

Leg. Finance - House & Senate Finance Comte Files (1973-74) 8879
SB 332 cont., 340, 341, 342, 343, 343am, 350 296 296

in such court decisions as "Jackson vs Jackson" in which the U.S. Supreme Court ruled that those judged incompetent must be evaluated within a reasonable time and either discharged or put through criminal proceedings; and in "Wyatt vs Stickney" where a Federal Court in Alabama held for the first time that persons involuntarily confined in institutions for the mentally ill have a constitutional right to adequate treatment and habilitation. In "Wyatt vs Stickney", the judge ruled that "to deprive any citizen of his or her liberty upon the altruistic theory that the confinement is for humane therapeutic reasons and then fail to provide adequate treatment violates the very fundamental of due process." This demand for the protection of constitutional rights made it clear that a person not guilty by reason of insanity or incompetent to stand trial could not be held in a correctional setting where no treatment was available.

Closely related to this national recognition of the rights of the mentally handicapped came the increased utilization in Alaska of not guilty by reason of insanity as a defense and the consequent increase in court demands for evaluation of competency. Increasing legal pressure from the courts in the form of "show cause" orders for the evaluation and care of the mentally disordered offender clearly indicated that the problem could not be handled solely by the "minimum" security intensive treatment unit at the Alaska Psychiatric Institute.

In August of 1972, Robert F. Holter, M.D., Director, wrote Commissioner Frederick McGinnis, "I can only affirm what has been said by Dr. Karl Bowman, Daniel Blain and Dr. Carl Koutsky that the structure of the Alaska Psychiatric Institute and its program does not lend itself to retaining persons needing a "maximum" security facility. To do so would be destructive to the program operation at the Alaska Psychiatric Institute and not constructive for the offender committed there."

In August 1972, assistance was requested from L.E.A.A. to study alternative solutions to the growing problem.

In November 1972, as a result of a nationwide search, an agreement was made with the California Department of Health to care for the mentally disordered offender at Atascadero State Hospital. Six patients have been transferred to that institution as of the date of this report. California was the only state in the Union willing to enter in this agreement as the utilization of her mental hospitals had been on the decrease. This agreement is very tenuous, in fact, as of this date, only a letter of agreement exists. A formal contract proposal is still tied up in the California Attorney General's office. With the realization that this could only be a temporary plan, \$480,000 of Capital Improvement funds were reallocated for the development of a Security Unit in Alaska.

Also in November of 1972, the team sponsored by L.E.A.A. submitted their report with the recommendations that the present intensive treatment unit at the Alaska Psychiatric Institute was unsuitable for the development of a security unit and recommending a long term solution of the construction of a free standing institution or the construction of a new wing at the Alaska Psychiatric Institute. (See Appendix A)

The early months of 1973 were marked by unrelenting pressures from the courts to provide evaluation and observation services within a reasonable time limit. In June of 1973 a waiting list for the evaluation and observations and admissions to I.T.U. developed. The problem was further being complicated by the needs of the correctional system to provide psychiatric treatment for their convicted prisoners and the recognition of the possibility that in the future Alaska might have to care for the convicted sex offender and other convicted persons now being cared for by the Federal Bureau of Prisons' psychiatric facility in Springfield, Missouri. The facility at Springfield, due to increase in demands upon its resources, was becoming increasingly reluctant to provide care for those persons not considered floridly psychotic.

In July 1973, at a meeting with the presiding judge of the Superior Court, a policy decision was made that greatly alleviated the difficulties the system was having with the processing of evaluations and observation requests. It was agreed in principle that the great majority of persons requiring evaluation and observations would be handled by preliminary screening in the jail by the five existing Mental Health outpatient clinics in the state. Five regional correctional centers were designated as holding areas for those persons requiring evaluation. Only those persons who reasonably could be considered incompetent would be transferred to the Alaska Psychiatric Institute for their evaluation and observation. (See Appendix B)

On May 4, 1973, a request was made of CCC/HOK Architects to do a feasibility study for facilities to house and treat the "mentally disordered offender" at the Alaska Psychiatric Institute. The results of that feasibility study indicated that an in-depth understanding of the problem based on a broad range of input was necessary to conceive a plan.

SUMMARY OF RECOMMENDATIONS

1. The task force has determined that a need exists for an additional 33 bed psychiatric security facility plus maintenance of the present 11 bed intensive treatment unit at Alaska Psychiatric Institute. The total resultant need is for 44 beds to adequately meet the needs of Alaska over the next five years.

2. The additional 33 bed facility should be located at API and should be constructed by remodeling a present wing. The specific wing to be remodeled is contingent upon a variety of variables which cannot be controlled by the task force. Consequently, three choices were recommended and a fourth choice although not recommended, was considered feasible. These choices are:

- | | |
|---------------------------|--------------------------------|
| 1. Ground Floor Unit - | Recommended. |
| 2. Children's Unit - | Recommended. |
| 3. First Floor Unit - | Recommended. |
| 4. Resocialization Unit - | Not Recommended, but feasible. |

3. The additional facility should provide 11 beds in a "medium" security area and 22 beds in a "minimum" security area. Admission to the unit should be to the "medium" security area. The task force recommends that no females or adolescents be treated on "medium" security. This area should be designed for males only. The "minimum" security area should provide treatment for males, females and adolescents.

4. The additional facility should serve males, females and adolescents of all diagnostic categories regardless of their legal status. It is the recommendation of the task force that a cooperative inter-agency agreement between the Division of Mental Health and the Division of Corrections be developed that would ensure a flexible utilization of their mutual resources. Treatment considerations should prevail in decisions regarding placement. The inter-agency agreement would address itself to flexible transfer between facilities in the case of convicted sentenced prisoners, the individualization and mutual determination of individual treatment needs and the possibility of mutual staff

utilization and training. The task force recommendations and projection are contingent upon the flexible utilization of our present resources.

5. In considering our present resources, the task force has made the assumption that the majority of Evaluations and Observations will be accomplished on an outpatient basis as is the present policy. Strengthening of the capability to perform these Evaluations and Observations in a prompt, effective manner should also be a concomitant development with the construction of the new security facility.

6. The development of effective aftercare services is critical to the success of this program. Half-way houses, vocational rehabilitation, job placement and close community supervision should be developed in order to support the unit.

7. The present treatment philosophy of providing an individual as much responsibility for his actions as is consistent with his own ability should provide the direction for the treatment program in the proposed facility. The proposed facility should utilize all possible resources of API and the community and should not be allowed to become isolated. "Flexibility" in treatment plans and programs and "flow" through the hospital from "medium" security to the community should occur. Every attempt should be made to avoid "warehousing" patients. It is the strong opinion of the task force that the patient's right to treatment must over-balance the right of society to have an escape proof unit.

The task force has not been able to demonstrate to their satisfaction that the present medical, legal and psychological knowledge is adequate to provide reliability beyond that of chance in the identification of persons motives, criminal or non-criminal; person's dangerousness, or persons competency to stand trial. In the absence of this reliability, every effort should be made to maximize the protection of the individual's right to treatment and due process of law.

8. The architectural recommendations have been based upon the assumptions that staff provide the greatest security and no amount of architectural safeguards can assure a completely escape proof facility. Every effort should be made in the design of the facility to avoid symbols of hopelessness and criminality. The facility should provide a "normalized", home like atmosphere with adequate protection of dignity and privacy. The proposed architectural configurations do not include iron bars, sallyports or glass partitioned visitation areas. These are primarily devices to prevent escape and the importation of foreign objects which adequate staff can control just as effeciently. Traditionally these architectural devices have been utilized in lieu of staff. (Table 9, page 33, summarizes the architectural needs.)

9. The task force identified a need for 33 direct staff members not including support staff for adequate implementation of programs. Although this appears high at first glance, considering that the proposed unit will actually contain two segments and that staff will provide the chief guarantee of security, it is the minimum acceptable staffing the task force can recommend. (Table 8, pages 29-30, summarizes the staffing needs.) Adequate training and competitive salaries will play a great part in the recruitment and maintenance of staff. Neither of these are adequate at the present time and should be resolved prior to the implementation of the program.

10. There is great confusion in the "judicial" vs the "dispositional" functions of the courts and the Department of Health and Social Services. The laws pertaining to Mental Health are outdated and confusing. The role of Corrections and Mental Health will require definition and evaluation. Specific recommendations on these issues were not forthcoming from this task force as they required further examination and a broader basis of input. It is the recommendation of the task force that the director continue an expanded version of the present task force to address these matters and develop specific recommendations. It is further recommended that the present task force continue to

remain in existence as an advisory group in the final design of the facility and to serve as a vehicle for consumer involvement. The task force could serve as an educational medium or "buffer" to the community in the resolution of expected problems.

Introduced: 2/5/74
Referred: Finance

BY THE RULES COMMITTEE BY REQUEST
OF THE INTERIM COMMITTEE ON HEALTH
CARE, SOCIAL SERVICES AND MENTAL
HEALTH DELIVERY SYSTEMS

1 IN THE SENATE

2 SENATE BILL NO. 332

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 Depart-
7 ment of Public Works, Alaska Psychiatric Institute;
8 and providing for an effective date."

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

10 * Section 1. The sum of \$200,000 is appropriated from the general fund
11 to the Department of Public Works for the construction of a maximum security
12 psychiatric unit at the Alaska Psychiatric Institute.

13 * Sec. 2. This Act takes effect July 1, 1974.

ALASKA STATE LEGISLATURE

EIGHTH Legislature SECOND Session

SENATE BILL NO. 332

By THE RULES COMMITTEE BY REQUEST OF THE INTERIM COMMITTEE ON HEALTH CARE, SOCIAL SERVICES AND MENTAL HEALTH DELIVERY SYSTEMS

"An Act making a special appropriation to the Department of Public Works, Alaska Psychiatric Institute; and providing for an effective date."

spec. approp. Alaska Psychiatric Institute

Introduced in the Senate 2/5, 1974

HISTORY IN THE SENATE

19 74

Read first time and referred to Committee on

2 5

Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS : Yeas
Nays
Absent
Excused

Effective Date

PASS : Yeas
Nays
Absent
Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS : Yeas
Nays
Absent
Excused

Effective Date

PASS : Yeas
Nays
Absent
Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Lt. Governor

Chapter No.



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

COMMITTEE REPORT

2/5/74

SENATE

Mr. President:

Date _____

The Committee on FINANCE has had SB 340
g.o. bonds for Yukon River Ferry System
under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

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

_____ Chairman

Introduced: 2/5/74
Referred: Finance

BY THE RULES COMMITTEE
BY REQUEST OF THE INTERIM
COMMITTEE ON TRANSPORTATION

1 IN THE SENATE

2 SENATE BILL NO. 340

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 the issuance of general obliga-
7 tion bonds in the amount of \$2,000,000 for the purpose
8 of paying the cost of a Yukon River Ferry System, and
9 providing for an effective date."

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

11 * Section 1. For the purpose of paying the cost of a Yukon River Ferry
12 System, general obligation bonds of the state in the principal amount of
13 not more than \$2,000,000 shall be issued and sold. The full faith, credit
14 and resources of the state are pledged to the payment of the principal of
15 and interest and redemption premium, if any, on these bonds. These bonds
16 shall be issued under the provisions of AS 37.15 as those provisions read
17 at the time of issuance.

18 * Sec. 2. If the issuance of these bonds is authorized by the qualified
19 voters of the state, a special fund of the state to be known as the "Yukon
20 River Ferry System Fund" shall be established, to which shall be credited
21 the proceeds of the sale of the bonds described in sec. 1 of this Act
22 except for the accrued interest and premiums. There is appropriated from
23 the "Yukon River Ferry System Fund" to the Department of Public Works the sum
24 of \$2,000,000. The proceeds of these bonds are to be allocated as follows:

25	three river vessels	\$1,129,579
26	five barges	753,053
27	construction of terminal or docking facilities for:	
28	Eagle	84,557
29	Circle	7,961

COMMITTEE COPY

1 Nanley Hot Springs, Tanana, Ruby, Galena,
2 Koyukuk, Nulato, and Kaltag

24,850

3 \$2,000,000

4 * Sec. 3. If the issuance of these bonds is authorized by the qualified
5 voters of the state, the amount of \$7,000 or as much of that amount as is
6 found necessary is appropriated from the general fund of the state to the
7 state bond committee to carry out the provisions of this Act and to pay
8 expenses incident to the sale and issuance of the bonds authorized in this
9 Act. The amounts expended from the appropriation authorized by this section
10 shall be reimbursed to the general fund from the proceeds of the sale of
11 the bonds authorized by this Act.

12 * Sec. 4. The question whether the bonds authorized in this Act are to
13 be issued shall be submitted to the qualified voters of the state at the
14 next state general election and shall read substantially as follows:

15 Proposition

16 State General Obligation Yukon River Ferry
17 System Bonds \$2,000,000

18 Shall the State of Alaska issue its general obligation bonds
19 in the principal amount of not more than \$2,000,000 for the
20 purpose of paying the cost of a Yukon River Ferry System?

21 Bonds Yes []

22 Bonds No []

23 * Sec. 5. This Act takes effect on the day after its passage and approval
24 or on the day it becomes law without approval.
25
26
27
28
29

ALASKA STATE LEGISLATURE

EIGHTH Legislature SECOND Session

SENATE BILL..... NO. 340....

By BY THE RULES COMMITTEE BY
REQUEST OF THE INTERIM
COMMITTEE ON TRANSPORTATION

"An Act providing for the issuance of general obligation bonds in the amount of \$2,000,000 for the purpose of paying the cost of a Yukon River Ferry System; and providing for an effective date."

500,000 bonds study - Yukon
River Ferry System

Introduced in the Senate ..2/5.., 19 ..74

HISTORY IN THE SENATE

19 74

Read first time and referred to Committee on

Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS Yeas
 Nays
 : Absent
 Excused

Effective Date

PASS Yeas
 Nays
 : Absent
 Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS Yeas
 Nays
 : Absent
 Excused

Effective Date

PASS Yeas
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 : Absent
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Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Lt. Governor

Chapter No.

Introduced: 2/5/74
Referred: Finance

BY THE RULES COMMITTEE
BY REQUEST OF THE INTERIM
COMMITTEE ON TRANSPORTATION

1 IN THE SENATE

2 SENATE BILL NO. 340

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 the issuance of general obliga-
7 tion bonds in the amount of \$2,000,000 for the purpose
8 of paying the cost of a Yukon River Ferry System; and
9 providing for an effective date."

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

11 * Section 1. For the purpose of paying the cost of a Yukon River Ferry
12 System, general obligation bonds of the state in the principal amount of
13 not more than \$2,000,000 shall be issued and sold. The full faith, credit
14 and resources of the state are pledged to the payment of the principal of
15 and interest and redemption premium, if any, on these bonds. These bonds
16 shall be issued under the provisions of AS 37.15 as those provisions read
17 at the time of issuance.

18 * Sec. 2. If the issuance of these bonds is authorized by the qualified
19 voters of the state, a special fund of the state to be known as the "Yukon
20 River Ferry System Fund" shall be established, to which shall be credited
21 the proceeds of the sale of the bonds described in sec. 1 of this Act
22 except for the accrued interest and premiums. There is appropriated from
23 the "Yukon River Ferry System Fund" to the Department of Public Works the sum
24 of \$2,000,000. The proceeds of these bonds are to be allocated as follows:

25	three river vessels	\$1,129,579
26	five barges	753,053
27	construction of terminal or docking facilities for:	
28	Eagle	84,557
29	Circle	7,961

1 Manley Hot Springs, Tanana, Ruby, Galena,

2 Koyukuk, Nulato, and Kaltag

24,850

3 \$2,000,000

4 * Sec. 3. If the issuance of these bonds is authorized by the qualified
5 voters of the state, the amount of \$7,000 or as much of that amount as is
6 found necessary is appropriated from the general fund of the state to the
7 state bond committee to carry out the provisions of this Act and to pay
8 expenses incident to the sale and issuance of the bonds authorized in this
9 Act. The amounts expended from the appropriation authorized by this section
10 shall be reimbursed to the general fund from the proceeds of the sale of
11 the bonds authorized by this Act.

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13 be issued shall be submitted to the qualified voters of the state at the
14 next state general election and shall read substantially as follows:

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16 State General Obligation Yukon River Ferry

17 System Bonds

\$2,000,000

18 Shall the State of Alaska issue its general obligation bonds
19 in the principal amount of not more than \$2,000,000 for the
20 purpose of paying the cost of a Yukon River Ferry System?

21 Bonds Yes []

22 Bonds No []

23 * Sec. 5. This Act takes effect on the day after its passage and approval
24 or on the day it becomes law without approval.
25
26
27
28
29

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

I. REQUEST

Bill Identification: All G.O. Bond Authorization Bills
 Title: _____
 Requested by: Jay Horan Date: 2-20-74
 Return Date Requested: ASAP
 Agency: Administration Program: Debt Service

II. FISCAL DETAIL

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

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
800 Debt Service				15.0	45.0	60.0
TOTAL	--	--	--	15.0	45.0	60.0

B. FUNDING: (Thousands of dollars)

	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
GENERAL FUND				15.0	45.0	60.0
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
PERMANENT/TEMPORARY	/	/	/	0 / 0	0 / 0	0 / 0
MAN MONTHS (P./T.)	/	/	/	0 / 0	0 / 0	0 / 0

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

Dollars above are per \$1 million. If, for instance, a \$30 million bond issue is being considered, the above amounts should be multiplied by 30.

IV. ATTACHMENTS

Assumptions and schedule for additional years

V. DATE: 2-26-74 PREPARED BY: M. R. Charney

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

MEMORANDUM

State of Alaska

TO: M. R. Charney, Director
 Division of Budget and Management
 Department of Administration

DATE: February 22, 1974

FILE NO:

TELEPHONE NO:

FROM: Murray D. Snyder, Capital Planner
 Division of Budget and Management
 Department of Administration

SUBJECT: Future Year Cost Per 1.0
 Million New G.O. Bond
 Authorization

The effect of approval in FY 75 per each 1.0 million in new General Obligation Bond authorization on the debt amortization cost is approximately as follows:¹

	Amount of Interest and Principal Due Per 1M (in thousands)
FY 75	00.0
FY 76 (Interest only assuming 25% authorization issued)	15.0
FY 77 (Interest only assuming 75% auth. had been issued)	45.0
FY 78 (Interest only assuming 100% auth. had been issued)	60.0
FY 79 (Interest and principal payment)	64.7 ²
FY 80 (Interest and principal payment)	73.3
FY 81 (Interest and principal payment)	77.6
FY 82 (Interest and principal payment)	79.5
FY 83 (Interest and principal payment)	84.2
FY 84 (Interest and principal payment)	85.4
FY 85 (Interest and principal payment)	83.4
FY 86 (Interest and principal payment)	80.4
FY 87 - 95 (not computed)	

1. Assumed interest rate of 6%
2. Principal repayment amounts based on recent experience

MEMORANDUM

State of Alaska

TO: Jay Hogan, Director
Division of Legislative Finance

DATE: February 28, 1974

Thru: M. R. Charney, Director *M.R.C.*
Division of Budget and Management

FILE NO:

TELEPHONE NO:

FROM: Carl Gonder, Budget Analyst *C.G.*
Division of Budget and Management
Department of Administration

SUBJECT: SB 340 - Fiscal Notes

Review of the fiscal note for SB 340 prepared by Doug Burton of the Division of Marine Transportation reveals three consequential omissions:

- (1) No analysis of the influence of debt retirement on the General Fund,
- (2) No projection of possible revenues for the subject system,
- (3) Fails to address the subject of port development on the Yukon River.

Additionally, the study by Lyon Associates, Inc. which formed the foundation for the estimates in this fiscal note is predicated upon vessels having an eight foot draft. There is some doubt that this type of craft would be feasible due to shoals and other uncharted shallow water. Hence, invalidation of this predication would probably alter drastically both the previously mentioned study and the concomitant capital and operating estimates.

The Lyon Associates study explicitly enunciated the premise that there was enough business for only one operator on the Yukon River. Thus, it would be incumbent upon the State to purchase the interests of existing firms or otherwise reimburse these firms for potential damage to their business. This possibility was also not addressed.

Finally, the aforementioned study speculated that considerable revenues would be realized from tourists travelling through Dawson, Yukon Territory on the proposed Yukon River Ferry System. The projections of the levels of tourists and vehicles exhibited in various tables of the study appear to be based partly upon assumptions rather than fact. In addition, the current energy crises is likely to result in a long term (possibly ten years or more) shortage of automotive fuel, which would have an enormous impact upon the tourism industry. Thus, the tourist projections in the Lyons study appear to be highly optimistic.

cc: Carl Mathisen, Division of Marine Transportation

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

I. REQUEST

Bill Identification: Senate Bill No. 340 Yukon R. Ferry System
 Title: G.O. Bonds - \$2,000,000 - Yukon River Ferry System
 Requested by: Legislative Finance Date: February 7, 1974
 Return Date Requested: February 14, 1974
 Agency: Department of Public Works Program: Transportation

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Public Works - Marine Transportation

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 74	FY 75	FY 76	FY 77	FY 78	FY 79
100 PERSONAL SERVICES	0	0	-0-	590	625	663
200 TRAVEL	0	0	-0-	14	15	16
300 CONTRACTUAL	0	0	2,217*	180	195	210
400 COMMODITIES	0	0	-0-	230	245	260
500 EQUIPMENT	0	0	-0-	5	6	7
600 LAND & STRUCTURES	0	0	-0-	5	5	5
700 GRANTS, CLAIMS, ETC.	0	0	-0-	5	5	5
TOTAL	0	0	2,217*	1,029	1,096	1,166

B. FUNDING: (Thousands of dollars)

GENERAL FUND	0	0	0	1,029	1,096	1,166
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	2,217*	0	0	0

* Total bond funds needed to construct vessels and barges as described by Lyon Associates report, reflecting update of report.

C. POSITIONS:

PERMANENT/TEMPORARY	0 / 0	0 / 0	0 / 0	39 / 10	39 / 10	39 / 10
MAN MONTHS (P./T.)	0 / 0	0 / 0	0 / 0	210 / 40	210 / 40	210 / 40

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

Contractual services costs from Lyon Associates Inc., Yukon Ferry Study, November 1973, Page II-11, II-14 & II-17. Personnel costs are from page II-15 of the same report. All figures have been raised to reflect current prices and inflation as follows:

(1) Construction costs increased 20% to reflect two years inflation
 3 vessels @ \$350,000 = \$1,050,000 (plus 20% inflation) = \$1,260,000
 5 barges @ \$140,000 = \$700,000 (plus 20% inflation) = \$ 840,000
 Construction of shore facilities \$117,000 \$ 117,000
\$2,217,000

Continued:

IV. ATTACHMENTS

V. DATE: February 13, 1974

PREPARED BY: *Sherman D. Burton*

Traffic Manager
Division of Marine Transportation

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

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

III. ANALYSIS (continued)

It is estimated that the \$2,000,000 bond will be inadequate in the amount of @217,000 which is indicated for FY-76.

Personnel costs from page II-15 are updated to reflect current Union contracts as much as possible. Crew costs for one vessel \$190,000. Total for three vessels \$570,000 plus \$20,000 for shore support. Cost increased at 6% annually thereafter. Also included in Personnel Services in Administrative support.

Contractual includes insurance, annual overhaul and maintenance of equipment.

Commodities: Main expense is fuel and food.



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

COMMITTEE REPORT

2/5/74

SENATE

Mr. President:

Date _____

The Committee on FINANCE has had SB 341
g.o. bonds jetty service & freight dock for Nome & Northwest coast
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)
- recomerds it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

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

Members NOT concurring in the Majority report:

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

_____ Chairman

Introduced: 2/5/74

Referred: Finance

BY THE RULES COMMITTEE
BY REQUEST OF THE INTERIM
COMMITTEE ON TRANSPORTATION

1 IN THE SENATE

2 SENATE BILL NO. 341

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 the issuance of general obliga-
7 tion bonds in the amount of \$6,000,000 for the purpose
8 of paying the cost of freight dock and sea jetty facili-
9 ties to serve Nome and the Northwest coast; and pro-
10 viding for an effective date."

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

12 * Section 1. For the purpose of paying the cost of constructing a freight
13 dock and jetties at Nome, general obligation bonds of the state in the
14 principal amount of not more than \$6,000,000 shall be issued and sold. The
15 full faith, credit and resources of the state are pledged to the payment of
16 the principal of and interest and redemption premium, if any, on these
17 bonds. These bonds shall be issued under the provisions of AS 37.15 as
18 those provisions read at the time of issuance.

19 * Sec. 2. If the issuance of these bonds is authorized by the qualified
20 voters of the state, a special fund of the state to be known as the "Nome Area
21 Dock and Jetty Construction Fund" shall be established, to which shall be
22 credited the proceeds of the sale of the bonds described in sec. 1 of this
23 Act except for the accrued interest and premiums. There is appropriated
24 from the "Nome Area Dock and Jetty Fund" to the Department of Public Works
25 the sum of \$6,000,000 to perform the construction of the project provided
26 for in this Act.

27 * Sec. 3. If the issuance of these bonds is authorized by the qualified
28 voters of the state, the amount of \$21,000 or as much of that amount as is
29 found necessary is appropriated from the general fund of the state to the

1 state bond committee to carry out the provisions of this Act and to pay
2 expenses incident to the sale and issuance of the bonds authorized in this
3 Act. The amounts expended from the appropriation authorized by this section
4 shall be reimbursed to the general fund from the proceeds of the sale of
5 the bonds authorized by this Act.

6 * Sec. 4. The question whether the bonds authorized in this Act are to
7 be issued shall be submitted to the qualified voters of the state at the
8 next state general election and shall read substantially as follows:

9 Proposition

10 State General Obligation Nome Area Dock
11 and Jetty Bonds \$6,000,000

12 Shall the State of Alaska issue its general obligation bonds
13 in the principal amount of not more than \$6,000,000 for the
14 purpose of paying the cost of freight dock and sea jetty
15 facilities to serve Nome and the Northwest coast?

16 Bonds Yes []

17 Bonds No []

18 * Sec. 5. This Act takes effect on the day after its passage and approval
19 or on the day it becomes law without approval.
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ALASKA STATE LEGISLATURE

EIGHTH Legislature **SECOND** Session

SENATE BILL **NO. 341**

By THE RULES COMMITTEE BY
REQUEST OF THE INTERIM
COMMITTEE ON TRANSPORTATION

"An Act providing for the issuance of general obligation bonds in the amount of \$6,000,000 for the purpose of paying the cost of freight dock and sea jetty facilities to serve Nome and the Northwest coast; and providing for an effective date."

S.O. bonds dock & jetty fac.
for Nome & Northwest coast

Introduced in the Senate 2/5 .. , 1974.

HISTORY IN THE SENATE

19 74

Read first time and referred to Committee on Finance

2 5

Reported back with recommendation that

Read second time and

Read third time and

PASS Yeas
 Nays
 : Absent
 Excused

Effective Date

PASS Yeas
 Nays
 : Absent
 Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS Yeas
 Nays
 : Absent
 Excused

Effective Date

PASS Yeas
 Nays
 : Absent
 Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Lt. Governor

Chapter No.

Introduced: 2/5/74
Referred: Finance

BY THE RULES COMMITTEE
BY REQUEST OF THE INTERIM
COMMITTEE ON TRANSPORTATION

1 IN THE SENATE

2 SENATE BILL NO. 341

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 the issuance of general obliga-
7 tion bonds in the amount of \$6,000,000 for the purpose
8 of paying the cost of freight dock and sea jetty facili-
9 ties to serve Nome and the Northwest coast; and pro-
10 viding for an effective date."

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

12 * Section 1. For the purpose of paying the cost of constructing a freight
13 dock and jetties at Nome, general obligation bonds of the state in the
14 principal amount of not more than \$6,000,000 shall be issued and sold. The
15 full faith, credit and resources of the state are pledged to the payment of
16 the principal of and interest and redemption premium, if any, on these
17 bonds. These bonds shall be issued under the provisions of AS 37.15 as
18 those provisions read at the time of issuance.

19 * Sec. 2. If the issuance of these bonds is authorized by the qualified
20 voters of the state, a special fund of the state to be known as the "Nome Area
21 Dock and Jetty Construction Fund" shall be established, to which shall be
22 credited the proceeds of the sale of the bonds described in sec. 1 of this
23 Act except for the accrued interest and premiums. There is appropriated
24 from the "Nome Area Dock and Jetty Fund" to the Department of Public Works
25 the sum of \$6,000,000 to perform the construction of the project provided
26 for in this Act.

27 * Sec. 3. If the issuance of these bonds is authorized by the qualified
28 voters of the state, the amount of \$21,000 or as much of that amount as is
29 found necessary is appropriated from the general fund of the state to the

1 state bond committee to carry out the provisions of this Act and to pay
2 expenses incident to the sale and issuance of the bonds authorized in this
3 Act. The amounts expended from the appropriation authorized by this section
4 shall be reimbursed to the general fund from the proceeds of the sale of
5 the bonds authorized by this Act.

6 * Sec. 4. The question whether the bonds authorized in this Act are to
7 be issued shall be submitted to the qualified voters of the state at the
8 next state general election and shall read substantially as follows:

9 Proposition

10 State General Obligation Nome Area Dock
11 and Jetty Bonds \$6,000,000

12 Shall the State of Alaska issue its general obligation bonds
13 in the principal amount of not more than \$6,000,000 for the
14 purpose of paying the cost of freight dock and sea jetty
15 facilities to serve Nome and the Northwest coast?

16 Bonds Yes []

17 Bonds No []

18 * Sec. 5. This Act takes effect on the day after its passage and approval
19 or on the day it becomes law without approval.
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The Legislature of the State of Alaska
 FISCAL NOTE
 First Session - Eighth Legislature

I. REQUEST

Bill Identification: All G.O. Bond Authorization Bills
 Title: _____
 Requested by: Jay Hogan Date: 2-20-74
 Return Date Requested: _____ ASAP
 Agency: Administration Program: Debt Service

II. FISCAL DETAIL

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

OBJECT	FY 73	FY 74	FY 75	FY 76	FY 77	FY 78
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
800 Debt Service				15.0	45.0	60.0
TOTAL	--	--	--	15.0	45.0	60.0

B. FUNDING: (Thousands of dollars)

GENERAL FUND				15.0	45.0	60.0
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

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

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

Dollars above are per \$1 million. If, for instance, a \$30 million bond issue is being considered, the above amounts should be multiplied by 30.

IV. ATTACHMENTS

Assumptions and schedule for additional years

V. DATE: 2-26-74 PREPARED BY: M. R. Charney

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

MEMORANDUM

State of Alaska

TO: M. R. Charney, Director
 Division of Budget and Management
 Department of Administration

DATE: February 22, 1974

FILE NO:

TELEPHONE NO:

FROM: Murray D. Snyder, Capital Planner
 Division of Budget and Management
 Department of Administration

SUBJECT: Future Year Cost Per 1.0
 Million New G.O. Bond
 Authorization

The effect of approval in FY 75 per each 1.0 million in new General Obligation Bond authorization on the debt amortization cost is approximately as follows:¹

	Amount of Interest and Principal Due Per 1M (in thousands)
FY 75	00.0
FY 76 (Interest only assuming 25% authorization issued)	15.0
FY 77 (Interest only assuming 75% auth. had been issued)	45.0
FY 78 (Interest only assuming 100% auth. had been issued)	60.0
FY 79 (Interest and principal payment)	64.7 ²
FY 80 (Interest and principal payment)	73.8
FY 81 (Interest and principal payment)	77.6
FY 82 (Interest and principal payment)	79.5
FY 83 (Interest and principal payment)	84.2
FY 84 (Interest and principal payment)	85.4
FY 85 (Interest and principal payment)	83.4
FY 86 (Interest and principal payment)	80.4
FY 87 - 95 (not computed)	

1. Assumed interest rate of 6%
2. Principal repayment amounts based on recent experience

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

RECEIVED
 FEB 13 11 23 AM '74
 STATE OF ALASKA
 DEPT OF
 PUBLIC WORKS

I. REQUEST

Bill Identification: Senate Bill No. 341
 Title: \$6,000,000 Nome Dock - General Obligation Bonds
 Requested by: Legislative Finance Date: February 7, 1974
 Return Date Requested: February 14, 1974
 Agency: Department of Public Works Program: Development

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Water and Harbors Facilities

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		100.0	2,500.0	3,400.0		
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

B. FUNDING: (Thousands of dollars)

GENERAL FUND					
FEDERAL FUNDS					
OTHER (Bonds)		100.0	2,500.0	3,400.0	

C. POSITIONS:

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

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

It is assumed that the project will be assigned to the Division of Water and Harbors. Engineering, design and construction inspection costs will be awarded to a consulting firm experienced in arctic conditions. Actual construction contracts will be awarded in accordance with established competitive bidding policies and procedures. There will be no maintenance or operating costs since the facility will be leased to the local government upon completion. The administration of the various contracts can be assumed by the Water and Harbors staff as a part of the existing harbor facilities program.

IV. ATTACHMENTS

V. DATE: 2/11/74

PREPARED BY: Don Statter

Don Statter, Director
 Division of Water and Harbors

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



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

Committee Report

S E N A T E

3/7/74

4-1-74

Date

Mr. President:

The Committee on FINANCE has had SB 342
teachers' retirement
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:

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

[Signature]
CHAIRMAN

Introduced: 2/6/74
Referred: Health, Education
and Social Services and
Finance

1 IN THE SENATE

BY PALMER, T. MILLER,
CROFT AND KERTTULA

2 SENATE BILL NO. 342

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 teachers' retirement; and providing
7 for an effective date."

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

9 * Section 1. AS 14.25.110(a) is amended to read:

10 (a) A teacher is eligible for normal retirement if he has completed
11 either (1) at least 15 years of creditable service, the last five of
12 which have been membership service, and has attained the age of 60
13 years, or (2) at least eight years of membership service and has
14 attained the age of 60 years, or (3) at least 25 [30] years of credit-
15 able service, the last five of which have been membership service.

16 * Sec. 2. AS 14.25.220(23)(C) is amended to read:

17 (C) completing at least 25 [30] years of creditable
18 service, the last five of which are membership service;

19 * Sec. 3. This Act takes effect on the day after its passage and approval
20 or on the day it becomes law without approval.
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NEA - ALASKA

(ALASKA EDUCATION ASSOCIATION)
AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

207 SEWARD BUILDING • JUNEAU, ALASKA 99801 • PHONE 586-3090

ROBERT VAN HOUTE
EXECUTIVE SECRETARY

ROBERT C. COOKSEY
DEPUTY EXECUTIVE SECRETARY
JUNEAU OFFICE

JAMES C. WRIGHI
DEPUTY EXECUTIVE SECRETARY
1515 E. TUDOR RD. (PHONE 779-8544)
ANCHORAGE, ALASKA 99507

DONALD E. OLMSCHIED
DEPUTY EXECUTIVE SECRETARY
127 1/2 MINNIE ST. (PHONE 456-4435)
FAIRBANKS, ALASKA 99701

April 1, 1974

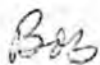
The Honorable Cliff Groh
Chairman, Finance Committee
Alaska State Senate
Pouch "V", State Capitol Building
Juneau, Alaska 99801

Dear Senator Groh:

In regard to S.B. 342, the purpose of this bill is to reaffirm legislative action taken in 1973, the first session of this legislature, which provided that teachers may retire after 25 years of creditable service.

This bill is necessary because Chapters 66 and 77, SLA 1973 are apparently in conflict with each other and the revisor of the Alaska Statutes on page 96 of the 1973 cumulative supplement Titles 9 to Titles 16, specifically indicated that the above legislation is needed to clarify the law.

Sincerely,


Robert Van Houte
Executive Secretary

RVH/ww

cc: Finance Committee Members

8

The Legislature of the State of Alaska
FISC/ NOTE
Second Session - Eighth Legislature

I. REQUEST

Bill Identification: Senate Bill 342
 Title: An act relating to Teachers' Retirement and providing an effective date
 Requested by: Legislative Finance Date: 3/8/74
 Return Date Requested: As soon as possible
 Agency: Retirement Section Program: Teachers' Retirement

II. FISCAL DETAIL

Budget Request Unit(s) Affected: None

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
	0	0	0	0	0	0
TOTAL	0 See Below		0	0	0	0

B. FUNDING: (Thousands of dollars)

GENERAL FUND See Below	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0

C. POSITIONS:

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

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

The provisions of this bill were passed into law during the last legislative session. The purpose of this bill is to clarify the wording of the new provisions

IV. ATTACHMENTS

V. DATE: 3/8/74

PREPARED BY: Robert S. Gates

Robert S. Gates
Benefits Administrator

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

"An Act relating to teachers' retirement; and providing for an effective date."

COMMITTEE REPORT

4/12/74

HOUSE

Mr. Speaker:

Date 1/17/74

The Committee on FINANCE has had SB 342

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>Rosen</u>	_____	_____
<u>WATKINS</u>	_____	_____
<u>McL...</u>	_____	_____
<u>...</u>	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

G. J. ... Chairman

Introduced: 2/6/74
Referred: Health, Education
and Social Services and
Finance

1 IN THE SENATE

BY PALMER, T. MILLER,
CROFT AND KERTTULA

2 SENATE BILL NO. 342

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 teachers' retirement; and providing
7 for an effective date."

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

9 * Section 1. AS 14.25.110(a) is amended to read:

10 (a) A teacher is eligible for normal retirement if he has completed
11 either (1) at least 15 years of creditable service, the last five of
12 which have been membership service, and has attained the age of 60
13 years, or (2) at least eight years of membership service and has
14 attained the age of 60 years, or (3) at least 25 [30] years of credit-
15 able service, the last five of which have been membership service.

16 * Sec. 2. AS 14.25.220(23)(C) is amended to read:

17 (C) completing at least 25 [30] years of creditable
18 service, the last five of which are membership service;

19 * Sec. 3. This Act takes effect on the day after its passage and approval
20 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

S E N A T E

3/7/74

4/17/74

Date

Mr. President:

The Committee on FINANCE has had SB 342
teachers' post retirement pension
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) LEGISLATIVE REVISIONS TO THE
ATTACHED AMENDMENT

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 SENATE

By Finance Committee

To: _____ SENATE BILL NO. 343

_____ HOUSE BILL NO. _____

AMENDMENT: Page 1 Lines 10 through 12

After the words "shall be" -

Delete: "equal to the cost of living increases, as determined by the United States Bureau of Labor Statistics, for the previous calendar year"

Substitute: "not more than four percent"

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

I. REQUEST

Bill Identification: Senate Bill 343
 Title: An act relating to teachers' post retirement pension adjustment with effective
 Requested by: Legislative Finance Date: 3/8/74 date.
 Return Date Requested: As soon as possible
 Agency: Retirement Section Program: Teachers' Retirement

II. FISCAL DETAIL

Budget Request Unit(s) Affected: None

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
	0					
TOTAL	No cost impact - see below					
	0	0	0	0	0	0

B. FUNDING: (Thousands of dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0

C. POSITIONS:

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

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

1. The cost of living index to be used needs better definition. Is it for Anchorage? Seattle? the U.S.?
2. No cost impact as long as granting the adjustment remains discretionary.

IV. ATTACHMENTS

V. DATE: 3/8/74

PREPARED BY:

Robert S. Gates
Benefits Administrator

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

APPENDIX I

TRS -- Cost to State of Alaska

Estimated FY 75 Payroll (Total) = \$96,600,000
Increase in Employer Contribution Rate = 4.20%

Breakdown of Payroll and Costs

<u>Employer</u>	<u>Payroll</u>	<u>Rate</u>	<u>Cost to State</u>
State-operated Schools	\$20,000,000	x 4.20%	\$840,000
University of Alaska	13,520,000	x 4.20%	567,840
Department of Education	1,250,000	x 4.20%	52,500
Local School Districts	61,820,000	x 2.10%	1,298,220
			<u>\$2,758,560</u>

Distribution of Appropriation for TRS

1. State-operated Schools - \$840,000 to Their Budget
2. University of Alaska --- \$283,920 to Their Budget
\$283,920 to TRS Match
3. Department of Education - \$52,500 to Their Budget
4. Local School Districts -- \$1,298,560 to TRS Match



RECORDS CERTIFICATION



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James O. Smith
Signature of Camera Operator

4/26/89
Date

Introduced: 2/6/74
Referred: Health, Education
and Social Services and
Finance

BY PALMER, T. MILLER,
CROFT AND KERTTULA

1 IN THE SENATE

2 SENATE BILL NO. 343

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 teachers' post retirement pension
7 adjustment; and providing for an effective date."

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

9 * Section 1. AS 14.25.143(b) is amended to read:

10 (b) The amount of the increase shall be not more than four per
11 cent [EQUAL TO NOT MORE THAN ONE AND ONE-HALF PER CENT] compounded for
12 each year of retirement. Increases accrue from the first of July next
13 following the effective date of retirement and shall be paid beginning
14 the first of July of each year.

15 * Sec. 2. AS 14.25.100 is amended by adding a new subsection to read:

16 (d) Credit for service in the armed forces shall be granted for
17 up to four years if a teacher's entrance into the teaching profession
18 was delayed due to military service. This delay may be either before,
19 during, or immediately after finishing college. The teacher, in order
20 to obtain credit under this subsection, shall make contributions to
21 the system in the same manner as required for teachers on leave of
22 absence under AS 14.20.345(f) of this chapter.

23 * Sec. 3. This Act takes effect on the day after its passage and
24 approval or on the day it becomes law without approval.
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STATE OF ALASKA

WILLIAM A. EGAN, GOVERNOR

DEPARTMENT OF ADMINISTRATION

DIVISION OF ADMINISTRATIVE SERVICES
PUBLIC EMPLOYEES' RETIREMENT SYSTEM & TEACHERS' RETIREMENT SYSTEM,
HEALTH INSURANCE PROGRAM, GOVERNMENT SOCIAL SECURITY PROGRAM

POUCH C — JUNEAU 99801

April 24, 1974

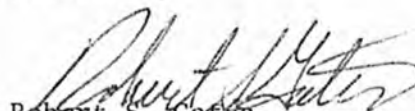
Mr. Jay Hogan, Director
Division of Legislative Finance
Pouch WF
Juneau, Alaska 99801

Dear Jay:

This is to inform you that if Senate Bill 343 am is passed, the only cost will be \$8,000.00 in Administrative expenses. All other costs of this bill will be borne by the teachers.

If you have any additional questions or need more information, do not hesitate to contact me.

Sincerely,



Robert S. Gates
Benefits Administrator



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

COMMITTEE REPORT

3/6/74

SENATE

Mr. President:

Date 3-15-74

The Committee on FINANCE has had SB 350 state assistance in construction of port facilities 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 SB 350 AND THAT CS FOR SB 350 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>[Signature]</u>	_____
<u>[Signature]</u>	<u>DO PASS</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>DO PASS</u>	_____

Members NOT concurring in the Majority report:

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

[Signature] Chairman

Introduced: 2/6/74
Referred: State Affairs and
Finance

1 IN THE SENATE

BY POLAND, CROFT, HENSLEY, KERTTULA
MELAND, K. MILLER, T. MILLER, RAY,
RETTIG, SACKETT, SILIDES AND ZIEGLER

2 SENATE BILL NO. 350

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 state assistance in the con-
7 struction of port facilities; and providing for an
8 effective date."

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

10 * Section 1. AS 30 is amended by adding a new chapter to read:

11 TITLE 30. HARBORS, NAVIGATION AND SHIPPING.

12 CHAPTER 30. STATE PARTICIPATION IN PORT FACILITIES DEVELOPMENT.

13 Sec. 30.30.010. STATE GRANTS FOR PORT FACILITIES CONSTRUCTION.

14 To the extent funds are appropriated by the legislature, or from the
15 proceeds from the sale of bonds, the state may make grants to municipi-
16 palities to finance a portion of the cost of constructing local,
17 regional or state port facilities. The state shall participate only
18 in those projects approved by the governor on recommendation of the
19 commissioner of public works.

20 Sec. 30.30.020. CRITERIA FOR ESTABLISHING ELIGIBILITY FOR PORT
21 FACILITIES CONSTRUCTION GRANTS. (a) Before a grant may be awarded
22 under this chapter, the commissioner of public works shall determine
23 that

24 (1) the grant is for a justifiable, economically feasible
25 project;

26 (2) the project is endorsed by resolution of the governing
27 body of the sponsoring municipality on its own behalf, or on behalf
28 of a service area in an organized borough if a service area is estab-
29 lished to finance and construct port facilities and operate and

1 maintain them once constructed; and

2 (3) the municipality can clearly demonstrate its ability to
3 finance the local share of project costs.

4 (b) No grant may be awarded under this chapter for any port
5 facilities development project until a study of its justification and
6 economic feasibility is conducted and submitted with the application
7 for the grant. The project must be justifiable on the basis of public
8 convenience and necessity. To facilitate a determination of economic
9 feasibility the commissioner shall require the applicant to furnish
10 those engineering studies of the project's practicality and other
11 economic forecasts and financial data and other technical information
12 that he considers necessary. The study shall be conducted by consul-
13 tants, engineers or other technical experts, who may or may not be
14 officers or employees of the municipality making application for a grant,
15 approved by the commissioner in advance of the conduct of the study
16 and of the submission of an application for a grant under this chapter.

17 Sec. 30.30.030. LIMITATION ON GRANTS. Grants for the development
18 of port facilities may not exceed

19 (1) 90 per cent of project costs for municipalities under
20 2,000 population;

21 (2) 80 per cent of project costs for municipalities of
22 2,000 - 25,000 population; or

23 (3) 70 per cent of project costs for municipalities over
24 25,000 population.

25 Sec. 30.30.040. DISPOSITION OF STATE LANDS FOR PORT FACILITIES
26 DEVELOPMENT PROJECTS. The division of lands of the Department of
27 Natural Resources, subject to the applicable provisions of AS 38.05
28 and 38.10, may convey title or other interests in state land, provide
29 for the exchange of state land, or make other arrangements with

1 respect to state land that may be necessary to complete projects for
2 which a state grant is approved under this chapter.

3 Sec. 30.30.050. COMBINED PORT AND FERRY TERMINAL FACILITIES. A
4 grant may be awarded under this chapter for a port facilities develop-
5 ment project that includes, or combines, state ferry terminal facilities
6 as a part of the project. However, the state shall pay the proportion-
7 ate project costs attributable to the ferry terminal including but not
8 limited to vehicle staging areas, transfer spans and aprons, passenger
9 terminal facilities and offices, docks and other docking facilities
10 for ferry vessels.

11 Sec. 30.30.060. REGULATIONS. The commissioner of public works
12 shall promulgate regulations under the Administrative Procedure Act
13 (AS 44.62) that he considers necessary to carry out the provisions of
14 this chapter.

15 Sec. 30.30.070. DEFINITIONS. In this chapter

16 (1) "commissioner" means commissioner of public works;

17 (2) "department" means department of public works;

18 (3) "municipality" means a general law municipal corporation
19 and political subdivision, which is a first or second class borough or
20 city, or a third class borough, incorporated under the laws of the
21 state, including a home rule first class borough or city, or a unifi-
22 cation of these;

23 (4) "port facilities" means docks, wharves, bulkheads,
24 seawalls, landfills, warehouses, staging areas, transfer spans and
25 aprons, lifting equipment and similar structures together with the
26 necessary equipment and facilities required to accommodate waterborne
27 commerce and shipping, including but not limited to combined port and
28 ferry terminal facilities;

29 (5) "project costs" means the cost of financing or

1 borrowing, site acquisition and rights-of-way, planning, engineering
2 and designing, construction, equipment acquisition and installation,
3 but does not include the cost of operation or maintenance of the port
4 facilities once constructed or the cost of feasibility studies required
5 in making application for a grant under this chapter.

6 * Sec. 2. This Act takes effect July 1, 1974.
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01216. SPON:

Introduced: 2/6/74
Referred: State Affairs and
Finance

BY POLAND, CROFT, HENSLEY, KERTTULA
MELAND, K. MILLER, T. MILLER, RAY,
RETTIG, SACKETT, SILIDES AND ZIEGLER

1 IN THE SENATE

2 *SCS* SENATE BILL NO. 350 BY: THE FINANCE Comm.

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 state assistance in the con-
7 struction of port facilities; and providing for an
8 effective date."

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

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To the extent funds are appropriated by the legislature, or from the proceeds from the sale of bonds, the state may make grants to municipalities to finance a portion of the cost of constructing local, regional or state port facilities. The state shall participate only in those projects approved by the governor on recommendation of the commissioner of public works.

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(1) the grant is for a feasible project;

(2) the project is endorsed by resolution of the governing body of the sponsoring municipality on its own behalf, or on behalf of a service area in an organized borough if a service area is established to finance and construct port facilities and operate and maintain them once constructed; and

(3) the municipality can clearly demonstrate its ability to finance the local share of project costs.

(b) No grant may be awarded under this chapter for any port facilities development project until a study of its feasibility is conducted and submitted with the application for the grant. The project also must be justifiable on the basis of public convenience and necessity. The study shall be conducted by consultants, engineers or other technical experts, who may (or may not) be officers or employees of the municipality making application for a grant.

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^{3,000}
~~2,000~~ (1) 90 per cent of project costs for municipalities under population;

^{3,000}
~~4,000~~ (2) 80 per cent of project costs for municipalities of - 25,000 population; or

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and aprons, passenger terminal facilities and offices, docks and other docking facilities for ferry vessels.

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- (2) "department" means department of public works;
- (3) "municipality" means a general law municipal corporation and political subdivision, which is a first or second class borough or city, or a third class borough, incorporated under the laws of the state, including a home rule first class borough or city, or a unification of these.
- (4) "port facilities" means docks, wharves, bulkheads, seawalls, landfills, warehouses, staging areas, transfer spans and aprons, lifting equipment and similar structures together with the necessary equipment and facilities required to accommodate waterborne commerce and shipping, including but not limited to combined port and ferry terminal facilities;
- (5) "project costs" means the cost of financing or borrowing, site acquisition and rights-of-way, planning, engineering and designing, construction, equipment acquisition and installation, but does not include the cost of operation or maintenance of the port facilities once constructed or the cost of feasibility studies required in making application for a grant under this chapter.

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

I. REQUEST

Bill Identification: House Bills 586 and 587 & Senate Bill 350 & 351
 Title: \$20,000,000 general obligation bonds for port facilities development
 Requested by: Legislative Finance Date: 2/13/74
 Return Date Requested: 2/20/74
 Agency: Department of Public Works Program: Development

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Water and Harbors Program

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 74	FY 75	FY 76	FY 77	FY 78	FY 79
100 PERSONAL SERVICES		44.0	46.0	48.5	51.0	52.5
200 TRAVEL		3.0	3.5	4.0	4.5	5.0
300 CONTRACTUAL		1.0	1.0	1.5	1.5	2.0
400 COMMODITIES		.5	.5	.5	.5	.5
500 EQUIPMENT		2.0				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		3,949.5	3,949.0	3,945.5	3,942.5	3,939.0
TOTAL		4,000.0	4,000.0	4,000.0	4,000.0	4,000.0

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER G.O. Bonds		4,000.0	4,000.0	4,000.0	4,000.0	4,000.0

C. POSITIONS:

PERMANENT/TEMPORARY	/	2 /	2 /	2 /	2 /	2 /
MAN MONTHS (P./T.)	/	24 /	24 /	24 /	24 /	24 /

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

It is assumed that the program will be administered by the Division of Water and Harbors as an addition to the existing smallcraft harbor facilities development program. Since the bonds will be disbursed to the local governments for direct contract payments or reimbursement for funds expended in the completion of approved projects, only two new positions are projected. One public works planner would assume the administrative responsibilities related to the program including the processing, review, and analysis of applications, priority programming, coordination with local government officials and necessary paper flow. One engineering position will be required to review and analyze required engineering and economic feasibility studies and to assist in the compilation of appropriate data necessary

IV. ATTACHMENTS for reports and recommendations to the Commissioner.

1. Detail of personal services (Form 13)
2. Special Report "Funding Local Port Development Projects".

V. DATE: 2/15/74

PREPARED BY: Don Statter

Don Statter, Director
Division of Water and Harbors

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

SPECIAL REPORT

FUNDING LOCAL PORT DEVELOPMENT PROJECTS

STATE OF ALASKA
DIVISION OF WATER AND HARBORS
DEPARTMENT OF PUBLIC WORKS

Don Statter
Director

R.T. Meketa
Public Works Planner

November 1973

INTRODUCTION

The importance of waterborne commerce in the history of Alaska requires little explanation for it would be difficult to imagine development without waterborne commerce. From ancient native life styles, to our present complex civilization, waterways have provided the primary means of travel, communication and the exchange of ideas and commodities.

It is fortunate that nature has provided Alaska with a vast coastline and extensive navigable river system but it is unfortunate that the full employment of this natural transportation base has never been realized. Both major and minor ports are, in most cases, undersized, outmoded and inadequate to meet today's needs. Recent changes in shipping techniques and the trend toward larger vessels have, and will, require drastic improvements in port facilities. These problems have already led to relatively high overall tariff rates and unless basic improvements are made it appears that general rate increases will follow, which in turn, will create a transportation burden detrimental to the economy of the State and its people.

FINANCING PORT DEVELOPMENT

State - No agency of the State government currently has a program or funding for the development of deep draft port facilities. The Department of Public Works has participated in the development of some shallow draft and medium draft dock facilities as well as Marine Highway System ferry terminal improvements but activity has been limited due to funding restrictions.

Federal - The Corps of Engineers has authority to make improvements in navigation for the purpose of the development, conduct and safety of waterborne commerce. This authority does not extend to the construction of dock, wharf or other structural facilities but is limited to such things as small boat harbor construction, deepening and widening waterways, protecting harbor entrances, removing obstructions to navigation, etc.

The Economic Development Administration (Department of Commerce), through the Public Works and Development Act of 1955, has been the primary source for funding port facility development in Alaska in recent years. Projects have ranged from multi-million dollar complex facilities through simple, time tested and proven timber dock structures to handle the needs of the smaller communities. The amount of federal participation is dependent on several factors and, in some cases, may approach 100%. The time from inception to completion will vary from project to project but three years is usually considered as average. Projects are sponsored by local governments who prepare the necessary applications, finance the non-federal share of funding, and operate and maintain the completed facilities.

THE PROBLEM

The President's proposed Federal budget for fiscal year 1974 calls for drastic reductions in the funding level of the Public Works and Development Act of 1965. Considering the present economic condition of most communities this will signal a virtual halt to any new port development or expansion projects. Unless new sources of revenue can be found to carry on this vital function the situation will become more critical.

THE ALTERNATIVES

Of the various alternatives examined, only four were found to warrant detailed analysis. They are:

1. Utilize new or proposed new sources of federal revenue sharing or grant monies.
2. The State assume the past role of EDA through a program of cost sharing grants and loans.
3. The municipalities pay for the needed improvements through bonds, special taxes, etc.
4. The creation of a statewide Port Authority with full bonding and taxing authority.

ANALYSIS OF ALTERNATIVES

Federal - New programs proposed by the President to replace planned funding cutbacks include Special Revenue Sharing for Urban Community Development (Better Communities Act). The extent to which grant allocations from this program would be made available for port development in Alaska is unknown at this time. However, a preliminary analysis of available information leads to the conclusion that emphasis will be shifted from physical to social requirements. It is expected that funding will begin in fiscal year 1975.

The Rural Development Act of 1972 will, together with other numerous provisions, provide loans and grants to public bodies for measures designed to facilitate development of private business and industrial enterprises. There is some doubt that municipal port facilities will qualify for such monies. Unfunded in it's first year, activity has been accurately described as "slowly unfolding" and what to anticipate in the way of funding and impact on Alaska is not much better known today than it was when the Act became law. The comments applicable to Special Revenue Sharing and the proposed Better Communities Act apply here also.

1

State - A modest bond proposal to provide funds for local Port Development project on a cost sharing basis would appear to be a realistic alternative. The program could be administered through the Department of Public Works with only a very nominal increase in staff required. This would allow for the completion of badly needed port improvements during the interim period of State and Federal fiscal adjustment without creating an unnecessary hardship on State or local government budgets.

Local Government - Most Alaskan municipalities are hard pressed to meet the expanding demand for streets, sewers, utilities and other basic community needs and in many cases are already overtaxing their fiscal capacity. While this alternate may be possible for some of the larger cities it is beyond the capability of the smaller communities and villages. To most of these smaller coastal cities a port is vital to their existence since they look to the sea as a primary factor in their basic economic development. For these communities to delay harbor improvements until more prosperous times would be entirely impractical since the very port that they are trying to develop will probably be one of the major municipal improvements that would contribute to economic stability.

Statewide Port Authority - Interest in a statewide Port Authority dates back many years; however, no major effort has ever been made to create such an agency within the State government. This can be attributed to many things although the fact that the Alaska Constitution gives taxing power only to the State, the Boroughs and local municipalities is perhaps the most significant factor. Also, most local communities have voiced a general reluctance toward this concept because they feel it would pre-empt their right to tax and regulate facilities now under their jurisdiction.

CONCLUSIONS & RECOMMENDATION

Alaska's ports play an important role in the social and economic well being of the State. Existing inadequate facilities and the attendant inefficiencies result in transportation costs higher than necessary creating an almost unbearable burden on many of the State's residents. Many communities desire and need port facilities but lack the ability to fund these improvements. Past sources of federal financial assistance are disappearing and the outlook for their restoration is doubtful. The probability of the legislature creating a statewide port authority in the current period of fiscal uncertainty would have to be considered very remote. Therefore, of the alternatives examined, a statewide general obligation bond proposal to provide grants for locally sponsored port development projects is considered to be the most feasible. This would essentially amount to the creation of an interim state program designed to replace the federal government's defunct Economic Development Administration.

CONCLUSIONS & RECOMMENDATION (con't)

It is expected that procedures developed and used by EDA in processing similar proposals under the federal program would be used as a guide in allocating port development grants under the provisions of the state program. Priorities would be established by the state. First consideration would be given to those communities who had completed preliminary cost: benefit and engineering feasibility studies for federal EDA funds prior to the termination of that program. Second consideration would be given to those proposed projects conceived prior to the end of the EDA activity but not yet advanced to the study or application stages. In all cases justification and priority would be measured largely by the relationship of the project to the overall transportation needs of the State.

Recognizing that it may be many years before new sources of funding assistance are available to local governments it is recommended that appropriate legislation be initiated immediately. The proposed legislation, if enacted into law, should provide for a bond measure in the amount of 20 million dollars. The proceeds from the sale of these bonds would be used specifically for the purpose of providing financial assistance to local governments for the construction of marine oriented port development projects.

13
FY 75

PERSONAL SERVICES
REQUEST FOR NEW POSITION

AGENCY	Public Works	CATEGORY	07	Grade
DIVISION	Water and Harbors	PROGRAM	73	Development
		SUB PROGRAM	03	Comm Development
		ELEMENT		Water and Harbors
		SUB-ELEMENT		

POSITION TITLE	Public Works Planner		RANGE	20	LOCATION	Juneau
TYPE OF POSITION	Permanent	Full-time	NEW	X	ESTABLISHED	
			FY 75		FUNDING SOURCE	
TYPE OF EXPENDITURE	PERSONAL SERVICES	AMOUNT	20,407		6,000 bonds	
	EQUIPMENT	AMOUNT	1,000			
	OTHER	AMOUNT	2,000			
	TOTAL	AMOUNT	23,407			

PROJECTIONS			
TOTAL EXPENSES			
	FY 76	FY 77	FY 78
6 0 Bonds for Port Facilities Development	23,500	25,000	26,500
			28,000

EXPLANATION:

APPROVED DISAPPROVED

LEGISLATURE APPROVED DISAPPROVED

CERTIFICATION BY AGENCY HEAD

DATE

PCN	LOCATION	EFFECTIVE DATE	APPROVED BY:	RANGE	CLASS CODE	APPROVED CLASSIFICATION

PERSONAL SERVICES
REQUEST FOR NEW POSITION

FY 75

AGENCY	Public Works	CATEGORY	07	Development
DIVISION	Water and Harbors	PROGRAM	73	Comm. Development
		SUB PROGRAM	03	Water & Harbors Fac.
		ELEMENT		
		SUB ELEMENT		

POSITION TITLE	Construction Engineer III		RANGE	22	LOCATION	Juneau
TYPE OF POSITION	Permanent Full-time	NEW ESTABLISHED			PRIORITY	
			M/C:	C		PAGE / LINE
TYPE OF EXPENDITURE		FY 75 FUNDING SOURCE	DETAIL OF RELATED EXPENSES			
PERSONAL SERVICES	23,650	G.O. Bonds	Office furniture and equipment			
EQUIPMENT	1,000		Travel, per diem, commodities, services			
OTHER	2,500					
TOTAL	27,150					
PROJECTIONS						
TOTAL EXPENSES						
			FY 76	FY 77	FY 78	FY 79
FUNDING SOURCE	G.O. Bonds for Port Facilities Development		27,500	29,500	31,000	33,000

EXPLANATION:

GOVERNOR	APPROVED	<input checked="" type="checkbox"/>	DISAPPROVED	<input checked="" type="checkbox"/>	LEGISLATURE	APPROVED	<input type="checkbox"/>	DISAPPROVED	<input type="checkbox"/>	CERTIFICATION BY AGENCY HEAD	DATE
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PCN	LOCATION	EFFECTIVE DATE	APPROVED BY:	RANGE	CLASS CODE	APPROVED CLASSIFICATION
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Statement
by
E. Erwin Davis
Port Director
Port of Anchorage
City of Anchorage

In conjunction with consideration of STATE
ASSISTANCE IN THE CONSTRUCTION OF PORT FACILITIES
(HB-586-HB-587) AND (SB-350 - SB-351)

February 1974

Mr. Chairman, Members of the Committee:

The purpose of this statement is to express support for the spirit and expressed objectives of the legislative proposals pending before you, in the matter of State financial assistance in the construction of port facilities. It is submitted for your consideration on behalf of the City of Anchorage, owners and operators of port terminal and industrial complexes in the State of Alaska.

The City of Anchorage has long recognized the vital need to provide the necessary marine terminal facilities required to make the bridge between waterborn commerce and the land and air modes for ultimate distribution within the State's transportation network.

The City took the first step in providing shoreside facilities back in 1927 when it acquired a small tidal pier on Ship Creek. The beginning of our modern deep-draft port commenced to become a reality in 1958, with a single berth marginal wharf, transit shed and supporting Industrial Park opening for business in 1961 at our present location just south of Carin Point. By 1965 we had already outgrown this single berth and had formulated plans for expansion.

A new Petroleum Terminal was opened for business in 1965. The 1965 planned second general cargo terminal was completed only in 1970.

In providing these facilities, the taxpayers of the City of Anchorage have underwritten the expenditure of \$6,200,000 in Revenue Bonds and \$11,600,000 in General Obligation Bonds. We have additionally secured in 1970 from the Economic Development Administration, Department of Commerce, a 50% matching grant in the amount of \$1,186,000.

These berthing facilities, along with an additional approximately \$2,000,000 in cargo handling gear now has a replacement value in excess of twenty million dollars.

To some degree having a modern marine facility at Anchorage has been self-serving, and has certainly developed and ensured the future of the business and private community that Anchorage was and would remain the economic and transportation center for all of Southcentral Alaska. But note that I said Southcentral Alaska! To this I would need to add Interior Alaska, the benefits that the City derives through lower freight rates, speed of service, and etc., are certainly shared, with no loss in degree with other Alaskan communities - Kenai - Seward - Palmer - Fairbanks - North Slope - and other towns and villages of the interior of Southcentral Alaska. Our facilities are benefiting directly a population of approximately 240,000 or 70% of the population of Alaska. Freight rates made possible with direct

vessel movement to Anchorage in many cases are lower today than they were ten years ago. This in the face of a national trend of rising costs. We are today moving through the Port nearly 100% of the petroleum products destined for use in Southcentral and Interior Alaska for both the military and the civilian population.

Lets now consider some of our plans for dealing with this problem of keeping pace with the requirements of the trade.

In 1970 we contracted with a Consulting Engineering firm to study and report on our market potential, needs for additional facilities, etc. The firm of Tippetts-Abbett-McCarthy-Stratton reported in October of that year that we could expect through normal growth (we had specifically asked that they not consider pipeline impact) to exceed the capacity of our general cargo facilities in late 1973 and that our capability to handle the anticipated petroleum throughput would be reached in 1974. Their estimate of physical plant expansion costs necessary to serve the trade at normally anticipated growth rates was \$11,000,000. This figure had grown by appreciation in 1973 to approximately \$16,000,000.

The City, acting on the recommendations of its Engineers, commenced nearly immediate plans for the design and funding of the expansion to our port facilities. But, due to delays in acquiring funding for the project, we were unable to start any actual construction until 1973. This first phase of the planned expansion costing approximately \$6 million, and funded with \$3 million in G.O. Bonds, and with \$3 million grant funds from E.D.A., will provide, in 1974, additional

cargo staging area and 370-feet of deep water pier. Three-hundred seventy feet being approximately one-half of the pier size needed to accommodate a normal ocean-going vessel.

In our submission to E.D.A., we had presented our entire short-term expansion needs; one additional general cargo terminal, a second petroleum terminal and additional staging area recovered from tidelands back of the piers. Tippetts-Abbett-McCarthy-Stratton had earlier estimated that for the purpose of general growth that these facilities would see us, based on normal anticipated growth, approximately to the year 1980.

In anticipation of the second stage of our expansion, the City received authorization for an additional \$3 million in G.O. bonding, subject to the receipt of matching funds from federal - State or some other source. It has become apparent that the prospects of receiving additional aid from E.D.A., is extremely slim for reasons that I am sure you are well aware of.

The City finds itself, as a consequence of these developments, in the position of not being able to fund the new facilities required for normal growth and obviously in real trouble in our attempt to provide those facilities needed to handle the large volumes of additional cargo, both general and P.O.L., that will be generated with the commencement of construction of the Alaska Pipeline Project,

and the renewal of oil exploration and development on the North Slope. Interest as expressed in the State's recent lower Inlet lease sale will undoubtedly additionally impact our operations.

We are finding now, that perhaps our 1970 approach to the problem was too conservative, that the economic consequences of North Slope oil developments were understated. It is, I believe, generally agreed now that "pipeline impact" is not a short-term event to be simply put up with, but rather the stimulus for a long-term growth period, that should have been included in our normal growth projections. We find ourselves, right now, today, prior to the completion of even the first phase of our 1970 planned expansion program, with the immediate need for additional terminal facilities. These additional facilities will require new funding in the amount of approximately \$5 - \$6 million dollars.

The expansion program in marine terminal facilities now being undertaken by the City of Anchorage is therefore, approaching \$20 millions of dollars. Providing funding of this magnitude by a city the size of Anchorage even if these needs could be taken in isolation, would be staggering, taken along with other obvious municipal capital expansion projects and the problem becomes insurmountable without outside aid.

What then is the impact created if we do not move ahead? Certain conclusions must be obvious. When the State's most important

gateway to the sea begins to choke off the flow goods, every citizen in the hinterland served by that gateway will begin to experience costly delays in receiving their freight. Additionally costs will be experienced to those projects that experience manpower scheduling delays due to late arrival of essential goods, etc.

We can additionally ask, who will be those most severely impacted? I believe that it is fair to assume that the greatest detrimental effects will be felt in those areas outside of the Greater Anchorage bowl area. I say this because I feel the pressure will develop locally that may weigh on the normal distribution of traffic to Southcentral and Interior Alaska.

In summary, the City of Anchorage needs financial assistance in the immediate future to; one, complete the general cargo terminal now under construction and, two, an additional source of funds (possibly impact funds) that will be required to complete a new facility designed to serve the trade now known to exist that will be serving the pipeline and related oil production projects.

I have attempted to relate to you that although the funding problem is local in nature - that the real problem is one effecting not just Anchorage but all of Southcentral and Interior Alaska.

We feel that a request to the State for funding is proper when considering the City's needs, but is much more compelling when considering the general interest of the State, to the extent that we are serving 70% of the population of this state. I must point