

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

SB 149 cont., 157, 171, 179, 182, 195, 211

nonresidents, because they have no voice or vote within a particular state. Legislatures should realize, however, that further disproportionate increases in nonresident license fees will intensify current charges of discrimination.

In some western states, the demand for wildlife-based recreation by both residents and nonresidents already exceeds supply. In 1969, for example, the number of applicants for elk hunting permits in Colorado exceeded the supply by 13,000. In Nevada, last year, 1,390 sportsmen applied for 320 antelope permits; 240 for 15 elk permits; and 584 for 60 bighorn sheep permits. Similar deficiency situations exist in other western states.

Everyone involved with hunting and fishing must recognize fully the pertinent facts involved. Animal numbers have definite environmental limitations. People have the time and are willing to pay reasonable fees to hunt and fish. Frequently more sportsmen will go afield than can be permitted within the available space without degrading the quality of the experience or overharvesting the resource. The major issue involves rationing and disbursing available wildlife in an equitable manner. Sometimes, this involves limiting the recreational opportunities of residents, or nonresidents, or both.

Reasons For Nonresident Differentials

Wyoming made a survey of the western states to obtain reasons and justifications for charging nonresidents higher fees than residents. This also was done in response to the PLLRC Report. Among the reasons given by the states were:

1. Higher cost of search and rescue for nonresidents.
2. Higher cost of law enforcement for nonresidents.
3. Costs of attending sports shows in other states to give nonresidents information.
4. Costs of providing information by mail, etc., to nonresidents and administering guides' and packers' licenses.
5. Costs of feeding, purchasing winter range, and administering damage control for the extra big game animals produced for nonresidents.
6. Costs of administering restrictions to allow quality hunting to be maintained.

Some of the reasons, if not all, are subject to serious question, in the Institute's opinion. Higher costs of search and rescue apply as much to resident urban hunters as to nonresidents. The nonresident hunter is not necessarily a city slicker. More often than not, he is a knowledgeable, prepared, skilled, and efficient sportsman, as his field record makes clear. In Colorado the 16 percent nonresidents harvest 45 percent of the deer and 31 percent of the elk. In Idaho the 12 percent nonresidents bag 12 percent of the deer and 20 percent of the elk. In Utah the 8 percent nonresidents take more than 17 percent of the deer. So it goes, state after state, with the nonresident at least equalling and more often exceeding the percentage of harvest per resident.

Only four state wildlife agencies (Montana, New Mexico, Utah and Wyoming) now attend sport shows to attract nonresidents, although other states used to. Any costs attributable to this activity are incurred purely to attract nonresident license income and thus are not a valid continuing extra cost of administering a nonresident sportsmen program. Tourism and industrial promotion bureaus, financed through state general revenues, often go to great lengths to attract additional nonresident hunters and anglers, creating extra expense and demands on the wildlife agency. A state as a whole benefits financially from this use of the wildlife resource, but under the prevailing system virtually all of the costs of administering, managing, and protecting the fish and wildlife resources are borne by the sportsmen. Expenses of administering a hunting system to help insure hunter safety and quality hunting involve resident as well as nonresident hunters.

REASONABLE FEES

Throughout the foregoing discussion the term "reasonable" in relation to nonresident fees and controls has appeared repeatedly. It is, therefore, appropriate to devise some criteria as to what is "reasonable" in nonresident fees.

That the resident's full share of the cost of managing wildlife is covered by his license is strictly an assumption, subject to serious question in several states. When the resident pays \$3 for small game, \$5 or less for deer, and under \$10 for elk, there is reason to doubt that he is paying his full share of the management costs. But if we assume, for the purpose of a starting point, that every resident hunter or angler actually pays his full share of the cost of managing the resource, we can develop the following relationships.

- 1 Resident License = Management costs (basic assumption).
- 1 Resident License = Extra license publicity, direction, publications, correspondence and overhead for administering nonresident hunting.
- 0.5 Resident License = Excess enforcement costs on nonresidents who have little interest in the state, plus administration of packers and guides.
- 0.5 Resident License = Winter range acquisition and development to maintain big game herds in excess of resident requirements. Examples of larger nonresident harvest rates have been cited previously. If there were no nonresidents, it may be argued, there would be less demand and less need for winter range acquisition and development. Game herds must be held at optimum numbers to meet current and future recreational demands.

Total: 3 x Resident License = Nonresident fee.

There also is a historical, long-term reliance on nonresident fees as a major source of revenue for many state wildlife agencies. Part of the funds are used to provide wildlife for viewing by non-hunters and non-anglers, both residents and nonresidents, who make only minor contributions toward the upkeep of the resource.

Charging higher fees for nonresident licenses has a history older than wildlife management in all states. The power of the state to sell privileges to use resources held in trust for all of the people of a state is a well-established and accepted principle.

Since it costs about three times as much to serve a nonresident hunter as a resident, assuming all residents actually are paying their proportionate share for services received and a revenue-producing differential is well-established, it is the Institute's belief that a nonresident license fee approximately five times greater than the resident license meets the test of reasonableness. Addition of two points of differential, increasing the ratio from 1 to 3 up to 1 to 5, is considered a reasonable charge for nonresident use of a resident resource.

The overall ratio of resident to nonresident hunters' fees in the 37 states outside the scope of the Western Association is 1 to 5.5 for small game and 1 to 4.6 for deer. The overall average differential of 1 to 5 is considered fair and reasonable by the non-public land states. It is believed that a similar differential is fair and reasonable in public lands states.

This ratio of 1 to 5 only applies to the charge for a license, not to the numbers of nonresident hunters. Decisions regarding the total numbers of all hunters that can be accommodated must be based solely on the biology of the wildlife species involved, commensurate with a professional management plan for each species.

Attaining a ratio of 1 to 5 in every state does not necessarily mean that nonresident license fees should be reduced. Rather, it can generally be achieved by raising resident license fees to a level where the licensees pay for services received. Where elk hunting fees are grossly out of line, it will, of course, be necessary to separate the present package license into some type of individual species permits and set reasonable fees for them. However, in states with the greatest discrepancies, setting a more realistic resident license charge will do much toward meeting the suggested 1 to 5 differential.

Because of the lesser management costs for servicing fisheries, except for put-and-take trout, it is believed that a 1 to 3 resident to nonresident differential is reasonable. At least in some states, all angling license fees are too low, particularly those for cold-water fishing. There is reason to believe that hunting license revenue is being used to support this type of fishing. In such a situation, all anglers, residents and nonresidents, are benefited by high nonresident hunting license fees.

The Institute has been involved in the study of the organization, operation and program of state fish and wildlife agencies for many years. In the 33 states where we have done such studies, including a number of follow-up surveys, we have yet to find a state in which resident license fees were equivalent to services demanded or received. As a practical matter, license increases granted in most states are used to cover costs already being experienced rather than anticipated.

Contrary to the PLLRC recommendations, the effects of removing the states' right to license all sportsmen on public land and substituting a federal license would be a catastrophe for the fish and wildlife resource. A few of the more obvious results would be:

1. All public land boundaries would have to be marked promptly and the lands patrolled by a large number of federal enforcement agents.
2. The states would lose much revenue and most incentive to provide state-purchased winter range for the animals.
3. Important state wildlife research would diminish or end.

4. A great build-up in personnel in the federal land management agencies would be necessary to offset the present services provided by state wildlife agencies.

Such an action could present formidable obstacles to proper resource management because the federal agencies have yet to receive more than a token wildlife budget. Further, there is no reason to believe a federal license would have any salutary effect in that regard. For example, BLM currently has only 38 fish and wildlife field biologists on its staff. This figures out to one wildlife biologist for every 10 million acres the agency administers, and one fish biologist for every 10,000 miles of stream. BLM is committed to managing its lands on a multiple-use basis, but like the Forest Service, it is funded on an activity basis under which commercial uses get most of the money.

BLM biologists calculate that there are 40 million acres of public domain wildlife habitat that is producing wildlife at less than a desirable level. About 195,000 acres of lakes and reservoirs and 3,200 miles of streams are not producing fish up to their potential. Within a 40-mile radius of major western population centers of 250,000 or more people, there are 4 to 7 million acres of public domain susceptible of immediate wildlife enhancement. Little is being done, however, because funds are not being requested. The Forest Service's wildlife habitat program, while more advanced than that of the BLM, also is seriously underfinanced.

5. Countless legal problems would develop, and the ultimate victims would be western fish and wildlife.

The Institute does not believe philosophical, legal, or other reasons supporting nonresident licensing can be successfully challenged without destroying much of the present management system for western wildlife. Merely changing the system, as some have suggested -- even if that were possible -- would create more problems than it would resolve. To be most constructive and responsive, all interests concerned about this subject should recognize that the central issue is the steadily increasing number of resident and nonresident sportsmen, not just nonresidents alone.

COURSES OF ACTION AND INFLUENCING FACTORS

There are five possible courses of action available to states to resolve problems involved with nonresident hunters and fishermen.

1. Charge residents and nonresidents equal fees and give them equal recreational opportunities.
2. Maintain the status quo with existing fee differentials and restrictions on nonresidents.

3. Define reasonable fees and restrictions and initiate long-term adjustments to attain them.
4. Increase fees, quotas and other controls to severely limit nonresidents.
5. Eliminate the nonresident.

In evaluating these possible courses of action, attention must be given to factors involving wildlife management, finances, politics, and society.

Wildlife Management Factors

There is little to recommend a differential license fee between residents or nonresidents from a biological standpoint. In responses to the Institute's questionnaire, states said that quotas and regulations can be used somewhat more easily to direct nonresidents rather than residents to areas where larger harvests are needed. On the other hand, the states imply that nonresidents have less interest in the state and may violate more conservation laws if given the opportunity. This charge may be more apprehension than fact, however.

Resident wildlife is the property of a state. How the animals are to be hunted, if at all, and all terms and conditions regarding their use are matters for the residents to decide, including areas and intensities of use by residents and nonresidents.

A further, overriding consideration in man's use of wildlife through hunting is the level of harvest that can be sustained without diminution of desired breeding stock. While the harvest can be set higher or lower, depending on management objectives, the factor that most limits the number of hunters in any year is the biologically acceptable harvest level of a species. Further tempering this consideration is the fact that the number of resident hunters in many states is increasing and is likely to continue to do so in the future. In areas where there is likelihood of too many hunters, quotas often are set, even for residents. In time, it may become even more necessary, at least in popular areas and for species dependent on public lands, to establish quotas that will assure nonresident hunters an opportunity to enjoy the privilege of hunting. When and where this becomes necessary, more states may want to draw upon their past record of accommodating out-of-state hunters to establish a fair balance between residents and nonresidents. In future years, distribution of the privilege of hunting between residents and nonresidents in the public land states may become a more critical matter than it is today.

Actions 2 and 3, in combination, are recommended to keep nonresident fees at near their present levels.

Financial Factors

Nonresidents are an important source of revenue for western fish and wildlife agencies. Reduction of the amounts charged for nonresident fees would hurt agency programs if done unilaterally. But if done over a period of years concurrent with the development of new sources of revenue, the effect would not be severe. The ideal situation from an economic standpoint would be to maintain present nonresident fee levels. By increasing fees, establishing new quotas, or invoking other controls, the department would have less income because the number of nonresidents probably would decline. Guides, packers and sport-based businesses also would be affected.

If nonresidents are greatly limited, or license fees substantially reduced, then needed income would have to come alternatively from (1) increased resident fees, (2) accepting many more nonresident hunters, or (3) appropriations from the general fund. If new sources of funding were not forthcoming to replace funds that are lost, substantial reductions would have to be made in agency programs.

Action 2 is best for financial reasons. Action 1, which calls for equal fees for residents and nonresidents, is rejected on financial and other grounds. State agencies cannot get along with less income than they have today. All license fees need to be readjusted periodically to reflect economic trends and to capitalize on new opportunities for establishing more intensive management programs.

Political Factors

Politically, the status quo would be reasonably acceptable to citizens of the states, while liberalizing nonresident quotas or reducing fees would generate unfavorable reaction in many states. Federal controls, such as suggested by the PLLRC Report, would be unacceptable, and any attempt to implement the PLLRC suggestion would stimulate prompt and hostile reaction. In fact, the PLLRC Report already has provoked reaction, and there is no doubt that some local groups, wildlife commissions, and state legislatures are thinking in terms of increased control of nonresidents. Such action obviously would be most acceptable politically, while major concessions to nonresidents in the form of lower license fees or relaxation of quotas would be politically unacceptable.

Action 4 would be best from a political standpoint, at least on the state and local level. We sincerely doubt, however, that increased nonresident fees will reduce the actual number of out-of-state hunters, over the long haul. The most obvious effect will be to make it more difficult, if not impossible, for people with lower incomes to participate. This could be regarded as a form of class discrimination.

Social Factors

The people of the United States are becoming increasingly aware that the federal land is their land and that their right to use it at least nonconsumptively, cannot be abridged because of place of residence. Sooner or later, lawsuits testing the constitutionality of unreasonable nonresident license fee differentials probably will be initiated.

There is a more liberal trend in court rulings and legislative enactments on residency requirements. Federal voting requires only one month residency; for example, and no residence period is needed to be eligible for welfare. Establishment of increased fees and controls on nonresidents may trigger congressional reaction, such as a single federal license to hunt or fish on federal lands. As previously discussed, adoption of such a plan would be a serious blow to state programs, and it is doubtful that the federal land management agencies would be financed and staffed well enough to even continue wildlife programs as presently executed by the states. Thus, the resource would be damaged greatly by erosion of the financial operating base that sustains it. Every effort possible should be devoted to achieving more uniformity of regulations and reciprocity of fees between states in the region. Differences in quality of hunting and angling may preclude any precise Association-wide uniformity; nevertheless much more could be done.

Summary

Action 3 is recommended. Establishment of reasonable fees and controls for nonresidents is most desirable, particularly from the overriding social viewpoint. Action 5, involving elimination of fishing and hunting by nonresidents, is unacceptable. Its espousal would also lend strong support for a federal public land licensing system. It is essential to strengthen opportunities to pursue wildlife and fish on public lands for all citizens, even though a nonresident's chances to participate may be somewhat less than those of a resident.

RECOMMENDATIONS

1. That nonresident license fee differentials to hunt any species in the western states be reasonable. Reasonable is defined as the general ratio of 1 to 5 between resident and nonresident fees which existed in the 37 non-western states in 1970. Thus, it is recommended that nonresident hunting fees be no greater than five times the amount a resident would have to pay for the same privilege.

Obvious reductions in nonresident fees, such as the package licenses that cost more than \$100 to hunt elk, seem necessary. Generally, the 1 to 5 ratio can be reached by raising resident license fees only a relatively small amount, yielding more income to the agency. For example, the Montana ratio of 1 to 11.7 for deer could be made 1 to 5 by raising the resident license from \$3 to \$7. We do not agree that the amount of money charged for a nonresident license is the sole factor in judging its reasonableness. A more realistic test is the relative cost to residents and nonresidents to hunt the same species.

Another item that has not been examined in depth is that western states may be in a more advantageous position than eastern states in the field of wildlife management. This is because their overall expenses (taxes, land acquisition, development, maintenance, etc.) are less for perpetuating fish and wildlife on the substantial acreages of federal public lands than those of eastern states where private and state lands are largely involved. It may be that the license income generated by public-lands wildlife and fish, at least in some states, is much greater than the costs state agencies incur in discharging their resource responsibilities. There may be validity in the suggestion that some western states should be contributing more to the restoration and management of habitat on the public lands.

2. That angling license fees for nonresidents be established so the nonresident pays not to exceed three times what the resident pays.

The nonresident is most likely to catch expensive hatchery trout; present licenses often are priced below the amount needed to pay for this service. Short-term licenses, of 1 to 10 days' duration and usually authorized for attracting tourists, are priced too low. The minimum fee for short-term tourist licenses should be the cost of producing and stocking two limits of catchable trout, plus enforcement, management and administrative costs. For one-day licenses this could be reduced to costs of one limit. The cost of a limit of trout should be the cost of the number of fish that must be stocked to provide a limit in the creel.

3. That quotas on nonresident hunters be established only for wildlife management reasons, which include safety, open space, quality hunting, and the necessity to

control the total harvest of a species; and that no quota should be imposed on nonresidents unless there also is a quota on residents.

Where quotas are set on species hunted generally, it is recommended that they be established on a rational basis, and could be based, for example, on the ratio of resident to nonresident hunters in the state for the previous five-year period. Dual systems, giving preference to the resident, should be avoided. Imposition of quotas only for the purpose of overall harvest control will remove questions that are sure to be raised concerning the right of the public to use federal lands if limits are directed solely at nonresidents. This approach will tend to remove objections raised by the PLLRC Report and insure the states' retention of wildlife management authority on public lands.

4. That states may prohibit nonresidents from participating in hunting for species that are harvested in limited numbers -- such as small herds of trophy animals, in limited damage-control hunts, or in hunts on a once-in-a-lifetime or once-every-several-years quota basis.

States containing all or part of the limited range of an uncommon but choice trophy animal should allow its hunting by a reasonable quota of nonresident hunters. Here, we are talking about such species as tule elk, grizzly bear, and desert bighorn that are available only in restricted areas. In this situation, to eliminate the casual applicant, a greater differential in resident to nonresident license fees may be justified than is contemplated in Recommendation 1. The fee, however, still should be within the ability of a dedicated trophy hunter to pay. It is impractical from a political and administrative standpoint to include a nonresident quota in every small hunt for which residents are selected at random. This recommendation provides practical methods of administering nonresident quotas.

5. That mandatory use of guide service be eliminated unless there are overriding reasons of human safety, such as terrain clearly recognized as hazardous, the possibility of severe climatic dangers, or other serious hazards, all of which are found in relatively few areas.
6. That State Wildlife Commissions be authorized to set quotas, specific controls, license requirements, and allied regulations to accomplish Recommendations 1-5 within broad limits prescribed by their legislatures.
7. That residence requirements be uniformly set at not to exceed six months domicile within the state.

This period will safeguard the state from the fraudulent applicant just as well as a longer period and will have only a minor effect on income. It also will remove the longer residence requirement that often is violated because of poor public acceptance. Utah finds the two-months requirement meets its needs. Most western states have a six-months requirement. Uniformity of residence requirements between states would be desirable and should be encouraged.

8. That states heavily dependent on nonresidents for income should actively seek to obtain funds from other sources; i.e., increased resident license fees and substantial general fund appropriations.

The Institute has examined the financial structure of two western states, Washington and Utah, in recent months. In each instance we recommended license fee increases, while cautioning against excessively nonresident fees. Appropriation of general funds of at least 25 percent of the agencies' annual operating budgets was recommended. This proportion of support from general funds seems fair from the standpoint of overall economic benefits to society. Such benefits would include expanded programs for non-game wildlife -- including endangered species, environmental education, wild and scenic rivers, and to help defray the increasing costs of servicing use of state wildlife and fish properties by the general public.

9. That uniformity and reciprocity of fees among states be established as a desirable goal and studies and actions be initiated immediately to achieve it.

The member states of the Western Association, by resolution and singly, should urge their Commissions and State Legislatures to avoid abrupt action on this overall subject. Major efforts should be made to adopt a regionwide, uniform system for accommodating nonresident sportsmen. It is believed that the western states should act simultaneously to achieve this goal.

TABLE I
RESIDENT AND NONRESIDENT HUNTERS, 1970

State	Total Individual Hunters	% Change Since 1960	Nonresident		Resident	
			Number	%	Number	%
Arizona	168,643	+ 61.0	12,994	7.7	155,649	92.3
California	746,850	+ 15.5	1,850	0.3	745,000	99.7
Colorado *	316,576	+ 4.7	51,185	16.3	265,391	83.7
Idaho	225,845	+ 23.9	28,118	12.3	197,727	87.7
Montana *	259,367	NA	20,850	8.1	238,517	91.9
Nevada	35,979	+ 10.8	3,857	10.8	32,122	89.2
New Mexico	110,527	+ 4.8	7,732	7.2	102,795	92.8
Oregon	371,395	+ 22.0	6,261	1.6	365,138	98.4
Utah	213,609	+ 19.0	17,779	8.4	195,830	91.6
Washington	334,818	+ 15.2	1,561	0.6	333,257	99.4
Wyoming	195,357 **	+ 79.1	103,431	52.8	91,926 **	47.2
Alaska	62,615	+103.2	12,519	20.6	50,096	79.4
Hawaii	10,134	+ 90.6	361	3.0	9,773	97.0
Total	3,051,719		268,498		2,783,221	
Average		+ 21.9%		8.8%		91.2%

* Includes deer, small game, resident combination, sportsman's combination licenses:

** Includes for residents, only deer, birds, small game.

TABLE 11
RESIDENT AND NONRESIDENT ANGLERS, 1970

State	Total Individual Anglers	% Change Since 1960	Nonresident		Resident	
			Number	%	Number	%
Arizona	281,617	+ 93.8	68,834	24.4	212,783	75.6
California	2,317,654	+ 57.0	35,358	1.5	2,282,296	98.5
Colorado	535,748	+ 30.7	186,766	35.0	348,982	65.0
Idaho	417,000	+ 44.3	183,000	43.9	234,000	56.2
Montana	NA	--	NA	--	156,716	--
Nevada	71,709	+ 89.5	3,400	4.2	68,309	95.8
New Mexico	168,151	+ 17.5	54,546	32.7	113,605	67.3
Oregon	730,000	+ 63.3	110,000	15.1	620,000	84.9
Utah	309,253	+ 54.5	71,696	23.5	237,557	76.5
Washington	511,622	+ 38.0	36,765	7.2	474,857	92.8
Wyoming	226,956	+ 35.9	135,865	59.3	91,091	40.7
Alaska	112,298	+107.4	41,062	36.6	71,236	63.4
Hawaii	5,036	+ 51.9	16	0.3	5,020	99.7
Total	5,687,044		927,308		4,916,452	
Average		+ 52.0%		16.3%		83.7%

TABLE III

SOURCE STATES OF NONRESIDENT HUNTERS AND ANGLERS

<u>State</u>	<u>Number of Times State Was Named as Source of Nonresident Hunters and Anglers</u>
California	19
Texas	8
Washington	8
Oregon	7
Idaho	5
Nevada	5
Utah	4
Arizona	2
Colorado	2
Oklahoma	2
Illinois	1
Kansas	1
Michigan	1
Minnesota	1
Missouri	1
Nebraska	1
Wyoming	1

TABLE IV
 COST RATIO - RESIDENT TO NONRESIDENT
 HUNTING AND ANGLING LICENSES, 1970

<u>State</u>	<u>Small Game</u>	<u>Deer</u>	<u>Elk</u>	<u>Angling</u>
Arizona	1 : 4	1 : 6.4	1 : 3.7	1 : 3
California	1 : 6.3	1 : 5.8	--	1 : 2.4
Colorado	1 : 3.8	1 : 5	1 : 6	1 : 1.7
Idaho	1 : 11.7	1 : 10	1 : 22.5 *	1 : 3.8
Montana	1 : 12.5	1 : 11.7	1 : 50.3 *	1 : 3.8
Nevada	1 : 5	1 : 8	--	1 : 2
New Mexico	1 : 3.4	1 : 6.7	1 : 3.3	1 : 1.8
Oregon	1 : 7	1 : 7.1	1 : 4.7	1 : 2.5
Utah	1 : 4.4	1 : 10	--	1 : 3
Washington	1 : 7.7	1 : 5.3	1 : 5.2	1 : 2.7
Wyoming	1 : 10	1 : 6	1 : 25.0 *	1 : 4
Alaska	1 : 1.4	1 : 2.9	1 : 5	1 : 2
Hawaii	1 : 2	1 : 2	--	1 : 2
Average	1 : 5.55	1 : 6.3	1 : 9.8	1 : 2.55

* Package license, includes other species. The attractant is elk.

TABLE V
HUNTING LICENSE AND FEES, 1970

State	General, Bird or Small Game License		All License Costs to Hunt Deer		All License Costs to Hunt Elk	
	Nonresident	Resident	Nonresident	Resident	Nonresident	Resident
Arizona	\$ 20.00	\$ 5.00	\$ 45.00	\$ 7.00	\$ 75.00	\$ 20.00
California	25.00	4.00	35.00	6.00	--	--
Colorado	15.00	4.00	50.00	10.00	75.00	12.50
Idaho	35.00	3.00	50.00	5.00	135.00	6.00
Montana	25.00	2.00	35.00	3.00	151.00	3.00
Nevada	50.00	5.00	80.00	10.00	--	--
New Mexico	17.00	5.00	50.25	7.50	50.00	15.00
Oregon	35.00	5.00	50.00	7.00	70.00	15.00
Utah	20.00	4.50	50.00	5.00	--	--
Washington	50.00	6.50	50.00	9.50	85.00	16.50
Wyoming	20.00	2.00	30.00	5.00	125.00	5.00
Alaska	10.00	7.00	20.00	7.00	35.00	7.00
Hawaii	15.00	7.50	15.00	7.50	--	--
Growth since 1960	+25.3 %	--	+22.9 %	--	+21.8 %	--
Average, 1970	\$ 26.38	4.65	\$ 43.11	6.88	\$ 89.00	9.11

TABLE VI
TROUT ANGLING LICENSE FEES, 1970

State	Angling License to Include Trout Stamps		Shortest Vacation License	
	Nonresident	Resident	Amount	Number Days
Arizona	\$ 15.00	\$ 5.00	\$ 2.00	1
California	12.00	5.00	5.00	10
Colorado	10.00	6.00	5.00	10
Idaho	15.00	4.00	2.00	1
Montana	16.00	4.25	2.00	1
Nevada	15.00	7.50	5.00	5
New Mexico	10.00	5.50	2.00	1
Oregon	15.00	6.00	1.50	1
Utah	15.00	5.00	2.50	2
Washington	20.00	7.50	6.00	7
Wyoming	12.00	3.00	4.00	5
Alaska	10.00	5.00	5.00	10
Hawaii	7.50	3.75	3.75	10
Growth Since 1960	+ 25.8 %	--	+ 24.0 %	--
Average, 1970	\$ 13.28	5.19	\$.073	1

TABLE VII
 OPERATING BUDGET AND SOURCES OF INCOME, 1970
 (in Thousands)

State	Operating Budget *	Licenses	Sources of Income	
			Federal Aid	Other
Arizona	\$ 3,144	\$ 2,753	\$ 1,857	\$ 98
California	22,019	17,507	2,188	2,321
Colorado	10,088	9,219	978	4,712
Idaho	5,259	3,864	1,296	100
Montana	6,466 ***	3,506	1,702	1,258 **
Nevada	2,891	1,070	1,387	433
New Mexico	2,555	2,061	436	59
Oregon	7,960	6,448	1,518	226
Utah	3,877	3,135	596	95
Washington	7,739	5,828	1,279	632
Wyoming	7,271	5,197	749	287
Alaska	1,970	748	1,178	43
Hawaii	777	88	229	460 ****
Total	\$ 82,016	\$ 61,424	\$ 15,393	\$10,724

* Will not balance with sources because of carry over of funds.
 ** Includes 152,500 general funds.
 *** Includes parks.
 ****Includes 426,813 general funds.

TABLE VIII
 PROPORTION OF BUDGET DERIVED FROM NONRESIDENTS, 1970
 (All Figures in Thousands)

State	Operating Budget, Fish and Wildlife	Nonresident Hunting		Nonresident Angling		Nonresident	
		Amount	% of Budget	Amount	% of Budget	Total Amount	% of Budget
Arizona	\$ 3,144	\$ 337	10.7	\$ 282	9.0	\$ 619	19.7
California	22,019	55	0.2	263	1.2	318	1.4
Colorado	10,088	4,384	43.5	1,087	10.8	5,471	54.2
Idaho	5,259	1,926	35.8	710	13.2	2,636	49.0
Montana	6,466	1,110	17.2	980	15.1	2,091	32.3
Nevada	2,891	323	11.4	142	4.8	465	16.2
New Mexico	2,555	308	11.5	330	12.7	638	24.2
Oregon	7,960	318	4.0	680	8.5	998	12.5
Utah	3,877	861	22.1	285	7.3	1,146	29.4
Washington	7,739	67	0.9	232	3.0	299	4.0
Wyoming	7,271	3,568	49.3	686	9.4	4,254	58.7
Alaska	1,970	550	27.5	314	15.7	864	43.2
Hawaii	777	5	0.7	--	0.0	5	0.7
Total	\$ 82,016	\$13,812		\$ 5,991		\$19,804	
Average			16.8%		7.3%		24.1%

TABLE IX
 LICENSE INCOME FROM HUNTING, 1970

<u>State</u>	<u>Hunting License Income</u>	<u>Resident Hunting License and Tags</u>	<u>Nonresident Hunting License and Tags Amount</u>	<u>Percent of Total</u>
Arizona	\$ 1,733,156	\$ 1,396,173	\$ 336,983	19.5
California	4,261,930	4,206,930	55,000	1.3
Colorado	6,935,332	2,550,992	4,384,350	63.2
Idaho	2,923,434	997,188	1,926,245	66.0
Montana	2,070,253	959,900	1,110,353	53.6
Nevada	726,125	402,789	323,336	44.5
New Mexico	1,201,868	894,006	307,861	25.6
Oregon	3,227,164	2,909,609	317,555	9.9
Utah	1,759,869	898,902	860,962	49.0
Washington	3,002,851	2,936,216	66,635	2.2
Wyoming	4,211,647	644,022	3,567,625	84.7
Alaska	883,909	333,494	550,415	62.2
Hawaii	70,044	65,100	4,944	7.0
Total	\$ 33,007,582	\$ 19,195,321	\$13,812,264	
Average				41.8%

TABLE X
 LICENSE INCOME FROM ANGLING, 1970

<u>State</u>	<u>Angling License Income</u>	<u>Resident Angling License</u>	<u>Nonresident Angling Amount</u>	<u>License Percent</u>
Arizona	\$ 993,430	\$ 711,376	\$ 282,054	28.4
California	10,072,962	9,809,962	263,000	2.6
Colorado	3,148,317	2,061,447	1,086,870	34.5
Idaho	1,375,896	665,609	710,286	51.6
Montana	1,279,155	298,830	980,325	76.7
Nevada	340,818	198,450	142,368	41.6
New Mexico	911,453	581,470	329,983	36.2
Oregon	3,381,094	2,700,000	680,000	20.1
Utah	1,319,008	1,033,548	285,460	21.6
Washington	2,902,546	2,670,690	231,847	8.0
Wyoming	916,901	231,248	685,653	74.8
Alaska	629,818	316,082	313,736	49.8
Hawaii	16,129	16,014	115	0.6
Total	\$27,287,527	\$21,294,726	\$ 5,991,697	
Average				21.9%

TABLE XI
EXPENDITURES BY HUNTERS AND ANGLERS *

State	Total Spent	Spent By		Spent By	
		Nonresident Hunter	Nonresident Angler	Resident Hunter	Resident Angler
Arizona	\$ 59,033,000	\$ 485,000	\$ 4,543,000	\$ 18,916,000	\$ 35,090,000
California	--	--	--	--	--
Colorado	237,374,143	22,695,943	34,660,698	62,579,065	117,438,437
Idaho	75,000,000		(Both) 16,000,000	(Both) 59,000,000	
Montana	--	\$181 each hunter	127 each angler	147 each hunter	210 each angler
Nevada	--	--	--	--	--
New Mexico	57,200,000	\$370 each hunter	248 each angler	21,000,000	23,000,000
Oregon	--	--	--	--	--
Utah	77,000,000		(Both) 6,500,000	(Both) 70,500,000	
Washington	285,206,000	624,084	9,851,796	135,101,916	139,628,204
Wyoming	57,365,524	14,050,307	9,954,138	19,997,663	13,363,416
Alaska	--	--	--	--	--
Hawaii	--	--	--	--	--

* 1963 New Mexico, Utah; 1965 Arizona, Wyoming; 1968 Colorado, Washington; Idaho State estimate.

TABLE XII
RESTRICTED SPECIES AND QUOTAS FOR NONRESIDENTS

<u>State</u>	<u>Nos. for Nonresidents</u>	<u>Present</u>	<u>Nonresidents Cannot Hunt</u>	<u>Future Plans</u>
Arizona	10% of Bighorn		Buffalo	--
California	--		Antelope, Elk	--
Colorado	--		Sheep, Goats, Buffalo	Quota Under Consideration
Idaho	--		--	Quota in 1971
Montana	Can Put 10% Quotas on Moose, Goats, Sheep, Bison, Antelope, Grizzly		--	--
Nevada	All Big Game by Unit		--	Quota Under Consideration
New Mexico	--		Big Horn Antlerless Deer and Elk; Sheep, Goats, Antelope	--
Oregon	--		--	--
Utah	--		Elk	--
Washington	--		--	In 1971, 50,000 Deer
Wyoming	25% of Moose, Grizzly, Sheep, Goats Some Elk and Antelope 10%		--	Considering Minor Restrictions
Alaska	--		--	--
Hawaii	--		--	--

TABLE XIII
HUNTING BAG BY NONRESIDENTS, 1970*

State	Deer		Elk		Antelope		Upland Game Birds		Waterfowl		Bear	
	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.
Arizona	--	NA	--	--	--	--	--	--	--	--	--	--
California	--	NA	--	--	--	--	--	--	--	--	--	--
Colorado	45	39,298	31	6,585	3	132	--	--	--	--	22	90
Idaho	12	8,496	20	3,223	14	44	11	121,951	8	44,299	11	335
Montana	15	15,823	18	2,139	13	1,891	--	--	--	--	23	401
Nevada	15	2,794	--	--	--	--	2	8,679	4	5,962	--	--
New Mexico	8	2,608	31	456	4	60	8	50,000	5	2,500	6	28
Oregon	1.5	1,600	2.5	300	--	--	2	22,000	3	26,000	1	20
Utah	17.5	14,296	--	--	--	--	--	--	--	--	--	--
Washington	0.3	150	0.9	100	--	--	0.4	5,000	0.8	8,000	2.9	100
Wyoming	64	62,534	16	2,893	48	14,977	--	--	--	--	--	--
Alaska	--	--	--	--	--	--	--	--	--	--	--	--
Hawaii	5	100	--	--	--	--	2	400	--	--	--	--

* A few states submitted 1969 figures.

TABLE XIV
HUNTING BAG BY RESIDENTS, 1970*

State	Deer		Elk		Antelope		Upland Game Birds		Waterfowl		Bear	
	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.
Arizona	--	NA	--	--	--	--	--	--	--	--	--	--
California	--	92,200	100	21	100	241	--	7,010,300	--	4,516,400	--	2,330
Colorado	55	48,064	69	14,355	97	5,090	--	--	--	--	78	316
Idaho	88	62,937	80	12,676	97	1,428	89	1,026,859	92	538,168	89	2,750
Montana	85	87,002	82	9,943	87	11,528	100	441,500	100	216,792	77	1,334
Nevada	85	15,964	100	2	100	212	98	420,355	96	138,036	--	--
New Mexico	92	30,419	69	1,037	96	1,428	92	550,000	95	45,000	94	441
Oregon	98.5	104,400	97.5	13,000	100	400	98	1,100,000	97	846,000	99	1,900
Utah	92.5	67,625	100	1,341	100	139	99	392,383	99	391,530	100	9
Washington	99.7	45,880	99.1	11,150	--	--	99.6	1,304,500	99.3	1,064,700	97.1	3,470
Wyoming	36	34,355	84	15,119	52	16,495	--	--	--	--	--	--
Alaska	--	--	--	--	--	--	--	--	--	--	--	--
Hawaii	95	1,900	--	--	--	--	98	19,600	--	--	--	--

* A few states submitted 1969 figures.

TABLE XV
TOTAL CATCH OF SPORT FISH, 1970

<u>State</u>	<u>Total Catch</u>	<u>Resident Catch</u>	<u>Nonresident Catch</u>	
			<u>Number</u>	<u>Percent</u>
Arizona	--	--	--	--
California	83,500,000	83,500,000	--	--
Colorado	24,500,000	16,200,000	8,300,000	34 %
Idaho	--	--	--	--
Montana	--	--	--	--
Nevada	--	--	--	--
New Mexico	2,538,000	2,100,000	438,000	17.2%
Oregon	--	--	--	--
Utah	10,106,087	--	--	--
Washington	24,106,050	23,767,144	338,906	1.4%
Wyoming	6,271,014	4,588,031	1,682,983	26.9%
Alaska	--	--	--	--
Hawaii	--	--	--	--

TABLE XVI
 PERCENT OF GAME ANIMALS HARVESTED ON FEDERAL LANDS, 1970 *

<u>State</u>	<u>Deer</u>	<u>Elk</u>	<u>Antelope</u>
Arizona	--	--	--
California	70	20	80
Colorado	70	85	10-15
Idaho	85	95	95
Montana	--	--	--
Nevada	70	70	70
New Mexico	60	45	50
Oregon	60	70	90
Utah	80	90	95
Washington	35	45	0
Wyoming	60	88	45
Alaska	100	100	--
Hawaii	0	0	0

* State estimates.

TABLE XVII
 PERCENT OF GAME ANIMALS GRAZING ON FEDERAL LANDS

State	Deer	State Reports		Wildlife Report to Public Land Law Review Commission by Colorado State University, 1969	
		Elk	Antelope	Summer	Winter
Arizona	--	--	--	87	83
California	60	40	80	48	38
Colorado	84	85	11	85	69
Idaho	80	80	80	90	69
Montana	--	--	--	54	35
Nevada	70	70	70	97	99
New Mexico	50	60	40	48	48
Oregon	53	63	81	61	43
Utah	65	85	95	85	69
Washington	30	40	0	43	21
Wyoming	51	87	50	56	55
Alaska	100	100	--	--	--
Hawaii	0	--	0	--	--



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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

Committee Report

HOUSE OF REPRESENTATIVES

4/8/71

4/9/71

Date

Mr. Speaker:

The Committee on FINANCE has had SB 157

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>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

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

[Signature]
CHAIRMAN

HOUSE FINANCE COMMITTEE REPORT

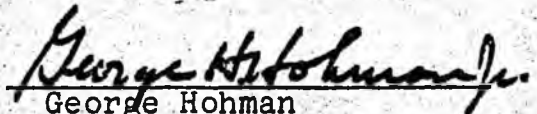
ON

SENATE BILL NO. 157

The committee on finance has had Senate Bill No. 157 under consideration and a majority of the members of the committee have recommended that it do pass. However, the committee wishes to make the following comments on the bill part of the record.

In testimony before the finance committee, Vern Roberts stated that the Fish and Game working capital fund had been unworkable throughout its five year existence. Receipts estimated for the fund had traditionally fallen short, failing to cover the depreciation reserve or operating requirements for the fund. As a result, the department has recommended repeal of the fund and direct appropriation of monies for purchase and operation of major equipment.

At this late date it would be difficult to pull the funds allocated for the working capital account from each of the various division budgets. Instead the department proposes a general fund appropriation of \$190,000 plus the immediate transfer of former working capital items from each of the division budgets -- the transfer to be affected immediately upon the beginning of the new fiscal year. These funds will be combined to fully fund the equipment program for the 1971-72 fiscal year and in the future years the equipment program will be funded by a direct appropriation.



George Hohman
Chairman
House Finance Committee



Alaska State Legislature

House

MEMORANDUM

April 12, 1971

TO: Rep. Farrell, Chairman
Resources Committee

FROM: Gregg Erickson
Staff Economist

SUBJECT: Proposed Abolition of Fish and Game Working
Capital Fund

The working capital fund in Fish and Game was originally established for the purpose of putting the vessel and aircraft operations of the Department on a more "business-like basis." Rather than fund these operations directly from the budget the idea was to run the fund just as if it was, in fact, an independent business, charging the various divisions of the department (or other state agencies) for the services provided. In that way, it was assumed that the true costs of providing these vessel and aircraft services would be charged (in the budget) to the various programs that use those services. Presumably this would be of considerable assistance to the Department of Administration, the Governor, and the Legislature, because under such system the budget request for a given program will more correctly show the true costs of that program.

Since its inception, the Fish and Game Department has been dissatisfied with the working capital fund concept. Testimony before the committee, and my follow up conference with Mr. Vern Roberts, Administrative Officer with the department indicate to me that the sources of this dissatisfaction are as follows:

- 1) In planning for the coming Fiscal Year the fund administrator must set prices or rates for his various pieces of equipment so that the division heads can figure how much to put in their respective budgets for the use of this equipment. Unfortunately, the fund administrator has some difficulty in setting the rates unless he knows what the demand will be

(the more utilization, the lower the rates). As a consequence the administrator sometimes budgets for a given level of services, sets his rates accordingly, and commits himself to certain fixed expenditures (vessel overhaul, hiring of contract personnel, purchase of stores, insurance, etc.) only to find that the amount of services demanded is less than expected. In this case, the fund loses money and -- most significantly -- the fund administrator gets called on the carpet for making the department look bad.

2) Once the budget is approved, the fund administrator incurs more fixed costs. Such costs, about 85% of the total costs of running vessels (no information on aircraft, but % of fixed costs is probably a little lower), must be obligated at the beginning of the season if the ships are to be available later on.

As the season progresses, emergencies inevitably arise, and shifts in program emphasis occur for one reason or another. When administrators of the various vessel and aircraft using programs are confronted with these problems they find that one of the easiest places to trim their own budgets is by cutting back on these vessel and aircraft services. The fact that perhaps 85% of the cost of providing these services has already been expended doesn't bother them because if they don't use the equipment, none of that 85% will show up as a cost in their own budget. Again, it is the administrator of the fund who has to take the rap for allowing uncertainty (over which he has - in this case - little or no control) to foul up the department's budget. In order to handle a deficit created in this situation he must either go to the legislature for a supplemental or sell a piece of equipment-- both painful alternatives.

3) Basically, the Fish and Game people would like to see a new line item in the budget for vessels and aircraft because they believe -- probably correctly -- that the consequent shrinkage in the individual program budgets would be smaller than the increase due to the new line item. In other words, they believe that this accounting change will make it easier to get money out of the legislature. Instead of just pointing at programs and saying "give me money to do this" or "to do that," they will be able to point at both the programs and the ships justifying one request in the usual manner, and the second with the physical existence and operation statistics of the equipment in question.

Suggested Solution

Clearly, some real problems exist in the use of this fund, but there is no good reason for the legislature to abandon

is and its very real advantages at this time. The main problem is that the people who create the budgetary uncertainty -- who are also those who can do the most to reduce it -- have no incentive under the present scheme of things to do this. I would suggest the following alternative solutions:

1) Require the divisions making use of the fund's equipment to pay into the fund at the beginning of the Fiscal Year all the fixed costs allocated to their share of budgeted use. The marginal costs of operation would be charged only as incurred. This would both give the Division Heads greater incentive to plan carefully, and at the same time eliminate the situation where the vessels and aircraft are underutilized due to the fact that the divisions must pay the average cost of using the equipment an extra hour at the end of the year, when the actual cost to the state for using them that extra hour is the marginal cost (about 85% less).

2) A less satisfactory alternative would be to fund only the fixed costs of vessel operation with a line item, charging the marginal costs to the individual programs as before.

This memo has been written in great haste, and as a consequence does not go into this problem as completely as I would like. Other problems exist in terms of how "rental rates" charged by the fund are arrived at, and how protection functions are charged. I would appreciate the opportunity to discuss this further with you or with the Finance Committee.

cc: Rep. Hohman
Finance Committee

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

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2

SENATE BILL NO. 157

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SEVENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act abolishing the Department of Fish and Game

7

Working Capital Fund; and providing for an effective

8

date."

9

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

10

* Section 1. AS 44.74.200 - 260 are repealed.

11

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

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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 Smith
Signature of Camera Operator

4/4/89
Date

Committee Report

HOUSE OF REPRESENTATIVES

4/14/71

Date

Mr. Speaker:

The Committee on FINANCE has had SB 171

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>Hobson</u>	<u>Reynolds</u>	_____
<u>Warrick</u>	_____	_____
<u>_____</u>	_____	_____
<u>_____</u>	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

<u>Tom Felt</u>	recommends: <u>_____</u>
_____	recommends: _____
_____	recommends: _____
_____	recommends: _____
_____	recommends: _____

Tom Felt
CHAIRMAN

Introduced: 3/18/71
Referred: Judiciary

1 IN THE SENATE

BY CROFT AND ZIEGLER

2 SENATE BILL NO. 171

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing for peremptory disqualification of
7 district judges."

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

9 * Section 1. AS 22.20.022(a) is amended to read:

10 (a) If a party or his attorney in a district court action or a
11 superior court action, civil or criminal, files an affidavit alleging
12 under oath that he believes that he cannot obtain a fair and impartial
13 trial, the presiding district court or superior court judge, respectively,
14 shall at once, and without requiring proof, assign the action to
15 another judge of the appropriate court in that district, or if there
16 is none, the chief justice of the supreme court shall assign a judge
17 for the hearing or trial of the action. The affidavit shall contain
18 a statement that it is made in good faith and not for the purpose of
19 delay.

The Legislature of the State of Alaska
FISCAL NOTE

COPIES: THE CHAIRMAN OF THE COMMITTEE MAKING THE REQUEST
 THE HOUSE FINANCE COMMITTEE STAFF
 THE SENATE FINANCE COMMITTEE STAFF
 THE DIVISION OF BUDGET & MANAGEMENT
 RETAIN A COPY FOR YOUR FILES

Subject: District Judge#B _____ SB 171
 requested by House Finance Committee
 referred to Alaska Court System date of request 4-19-1971
 completion date requested _____ date received _____

EXPENDITURE DETAIL	FY 1972	FY	FY
100 PERSONAL SERVICES	\$	\$	\$
200 TRAVEL	2,500		
300 CONTRACTUAL SERVICES			
400 COMMODITIES			
500 EQUIPMENT			
600 LAND AND STRUCTURES			
700 GRANTS, CLAIMS & SHARED REVENUE			

TOTAL	\$ 2,500	\$	\$
-------	----------	----	----

FUNDING DETAIL			
FEDERAL RECEIPTS	\$	\$	\$
SPECIAL FUNDS			
UNRESTRICTED GENERAL FUND RECEIPTS	2,500		

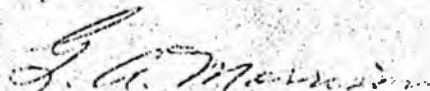
Man Months	-0-
Permanent Positions	-0-
Temporary Positions	-0-

FISCAL ANALYSIS

The only costs associated with this bill might be for travel and per diem for the District Judges in Wrangell - Petersburg and Bethel and then only if they were challenged as to qualifications. There would be no additional expense in the Anchorage, Fairbanks, Juneau, Ketchikan and Nome areas because other judges in these areas would be able to serve.

DATE 4-20-1971

SIGNATURE



NAME & TITLE G. A. Morrison, Comptroller

Alaska Court System

The Legislature of the State of Alaska
FISCAL NOTE

COPIES: THE CHAIRMAN OF THE COMMITTEE MAKING THE REQUEST
THE HOUSE FINANCE COMMITTEE STAFF
THE SENATE FINANCE COMMITTEE STAFF
THE DIVISION OF BUDGET & MANAGEMENT
RETAIN A COPY FOR YOUR FILES

Subject District Judge#B SB 171
 requested by House Finance Committee
 referred to Alaska Court System date of request 4-19-1971
 completion date requested _____ date received _____

EXPENDITURE DETAIL	FY 1972	FY	FY
100 PERSONAL SERVICES	\$	\$	\$
200 TRAVEL	2,500		
300 CONTRACTUAL SERVICES			
400 COMMODITIES			
500 EQUIPMENT			
600 LAND AND STRUCTURES			
700 GRANTS, CLAIMS & SHARED REVENUE			

TOTAL	\$ 2,500	\$	\$
-------	----------	----	----

FUNDING DETAIL			
FEDERAL RECEIPTS	\$	\$	\$
SPECIAL FUNDS			
UNRESTRICTED GENERAL FUND RECEIPTS	2,500		

Man Months	-0-
Permanent Positions	-0-
Temporary Positions	-0-

FISCAL ANALYSIS

The only costs associated with this bill might be for travel and per diem for the District Judges in Wrangell - Petersburg and Bethel and then only if they were challenged as to qualifications. There would be no additional expense in the Anchorage, Fairbanks, Juneau, Ketchikan and Nome areas because other judges in these areas would be able to serve.

DATE 4-20-1971

SIGNATURE G. A. Morrison

NAME & TITLE G. A. Morrison, Comptroller
Alaska Court System



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James D. Smith
Signature of Camera Operator

4/4/89
Date

Committee Report

April 27, 1971

X SXEXNXATXE
HOUSE OF REPRESENTATIVES

May 9, 1971

Date

~~XXXXXXXXXXXX~~
Mr. Speaker:

The Committee on Finance has had ~~XXXX~~ CS SB 179 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) reports it back without recommendation to the Rules Committee to check constitutionality.

MEMBERS SIGNING THE MAJORITY REPORT:

Warrick _____

Witman _____

Dequan _____

_____ Hoburn _____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

Tom Pat recommends: Do Not Pass

John ... recommends: Do not Pass

_____ recommends:

_____ recommends:

_____ recommends:

George Hoburn
CHAIRMAN

Original sponsor: Hensley

Offered: 4/16/71
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 179

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 a special account for trail
7 staking and shelter construction and maintenance."

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

9 * Section 1. INTENT. The intent of this Act is to provide funds for
10 trail staking and shelter construction and maintenance projects in sparsely
11 populated areas where the interests of safety require their establishment
12 for the protection of traveling citizens of the state.

13 * Sec. 2. AS 43.40.010(g) is amended to read:

14 (g) The proceeds of the revenue from the tax on all motor fuels,
15 except as provided in (e), [AND] (f), and (j) of this section, shall
16 be deposited in a special highway fuel tax account in the state general
17 fund. The legislature may appropriate funds from it for expenditure
18 by the Department of Public Works directly or as matched with available
19 federal-aid highway money for maintenance of highways, construction of
20 highway projects and ferries included in the program provided for in
21 AS 19.10.150, including approaches, appurtenances and related facilities
22 and acquisition of rights-of-way or easements, and other highway costs
23 including surveys, administration, and related matters. All departments
24 of the state government authorized to spend funds collected from taxes
25 imposed by secs. 10 - 100 of this chapter shall perform, when feasible,
26 all construction or reconstruction projects by contract after the
27 projects have been advertised for competitive bids, except that, when
28 feasible, arrangements shall be made with political subdivisions to
29 carry out the construction or reconstruction projects. If it is not

1 feasible for the work to be performed by state engineering forces, the
2 commissioner of public works may contract on a professional basis
3 with private engineering firms for road design, bridge design, and
4 services in connection with surveys. If more than one private engi-
5 neering firm is available for the work the contracts shall be entered
6 into on a negotiated basis.

7 * Sec. 3. AS 43.40.010 is amended by adding a new subsection to read:

8 (j) The proceeds from the tax on motor fuel used in snow vehicles
9 and, unless a tax refund is applied for under sec. 40 of this chapter,
10 other internal combustion engines not used in or in conjunction with a
11 motor vehicle licensed to be operated on public ways shall be deposited
12 in a special nonpublic highway use account in the general fund. The
13 legislature may appropriate from this account to the Department of
14 Highways for trail staking and shelter construction and maintenance.

15 * Sec. 4. AS 43.40.030(a) is amended to read:

16 (a) Except as specified in sec. 10(j) of this chapter, a [A]
17 person who uses motor fuel to operate an internal combustion engine is
18 entitled to a refund of six cents a gallon if

19 (1) the tax on the motor fuel has been paid;

20 (2) the motor fuel is not aviation fuel or motor fuel used
21 in an engine to propel a boat or watercraft; and

22 (3) the internal combustion engine is not used in or in con-
23 junction with a motor vehicle licensed to be operated on public ways.
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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

Committee Report

HOUSE OF REPRESENTATIVES

4/16/71

2/27/71 Date

Mr. Speaker:

The Committee on FINANCE has had R. 182

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>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[Signature]
CHAIRMAN

Introduced: 3/23/71
Referred: Finance

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 SENATE BILL NO. 182

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 \$3,503.75 to Harmon R.
7 Helmericks for loss of a boat being used by the
8 Alaska Department of Fish and Game; and providing
9 for an effective date."

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

11 * Section 1. The sum of \$3,503.75 is appropriated from the general fund
12 to reimburse Harmon R. Helmericks for loss of his Grumman G-19 boat, "The
13 Explorer", while being used by the Alaska Department of Fish and Game in
14 August, 1969.

15 * Sec. 2. This Act takes effect on the day after its passage and approval
16 or on the day it becomes law without approval.

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MEMORANDUM**State of Alaska**

TO: The Honorable Andrew Warwick
 Alaska State House of Representatives
 State Capitol Building

THROUGH: Wallace Noerenberg
 Commissioner

DATE : February 29, 1972

FROM: Vern Roberts, Director *VR*
 Division of Administration
 Department of Fish and Game

SUBJECT: Senate Bill 182

This memorandum is furnished in accordance with your request of this date regarding subject piece of legislation.

In August of 1969 two Division of Sport Fisheries biologists, Rex Thomas and Peter Winslow rented a 19' boat from Mr. Helmericks on a contractual basis. The nature of use for this boat was to provide transportation for these biologists to do sport fish inventory work at the mouth of the Colville River and the Beaufort Sea area immediately surrounding the Colville River.

During their inventory activities in the Beaufort Sea, a storm blew up and neither Mr. Thomas nor Mr. Winslow were ever seen again, nor was the boat they had rented from Mr. Helmericks. Extensive air and sea searches by state, federal and private searchers failed to locate any trace of the missing biologists, their gear, or the boat. After the lapse of approximately one year, Mr. Helmericks contacted the Department of Fish and Game as to the appropriate procedure for obtaining reimbursement for the actual loss sustained when his boat disappeared. He was informed that since this was not an item for which funds had been appropriated by the Legislature, he should seek reimbursement through an appropriation by the Legislature.

Mr. Helmericks apparently contacted Senator Butrovich to have this particular bill introduced.

In view of the cost of a 19' boat, which these days runs anywhere from \$3,000 to \$5,000 in southeastern Alaska, his request of \$3,503.75 appears extremely modest, particularly when considering the cost of transporting such a boat to the North Slope.

If I may be of any further service to you in this matter, please do not hesitate to contact me. Thank you.

57/182

Ottawa, Prince Albert

1100 Bowden, Alberta T9T0A5

February 5, 1972

Dear John,

Things are quiet here in the north and we are enjoying our winter. We had a happy Christmas just all being together in a beautiful land. I know the noise at times and thoughts of you often there in London. I wonder if you have had any luck on getting them to pay for our book?

I just wanted to wish you luck down there. Our new motion picture is done. It will have its Premier on March 29 in Minneapolis. (Minnesota) and it will be like Edge of the Arctic Ice - it's a film of our life here and one you will like. I have asked if he appeared here in Alaska early too as we all are waiting for you like never!

We will be going out for the Premier & perhaps and if so we will see you on our way through Fairbanks. The best of luck now.

Sincerely yours,
Bob

The Legislature of the State of Alaska
FISCAL NOTE

COPIES: THE CHAIRMAN OF THE COMMITTEE MAKING THE REQUEST
 THE HOUSE FINANCE COMMITTEE STAFF
 THE SENATE FINANCE COMMITTEE STAFF
 THE DIVISION OF BUDGET & MANAGEMENT
 RETAIN A COPY FOR YOUR FILES

Subject HB SB 182
requested by House Finance Committee
referred to date of request 4/16/71
completion date requested date received 4/19/71

EXPENDITURE DETAIL	FY 72	FY 73	FY 74
100 PERSONAL SERVICES	\$	\$	\$
200 TRAVEL			
300 CONTRACTUAL SERVICES			
400 COMMODITIES			
500 EQUIPMENT			
600 LAND AND STRUCTURES			
700 GRANTS, CLAIMS & SHARED REVENUE			
TOTAL	\$	\$	\$

FUNDING DETAIL			
FEDERAL RECEIPTS	\$	\$	\$
SPECIAL FUNDS			
UNRESTRICTED GENERAL FUND RECEIPTS	3,503.75	-0-	-0-

Man Months
Permanent Positions
Temporary Positions

FISCAL ANALYSIS

Senate Bill #182 will reimburse Harmon R. Helmericks for a Grumman G-19 boat which he rented to the Department of Fish and Game during August of 1969.

The boat was used by two fisheries biologists, Division of Sport Fisheries, while inventorying sport fish stocks in the Colville River, Beaufort Sea area.

The two biologists, boat and gear disappeared during a storm and no trace of the biologists, boat or gear has been found since.

The total cost of this bill to the state is the face amount shown above, \$3,503.75.

DATE April 19, 1971

SIGNATURE

NAME & TITLE Vern Roberts, Administrative Director



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

Committee Report

HOUSE OF REPRESENTATIVES

4/20/71

5/10/71

Date

Mr. Speaker:

The Committee on FINANCE has had SB 195

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) recommends it be replaced with House CS for SB 195
and that House CS for SB 195 be reported back without
recommendation.

MEMBERS SIGNING THE MAJORITY REPORT:

<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

<u>[Signature]</u>	recommends: <u>[Signature]</u>
<u>[Signature]</u>	recommends: <u>[Signature]</u>
<u>[Signature]</u>	recommends: _____
<u>[Signature]</u>	recommends: _____

[Signature]
CHAIRMAN

MEMORANDUM

State of Alaska

TO:

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

DATE: April 21, 1971

FROM:

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

SUBJECT: CS for Senate Bill No. 195
Watercraft Fuel Tax

Committee Substitute for Senate Bill No. 195 provides for an increase in the tax on motor fuel used in engines for the propulsion of boats and watercraft of all descriptions, including that motor fuel which may be utilized for heating and cooking aboard boats and watercraft from the present 3¢ per gallon to 4¢ per gallon.

Revenue Estimates that appear in the document entitled "State of Alaska - Revenue Sources - 1970-76", page 55, were based on the present rate of 3¢ per gallon with an exclusion from taxation for motor fuel utilized for heating and cooking aboard boats and watercraft. However, for projecting the basic additional revenue to be obtained by the increase in the tax from 3¢ to 4¢ per gallon the following statistics are provided:

<u>Fiscal Year Ending</u>	<u>Original Estimate @ 3¢ per gallon</u>	<u>Projected Estimate @ 4¢ per gallon</u>	<u>Additional Revenue</u>
June 30, 1972	\$ 802,400	\$1,069,866	\$ 267,466
June 30, 1973	826,500	1,102,000	275,500
June 30, 1974	851,300	1,135,066	283,766
June 30, 1975	876,800	1,169,066	292,266
June 30, 1976	903,100	1,204,133	301,033
Five Year Totals	<u>\$4,260,100</u>	<u>\$5,680,131</u>	<u>\$1,420,031</u>

In addition to the proposed basic increase of 1¢ per gallon on watercraft fuel tax, the proposed legislation will remedy a costly loophole in our watercraft fuel tax statutes which in essence has permitted boat owners who have a common storage facility for diesel fuel to purchase tax free a questionable portion of the marine diesel fuel for "cooking and heating."

While it is obvious in most cases that a small portion of the diesel fuel is actually used for "cooking and heating" the practice that has been followed by many boat owners indicates a bad abuse with tax avoidance as the prime result.

In practice the owner of the watercraft indicates to the marine fuel dealer the "percentage" or amount in gallons that is to be used for "cooking and heating" as opposed to the percentage or amount in gallons to be used for

Honorable George H. Hohman

-2-

April 21, 1971

propulsion at the time of the purchase of the diesel fuel. Since the State does not levy any tax on heating fuel, the owner of the watercraft does not want to pay any tax on that portion of the total fuel delivered that the boat owner "thinks" or "determines" will be used for "cooking and heating."

The Department of Revenue conducted very detailed audits in Southeastern Alaska and in Southcentral Alaska in 1966 and again in 1968 to determine by and large what percentage of diesel fuel that was placed in common storage facilities aboard watercraft was being "claimed" as for "heating and cooking" upon which no watercraft fuel tax was paid.

The 1968 watercraft fuel tax audit was performed at 11 Alaskan ports covering diesel fuel purchases by owners of watercraft that had common storage facilities during the sales made in June and July of 1968. In examining some 4,033 diesel fuel invoices covering sales of 2,452,835 gallons of diesel fuel, the gallonage claimed for "heating and cooking" amounted to 609,792 gallons or 24.86% of the total sales. The 3¢ watercraft fuel tax on the "exempt" gallonage for the two month period would have amounted to $609,792 \times \$0.03$ or \$18,293.76. The same "exempt" gallonage at a 4¢ watercraft fuel tax for a two month period would be-- $609,792 \times \$0.04$ or \$24,391.68.

Attached is a copy of the 1968 audit report for a breakdown by locality of percentage of purchases of diesel fuel claimed by boat owners as for "heating and cooking" aboard watercraft. The audit does not cover all ports in Alaska.

Considering that harbor improvements are funded by watercraft fuel tax revenues, it could be noted that the abuse by some of the watercraft owners who have in the past claimed abnormally high amounts of diesel fuel for "cooking and heating" has obviously decreased total tax revenues available for improvements to the public harbors, docks and floats for use by all boat owners.

RDS:eh

MEMORANDUM

State of Alaska

TO:

The Honorable John Butrovich, Chairman
Senate Finance Committee
Alaska State Legislature
Juneau, Alaska

DATE: April 2, 1971

FROM: 

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

SUBJECT: CS for Senate Bill No. 195
Watercraft Fuel Tax

Committee Substitute for Senate Bill No. 195 provides for an increase in the tax on motor fuel used in engines for the propulsion of boats and watercraft of all descriptions, including that motor fuel which may be utilized for heating and cooking aboard boats and watercraft from the present 3¢ per gallon to 4¢ per gallon.

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While it is obvious in most cases that a small portion of the diesel fuel is actually used for "cooking and heating," the practice that has been followed by many boat owners indicates a bad abuse with tax avoidance as the prime result.

In practice the owner of the watercraft indicates to the marine fuel dealer the "percentage" or amount in gallons that is to be used for "cooking and heating" as opposed to the percentage or amount in gallons to be used for

April 2, 1971

propulsion at the time of the purchase of the diesel fuel. Since the State does not levy any tax on heating fuel, the owner of the watercraft does not want to pay any tax on that portion of the total fuel delivered that the boat owner "thinks" or "determines" will be used for "cooking and heating."

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Considering that harbor improvements are funded by watercraft fuel tax revenues, it could be noted that the abuse by some of the watercraft owners who have in the past claimed abnormally high amounts of diesel fuel for "cooking and heating" has obviously decreased total tax revenues available for improvements to the public harbors, docks and floats for use by all boat owners.

It is to be noted that House Bill No. 374 has been introduced as a companion bill covering the same subject identically.

RDS:eh

cc: Honorable Howard C. Bradshaw
Co-Sponsor Senate Bill No. 195

Honorable Chancy Croft
Co-Sponsor Senate Bill No. 195

Honorable Joseph P. Josephson
Co-Sponsor Senate Bill No. 195

Honorable Donald E. Young
Co-Sponsor Senate Bill No. 195

Honorable E. J. Haugen
Co-Sponsor House Bill No. 374
(COMPANION BILL)

Honorable George H. Hohman, Chrmn. ✓
House Finance Committee
(RE: House Bill No. 374)

Honorable Richard L. McVeigh, Chrmn.
House State Affairs Committee
(RE: House Bill No. 374)

GALLONAGE FIGURES BY LOCATION
SOUTHEASTERN AND SOUTH CENTRAL MARINE TAX AUDIT
INCLUDING FUEL PURCHASED BY TUGS AND BARGES
1968

No. of Invoice	City	Diesel Invoices	% for Heat	Diesel Fuel	Diesel Heating & Cook	Total Diesel Gallons
2880	Sitka	306	24.25%	135,476	43,368	178,844
2900	Petersburg	726	20.83%	210,136	55,285	265,421
2970	Wrangell	276	24.55%	64,762	21,072	85,834
6150	Ketchikan	1,143	22.32%	451,223	129,654	580,877
3980	Juneau	493	26.93%	105,640	39,460	145,100
2040	Cordova	339	20.15%	114,875	28,985	143,860
550	Valdez	1	--	500	500	1,000
2500	Anchorage	20	14.81%	187,013	32,506	219,519
3100	Kenai	31	19.25%	101,960	24,309	126,269
1810	Homer	119	6.28%	29,543	1,979	31,522
1710	Kodiak	579	40.49%	441,915	232,674	674,589
Total Gallons			24.86%	1,843,043	609,792	2,452,835

30,590 Total Invoices 4,033

In Valdez, approximately 4,750 gallons of diesel fuel was sold to marine vessels, during June and July; however, there were no invoice records.



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

"An Act providing for an Alaska longevity bonus; and providing for an effective date."

Committee Report

HOUSE OF REPRESENTATIVES

4/14/72

6/2/72 Date

Mr. Speaker

The Committee on FINANCE has had CSSB 211 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 Sen. 15 and that CS for _____ do pass
- (and) recommends it be referred to the _____ committee
- reports it back without recommendation
- (other) recommends it be replaced with HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 211 (Finance) and reports it back without recommendation.

MEMBERS SIGNING THE MAJORITY REPORT:

<u>Hansen</u>	<u>No Pass</u>	_____
<u>Winters</u>	" "	_____
<u>Wright</u>		_____
_____		_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

<u>Hansen</u>	recommends:	<u>no rec.</u>
<u>WATLICK</u>	recommends:	<u>No Rec</u>
<u>Tom Park</u>	recommends:	<u>Do Not Pass</u>
<u>Engstrom</u>	recommends:	<u>No Rec.</u>
_____	recommends:	_____

Harold H. Hansen
CHAIRMAN

The Legislature of the State of Alaska
FISCAL NOTE

COPIES: THE CHAIRMAN OF THE COMMITTEE MAKING THE REQUEST
 THE HOUSE FINANCE COMMITTEE STAFF
 THE SENATE FINANCE COMMITTEE STAFF
 THE DIVISION OF BUDGET & MANAGEMENT
 RETAIN A COPY FOR YOUR FILES

Subject HB H.B. 122 Alaska Longevity Program SB 211
 requested by _____ date of request _____
 referred to _____ date received _____
 completion date requested _____

EXPENDITURE DETAIL	FY 1971-72	FY 1972-73	FY 1973-74
100 PERSONAL SERVICES	\$ 27,000	\$ 27,000	\$ 27,000
200 TRAVEL			
300 CONTRACTUAL SERVICES			
400 COMMODITIES	61,200	61,200	61,200
500 EQUIPMENT			
600 LAND AND STRUCTURES			
700 GRANTS, CLAIMS & SHARED REVENUE	4,800,000	5,160,000	5,520,000

TOTAL \$ 4,888,200 \$ 5,248,200 \$ 5,608,200

FUNDING DETAIL

FEDERAL RECEIPTS	\$	\$	\$
SPECIAL FUNDS			
UNRESTRICTED GENERAL FUND RECEIPTS	4,888,200	5,248,200	5,608,200

Man Months	24	24	24
Permanent Positions	2	2	2
Temporary Positions			

FISCAL ANALYSIS

The fiscal analysis of Senate Bill No. 211 was conducted in the following manner:

- Estimated annual costs of actual bonus payments (Code 700) are based upon projections which were calculated previously for House Bill No. 122 which is identical to Senate Bill No. 211. A copy of the House Bill No. 122 analysis is attached.
- Estimated annual costs to administer this program have been included in this analysis. This item was overlooked in the fiscal analysis of House Bill 122, but should be added to the estimated cost projections which were furnished for that legislation.

The costs of administering this program were determined through a comparative analysis of the administrative costs in the existing Public Employees and Teachers Retirement Systems which are presently administered by the Department of Administration. The annual administrative costs of Senate Bill 211 have been estimated in the following manner:

	Estimated Cost (FY 1971-72)
a. Code 100 - Personal Services	
Benefits Supervisor, Range 18	\$18,300
Clerk Typist II, Range 7	8,700
b. Codes 200 - 900	61,200*

TOTAL ADMINISTRATIVE COST FY 1971-72 \$88,200

It is assumed that this funding will be adequate to cover the expected annual increased cases for the next five years.

DATE 11-9-71 SIGNATURE [Signature]
 NAME & TITLE Director Budget & Management

Fiscal Analysis (Senate Bill No. 211) - Continued

* Analysis of Code 200 - 900 costs were based upon computation of average administrative costs per individual served under the existing Public Employees and Teachers Retirement Systems.

<u>Explanation</u>	<u>Teachers Retirement System</u>	<u>Public Employees Retirement System</u>
Individuals served.	7,000	10,200
Annual administrative costs (Codes 200 - 900)	\$125,200.00	\$129,900.00
Cost per individual served	17.89	12.74
Average cost per individual	-----\$15.31	

Attachment:

Joseph R. Henri, Commissioner
Department of Administration

February 9, 1971

H. S. Charney, Director
Division of Budget and Management

House Bill 122
Senate Bill 14

Attached is an analysis of House Bill 122 and Senate Bill 14 as prepared by this Division for your information.

WJC/jch

MEMORANDUM

State of Alaska

TO: M. R. Charney, Director
Budget and Management

DATE : February 8, 1971

FROM: W. N. Norem, Budget Analyst

SUBJECT: HB 122, Alaska Longevity Bonus
Implications, Costs

As preface to the costing of subject bill, the following items should be noted, directly or indirectly relating to the schedule below:

1. There is a Senate bill somewhat similar to this (SB 14), differing principally in that the administering agency would be the Department of Health and Welfare (HB 122 specifies the Department of Administration as the administering agency).
2. Principal difference between the two bills comes in the application of a Federal requirement, i. e., if Health and Welfare is to administer, no residency requirement can be imposed, while if Administration runs the program, the legislature can call for any residency requirement it desires (with no residency requirement, "outsiders" can come north at age 64, 70 or older, apply for and get, that bonus).
3. The headcount figures below are based upon statistical research by Dr. Sam West, head of the State Vital Statistics group in Health and Welfare, from actual welfare data, federal census figures and other sampling techniques (these are consistently higher than legislative data, for reasons unknown other than the latter apparently based on "good guesses").
4. Estimated growth factor of 300 per year.

Projected annual costs of HB 122, or equivalent administered by Administration, or by Health and Welfare, for next five years:

At \$100 per month, per recipient (case):

	Administration (20 Years residency)	Health & Welfare (no residency)
FY 71-72	4,000 Cases-\$4,800,000	6,500 Cases-\$7,800,000
72-73	4,300 Cases- 5,160,000	6,800 Cases- 8,160,000
73-74	4,600 Cases- 5,520,000	7,100 Cases- 8,520,000
74-75	4,900 Cases- 5,880,000	7,400 Cases- 8,880,000
75-76	5,200 Cases- 6,240,000	7,700 Cases- 9,240,000

4200
 450 monthly

 210,000

February 8, 1971

At \$150 per month, per recipient (case):

	Administration (20 Yrs. residency)	Health & Welfare (no residency)
FY 71-72	4,000 Cases-\$7,200,000	6,500 Cases-\$11,700,000
72-73	4,300 Cases- 7,740,000	6,800 Cases- 12,240,000
73-74	4,600 Cases- 8,280,000	7,100 Cases- 12,780,000
74-75	4,900 Cases- 8,820,000	7,400 Cases- 13,320,000
75-76	5,200 Cases- 9,360,000	7,700 Cases- 13,860,000

At \$200 per month, per recipient (case):

FY 71-72	4,000 Cases-\$ 9,600,000	6,500 Cases-\$15,600,000
72-73	4,300 Cases- 10,320,000	6,800 Cases- 16,320,000
73-74	4,600 Cases- 11,040,000	7,100 Cases- 17,040,000
74-75	4,900 Cases- 11,760,000	7,400 Cases- 17,760,000
75-76	5,200 Cases- 12,480,000	7,700 Cases- 18,480,000

At \$250 per month, per recipient (case):

FY 71-72	4,000 Cases-\$12,000,000	6,500 Cases-\$19,500,000
72-73	4,300 Cases- 12,900,000	6,800 Cases- 20,400,000
73-74	4,600 Cases- 13,800,000	7,100 Cases- 21,300,000
74-75	4,900 Cases- 14,700,000	7,400 Cases- 22,200,000
75-76	5,200 Cases- 15,600,000	7,700 Cases- 23,100,000


Of the total (persons 65 years or older), approximately 1950 are presently on old-age assistance, which is a factor (presumably) only if Health and Welfare administers the program, and welfare assistance becomes an off-set against subject bonus.

MEMORANDUM

State of Alaska

TO: John Daugherty
Director
Treasury Division
Department of Revenue

DATE : February 2, 1971

FROM: 
R. D. Stevenson
Deputy Commissioner

SUBJECT: House Bill No. 122
Alaska Longevity Bonus

Attached is a copy of House Bill No. 122, an Act providing for an Alaska longevity bonus.

While it is noted that the Commissioner of Administration is the administrator of the "Alaska Longevity Bonus Fund" it is to be further noted that the Commissioner of Revenue is the treasurer of the system as relates to custody and investment.

Investments according to Section 47.45.120 are limited to the following items:

1. Bonds or other interest-bearing obligations and securities of the United States or any agency of the United States, a state of the United States, or a political subdivision of any state of the United States, if the political subdivision has a population as shown by the last federal census preceding the investment of no less than 30,000 inhabitants, except no population limitation applies to a political subdivision of this state;
2. First lien real estate mortgage securities insured by the Federal Housing Administration under the National Housing Act of the United States, or held by the Department of Commerce or the Department of Natural Resources;
3. Deposits with mutual savings banks in Alaska, to the extent that the investment is insured by the federal government or an agency of the federal government; and
4. Deposits with state and national banks in Alaska to the extent that the investment is insured by the federal government or an agency of the federal government. No more than 25 per cent of the surplus may be invested in mortgage securities of the Department of Commerce, and the state shall appropriate sufficient money from the general fund to reimburse the teachers retirement system for any losses incurred as a result of failure of the obligors to pay on the notes. No more than \$400,000 of the surplus may be invested annually in the mortgage securities of the Department of Natural Resources, and the state shall appropriate sufficient money from the general fund to reimburse the fund created in this chapter for any losses incurred as a result of failure of the obligors to pay on the notes.

STATE
of ALASKA

MEMORANDUM

TO: Jay Hogan, Fiscal Analyst
Division of Legislative Finance

F.M.C.S. DATE: April 27, 1972

FROM: Frederick McGinnis, Commissioner
Department of Health & Social Services

SUBJECT: HCS CSSB 211

I understand that HCS CSSB 211 is presently before the House Finance Committee.

A Fiscal Note which pertains only to Section 2 "Legislative Intent" as adopted by the House HWE Committee in the latest version of the Bill was prepared and provided the Chairman of the House HWE Committee. The Department now wishes to submit a revised fiscal note which qualifies the cost previously projected to the extent that the projected cost assumes passage of a Federal increase in Social Security payments of at least 5 percent.

A revised Fiscal Note is submitted herewith.

Attachment

FM:JFM:smb

cc: Honorable Genie Chance, Chairman
House HWE Committee - w/attachment

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

I. REQUEST

Bill Identification: S B 211
 Title: Old Timers Bill
 Requested by: Genie Chance Date: 4/12/72
 Return Date Requested: 4/11/72
 Agency: Div. of Family & Children Svcs. Program: Old Age Assistance
e

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-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	180,000	198,000	217,800	239,600	263,600	290,000
TOTAL	180,000	198,000	217,800	239,600	263,600	290,000

B. FUNDING: (Thousands of dollars)

GENERAL FUND	180,000	198,000	217,800	239,600	263,600	290,000
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

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

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

If, as has been requested, the Division of Family and Children Services were to raise assistance standards under Title I Social Security Act, to a maximum of \$350 to accommodate S. B. 211, the fiscal impact on the Division would be slight. It is anticipated that 150 persons that have income but do not have 30 years of residency would cost the State \$15,000 per month or \$180,000 per year. By raising the Title I standard, no current Old Age Assistance recipient would be disenfranchised from any current program of the Division, namely Food Stamps and medical care.

IV. ATTACHMENTS

See Attachment

V. DATE: 4/12/72

PREPARED BY: 

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

ATTACHMENT TO FISCAL NOTE FOR SB 211

The attached Fiscal Note assumes the passage of a Federal increase in Social Security of at least 5%, the minimum figure prepared by the Nixon Administration. If it does not pass, an additional \$180,000 will be required.

A6 Wednesday, March 29, 1972 THE WASHINGTON POST

Long Indicates 10% Increase in Social Security

By Spencer Rich
Washington Post Staff Writer

Senate Finance Committee Chairman Russell B. Long (D-La.) indicated yesterday that an across-the-board Social Security increase of 10 per cent at the very least is virtually certain during the present session of Congress.

"We're thinking about a 10 per cent increase," said Long after a closed committee meeting on the big omnibus Social Security bill. The House has already voted a 5 per cent increase, the amount endorsed by the President two days ago in his welfare message, but House Ways and Means Committee Chairman Wilbur D. Mills (D-Ark.) has publicly urged the Senate Finance Committee to go much higher — to 20 per cent.

It thus appears certain that if the Senate votes 10 per cent, as indicated by Long yesterday, or even 15 per cent, which some observers believe possible, Mills will agree to the Senate figure in conference.

Long said yesterday that under the new method of calculating Social Security trust fund income accepted by Mills at the recommendation of the Advisory Council on Social Security, it will be possible to fund about \$6 billion more a year in benefits without raising the Social Security payroll tax rate, though with an increase in the current \$10,200 wage base to \$12,000.

Instead of using the whole \$6 billion to finance a 20 per cent increase, as Mills favors, Long said he prefers to grant an across-the-board increase of about 10 per cent, "with the amount of money that would go to make it 20 per cent used in other things."

These include a substantially increased minimum monthly payment to workers who have worked 20 years or more in Social Security-covered employment at low wages. Such a worker might be eligible for \$120 or \$130 a month now. The committee on Monday voted to boost 20-year workers to a minimum of \$100, 25-year workers to a minimum of \$150 and 30-year workers to a minimum of \$200—not far below the present maximum benefit of about \$216.

Long said yesterday he favors further amendments to guarantee that any single aged person whose Social Security benefit is so low that he must also seek welfare payments to live will receive a combined Social Security-welfare income of at least \$180 a month, enough to put him over the poverty line. A similar provision already in the House bill works out to \$150.

The 10 per cent figure mentioned by Long yesterday is only a floor for the across-the-board increase. It appears entirely possible the committee will vote a few percentage points above that, and the Senate itself may raise the figure still further. Numerous senators have already said they would try to boost the figure on the floor to 15 per cent, 20 per cent or even 25 per cent. The prospect that the President, who asked 5 per cent, would veto a 15 or 20 per cent increase in an election year appears nil.

A 10 per cent Social Security increase would raise the present \$216 a month maximum to \$237 and the combined husband-and-wife benefit, now \$324, to \$356.

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

I. REQUEST

Bill Identification: CSSB 211
 Title: Alaska Longevity Program
 Requested by: Legislative Finance Date: 1/28/72
 Return Date Requested: 2/11/72
 Agency: Budget and Management 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	-0-	34.5*	68.0	71.7	75.6	79.8
200 TRAVEL	-0-	17.5*	24.5	25.9	27.3	28.9
300 CONTRACTUAL	-0-	6.5*	13.0	13.7	14.4	15.2
400 COMMODITIES	-0-	3.0*	6.0	6.3	6.6	7.0
500 EQUIPMENT	-0-	3.3*	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0*	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	2580.0*	5220.0	5280.0	5340.0	5400.0
TOTAL	-0-	2644.8	5331.5	5397.6	5463.9	5530.9

Number of recipients -0- 4300 4350 4400 4450 4500

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	2644.8*	5331.5	5397.6	5463.9	5530.9
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	-0-	-0-	-0-	-0-	-0-

C. POSITIONS:

PERMANENT/TEMPORARY	0 / 0	6 / 0	6 / 0	6 / 0	6 / 0	6 / 0
MAN MONTHS (P./T.)	0 / 0	72 / 0	72 / 0	72 / 0	72 / 0	72 / 0

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

*Six months only

100 thru 700 - See attached

IV. ATTACHMENTS

1. Analysis
2. Table showing General Funds required to sustain fund.

V. DATE: 3/30/72 PREPARED BY: M. S. Schanley

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

100	Personal Services:	
	1 Benefits Specialist III, Range 15, @ \$1,015 per mo.	\$ 12,180
	2 Clerk-Typist II, Range 7, @ \$584 per mo.	14,016
	3 Control personnel at approximately Range 13	
	1 Anchorage, 1 Juneau 876	21,024
	1 Fairbanks 978	11,736
		<u>58,956</u>
	17% Benefits	10,023
	Total Personal Services	<u>\$ 68,979</u>

200	Travel and Per Diem	
	Alaska Longevity Bonus Advisory Board Members	
	1 meeting per year in Juneau	
	2 days per diem and travel for 3 members	500
	Control Personnel (\$8,000 per employee)	24,000

300	Contractual Services:	
	Rent - 100 sq. ft. per employee @ \$.40 = \$480 x 6	2,880
	Postage - 4300 x .08 x 12 = \$4,128	4,128
	Telephone, printing etc \$1,000 per employee	6,000
		<u>13,008</u>

400	Commodities:	
	\$1,000 per employee	\$ 6,000

500	Equipment:	
	Benefits Specialist: Desk \$200 x 3 = \$600	
	3 Control Employees Chair 75 x 3 225	
	Calculator 300	
	Clerk Typists (2) Desk 400	
	Chair 100	
	Typewriter 1200	
	File Cab. 500	
		<u>3,325</u>

700	Grants and Claims:		
	4,300 recipients @ \$100 per mo. x 12 = \$5,160,000		
	(\$2,580,000 for 6 months)		
		<u>Native</u>	<u>Non-Native</u>
	Elderly 65 and over per	2,125	4,761
	Alaska Comprehensive Study on Aging		
	30 year residency	1,976 (93%)	2,332 (49%)
	Total Eligible		4,300

1% increase assumed per year.

Effect on OAA Program administered by Health & Social Services based on assumption that 100% of current recipients would qualify as 30 year residents under CSSB - 211:

2200 x \$1200 (\$100 per mo.) = \$2,640,000
 Cost in grants to Department of Administration.

Reduction to Department of Health and Social Services
 \$1,988,000 plus 420,000 Federal Matching = 2,408,000

Discrepancy between two total amounts is based on the fact that a \$420,000 loss in Federal Program receipts is anticipated because 700 of the present OAA caseload will no longer be eligible and the State will not receive the \$600 per year per recipient they now receive. In addition, the Department of Administration is paying \$50 more in benefits to 367 persons totaling \$220,200 annually.

For those 700 cases closed under OAA, the cost to the State is \$640,200 extra to give an additional \$50 grant to 367 people.

Administrative costs for the Department of Health and Social Services would not decrease significantly since 1,500 of the current 2,200 OAA recipients would still receive a payment under the OAA program in addition to the supplemental income payment. Current caseload under OAA would be reduced by 700 persons and would not substantially affect administrative costs.

Recap on total cost of SB-211:

	5,160,000	Cost of SB 211 (Grants only)
Less 700 Series OAA	<u>1,988,000</u>	(73 FY Governor's Allowance)
	3,172,000	Total cost in new money Program for 12 full months.

HR-1 (Nixon's welfare reform), if passed in its present form, and if the Senior Citizens bill (CSSB 211) passes in its present form, could create ineligibility for some Alaska Senior Citizens while at the same time encumbering a cost to the State that would not be participated in by the Federal Government.

EXAMPLES OF AFFECTS OF HR I IF PASSED AND CSSB 211 IF PASSED IN CONJUNCTION WITH THE CURRENT OAA PROGRAM.

Example: John Jones now receives \$100 per month in OAA - the Basic Standard (determined by the State) is \$250 per month. He receives \$150 per month in Social Security. The budget is computed as follows:

Basic Standard	\$250
Income	<u>150</u>
Balance	\$100 (OAA Payment)
State General Fund	\$ 50
Federal	50

If CSSB 211 is passed, John will get:

\$150 Old Age & Survivors Insurance
100 CSSB 211
\$250 Total

No OAA payment
No Federal Matching
May lose Medicare Eligibility

If HR I is passed, the Budget Standard is still \$250 per month. John gets \$150 per month Old Age and Survivors Insurance. HR I standard is \$130 per month, if CSSB 211 is passed which added \$100 per month, the budget will be computed as follows:

Basic Standard	\$250
Less	<u>150</u> Old Age & Survivors Insurance
	\$100
Less	<u>100</u> CSSB 211

No OAA Payment
No Federal Matching

No Federal Participation nor any additional benefits to the recipient.

If HR I passes and CSSB 211 does not pass, the budget would be computed as follows:

\$150 Old Age and Survivors Insurance
<u>130</u> Federal Standard (HR I)
\$ 20 Income Surplus

\$250 Basic Standard
<u>170</u>
\$ 80 State Supplemental Payment

In that Old Age and Survivors Insurance income exceeds HR I standards, this person would be ineligible under HR I. If the State elects to supplement the State standard of \$250, HR I would supplement with State funds of \$80.

ENACTMENT OF CS FOR SB 211

Positive

1. Number of eligible senior citizens is increased from 2,200 presently receiving assistance to 4,300.
2. Each will receive \$100 per month regardless of need.
3. Increases the income of guest rate payments to the State by Pioneer Home occupants.
4. Reduces stipend payments to the guests by the State.

Negative

1. Does not include disabled or blind Alaskans.
2. Unknown impact on Federal reimbursements for Pioneers Home operation, i.e., the Federal Government pays 62% of the costs of the operation of the Pioneers Homes after the expenses of those guests with income over the maximum allowable are deducted on a per cent basis. If, for example, 30% of the guests have incomes exceeding the maximum, then the Federal Government will pay 62% of 70% of the total operational costs. The 70% reflecting those guests whose incomes are within the maximums. If each guest is given \$100 a month under CSHB 211 then the per cent of non-eligibles might increase from, for example, 30% to 40%. The following two formulas would then be in effect:

<u>1</u> 30%		<u>2</u> 40%
\$3,023,100	Non-Eligible	\$3,023,100
<u>70%</u>	Total Operation Cost	<u>60%</u>
\$2,116,200	Eligible Guests	\$1,813,900
<u>62%</u>	Eligible Costs	<u>62%</u>
\$1,312,000	Federal Share	\$1,124,600
	Fed. Reimb. to State	

Thus, the loss of a 10% factor could mean \$187,400 in Federal program receipts loss against an increase from guest payments of \$33,600 for a net loss of \$153,800.

3. Food Stamps - A) Loss of automatic eligibility for some. B) Significant change in purchase price ratio. C) Complete non-eligibility for some senior citizens.
4. For 2,200 Old Age Assistance recipients, there will be little or no financial gain.

Introduced: 4/6/71
Referred: Finance

1 IN THE SENATE

BY BUTROVICH AND RAY

2 SENATE BILL NO. 211

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing for an Alaska longevity bonus."

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

8 * Section 1. AS 47 is amended by adding a new chapter to read:

9 CHAPTER 45. ALASKA LONGEVITY BONUS.

10 Sec. 47.45.010. PERSONS WHO MAY QUALIFY FOR LONGEVITY BONUS.

11 (a) A person who is 65 years of age or over and who has maintained
12 a domicile in the state for 20 years or more, whether continuous or
13 not, may apply to the commissioner of administration for qualification
14 to receive a monthly bonus not to exceed \$100.

15 (b) When the commissioner of administration determines that an
16 applicant qualifies under this chapter he shall immediately begin
17 payment of the bonus.

18 (c) A person who otherwise qualifies to receive a bonus provided
19 for in this chapter may continue to do so only as long as he continu-
20 ously retains a domicile in the state.

21 Sec. 47.45.020. CONTINUOUS ELIGIBILITY PROCEDURES. After
22 qualification, monthly applications for bonuses may be made in person
23 to any office of the Department of Administration. Mailed monthly
24 applications shall also be considered by the Department of Adminis-
25 tration. In-person or mailed applications shall be made on forms
26 provided by the Department of Administration and shall conform to
27 the conditions as provided by regulation. The commissioner may make
28 exceptions to those residents who are isolated in rural areas and
29 cannot mail a monthly application; however, they shall mail an