

Leg. Finance - House & Senate Finance Comte Files (1973-74)

HB 664, 671, 673, 674, 676, 678, 680, 681, 682, 683, 686

257



# 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 O. Smith  
Signature of Camera Operator

4/26/89  
Date

Introduced: 2/20/74  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY HUBER AND HACKNEY  
BY REQUEST

2 HOUSE BILL NO. 664

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to Carl Samber  
7 for the loss of his boat; and providing for an  
8 effective date."

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

10 \* Section 1. The sum of \$1,137 is appropriated from the general fund to  
11 Carl A. Samber to reimburse him for his boat which was buried during the  
12 construction of the bridge across the Chena River in Fairbanks.

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

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## MEMORANDUM

State of Alaska 


TO: Jay Hogan  
Director  
Legislative Finance

DATE: March 4, 1974

FILE NO: 10-3077

TELEPHONE NO:

FROM: Thomas A. Johnson  
Administrative Director  
Department of Highways

SUBJECT: House Bill 664 

The Department of Highways could not find anything in its files regarding the subject incident.

We contacted Mrs. Samber who related that the incident occurred during the construction of the Cushman Street Bridge during the 1959-60 construction seasons. Evidently the contractor dumped a load of fill on Mr. Samber's boat, causing it to be buried. The Sambers took the contractor to court. The contractor won by default since the Sambers did not appear to present their case.

Since the Cushman Street Bridge project was constructed under the direction and supervision of the Bureau of Public Roads which was prior to the State of Alaska being involved in roadway construction, we do not agree that the State is responsible or liable for damages arising out of this project.



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James O. Smith  
Signature of Camera Operator

4/26/89  
Date

Introduced: 2/20/74  
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 671

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

9 \* Section 1. AS 43.20 is amended by adding a new section to read:

10 Sec. 43.20.026. FEDERAL TAX CREDITS DISALLOWED. For purposes  
11 of calculating the income tax payable under this chapter, the  
12 taxpayer may not apply as a credit against his tax liability the

13 (1) foreign tax credit allowed as to federal taxes under  
14 Internal Revenue Code sec. 33;

15 (2) credit on United States government obligations allowed  
16 as to federal taxes under Internal Revenue Code sec. 35;

17 (3) credit for the federal excise tax on gasoline allowed  
18 as to federal taxes under Internal Revenue Code sec. 39;

19 (4) credit for political contributions allowed as to  
20 federal taxes by Internal Revenue Code sec. 41; and

21 (5) job development investment credit allowed as to federal  
22 taxes under Internal Revenue Code sec. 50.

23 \* Sec. 2. This Act is retroactive to January 1, 1974 and relates only  
24 to income earned and received after December 31, 1973.

25 \* Sec. 3. This Act takes effect on the day after its passage and  
26 approval or on the day it becomes law without approval.

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STATE  
of ALASKA

## MEMORANDUM

TO: [ Ralph Kimlinger  
Deputy Commissioner  
Department of Revenue

DATE : March 5, 1974

FROM: Frederick P. Boetsch  
Director  
Audit Division

SUBJECT: House Bill 671

I have reviewed House Bill 671 for its effect on Treasury and problems of administration. The purpose of the bill is to eliminate Federal tax credits which do not serve a state purpose or are really unrelated to the state tax return. Of the credits repealed, we expect that only two have any significant effect on Treasury. These are the Foreign Tax Credit and the Federal Gasoline Excise Tax Credit.

The Foreign Tax Credit is allowed by the Federal Government to offset possible duplicate taxation on the same income. This is due to the fact that the Federal Government taxes world-wide income of domestic corporations. However, when applied to the state income tax return, the credit amounts to a double reduction of state taxes. Any corporation which reports to us on a world-wide basis, apports its income to Alaska on the basis of the three factor formula (Sales, Property, and Payroll). This means that Alaska gets a share of the income related to the corporation's activities in the state. By allowing them to take the Foreign Tax Credit, we are allowing them credit for foreign taxes paid on income which we have not subjected to tax. This is very different from the Federal situation where they are taxed on all income, including foreign.

The estimated effect on Treasury of the provision was based on a sampling of returns filed by multinational corporations in 1972. This sample was then projected for each of the years 1975-79. The results are as follows (\$000 omitted):

	<u>FY 75</u>	<u>FY 76</u>	<u>FY 77</u>	<u>FY 78</u>	<u>FY 79</u>
Projected Tax effect of Foreign Tax Credit	<u>\$369.9</u>	<u>\$410.6</u>	<u>\$451.7</u>	<u>\$636.9</u>	<u>\$732.4</u>

The credit for the Federal Excise Tax on gasoline is allowed under the Internal Revenue Code (Section 39) as a means of refunding to taxpayers the 4¢/gal. excise tax on gasoline when such gasoline is used for off-highway purposes. Since this credit is in the portion of the Internal Revenue Code to which we refer, we are obligated to allow it for Alaska tax purposes. Clearly, it has no relation to Alaska Income Taxes and should not be allowed. The following estimate of the effect on Treasury were based on our own estimates of off-highway gasoline usage for purposes of the state gasoline tax. The state tax is refunded directly to off-highway use purchasers through our Excise Tax Division. The estimated effect

on Treasury is (\$000 omitted):

	<u>FY 75</u>	<u>FY 76</u>	<u>FY 77</u>	<u>FY 78</u>	<u>FY 79</u>
Effect on Treasury	<u>\$1,149.0</u>	<u>\$1,532.0</u>	<u>\$1,660.0</u>	<u>\$1,787.0</u>	<u>\$1,787.0</u>

The credit on U.S. Government obligations should not apply to Alaska tax returns since U.S. obligations are not taxable by Alaska. This provision of the Internal Revenue Code simply does not apply to Alaska and should be removed from our statutes as superfluous. There is no revenue effect.

The credit for political contributions is relatively new and applies to tax years ending after December 31, 1971. Consequently, we do not have much data on the effect of this credit.

The job development investment credit is covered in HB 172 and should be deleted from this bill (lines 22 and 23).

In summary, then, the revenue effects of this bill are approximately as follows:

	<u>FY 75</u>	<u>FY 76</u>	<u>FY 77</u>	<u>FY 78</u>	<u>FY 79</u>
Tax effect	<u>\$1,518.9</u>	<u>\$1,942.6</u>	<u>\$2,111.7</u>	<u>\$2,423.9</u>	<u>\$2,519.4</u>

There are no administrative costs or problems connected with this bill.

FPB:jf

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

I. REQUEST

Bill Identification: House Bill 671  
 Title: Alaska Net Income Tax  
 Requested by: Governor Date: February 20, 1974  
 Return Date Requested: \_\_\_\_\_  
 Agency: Revenue Program: Individual & Business Taxes

II. FISCAL DETAIL

Budget Request Unit(s) Affected: \_\_\_\_\_

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 74	FY 75	FY 76	FY 77	FY 78	FY 79
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	None	None	None	None	None	None

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

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

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

IV. ATTACHMENTS

See memorandum from Fred Boetsch, Director of Audit to  
 Ralph Kimlinger, Deputy Commissioner, dated March 5, 1974

V. DATE: March 5, 1974 PREPARED BY: \_\_\_\_\_  
 Deputy Commissioner  
 Department of Revenue

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



# RECORDS CERTIFICATION



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James O. Smith  
Signature of Camera Operator

4/26/89  
Date

COMMITTEE REPORT

4/4/74

SENATE

Mr. President:

Date 4/8/74

The Committee on FINANCE has had CSHB 673 (Finance) relating to renewable resources funds 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 *with individual recommendations* 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>	<u>[Signature]</u>
<u>[Signature]</u>	<u>[Signature]</u>	<u>[Signature]</u>

Members NOT concurring in the Majority report:

[Signature] recommends: [Signature]

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

[Signature] Chairman

Original sponsor: Haugen, Specking  
and Eliason

Offered: 4/2/74  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 673

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to renewable resources funds; and  
7 providing for an effective date."

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

9 \* Section 1. AS 37 is amended by adding a new chapter to read:

10 CHAPTER 11. RENEWABLE RESOURCES FUNDS.

11 Sec. 37.11.010. ALASKA RENEWABLE RESOURCES DEVELOPMENT FUND.

12 There is established as a separate fund the Alaska renewable resources  
13 development fund. Funds apportioned by sec. 20 of this chapter for  
14 deposit in the Alaska renewable resources development fund are to  
15 guarantee the enhancement and development of the state's renewable  
16 resources.

17 Sec. 37.11.020. FUND AUTHORIZATION LEVEL. Not less than five per  
18 cent of the receipts paid the state from mineral lease bonuses and  
19 rentals for state land or royalties derived from minerals produced on  
20 state land shall be deposited in the Alaska renewable resources develop-  
21 ment fund. These deposits shall be invested in accordance with  
22 AS 37.10.070 (investment of surplus state funds) and the resulting  
23 interest shall accrue to the fund.

24 Sec. 37.11.030. FUND UTILIZATION. Appropriations from this fund  
25 shall provide funding for capital and operating expenditures for the  
26 rehabilitation, enhancement and development of renewable resources  
27 programs. Plans for expenditures from this fund shall be submitted by  
28 the governor in accordance with the Executive Budget Act (AS 37.07) as  
29 part of his annual budget presentation to the legislature.

1           Sec. 37.11.040. FUND BALANCES. Unappropriated or otherwise  
2 unencumbered balances remaining in the Alaska renewable resources  
3 development fund at the close of each fiscal year shall be transferred  
4 to the Alaska renewable resources permanent fund.

5           Sec. 37.11.050. ALASKA RENEWABLE RESOURCES PERMANENT FUND. There  
6 is established as a separate fund the Alaska renewable resources per-  
7 manent fund. Funds apportioned by sec. 60 of this chapter for deposit  
8 in the permanent fund are to be held perpetually in trust for the  
9 benefit of both present and future generations of Alaskans.

10           Sec. 37.11.060. FUND PRINCIPAL. Unappropriated or otherwise  
11 unencumbered balances remaining in the Alaska renewable resources  
12 development fund at the close of each fiscal year shall be deposited  
13 in the permanent fund. These deposits shall be considered fund prin-  
14 cipal and shall be invested in perpetuity in accordance with AS 37.10.070  
15 (investment of surplus state funds).

16           Sec. 37.11.070. UTILIZATION OF FUND INCOME. Income received from  
17 investment of permanent fund principal shall not be held in trust, but  
18 shall be used to provide funding for capital and operating appropriation  
19 for the rehabilitation, enhancement and development of renewable  
20 resources programs. Plans for expenditures from fund income shall be  
21 prepared in detail by the appropriate state department or agency and  
22 shall be submitted by the governor in accordance with the Executive  
23 Budget Act (AS 37.07) as part of his annual budget presentation to the  
24 legislature.

25           Sec. 37.11.080. PROTECTION OF PRINCIPAL. A transaction involving  
26 permanent fund principal which results in an actual dollar loss of  
27 principal shall be reimbursed in full from fund income before any  
28 additional income is expended.

29       \* Sec. 2. On June 30 of the fiscal year in which the balance in the

1 Alaska renewable resources permanent fund (AS 37.11.050) reaches the sum of  
2 \$250,000,000, AS 37.11.010 - 37.11.040 are repealed and the unexpended and  
3 unobligated balance in the Alaska renewable resources development fund  
4 (AS 37.11.010) lapses into the general fund.

5 \* Sec. 3. This Act takes effect July 1, 1978.

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Original sponsor: Haugen, Specking  
and Eliason

Offered: 3/20/74  
Referred: Finance

(Finance)

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 673

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Alaska fisheries and game  
7 development fund; and providing for an effective date."

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

9 \* Section 1. AS 37 is amended by adding a new chapter to read:

10 CHAPTER 11. ALASKA FISHERIES AND GAME

11 DEVELOPMENT FUND.

12 Sec. 37.11.010. ALASKA FISHERIES AND GAME DEVELOPMENT FUND. There  
13 is established as a separate fund the Alaska fisheries and game develop-  
14 ment fund. Funds apportioned by statute for deposit in the Alaska  
15 fisheries and game development fund are to fund the operation of the  
16 division of fisheries and game rehabilitation, enhancement and develop-  
17 ment established under AS 16.05.09Q(b).

18 Sec. 37.11.020. FUND PRINCIPAL. Not less than five per cent of  
19 the receipts paid the state from mineral lease bonuses and rentals for  
20 state land or royalties derived from minerals produced on state land,  
21 but not to exceed \$100,000,000, shall be deposited in the Alaska  
22 fisheries and game development fund. \$10,000,000 or 10 per cent of  
23 this fund, whichever is greater, annually, shall be used to provide  
24 coverage of capital and operating expenditures for the division of  
25 fisheries and game rehabilitation, enhancement and development.

26 \* Sec. 2. This Act takes effect January 1, 1975.

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Introduced: 2/20/74  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY HAUGEN, SPECKING AND ELIASON

2 HOUSE BILL NO. 673

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Alaska fisheries development  
7 fund; and providing for an effective date."

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

9 \* Section 1. AS 37 is amended by adding a new chapter to read:

10 CHAPTER 11. ALASKA FISHERIES DEVELOPMENT FUND

11 Sec. 37.11.010. ALASKA FISHERIES DEVELOPMENT FUND. There is  
12 established as a separate fund the Alaska fisheries development fund.  
13 Funds apportioned by statute for deposit in the Alaska fisheries develop-  
14 ment fund are to fund the operation of the division of fisheries rehab-  
15 ilitation, enhancement and development.

16 Sec. 37.11.020. FUND PRINCIPAL. Not less than five per cent of  
17 the receipts paid the state from mineral lease bonuses for state land  
18 or royalties derived from minerals produced on state land shall be  
19 deposited in the Alaska fisheries development fund. This fund shall be  
20 used to provide coverage of capital and operating expenditures for the  
21 division of fisheries rehabilitation, enhancement and development.

22 \* Sec. 2. This Act takes effect January 1, 1975.  
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HOUSE JOURNAL

FINANCE COMMITTEE REPORT

ON

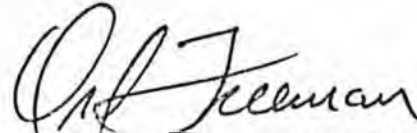
COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 673

The House Finance Committee has had HB 673 under consideration and recommends it be replaced with Finance COMMITTEE SUBSTITUTE FOR HOUSE BILL 673. The Finance COMMITTEE SUBSTITUTE differs from the original bill in several important respects:

(1) Broad Resource Coverage: The original bill was limited strictly to the development of fisheries resources. The COMMITTEE SUBSTITUTE broadened the language to authorize expenditures for any and all of the State's renewable resources.

(2) Two Funds Created: The Alaska Renewable Resources Development Fund and the Alaska Renewable Resources Permanent Fund are created. The first fund would receive 5% (five percent) of the receipts from mineral lease bonuses, land rentals, and royalties, and authorize their immediate appropriation and expenditure in whatever amount the Governor and the Legislature thought appropriate. Any surplus remaining in this fund would spill over at the end of the fiscal year into the permanent fund. Expenditures from the permanent fund would be limited to appropriations made from income to the fund with fund principal to be invested and maintained in perpetuity.

(3) Fund Maximum Limit: The original bill contained no maximum limit for fund accumulation. In Sec. 2 of the COMMITTEE SUBSTITUTE, the 5% take of mineral receipts and the entire mechanism of the first fund are repealed when the principal of the permanent fund reaches \$250 million. From that point on, it is envisioned that programs will be funded from permanent fund income.



---

Oral Freeman, Chairman  
House Finance Committee

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

I. REQUEST

Bill Identification: CSHB 673 - Permanent Fund for Fisheries  
 Title: and Game Development  
 Requested by: Resources Committee Date: 3/20/74  
 Return Date Requested: 3/28/74  
 Agency: Revenue Program: \_\_\_\_\_

II. FISCAL DETAIL

Budget Request Unit(s) Affected: \_\_\_\_\_

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 74	FY 75	FY 76	FY 77	FY 78	FY 79
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.	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

B. FUNDING: (Thousands of dollars)

None

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

None

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

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

See Attached

IV. ATTACHMENTS

See attached memorandum

V. DATE: March 29, 1974

PREPARED BY: Lawrence C. Eppinger

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

## MEMORANDUM

## State of Alaska

TO: Ralph Kimlinger  
Deputy Commissioner  
Department of Revenue

DATE: March 29, 1974

FILE NO:

TELEPHONE NO:

FROM: L. C. Eppenbach *LE*  
Deputy Commissioner, Treasury  
Department of Revenue

SUBJECT: CSHB 673 - Fiscal Note Request

CSHB 673 creates an Alaska Fisheries and Game Development Fund from shared mineral rental and royalty revenue. The administrative expense for developing the accounting controls, sharing procedures and investment expenses for such a fund are impossible to estimate because of a lack of specification in CSHB 673. However, such costs should be very small since there are on-going State investment and accounting staffs that would be able to accommodate the needs of such a fund.

Of much greater importance is the expected impact on general fund balances. Again the lack of specification in CSHB 673 makes this difficult to estimate. For example, Sec. 37.10.020 provides for up to \$100 million to be deposited in the fund with the greater of 10% or \$10 million devoted to annual expenditures. A strict interpretation of this language would limit the total deposit size to \$100 million and with annual drawdowns of up to \$10 million the fund would be depleted by FY 1990.

Under the current oil and gas revenue assumption the following may occur:

	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Deposit in Millions	2	2	2	15	30	35	16 *
Maximum Drawdowns	<u>2</u>	<u>2</u>	<u>2</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>
Balance of Deposit	0	0	0	5	20	25	6
Cumulative Total	0	0	0	<u>5</u>	<u>25</u>	<u>50</u>	<u>56</u>
Interest Earned @ 7% **	<u>0</u>	<u>0</u>	<u>0</u>	<u>.35</u>	<u>1.77</u>	<u>3.65</u>	<u>4.32</u>
Fund Total in Millions	<u>0</u>	<u>0</u>	<u>0</u>	<u>5.35</u>	<u>27.10</u>	<u>55.00</u>	<u>66.10</u>

Following fiscal year 1981 the fund will decline in value to be depleted by 1990. Even with the structural inflation and consequent higher interest rates expected over the next 25 years it is extremely unlikely that interest returns near 10% can be achieved. In any case drawdowns will not allow the fund to reach the \$100 million size.

\* Totals \$100 million

\*\* Assuming compound interest credited to Fund

LCE:ge



# RECORDS



# CERTIFICATION

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James O. Smith  
Signature of Camera Operator

4/26/89  
Date

"An Act establishing the Alaska fisheries development fund; and providing for an effective date."

### COMMITTEE REPORT

3/20/74

HOUSE

Mr. Speaker:

Date \_\_\_\_\_

The Committee on FINANCE has had HB 673

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 HB 673 AND THAT

CS FOR HB 673 DO PASS

"and" recommends it BE REFERRED TO THE \_\_\_\_\_

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

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

Members NOT concurring in the Majority report:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

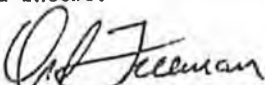
\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ Chairman

HB (3) Fund Maximum Limit: The original bill contained no  
673 maximum limit for fund accumulation. In Sec. 2 of the  
COMMITTEE SUBSTITUTE, the 5% take of mineral receipts and  
the entire mechanism of the first fund are repealed when  
the principal of the permanent fund reaches \$250 million.  
From that point on, it is envisioned that programs will  
be funded from permanent fund income.



Oral Freeman, Chairman  
House Finance Committee"

HB The Resources Committee has had HOUSE BILL NO. 687 (surplus  
687 state land; effective date) under consideration and it is  
reported back with individual recommendations. The  
report was signed by Mr. McGill, Chairman. Recommending  
do not pass were McGill, Hartig and Huber. Recommending  
do pass were Parker, Guy, Naughton and Degnan. Having  
no recommendation were Laktonen and J. Miller.

HOUSE BILL NO. 687 was referred to the Judiciary Committee.

HD The Health, Education and Social Services Committee has  
694 had HOUSE BILL NO. 694 (public school foundation program;  
effective date) under consideration and it is reported  
back with individual recommendations. The report was  
signed by Mrs. Beirne, Chairman. Recommending do pass  
were Malone and Beirne. Having no recommendation were  
Fritz and Hackney.

HOUSE BILL NO. 694 was referred to the Finance Committee.

HB The Resources Committee has had HOUSE BILL NO. 714 (agri-  
714 cultural land classification) under consideration and  
it is reported back with individual recommendations and the  
following amendment:

Amendment No. 1 by Guy:

Page 1, line 29: Delete "agencies" and insert  
"entities".

The report was signed by Mr. McGill, Chairman. Recommending  
do not pass were McGill, Hartig, Guy and Huber. Parker  
recommends do pass if amended. Degnan, Laktonen and  
Naughton have no recommendation. J. Miller has no recom-  
mendation on passage and recommends it be referred to the  
Finance Committee.

HOUSE BILL NO. 714 was referred to the Judiciary Committee.

The Resources Committee has had HOUSE BILL NO. 653 (creating the State Land Use Process Examination Commission) under consideration and it is reported back with individual recommendations. The report was signed by Mr. McGill, Chairman. Recommending do not pass were McGill, Hartig and Huber. Recommending do pass was Parker. Having no recommendation were Guy, Degnan, Laktonen, Naughton and J. Miller. HB  
653

HOUSE BILL NO. 653 was referred to the Judiciary Committee.

The Finance Committee has had HOUSE BILL NO. 673 (Alaska fisheries development fund; effective date) under consideration and a majority of the members of the Committee recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 673 (Fin) (An Act relating to renewable resources funds; and providing for an effective date) and that it do pass. The report was signed by Mr. Freeman, Chairman, and concurred in by Freeman, Warwick, Saylor, Meekins, Specking, Barber and Haugen. HB  
673

HOUSE BILL NO. 673 was referred to the Rules Committee for placement on the Calendar.

#### " FINANCE COMMITTEE REPORT

ON

#### COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 673

The House Finance Committee has had HB 673 under consideration and recommends it be replaced with Finance COMMITTEE SUBSTITUTE FOR HOUSE BILL 673. The Finance COMMITTEE SUBSTITUTE differs from the original bill in several important respects:

(1) Broad Resource Coverage: The original bill was limited strictly to the development of fisheries resources. The COMMITTEE SUBSTITUTE broadened the language to authorize expenditures for any and all of the State's renewable resources.

(2) Two Funds Created: The Alaska Renewable Resources Development Fund and the Alaska Renewable Resources Permanent Fund are created. The first fund would receive 5% (five percent) of the receipts from mineral lease bonuses, land rentals, and royalties, and authorize their immediate appropriation and expenditure in whatever amount the Governor and the Legislature thought appropriate. Any surplus remaining in this fund would spill over at the end of the fiscal year into the permanent fund. Expenditures from the permanent fund would be limited to appropriations made from income to the fund with fund principal to be invested and maintained in perpetuity.

HOUSE JOURNAL  
FINANCE COMMITTEE REPORT

ON

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 673

The House Finance Committee has had HB 673 under consideration and recommends it be replaced with Finance COMMITTEE SUBSTITUTE FOR HOUSE BILL 673. The Finance COMMITTEE SUBSTITUTE differs from the original bill in several important respects:

(1) Broad Resource Coverage: The original bill was limited strictly to the development of fisheries resources. The COMMITTEE SUBSTITUTE broadened the language to authorize expenditures for any and all of the State's renewable resources.

(2) Two Funds Created: The Alaska Renewable Resources Development Fund and the Alaska Renewable Resources Permanent Fund are created. The first fund would receive 5% (five percent) of the receipts from mineral lease bonuses, land rentals, and royalties, and authorize their immediate appropriation and expenditure in whatever amount the Governor and the Legislature thought appropriate. Any surplus remaining in this fund would spill over at the end of the fiscal year into the permanent fund. Expenditures from the permanent fund would be limited to appropriations made from income to the fund with fund principal to be invested and maintained in perpetuity.

(3) Fund Maximum Limit: The original bill contained no maximum limit for fund accumulation. In Sec. 2 of the COMMITTEE SUBSTITUTE, the 5% take of mineral receipts and the entire mechanism of the first fund are repealed when the principal of the permanent fund reaches \$250 million. From that point on, it is envisioned that programs will be funded from permanent fund income.

---

Oral Freeman, Chairman  
House Finance Committee

Introduced: 2/20/74  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY HAUGEN, SPECKING AND ELIASON

2 HOUSE BILL NO. 673

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Alaska fisheries development  
7 fund; and providing for an effective date."

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

9 \* Section 1. AS 37 is amended by adding a new chapter to read:

10 CHAPTER 11. ALASKA FISHERIES DEVELOPMENT FUND

11 Sec. 37.11.010. ALASKA FISHERIES DEVELOPMENT FUND. There is  
12 established as a separate fund the Alaska fisheries development fund.  
13 Funds apportioned by statute for deposit in the Alaska fisheries develop-  
14 ment fund are to fund the operation of the division of fisheries rehab-  
15 ilitation, enhancement and development.

16 Sec. 37.11.020. FUND PRINCIPAL. Not less than five per cent of  
17 the receipts paid the state from mineral lease bonuses for state land  
18 or royalties derived from minerals produced on state land shall be  
19 deposited in the Alaska fisheries development fund. This fund shall be  
20 used to provide coverage of capital and operating expenditures for the  
21 division of fisheries rehabilitation, enhancement and development.

22 \* Sec. 2. This Act takes effect January 1, 1975.  
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Original sponsor: Haugen, Specking  
and Eliason

Offered: 3/20/74  
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2

CS FOR HOUSE BILL NO. 673

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

EIGHTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act establishing the Alaska fisheries and game

7

development fund; and providing for an effective date."

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

9

\* Section 1. AS 37 is amended by adding a new chapter to read:

10

CHAPTER 11. ALASKA FISHERIES AND GAME

11

DEVELOPMENT FUND.

12

Sec. 37.11.010. ALASKA FISHERIES AND GAME DEVELOPMENT FUND. There

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is established as a separate fund the Alaska fisheries and game develop-

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ment fund. Funds apportioned by statute for deposit in the Alaska

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fisheries and game development fund are to fund the operation of the

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division of fisheries and game rehabilitation, enhancement and develop-

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ment established under AS 16.05.090(b).

18

Sec. 37.11.020. FUND PRINCIPAL. Not less than five per cent of

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the receipts paid the state from mineral lease bonuses and rentals for

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state land or royalties derived from minerals produced on state land,

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but not to exceed \$100,000,000, shall be deposited in the Alaska

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fisheries and game development fund. \$10,000,000 or 10 per cent of

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this fund, whichever is greater, annually, shall be used to provide

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coverage of capital and operating expenditures for the division of

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fisheries and game rehabilitation, enhancement and development.

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\* Sec. 2. This Act takes effect January 1, 1975.

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29

Original sponsor: Haugen,  
Specking and Eliason

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 673

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska renewable resources  
7 development fund; and providing for an effective date."

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

9 \* Section 1. AS 37 is amended by adding a new chapter to read:

10 CHAPTER 11. ALASKA RENEWABLE RESOURCES

11 DEVELOPMENT FUND.

12 Sec. 37.11.010. ALASKA RENEWABLE RESOURCES DEVELOPMENT FUND.

13 There is established as a separate fund the Alaska renewable resources  
14 development fund. Funds apportioned by statute for deposit in the  
15 Alaska renewable resources development fund are to guarantee the enhance-  
16 ment and development of the state's renewable resources.

17 Sec. 37.11.020. FUND AUTHORIZATION LEVEL. Not less than five per  
18 cent of the receipts paid the state from mineral lease bonuses and ren-  
19 tals for state land or royalties derived from minerals produced on state  
20 land, but not to exceed \$250,000,000 in fund principal, shall be  
21 deposited in the Alaska renewable resources development fund. These  
22 deposits shall be invested in accordance with AS 37.10.070 (investment  
23 of surplus state funds) and the resulting interest shall accrue to the  
24 fund.

25 Sec. 37.11.030. FUND UTILIZATION. Appropriations from this fund  
26 shall provide funding for capital and operating expenditures for the  
27 rehabilitation, enhancement and development of renewable resource  
28 programs. Plans for expenditures from this fund shall be submitted by  
29 the governor in accordance with the Executive Budget Act (AS 37.07) as

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part of his annual budget presentation to the legislature.

Sec. 37.11.040. DEFINITIONS. In this chapter, "renewable resources programs" means programs for fisheries enhancement and timber or forest management.

\* Sec. 2. This Act takes effect July 1, 1978.

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

I. REQUEST

Bill Identification: CSIB 673 - Permanent Fund for Fisheries  
 Title: and Game Development  
 Requested by: Resources Committee Date: 3/20/74  
 Return Date Requested: 3/28/74  
 Agency: Revenue Program: \_\_\_\_\_

II. FISCAL DETAIL

Budget Request Unit(s) Affected: \_\_\_\_\_

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 74	FY 75	FY 76	FY 77	FY 78	FY 79
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.	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

B. FUNDING: (Thousands of dollars)

None

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

None

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

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

See Attached

IV. ATTACHMENTS

See attached memorandum

V. DATE: March 29, 1974

PREPARED BY: Lawrence C. Espinosa

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

# MEMORANDUM

# State of Alaska

TO: Ralph Kimlinger  
Deputy Commissioner  
Department of Revenue

DATE: March 29, 1974

FILE NO:

TELEPHONE NO:

FROM: L. C. Eppenbach *LE*  
Deputy Commissioner, Treasury  
Department of Revenue

SUBJECT: CSHB 673 - Fiscal Note Request

CSHB 673 creates an Alaska Fisheries and Game Development Fund from shared mineral rental and royalty revenue. The administrative expense for developing the accounting controls, sharing procedures and investment expenses for such a fund are impossible to estimate because of a lack of specification in CSHB 673. However, such costs should be very small since there are on-going State investment and accounting staffs that would be able to accommodate the needs of such a fund.

Of much greater importance is the expected impact on general fund balances. Again the lack of specification in CSHB 673 makes this difficult to estimate. For example, Sec. 37.10.020 provides for up to \$100 million to be deposited in the fund with the greater of 10% or \$10 million devoted to annual expenditures. A strict interpretation of this language would limit the total deposit size to \$100 million and with annual drawdowns of up to \$10 million the fund would be depleted by FY 1990.

Under the current oil and gas revenue assumption the following may occur:

	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Deposit in Millions	2	2	2	15	30	35	16 *
Maximum Drawdowns	<u>2</u>	<u>2</u>	<u>2</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>
Balance of Deposit	0	0	0	5	20	25	6
Cumulative Total	0	0	0	<u>5</u>	<u>25</u>	<u>50</u>	<u>56</u>
Interest Earned @ 7% **	<u>0</u>	<u>0</u>	<u>0</u>	<u>.35</u>	<u>1.77</u>	<u>3.65</u>	<u>4.32</u>
Fund Total in Millions	<u>0</u>	<u>0</u>	<u>0</u>	<u>5.35</u>	<u>27.10</u>	<u>55.00</u>	<u>66.10</u>

Following fiscal year 1981 the fund will decline in value to be depleted by 1990. Even with the structural inflation and consequent higher interest rates expected over the next 25 years it is extremely unlikely that interest returns near 10% can be achieved. In any case drawdowns will not allow the fund to reach the \$100 million size.

\* Totals \$100 million

\*\* Assuming compound interest credited to Fund

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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 O. Smith  
Signature of Camera Operator

4/26/89  
Date

Introduced: 2/20/74  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY HAUGEN, SPECKING AND  
ELIASON

2 HOUSE BILL NO. 674

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for funding of the division of  
7 fisheries rehabilitation, enhancement and development."

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

9 \* Section 1. AS 16.05 is amended by adding a new section to read:

10 Sec. 16.05.096. FUNDING OF THE DIVISION OF FISHERIES REHABILITATION,  
11 ENHANCEMENT AND DEVELOPMENT. (a) There is created a fund designated  
12 as the Alaska fisheries development fund. The money in the fund shall  
13 be used to carry out the purposes of sec. 92 of this chapter.

14 (b) The department shall submit a plan for the expenditures from  
15 this fund to the fish and game board. No expenditures may be made from  
16 the fund without the approval of the fish and game board.

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Original sponsor: Haugen, Specking  
and Eliason

Offered: 3/20/74  
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 674

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for funding of the division of  
7 fisheries and game rehabilitation, enhancement and  
8 development."

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

10 \* Section 1. AS 16.05.090(b) is amended to read:

11 (b) The commissioner shall establish a departmental division of  
12 fisheries and game rehabilitation, enhancement and development.

13 \* Sec. 2. AS 16.05.092 is amended to read:

14 Sec. 16.05.092. DUTIES OF DIVISION OF FISHERIES AND GAME REHABILI-  
15 TATION, ENHANCEMENT AND DEVELOPMENT. The division of fisheries and  
16 game rehabilitation, enhancement and development shall

17 (1) develop and continually maintain a comprehensive, coordi-  
18 nated state plan for the orderly present and long-range rehabilitation,  
19 enhancement and development of all aspects of the state's fisheries  
20 and game for the perpetual use, benefit and enjoyment of all citizens  
21 and revise and update this plan annually;

22 (2) encourage the investment by private enterprise in the  
23 technological development and economic utilization of the fisheries  
24 resources;

25 (3) through rehabilitation, enhancement and development pro-  
26 grams do all things necessary to insure perpetual and increasing produc-  
27 tion and use of the food resources of Alaska land and waters and  
28 continental shelf areas;

29 (4) make a comprehensive annual report to the legislature,

1 containing detailed information regarding its accomplishments under  
2 this section and proposals of plans and activities for the next fiscal  
3 year, not later than 20 days after the convening of each regular session.

4 \* Sec. 3. AS 16.05 is amended by adding a new section to read:

5 Sec. 16.05.096. FUNDING OF THE DIVISION OF FISHERIES AND GAME  
6 REHABILITATION, ENHANCEMENT AND DEVELOPMENT. (a) There is created in  
7 AS 37.11.010 a fund designated as the Alaska fisheries and game develop-  
8 ment fund, to carry out the purposes of sec. 92 of this chapter.

9 (b) The department shall submit a plan for the expenditures from  
10 this fund to the fish and game board and the legislature. No expendi-  
11 tures may be made from the fund without the approval of a majority of  
12 the members of each house of the legislature.



# RECORDS



# CERTIFICATION

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James O. Smith  
Signature of Camera Operator

4/26/89  
Date

Introduced: 2/21/74  
Referred: Finance

1 IN THE HOUSE

BY SAYLORS

2 HOUSE BILL NO. 676

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Office  
7 of the Governor, Alaska Historical Commission; and  
8 providing for an effective date."

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

10 \* Section 1. The sum of \$100,000 is appropriated from the general fund  
11 to the Office of the Governor, Alaska Historical Commission, for the making  
12 of a documentary film covering, in its entirety, the construction of the  
13 Alaska pipeline.

14 \* Sec. 2. The unexpended and unobligated portion of this appropriation  
15 lapses into the general fund June 30, 1979.

16 \* Sec. 3. This Act takes effect on the day after its passage and approval  
17 or on the day it becomes law without approval.

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

I. REQUEST

Bill Identification: House Bill 676  
 Title: Special Appropriation to the Office of the Governor, Historical Soc  
 Requested by: \_\_\_\_\_ Date: \_\_\_\_\_  
 Return Date Requested: \_\_\_\_\_  
 Agency: Office of the Governor Program: Alaska Historical Commission

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Education

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 74	FY 75	FY 76	FY 77	FY 78	FY 79
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		100.				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		100.	-0-	-0-	-0-	-0-

B. FUNDING: (Thousands of dollars)

GENERAL FUND		100.				
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

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

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

Contractually provide Documentation by filming of the construction of Alaskan Pipeline.

Fund to be continuing thru FY 79.

IV. ATTACHMENTS

V. DATE: 02-26-74

PREPARED BY: Keith Weiss  
 Administrative Officer

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



# RECORDS CERTIFICATION



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James O. Smith  
Signature of Camera Operator

4/26/89  
Date

Introduced: 2/21/74  
Referred: Finance

1 IN THE HOUSE

BY J. MILLER, HACKNEY, HARTIG,  
WILSON AND FRITZ

2 HOUSE BILL NO. 678

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to bills proposing new state pro-  
7 grams, services, departments or agencies; and providing  
8 for an effective date."

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

10 \* Section 1. AS 24.30 is amended by adding a new section to read:

11 Sec. 24.30.033. BILLS PROPOSING NEW STATE PROGRAMS, SERVICES, DE-  
12 PARTMENTS OR AGENCIES; ACCOMPANYING APPROPRIATION, REVENUE BILLS, FISCAL  
13 NOTES. (a) A bill proposing the establishment or creation of a new  
14 state program, service, department or agency shall be accompanied by an  
15 appropriation bill to fund the cost of either or all of these encompass-  
16 sed in the bill and a tax or other revenue bill, the proceeds from levy  
17 or collection of which shall be deposited in the general fund to replace  
18 the sum appropriated.

19 (b) As an alternative to introducing the appropriation and revenue  
20 bills under (a) of this section, the sponsor of a bill proposing the  
21 establishment or creation of a new state program, service, department or  
22 agency shall accompany his bill with a special fiscal note prepared for  
23 him by the legislative finance division of the Legislative Budget and  
24 Audit Committee indicating where he would reduce the appropriation or  
25 allocation for one or more existing programs, services, departments or  
26 agencies to locate funds sufficient to appropriate or allocate to the  
27 new state program, service, department or agency he proposes. The  
28 special fiscal note shall be entered in the journal either immediately  
29 following notation of introduction of the bill to which it relates or

1 in a supplement to the journal.

2 (c) Whether a bill is introduced under (a) or (b) of this section,  
3 it shall be accompanied by a special fiscal note prepared for the  
4 sponsor by the legislative finance division of the Legislative Budget  
5 and Audit Committee projecting the cost of the new program, service,  
6 department or agency for the first fiscal year of its operation and for  
7 three fiscal years thereafter. This special fiscal note, which is in  
8 addition to the special fiscal note required by (b) of this section,  
9 shall be entered in the journal in the manner prescribed in (b) of this  
10 section.

11 \* Sec. 2. This Act takes effect on the day after its passage and approval  
12 or on the day it becomes law without approval.  
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# RECORDS CERTIFICATION



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James O. Smith  
Signature of Camera Operator

4/26/89  
Date

COMMITTEE REPORT

4/16/74

SENATE

Mr. President:

Date 4-18-74

The Committee on FINANCE has had SSHB 680 am protection of the rights of owners of sound recordings. 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>Do Pass</u>	<u>[Signature]</u>
<u>[Signature]</u>	<u>NO REC</u>	<u>[Signature]</u>
<u>[Signature]</u>	<u>NO REC</u>	<u>[Signature]</u>
<u>[Signature]</u>	<u>NO REC</u>	<u>[Signature]</u>

Members NOT concurring in the Majority report:

<u>Sackett</u>	recommends: <u>NO REC</u>
<u>[Signature]</u>	recommends: <u>[Signature]</u>
_____	recommends: _____
_____	recommends: _____
_____	recommends: _____

[Signature] Chairman

Offered: 4/16/74  
Referred: Finance

Original sponsor: Chance by request

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 680

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the protection of the rights of  
7 owners of sound recordings."

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

9 \* Section 1. AS 45 is amended by adding a new chapter to read:

10 CHAPTER 51. SOUND RECORDINGS.

11 Sec. 45.51.010. REPRODUCTION, SALE WITHOUT CONSENT PROHIBITED. A  
12 person who reproduces for sale, sells, offers for sale, or knowingly  
13 advertises for sale any federally copyrighted sound recording that has  
14 been reproduced without the written consent of the owner of the master  
15 recording is guilty of a misdemeanor and upon conviction for the first  
16 offense is punishable by (1) confiscation of the unlawful stock of the  
17 reproduced recording and (2) by imprisonment for a period of not more  
18 than one year, or by a fine of not more than \$1,000, or by both.

19 Sec. 45.51.020. EXEMPTIONS. The prohibition contained in sec. 10  
20 of this chapter is not applicable to the reproduction of a sound  
21 recording that

22 (1) is used, or intended to be used, solely for broadcast  
23 by commercial or educational radio or television stations; or

24 (2) constitutes the verbatim transcript, or other public  
25 record, of the proceedings of a judicial, legislative or administrative  
26 agency, department or other public body for which a charge or fee may  
27 or may not be made or collected for the reproduced recording.  
28  
29

Original sponsor: Chance by request

Offered: 3/22/74  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 680

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE -- SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the protection of the rights of  
7 owners of sound recordings."

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

9 \* Section 1. AS 45 is amended by adding a new chapter to read:

10 CHAPTER 51. SOUND RECORDINGS.

11 Sec. 45.51.010. REPRODUCTION, SALE WITHOUT CONSENT PROHIBITED.

12 A person who reproduces for sale, or knowingly sells, offers for sale,  
13 or advertises for sale any federally copyrighted sound recording that  
14 has been reproduced without the written consent of the owner of the  
15 master recording is guilty of a felony and upon conviction for the first  
16 offense is punishable by (1) confiscation of the unlawful stock of the  
17 reproduced recording and (2) by imprisonment for a period of not more  
18 than one year, or by a fine of not more than \$2,000, or by both. Upon  
19 conviction of a second or subsequent offense under this section, a  
20 person is punishable by (1) confiscation of the unlawful stock of the  
21 reproduced sound recording and (2) by imprisonment for a period of not  
22 more than five years, or by a fine of not more than \$25,000, or by both.

23 Sec. 45.51.020. EXEMPTIONS. The prohibition contained in sec. 10  
24 of this chapter is not applicable to the reproduction of a sound  
25 recording that

26 (1) is used, or intended to be used, solely for broadcast  
27 by commercial or educational radio or television stations; or

28 (2) constitutes the verbatim transcript, or other public  
29 record, of the proceedings of a judicial, legislative or administrative

1 agency, department or other public body for which a charge or fee may  
2 or may not be made or collected for the reproduced recording.  
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Introduced: 2/21/74  
Referred: Judiciary

1 IN THE HOUSE

BY CHANCE BY REQUEST

2 HOUSE BILL NO. 680

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the protection of the rights of  
7 owners of sound recordings."

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

9 \* Section 1. AS 45 is amended by adding a new chapter to read:

10 CHAPTER 51. SOUND RECORDINGS.

11 Sec. 45.51.010. REPRODUCTION, SALE WITHOUT CONSENT PROHIBITED. A  
12 person who reproduces for sale, sells, offers for sale, or knowingly  
13 advertises for sale any sound recording that has been reproduced with-  
14 out the written consent of the owner of the master recording is guilty  
15 of a felony and upon conviction for the first offense is punishable by  
16 (1) confiscation of the unlawful stock of the reproduced recording and  
17 (2) by imprisonment for a period of not more than one year, or by a  
18 fine of not more than \$2,000, or by both. Upon conviction of a second  
19 offense under this section, a person is punishable by (1) confiscation  
20 of the unlawful stock of the reproduced sound recording and (2) by  
21 imprisonment for a period of not more than five years, or by a fine of  
22 not more than \$25,000, or by both.

23 Sec. 45.51.020. EXEMPTIONS. The prohibition contained in sec.  
24 10 of this chapter is not applicable to the reproduction of a sound  
25 recording that

26 (1) is used, or intended to be used, solely for broadcast  
27 by commercial or educational radio or television stations; or

28 (2) constitutes the verbatim transcript, or other public  
29 record, of the proceedings of a judicial, legislative or administrative

1 agency, department or other public body for which a charge or fee may  
2 or may not be made or collected for the reproduced recording.  
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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 O. Smith  
Signature of Camera Operator

4/26/89  
Date

Introduced: 2/21/74  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY NAUGHTON

2 HOUSE BILL NO. 681

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to accidental death insurance for  
7 certain appointed persons."

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

9 \* Section 1. AS 39.05 is amended by adding a new section to read:

10 Sec. 39.05.063. ACCIDENTAL DEATH INSURANCE FOR CERTAIN APPOINTED  
11 PERSONS. The state shall provide insurance against accidental death  
12 occurring while on state business for nonsalaried members of state boards,  
13 commissions, committees, subcommittees, councils and other organizations  
14 authorized by law. Insurance shall be in the amount of \$25,000.

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

I. REQUEST

Bill Identification: HB 681 Naughton  
 Title: An act relating to accidental death insurance for certain appointed persons.  
 Requested by: Legislative Finance Date: \_\_\_\_\_  
 Return Date Requested: ASAP  
 Agency: \_\_\_\_\_ Program: \_\_\_\_\_

II. FISCAL DETAIL

Budget Request Unit(s) Affected: \_\_\_\_\_

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 74	FY 75	FY 76	FY 77	FY 78	FY 79
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
		9.0	9.0*	9.0*		
TOTAL		9.0	9.0*	9.0*		

\* Assumes that the number of appointees covered will remain at approximately 620 per year.

B. FUNDING: (Thousands of dollars)

GENERAL FUND		9.0	9.0*	9.0*		
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

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

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

Approximate rate \$14.50 per appointee to provide \$25,000 travel accident benefit under a separate travel accident policy. If this coverage can be placed under the policy covering the General Government unit for \$35,000 travel accident benefits, the cost per appointee will drop to \$10.11 per person. This is of course contingent upon Legislative approval of Travel accident coverage for the General Gov't unit.

Approximately 620 appointees x \$14.50 = \$8,990.00

Approximately 620 appointees x \$10.11 = \$6,268.20

IV. ATTACHMENTS

V. DATE: 3/19/74

PREPARED BY: \_\_\_\_\_

*John J. Hargreaves*  
Risk Manager

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



# RECORDS CERTIFICATION

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James O. Smith  
Signature of Camera Operator

4/26/89  
Date

# COMMITTEE REPORT

3/6/74

HOUSE

Mr. Speaker:

Date 4/18/74

The Committee on FINANCE has had HB 682

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:

<u>[Signature]</u>	recommends: <u>no rec</u>
<u>[Signature]</u>	recommends: <u>no rec</u>
<u>[Signature]</u>	recommends: <u>no rec</u>
_____	recommends:
_____	recommends:

[Signature] Chairman

Introduced: 2/21/74  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY ELIASON, FREEMAN, HAUGEN  
AND MCVEIGH

2 HOUSE BILL NO. 682

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the conveyance of public recrea-  
7 tional sites."

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

9 \* Section 1. AS 38.05 is amended by adding a new section to read:

10 Sec. 38.05.323. TIDE AND SUBMERGED LAND SEAWARD OF PUBLIC  
11 RECREATIONAL SITES. (a) Notwithstanding any other provision of law,  
12 a home rule or general law municipality which accepts by conveyance  
13 or other disposition a public recreation area facility from the  
14 United States Department of the Interior under P.L. 507 (70 Stat. 130),  
15 as amended, upon application shall receive by conveyance from the  
16 director all land owned by the state seaward of the public recreation  
17 area facility which is between the mean high tide line and the area  
18 seaward of that which is suitable for occupation and development  
19 without unreasonable interference with navigation. The director may  
20 promulgate necessary regulations providing for the conveyance of land  
21 under this section.

22 (b) Interests obtained by lease for shore fisheries development,  
23 sale, permit or lease for mineral exploration, development, or extrac-  
24 tion, or for any other purpose, before the effective date of this Act,  
25 are affected by the provisions of this Act only on the date of their  
26 expiration or termination.

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The Legislature of the State of Alaska  
FISCAL NOTE  
First Special Session - Eighth Legislature

I. REQUEST

Bill Identification: House Bill 682  
 Title: "An Act relating to the conveyance of public recreation sites."  
 Requested by: Jay Hogan Date: March 6, 1974  
 Return Date Requested: \_\_\_\_\_  
 Agency: Natural Resources Program: Water Resources

II. FISCAL DETAIL

Budget Request Unit(s) Affected: \_\_\_\_\_

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 74	FY 75	FY 76	FY 77	FY 78	FY 79
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	- 0 -					

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

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

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

PLEASE SEE ATTACHMENT

IV. ATTACHMENTS

V. DATE: March 14, 1974

PREPARED BY: William C. Fackler

William C. Fackler  
Deputy Commissioner

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

ATTACHMENT

III. ANALYSIS

A survey of PL-507 sites in Southeastern Alaska indicates five sites to which HB 682 would apply as follows:

Haines; Portage Cove	7.42	acres	upland
Petersburg; Sandy Beach	23.63	"	"
Sitka; Halibut Point	21.91	"	"
Ketchikan; Totem Bight	10.02	"	"
Ketchikan; Refuge Cove	13.45	"	"

In South Central Alaska:

Stariski Campground	Kenai Peninsula	) within
Ninilchik	" " "	) Kenai Borough

Homer Spit Campground Tidelands has been deeded to Homer under an older statute and the City of Homer has also leased adjacent tidelands.

Conveyance of title to subject tidelands would be accomplished by Division of Lands as part of its regular workload and procedure.

The requirement of a survey and approved plat will be paid for by the applicant as provided for in existing statutes and regulations.



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Jamod A. Smith  
Signature of Camera Operator

4/26/89  
Date

COMMITTEE REPORT

2/28/74

HOUSE

Mr. Speaker:

Date

3/26/74

The Committee on FINANCE has had HB 683

under consideration. A Majority of the members of the Committee

( ) recommends it DO PASS

( ) recommends it DO NOT PASS

(X) 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>	<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

A M E N D M E N T

OFFERED IN THE HOUSE:

BY: FINANCE COMMITTEE

To: \_\_\_\_\_ HOUSE BILL No. 683

SENATE BILL No. \_\_\_\_\_

PAGE: 1

LINE: 19

Delete the word "ten" and insert in its place the word "two".

Introduced: 2/22/74  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY ORSINI

2 HOUSE BILL NO. 683

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the improvement of the Alaska  
7 Statutes."

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

9 \* Section 1. AS 01.05.036 is amended to read:

10 Sec. 01.05.036. IMPROVEMENT OF STATUTES. The Legislative Affairs  
11 Agency, working in cooperation with the revisor shall make recommenda-  
12 tions to the legislative council concerning deficiencies, conflicts,  
13 or obsolete provisions in and the need for reorganization or revision  
14 of the statutes, and, at the direction of the legislative council, shall  
15 prepare for submission to the legislature legislation for the correction  
16 or removal of the deficiencies, conflicts, or obsolete provisions, or  
17 to otherwise improve the form or substance of any portion of the statute  
18 law of this state. Each title of the Alaska Statutes shall be systemati-  
19 cally reviewed at least once each ten years for deficiencies, conflicts,  
20 or obsolete provisions.

STATE OF ALASKA  
THE LEGISLATURE  
LEGISLATIVE AFFAIRS AGENCY

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99801

March 2, 1974

MEMORANDUM

TO : Jay Hogan, Director, Legislative Finance  
FROM : John M. Elliott, Executive Director  
SUBJECT: Fiscal Note - HB 683

The work which would be required of the Legislative Affairs Agency if HB 683 passed would not require additional staff for the Agency or any additional funds for any purpose.

JME:hg



# RECORDS CERTIFICATION



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James O. Smith  
Signature of Camera Operator

4/26/89  
Date

Introduced: 2/22/74  
Referred: State Affairs and  
Finance

BY OSE, BANFIELD, BARBER, CARROL,  
DEGNAN, ELIASON, FISCHER, FRITZ,  
HACKNEY, HARTIG, HAUGEN, LAKTONEN,  
MCGILL, MCVEIGH, J. MILLER, NAUGHTON,  
PARKER, PETERSEN, SAYLORS, SPECKING,  
AND WILSON

1 IN THE HOUSE

2 HOUSE BILL NO. 686

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to bonus payments to veterans."

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

8 \* Section 1. AS 26.15.110 is amended to read:

9 Sec. 26.15.110. LIMITATION ON SECURING BONUS AND LOAN. Persons  
10 eligible for loans under this chapter are eligible for the bonus pro-  
11 vided for by this chapter, but no bonus may be paid to a person who  
12 has received a loan under this chapter [, AND NO BONUS MAY BE PAID  
13 AFTER JULY 1, 1964].

14 \* Sec. 2. AS 26.15.120 is amended to read:

15 Sec. 26.15.120. BONUS PAYMENTS. The payment of a bonus may be  
16 made to eligible persons who apply for it and who have not previously  
17 disqualified themselves by contracting a loan under this chapter. The  
18 bonus is a sum in dollars equal to the number of months which the  
19 veteran spent in service, or fraction of it, multiplied by 10 [, BUT  
20 NO BONUS SHALL BE PAID TO AN ENLISTEE OR RE-ENLISTEE FOR TIME SERVED  
21 AFTER NOVEMBER 1, 1945, REGARDLESS OF WHETHER THE ENLISTMENT OR RE-  
22 ENLISTMENT WAS BEFORE OR AFTER NOVEMBER 1, 1945]. The Department of  
23 Commerce shall administer the payment of bonuses in accordance with  
24 its rules and procedures.

25 \* Sec. 3. AS 26.15.160 is amended to read:

26 Sec. 26.15.160. EXTENSION OF CHAPTER TO VETERANS OF KOREA AND  
27 VIET NAM. The provisions of this chapter, including [EXCEPT] those  
28 provisions relating to the payment of bonuses, are extended to persons  
29 who served other than dishonorably on active duty between June 25, 1950,

1 and January 31, 1955, who served other than dishonorably on active duty  
2 between August 4, 1964, and six months after termination of hostilities  
3 involving forces of the United States, and to dependents of such persons,  
4 subject to the following provisions and eligibility qualifications.

5 (1) Persons are eligible

6 (A) who were discharged other than dishonorably from the  
7 armed forces of the United States or who were released to a reserve  
8 component; and

9 (B) who at the time of entry into the service were bona  
10 fide residents of the territory or State of Alaska and had been  
11 residents of the territory or state for not less than one year be-  
12 fore their entry into the service; and who have returned to the  
13 territory or state within a reasonable length of time after dis-  
14 charge or separation as residents with the intention of remaining  
15 in the territory or state; or who, not being bona fide residents  
16 of the territory before their entry into the service, have lived in  
17 the territory or state for at least 10 years following their  
18 release from active military service; and

19 (C) who served in the armed forces of the United States  
20 for 90 days or more, or whose service was for a lesser period  
21 because of injury or disability incurred in line of duty, between  
22 June 25, 1950, and January 31, 1955, or who served in the armed  
23 forces of the United States for 90 days or more or whose service  
24 was for a lesser period because of injury or disability incurred  
25 in line of duty, between August 4, 1964, and a date to be deter-  
26 mined by the legislature which shall be on or about six months  
27 after the termination of hostilities involving forces of the  
28 United States in Viet Nam.

29 (2) Persons are eligible who were dependent upon a member

1 of the armed forces or upon a veteran eligible for the benefits of this  
2 chapter at the time of the member's or veteran's death if the member  
3 or veteran was a resident of the territory for one year before entry  
4 into service and died before the cessation of the present national  
5 emergency as determined and proclaimed by the governor. Dependents  
6 shall be unmarried and the deceased veteran or member of the armed  
7 forces shall have been their chief means of support and they shall be  
8 either a widow, widower, minor child, or a mother, father, sister or  
9 brother incapable of self-support. Dependents shall be residents of  
10 the state at the time of application and shall intend to remain resi-  
11 dents in the state permanently. The rights of minor children under  
12 this chapter may be exercised only if they have no surviving parent  
13 and have an appointed guardian who may apply on their behalf for the  
14 benefits of this chapter for their care, support or education.

15 (3) No person unless he has lived in the state or territory  
16 for at least 10 years following his release from active military service  
17 is eligible for the benefits of this section who is eligible for vet-  
18 erans' benefits under the laws of any other state or territory. A  
19 World War II veteran who received a bonus under secs. 120 and 150 of  
20 this chapter need not repay the bonus in order to qualify under the  
21 loan provisions of this section.

22 (4) For persons otherwise eligible for the benefits under  
23 this section, who did not return to the state or territory within one  
24 year after separation from the service unless prevented from doing so  
25 for medical, educational or other valid purposes approved by the Depart-  
26 ment of Commerce within one year after separation from the service, an  
27 additional requirement of four years' residence in the state or terri-  
28 tory before their entry into the service is imposed to entitle them to  
29 the benefit provisions of this section.

J

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

I. REQUEST

Bill Identification: HB 686  
 Title: Bonus Payments for Veterans  
 Requested by: Legislative Finance, J. Hogan Date: 3/26/74  
 Return Date Requested: 3/27/74  
 Agency: Commerce Program: WWII Veterans Loan Program

II. FISCAL DETAIL

Budget Request Unit(s) Affected: 07-72-04

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 74	FY 75	FY 76	FY 77	FY 78	FY 79
100 PERSONAL SERVICES		62.1	-0-			
200 TRAVEL		1.5	-0-			
300 CONTRACTUAL		17.5	-0-			
400 COMMODITIES		1.5	-0-			
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
Bonus Payments		5,240.0	-0-			
TOTAL	-0-	5,322.6	-0-	-0-	-0-	-0-

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-	5,322.6	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/ 4	/ 0	/ 0	/ 0	/ 0
MAN MONTHS (P./T.)	/	/ 48	/	/	/	/

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

SEE ATTACHMENT

IV. ATTACHMENTS

V. DATE: 3/26/74

PREPARED BY: *James J. Burnett*

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

FISCAL NOTES ON HB686

From data obtained from the U.S. Veterans Administration I estimate there are:

9,000 Alaska Veterans of the Korean War

13,000 Alaska Veterans of the Vietnam Era of which 1,000 also served in the Korean War.

Assuming that the majority served only two years in the active military the average bonus would be \$240 or \$70 x 24 months.

Some may have served the full period of the Korean War Era (June 25, 1950 through January 31, 1955) a period of 56 months. So the maximum bonus any one could obtain for the Korean Era would be \$560.

Those who served the full period of the Vietnam Era (Aug. 4, 1964 through January 31, 1974) 114 months or a maximum of \$1,140.

A fair estimate of cost would be to use the maximum of \$240 for the total of 22,000 veterans. The total cost would not exceed \$5,240,000. Although some of the eligible would not apply, some would draw more than the \$240 if no limit was placed on the bonus.

Administrative Expense:

Personnel: If the bill were to become law we could expect a flood of applications during the first year.

Determination of eligibility would be difficult and time consuming operation in addition to the actual processing procedures.

To handle the volume of mail for bonus applications would require a filing clerk, a secretary, and a full time administrator in range 19 or above and an assistant in the range of 17.

Emergency printing of bonus applications and instructions would be additional expense. Information bulletins must be printed and distributed. Postage fees for this volume of mail will be considerable and telephone costs will be nominal but required.

My estimates for cost are as follows:

Bonus Administrator	Range 19	1864x12	=	22,368
Assistant Administrator	Range 17	1609x12	=	19,308
Secretary I	Range 10	969x12	=	11,628
File Clerk	Range 8	854x12	=	<u>10,248</u>
				53,552
	Benefits 16%			<u>8,569</u>
	Total Pers. Services			62,100

Travel:

Information: Admin. \$1,500

Contractual Servies

Postages	\$5,000		
Telephone rent and L.D.	2,500		
Print and Advertising	2,500		
Rent and Utilities	2,500		
Equip. Rental	2,500		
Misc.	<u>2,500</u>	17,500	
Commodities		<u>1,500</u>	<u>19,500</u>

Estimated Cost of Admin. \$81,600

Original sponsor: Ose,  
Banfield, Barber, et al

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 686

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to veterans' loans and bonuses; and  
7 providing for an effective date."

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

9 \* Section 1. AS 26.15.110 is amended to read:

10 Sec. 26.15.110. LIMITATION ON SECURING BONUS AND LOAN. Persons  
11 eligible for loans under this chapter are eligible for the bonus pro-  
12 vided for by this chapter, but no bonus may be paid to a person who  
13 has received a loan under this chapter [, AND NO BONUS MAY BE PAID AFTER  
14 JULY 1, 1964].

15 \* Sec. 2. AS 26.15.120 is amended to read:

16 Sec. 26.15.120. BONUS PAYMENTS. The payment of a bonus may be  
17 made to eligible persons who apply for it and who have not previously  
18 disqualified themselves by contracting a loan under this chapter. The  
19 bonus is a sum in dollars equal to the number of months which the  
20 veteran spent in service, or fraction of it, multiplied by 20 [10],  
21 except as provided in sec. 155(d) and (e) of this chapter. No [BUT NO]  
22 bonus shall be paid to an enlistee or re-enlistee for time served  
23 after November 1, 1945, regardless of whether the enlistment or re-  
24 enlistment was before or after November 1, 1945, except as provided in  
25 sec. 155 of this chapter. The Department of Commerce shall administer  
26 the payment of bonuses in accordance with its regulations [RULES] and  
27 procedures.

28 \* Sec. 3. AS 26.15 is amended by adding a new section to read:

29 Sec. 26.15.155. EXTENSION OF BONUS PAYMENTS TO VETERANS OF CERTAIN

1 POST-WORLD WAR II HOSTILITIES. (a) The bonus provisions of this  
2 chapter are extended to persons who meet the eligibility qualifications  
3 established in (b) - (e) of this section.

4 (b) A person is eligible who

5 (1) served in the armed forces of the United States for one  
6 year or more, or whose service was for a lesser period because of injury  
7 or disability incurred in line of duty;

8 (2) was assigned to stations, and served overseas outside  
9 the continental United States, during certain periods of post-World War  
10 II hostilities in one or more of the following theaters of operation:

11 (A) Korea: June 7, 1950 - July 27, 1954; October 1,  
12 1966 - date to be announced;

13 (B) Lebanon: July 1, 1958 - November 1, 1958;

14 (C) Berlin, Germany: August 14, 1961 - June 1, 1963;

15 (D) Dominican Republic: April 28, 1965 - September 1,  
16 1966;

17 (E) Quemoy and Matsu Islands, China: August 23, 1958 -  
18 June 1, 1963;

19 (F) Taiwan (Formosa) Straits, China: August 23, 1958 -  
20 January 1, 1959;

21 (G) Cuba: January 3, 1961 - June 1, 1963;

22 (H) Congo: July 14, 1960 - September 1, 1962;

23 (I) Laos: April 19, 1961 - October 7, 1962;

24 (J) Vietnam: July 1, 1958 - date to be announced; or

25 (K) Thailand: May 16, 1962 - August 10, 1962;

26 (3) was separated or discharged from the armed forces under  
27 conditions other than dishonorable;

28 (4) at the time of induction into the armed forces was a  
29 resident of the Territory of Alaska or the State of Alaska and had been

1 (5) returned to the territory or state after separation  
2 or discharge with the intention of remaining in the territory or  
3 state as a resident.

4 (c) For a person who is otherwise eligible under (b) of this  
5 section but who did not return to the territory or state within one  
6 year after separation or discharge from the armed forces unless pre-  
7 vented from doing so for medical, educational or other valid purposes  
8 approved by the Department of Commerce within one year after separa-  
9 tion or discharge from the armed forces, an additional requirement  
10 of five years of residence in the territory or state immediately be-  
11 fore the time of induction is imposed to entitle him or her to the  
12 benefit provisions of this section.

13 (d) The payment of a bonus to a person eligible under this  
14 section shall be a sum in dollars equal to the number of months the  
15 person served during the inclusive dates in one or more theaters of  
16 operations set out in (b)(2) of this section, multiplied by 20. How-  
17 ever, the minimum payment under this section shall be \$100 and the  
18 maximum payment, \$500.

19 (e) Notwithstanding the provisions of (d) of this section, a  
20 widow or widower of a person otherwise eligible under (b) of this sec-  
21 tion but who was killed or missing in action and declared legally  
22 dead by the Department of Defense is entitled to a payment of \$1,000.

23 \* Sec. 4. AS 26.15.160 is repealed and re-enacted to read:

24 Sec. 26.15.160. EXTENSION OF LOANS TO VETERANS OF CERTAIN POST-  
25 WORLD WAR II HOSTILITIES. (a) The loan provisions of this chapter  
26 are extended to persons who meet the eligibility qualifications estab-  
27 lished in (b) - (e) of this section.

28 (b) A person is eligible who

29 (1) served in the armed forces of the United States for 90

1 days or more, or whose service was for a lesser period because of  
2 injury or disability incurred in the line of duty and either

3 (A) served between June 25, 1950, and January 31,  
4 1955, or between August 4, 1964, and a date to be determined by  
5 the department which shall be six months after the termination  
6 of hostilities involving forces of the United States in Vietnam;  
7 or

8 (B) was assigned to stations, and served overseas  
9 outside the continental United States, during certain other  
10 periods of post-World War II hostilities in one or more of the  
11 theaters of operations set out in sec. 155(b)(2) of this chapter;

12 (2) was separated or discharged from the armed forces  
13 under conditions other than dishonorable; and

14 (3) at the time of entry into the armed forces was a bona  
15 fide resident of the Territory of Alaska or the State of Alaska for not  
16 less than one year before his or her entry into the armed forces; and  
17 who returned to the territory or state within a reasonable period of  
18 time after separation or discharge with the intention of remaining  
19 in the territory or state as a resident; or who, although not a bona  
20 fide resident of the territory or state before his or her entry into  
21 the armed forces, has lived in the territory or state for at least 10  
22 years following his or her release from active military service;

23 (c) For a person otherwise eligible for the benefits under this  
24 section but who did not return to the state or territory within one  
25 year after separation or discharge from the armed forces unless pre-  
26 vented from doing so for medical, educational or other valid purposes  
27 approved by the Department of Commerce within one year after separation  
28 or discharge from the armed forces, an additional requirement of four  
29 years of residence in the territory or state before his or her entry

1 into the armed forces is imposed to entitle him or her to the benefit  
2 provisions of this section.

3 (d) A person is eligible who was dependent upon a member of the  
4 armed forces or upon a veteran eligible for the benefits under this  
5 chapter at the time of the member's or veteran's death if the member  
6 or veteran was a resident of the territory or state for one year  
7 before entry into the armed forces and died before the cessation of  
8 the present national emergency as determined and proclaimed by the  
9 governor or who died before the cessation of hostilities in a theater  
10 of operations set out in sec. 155(b)(2) of this chapter. A dependent  
11 shall be unmarried and the deceased member of the armed forces or  
12 veteran must have been his or her chief means of support. For the  
13 purpose of this subsection, "dependent" means either a widow,  
14 widower, minor child, or a mother, father, sister or brother incapable  
15 of self-support. A dependent shall be a resident of the state at the  
16 time of application and shall intend to remain a resident in the  
17 state permanently. The rights of minor children under this chapter  
18 may be exercised only if they have no surviving parent and have an  
19 appointed guardian who may apply on their behalf for the benefits  
20 of this chapter for their care, support or education.

21 (e) No person who is eligible for veterans' benefits under the  
22 laws of any other state or territory is eligible for the benefits  
23 under this section unless he has lived in the territory or state for  
24 at least 10 years following his release from active military service.  
25 A World War II veteran who received a bonus under secs. 120 and 150  
26 of this chapter need not repay the bonus to qualify for a loan under  
27 the provisions of this section.

28 \* Sec. 5. This Act takes effect on the day after its passage and  
29 approval or on the day it becomes law without approval.

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