to read:

27 Sec. 44.59.310. CORPORATE LENDING. (a) The corporation may
28 accept applications for development loans and extend credit directly
29 for the total amount of a loan, or on the basis of no greater than 90

1 per cent participation by the corporation and no less than 10 per cent
2 participation by a bank.

3 (b) When the corporation makes a participating loan, it [THE
4 CORPORATION] and the participating bank shall share the same rateable
5 interest in the collateral securing a loan.

6 * Sec. 10. AS 44.59 is amended by adding a new section to read:

7 Sec. 44.59.315. OPERATING CAPITAL GUARANTY. In addition to
8 direct and participating loans for fixed assets, the corporation may
9 also guarantee up to 90 per cent of operating capital loans made by
10 banks or other financial institutions.

11 * Sec. 11. AS 44.59.330 is amended to read:

12 Sec. 44.59.330. CORPORATION'S INTEREST. The rate of interest
13 charged on direct loans or for the corporation's share of a development
14 loan shall be determined by the board, except that it may not be greater
15 than the legal contract rate of interest as set by state law. The
16 corporation may also charge reasonable loan commitment fees.

17 * Sec. 12. AS 44.59.340 is amended to read:

18 Sec. 44.59.340. BANK'S RATE OF INTEREST. A [THE] participating
19 bank shall fix the rate of interest charged by it. However, the rate
20 of interest may not exceed the legal contract rate of interest
21 prescribed by law.

22 * Sec. 13. AS 44.59.360 is amended to read:

23 Sec. 44.59.360. APPLICATION FOR LOAN. Participating development
24 [DEVELOPMENT] loans must be applied for and presented to the corpora-
25 tion for approval through the participating bank.

26 * Sec. 14. AS 44.59.370 is amended to read:

27 Sec. 44.59.370. BANK'S FEES. (a) A [THE] participating bank
28 shall administer the loans and may charge the borrower a reasonable
29 loan fee for this service.

1 (b) When the corporation makes a participating loan it [THE
2 CORPORATION] shall enter into a servicing agreement with a partici-
3 pating bank. The servicing agreement may provide a participating bank
4 with a fee equal to one-quarter of one per cent interest on the
5 corporation's share of the loan.

6 * Sec. 15. AS 44.59.390 is amended to read:

7 Sec. 44.59.390. GENERAL LIMITATIONS ON LOANS. (a) In making
8 development loans, the board and executive director shall consider
9 the proposed collateral, the integrity and the management ability
10 of the borrower, and the borrower's past and prospective earnings.

11 (b) Before approving a development loan, the board and the
12 executive director shall consider the purpose of the loan. The board
13 and the executive director may make only loans that are economically
14 advantageous to the state and the general public welfare.

15 (c) The board and the executive director may make a development
16 loan to a responsible borrower only if other credit is not readily
17 available on reasonable terms. Before granting a development loan,
18 the board and the executive director shall determine, so far as it
19 is reasonably possible, that the first opportunity to grant the loan
20 is given to banking or financial institutions in the state.

21 * Sec. 16. AS 44.59 is amended by adding a new section to read:

22 Sec. 44.59.395. REPAYMENT. The board and the executive director
23 shall establish amortization plans for repayment of loans, which may
24 include delayed payments of principal and interest for not to exceed
25 five years.

26 * Sec. 17. AS 44.59.400 is amended to read:

27 Sec. 44.59.400. REGULATIONS FOR LOANS. The board may adopt
28 regulations for loan policy and procedure, except that a regulation
29 may not conflict with an indenture agreement or a provision of this

1 chapter. The board shall, however, designate the specific kinds
2 and monetary limits of loans which the executive director can make
3 without the prior approval of the board.

4 * Sec. 18. AS 44.59 is amended by adding a new section to read:

5 Sec. 44.59.415. COOPERATION. The executive director shall
6 cooperate with federal and state agencies which make similar loans or
7 construct public works facilities which could have an eventual effect
8 upon the project the corporation is assisting.

9 * Sec. 19. AS 44.59 is amended by adding a new section to read:

10 Sec. 44.59.435. REFINANCING LIMITATION. The corporation may not
11 refinance any portion of a loan it made before the effective date of
12 this Act.
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18295

ALASKA STATE LEGISLATURE

SEVENTH Legislature FIRST Session

HOUSE BILL NO. 295

By THE COMMERCE COMMITTEE

"An Act relating to the Alaska State Development Corporation.

State Development Corp.

Introduced in the House 3/10/ 19 71

HISTORY IN THE HOUSE

19 71

Read first time and referred to Committee on

Mar 10

Commerce and Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS Yeas
Nays
Absent
Excused

Effective Date

PASS Yeas
Nays
Absent
Excused

Reported correctly engrossed
Signed by Speaker
Sent to Senate

HISTORY IN THE SENATE

19

Read first time and referred
to Committee on

Reported back with
recommendation that

Read second time and

Read third time and

PASS Yeas
 Nays
 : Absent
 Excused

Effective Date

PASS Yeas
 Nays
 : Absent
 Excused

Reported correctly engrossed
Signed by President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Secy. State

Chapter No.

"An Act relating to the Alaska State Development Corporation."

Committee Report

HOUSE OF REPRESENTATIVES

2/14/72

_____ Date

Mr. Speaker

The Committee on FINANCE has had HB 295 under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that CS for _____ do pass
- (and) recommends it be referred to the _____ committee
- reports it back without recommendation
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ CHAIRMAN

Committee Report

HOUSE OF REPRESENTATIVES FINANCE

3/10/71

2-14-72

Date

Mr. Speaker:

The Committee on COMMERCE has had HB 295

under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that
CS for _____ do pass
- (and) recommends it be referred to the _____
committee
- reports it back without recommendation
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

J. McEntee _____

Walter M. Fischer _____

Frank Serafini _____

Jess Harris _____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

Art Hillhead recommends: Do not pass

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

J. McEntee
CHAIRMAN

The Legislature of the State of Alaska
FISCAL NOTE
Second Session - Seventh State Legislature

I. REQUEST

Bill Identification: HR 295
 Title: Alaska Development Corp
 Requested by: Legislative Finance Date: 2/15/72
 Return Date Requested: 2/29/72
 Agency: Commerce Program: _____

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 72	FY 73	FY 74	FY 75	FY 76	FY 77
100 PERSONAL SERVICES	25	35	37	39	41	43
200 TRAVEL	8	20	21	22	23	24
300 CONTRACTUAL	24	225	30	31	33	35
400 COMMODITIES	22	23	25	26	27	28
500 EQUIPMENT	2	2	2	2	2	2
600 LAND & STRUCTURES	1	11	11	12	12	13
700 GRANTS, CLAIMS, ETC.	239	819	798	734	671	608
DEBT SERVICING	600	600	600	1,200	1,200	1,200
TOTAL	921	1,735	1,524	2,066	2,009	1,953

B. FUNDING: (Thousands of dollars)

FUND	FY 72	FY 73	FY 74	FY 75	FY 76	FY 77
GENERAL FUND						
FEDERAL FUNDS						
OTHER	940	1,150	1,400	1,530	1,670	1,645

C. POSITIONS:

PERMANENT/TEMPORARY	FY 72	FY 73	FY 74	FY 75	FY 76	FY 77
PERMANENT/TEMPORARY	1 / 1	3 /	3 /	3 /	3 /	3 /
MAN MONTHS (P./T.)	12 / 8	36 /	36 /	36 /	36 /	36 /

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

At the present time, ASDC is a housekeeping operation. No development loans are being made, therefore, staff and office space requirements are minimal. The needed increase in staff and servicing accounts for the increases in 100, 200, and 400. A bond sale would require bond counsel etc. and the loss of the Attorney General as staff attorney accounts for the increase in 300. No provision for a 2nd office has been made, therefore 500 remains relatively static. The increase in 600 assumes additional loan activity would cause additional loan foreclosures with their attendant costs. It is assumed that 9

IV. ATTACHMENTS NONE

V. DATE: 2-22-72

PREPARED BY: Sheron E. W. Schuler

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Introduced: 3/10/71
Referred: Commerce and
Finance

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 HOUSE BILL NO. 295

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska State Development
7 Corporation."

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

9 * Section 1. AS 44.59.020 is amended to read:

10 Sec. 44.59.020. GOVERNING BODY. Except for those functions to
11 be performed by the executive director, the [THE] corporation's board
12 of directors shall conduct the business of the corporation.

13 * Sec. 2. AS 44.59.030(a) is amended to read:

14 (a) The board consists of the commissioner of commerce and five
15 [SIX] residents of the state and the executive director serving ex
16 officio. Members of the board are appointed by the governor and they
17 serve at his pleasure. Membership on the board is on a nonpartisan
18 basis with due regard to representation from all areas of the state.
19 At least one member shall be appointed from each judicial [MAJOR SENATE]
20 district if, in the opinion of the governor, a qualified person resides
21 in the district. No more than one [ONE-HALF] of the appointed members
22 shall [MUST] be active in the banking business [AND THE OTHER HALF MUST
23 BE FROM THE OTHER PROFESSIONS, BUT SHALL HAVE EXTENSIVE KNOWLEDGE OF
24 FINANCIAL MATTERS].

25 * Sec. 3. AS 44.59.040 is amended to read:

26 Sec. 44.59.040. TERM OF OFFICE. The term of office for an up-
27 pointed member of the board is three years. The term of office expires
28 on February 1 of each year. Upon initial appointment, two members
29 serve for one year, two members serve for two years, and one [TWO]

1 members serve for three years. A member appointed by the governor to
2 fill a vacancy serves for the unexpired term of the member he succeeds.

3 * Sec. 4. AS 44.59.080 is repealed and re-enacted to read:

4 Sec. 44.59.080. LEGAL COUNSEL. The corporation shall hire or
5 retain legal counsel to advise it in legal matters and represent it
6 in suits. Legal counsel shall provide a legal opinion concerning
7 loans approved and guaranteed by the corporation.

8 * Sec. 5. AS 44.59 is amended by adding a new section to read:

9 Sec. 44.59.085. EMPLOYMENT OF PERSONNEL. The board shall hire
10 or retain a bookkeeper. The board may appoint other officers, hire
11 employees and agents, and engage professional and technical service
12 and advice upon an employment or independent-contract basis. The
13 board shall prescribe the duties and compensation of corporation
14 personnel.

15 * Sec. 6. AS 44.59.120 is amended to read:

16 Sec. 44.59.120. EXECUTIVE DIRECTOR [VICE PRESIDENT]. The board
17 shall [MAY] employ an executive director [VICE PRESIDENT] to approve
18 certain loans and manage the corporation. He must have a background in
19 loan appraisal and loan administration and otherwise be professionally
20 trained and experienced in the performance of his duties. His selection
21 is subject to the approval of the governor. The executive director
22 [VICE PRESIDENT] may not have any financial or business interest that
23 might conflict with the approval of loans or the management of the cor-
24 poration in the best public interest. The board shall [MAY] delegate
25 powers and duties to the executive director [VICE PRESIDENT].

26 * Sec. 7. AS 44.59.200(b) and (c) are amended to read:

27 (b) "Class A certificates" shall be issued as evidence of indebted-
28 ness of the corporation either through private or public sales. The
29 maximum principal amount of class A certificates that may be sold is

1 \$15,000,000. Class A certificates are backed by the full resources
2 and credit of the corporation, and take priority in the payment of
3 principal and interest to class B and C certificates. Class A certi-
4 ficates shall be sold at a price which results in an effective interest
5 rate over the life of the certificates of not more than seven [FIVE]
6 per cent a year and upon other terms set by the board, except that
7 the class A certificates outstanding at any time may not exceed five
8 times the principal amount of class B certificates outstanding.

9 (c) "Class B certificates" shall be issued as evidence of indebted-
10 ness of the corporation either through private or public sales. The
11 maximum principal amount of class B certificates that may be sold is
12 \$3,000,000. Class B certificates are backed by the full resources
13 and credit of the corporation and take priority in the payment of
14 principal and interest to class C certificates. Class B certificates
15 shall be sold at a price which results in an effective interest rate
16 over the life of the certificates of not more than eight [SIX] per
17 cent a year and upon other terms set by the board.

18 * Sec. 8. AS 44.59 is amended by adding a new section to read:

19 Sec. 44.59.275. GUARANTY LOSS RESERVE FUND. The corporation
20 shall maintain a guaranty loss reserve fund. Each year the board
21 shall credit a sum equal to one-fourth per cent of all operating
22 capital loans it has guaranteed to the fund. Guaranty losses shall
23 be charged to the guaranty loss reserve fund. If a guaranty loss
24 charged to the fund is recovered, it shall be credited to the guaranty
25 loss reserve fund.

26 * Sec. 9. AS 44.59.310 is amended to read:

27 Sec. 44.59.310. CORPORATE LENDING. (a) The corporation may
28 accept applications for development loans and extend credit directly
29 for the total amount of a loan, or on the basis of no greater than 90

1 per cent participation by the corporation and no less than 10 per cent
2 participation by a bank.

3 (b) When the corporation makes a participating loan, it [THE
4 CORPORATION] and the participating bank shall share the same ratable
5 interest in the collateral securing a loan.

6 * Sec. 10. AS 44.59 is amended by adding a new section to read:

7 Sec. 44.59.315. OPERATING CAPITAL GUARANTY. In addition to
8 direct and participating loans for fixed assets, the corporation may
9 also guarantee up to 90 per cent of operating capital loans made by
10 banks or other financial institutions.

11 * Sec. 11. AS 44.59.330 is amended to read:

12 Sec. 44.59.330. CORPORATION'S INTEREST. The rate of interest
13 charged on direct loans or for the corporation's share of a development
14 loan shall be determined by the board, except that it may not be greater
15 than the legal contract rate of interest as set by state law. The
16 corporation may also charge reasonable loan commitment fees.

17 * Sec. 12. AS 44.59.340 is amended to read:

18 Sec. 44.59.340. BANK'S RATE OF INTEREST. A [THE] participating
19 bank shall fix the rate of interest charged by it. However, the rate
20 of interest may not exceed the legal contract rate of interest
21 prescribed by law.

22 * Sec. 13. AS 44.59.360 is amended to read:

23 Sec. 44.59.360. APPLICATION FOR LOAN. Participating development
24 [DEVELOPMENT] loans must be applied for and presented to the corpora-
25 tion for approval through the participating bank.

26 * Sec. 14. AS 44.59.370 is amended to read:

27 Sec. 44.59.370. BANK'S FEES. (a) A [THE] participating bank
28 shall administer the loans and may charge the borrower a reasonable
29 loan fee for this service.

1 (b) When the corporation makes a participating loan it [THE
2 CORPORATION] shall enter into a servicing agreement with a partici-
3 pating bank. The servicing agreement may provide a participating bank
4 with a fee equal to one-quarter of one per cent interest on the
5 corporation's share of the loan.

6 * Sec. 15. AS 44.59.390 is amended to read:

7 Sec. 44.59.390. GENERAL LIMITATIONS ON LOANS. (a) In making
8 development loans, the board and executive director shall consider
9 the proposed collateral, the integrity and the management ability
10 of the borrower, and the borrower's past and prospective earnings.

11 (b) Before approving a development loan, the board and the
12 executive director shall consider the purpose of the loan. The board
13 and the executive director may make only loans that are economically
14 advantageous to the state and the general public welfare.

15 (c) The board and the executive director may make a development
16 loan to a responsible borrower only if other credit is not readily
17 available on reasonable terms. Before granting a development loan,
18 the board and the executive director shall determine, so far as it
19 is reasonably possible, that the first opportunity to grant the loan
20 is given to banking or financial institutions in the state.

21 * Sec. 16. AS 44.59 is amended by adding a new section to read:

22 Sec. 44.59.395. REPAYMENT. The board and the executive director
23 shall establish amortization plans for repayment of loans, which may
24 include delayed payments of principal and interest for not to exceed
25 five years.

26 * Sec. 17. AS 44.59.400 is amended to read:

27 Sec. 44.59.400. REGULATIONS FOR LOANS. The board may adopt
28 regulations for loan policy and procedure, except that a regulation
29 may not conflict with an indenture agreement or a provision of this

1 chapter. The board shall, however, designate the specific kinds
2 and monetary limits of loans which the executive director can make
3 without the prior approval of the board.

4 * Sec. 18. AS 44.59 is amended by adding a new section to read:

5 Sec. 44.59.415. COOPERATION. The executive director shall
6 cooperate with federal and state agencies which make similar loans or
7 construct public works facilities which could have an eventual effect
8 upon the project the corporation is assisting.

9 * Sec. 19. AS 44.59 is amended by adding a new section to read:

10 Sec. 44.59.435. REFINANCING LIMITATION. The corporation may not
11 refinance any portion of a loan it made before the effective date of
12 this Act.



RECORDS CERTIFICATION



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James D. Smith
Signature of Camera Operator

4/4/89
Date

Introduced: 3/22/71
Referred: State Affairs
and Finance

BY HOLM, BRADNER, LUBER,
E. MILLER, ORBECK, RANDOLPH
AND WARWICK

1 IN THE HOUSE

2 HOUSE BILL NO. 336

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the disaster relief fund; and pro-
7 viding for an effective date."

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

9 * Section 1. AS 44.19.171(b) is amended to read:

10 (b) Subject to the restrictions of (d) and (e) of this section,
11 the governor may, without additional legislative authorization, expend
12 not more than \$1,000,000 [\$500,000] of the assets of the disaster
13 relief fund for the following purposes:

14 (1) to implement provisions of law relating to natural
15 disaster relief in the case of a natural disaster as defined in sec.
16 175 of this chapter occurring after October 11, 1967;

17 (2) to alleviate the effects of a natural disaster as
18 defined in sec. 175 of this chapter occurring after October 11, 1967.

19 * Sec. 2. AS 44.19.175 is amended to read:

20 Sec. 44.19.175. DEFINITION. In sec. 171(b)(1) and (2) of this
21 chapter "natural disaster" means a flood, fire, drought, earthquake,
22 tidal wave, typhoon, storm or other natural disaster occurring in
23 any part of the state after October 11, 1967 and declared by the
24 governor to be a disaster of sufficient proportion that the economic
25 stability or the health and the safety of the community involved are
26 threatened [PRESIDENT OF THE UNITED STATES TO BE A MAJOR DISASTER UNDER
27 THE PROVISIONS OF THE FEDERAL DISASTER ACT OF 1950, TITLE 42, UNITED
28 STATES CODE, SECS. 1855 - 1855G].

29 * Sec. 3. This Act takes effect on the day after its passage and approval

1 or on the day it becomes law without approval.

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NB 336

ALASKA STATE LEGISLATURE

SEVENTH Legislature FIRST Session

HOUSE BILL NO. 336

By HOLM, BRADNER, HUBER
E. MILLER, ORBECK, RANDOLPH AND
WARWICK

"An Act relating to the disaster relief fund and providing for an effective date."

Disaster relief fund

Introduced in the House 3/22/19 71

HISTORY IN THE HOUSE

19 71

Read first time and referred to Committee on

Mar 22 State Affairs and Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS Yeas
Nays
Absent
Excused

Effective Date

PASS Yeas
Nays
Absent
Excused

Reported correctly engrossed
Signed by Speaker
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Read first time and referred
to Committee on

Reported back with
recommendation that

Read second time and

Read third time and

PASS Ycas
 : Nays
 : Absent
 : Excused

Effective Date

PASS Ycas
 : Nays
 : Absent
 : Excused

Reported correctly engrossed
Signed by President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Secy. State

Chapter No.