

LEG. FINANCE - BILLS 1975 - 1976 541

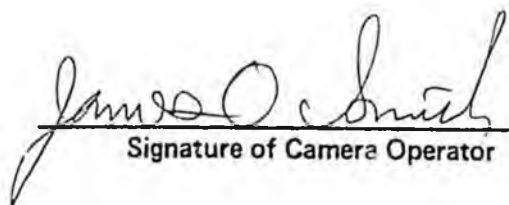
SB 26.8 thru SB 271

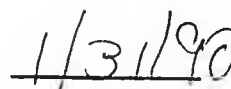


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Signature of Camera Operator


Date

4/8/75

COMMITTEE REPORT

SENATE

Mr. President:

Date _____

The Committee on FINANCE has had SB 268 transferring the Alcoholic Beverage Control Bd. from Dept. of Revenue to Public under consideration. A Majority of the members of the Committee Safety

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

Members signing the Majority report:

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

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ Chairman

COMMITTEE REPORT

SENATE

Finance
4-8-75

Returned to

4/7/75

Mr. President:

Date _____

The Committee on RULES has had SB 268 transferring the Alcoholic Beverage Control Bd. from Dept. of Revenue to Public under consideration. A Majority of the members of the Committee Safety

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

Members signing the Majority report

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

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

Chairman

COMMITTEE REPORT

R

4/1/75

SENATE

Mr. President:

Date 4/7/75

The Committee on FINANCE has had SB 268 transferring the Alcoholic Beverage Control Bd. from Dept. of Revenue to Public under consideration. A Majority of the members of the Committee Safety

- recommends it DO PASS
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COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

Bill Ray Henri Chance _____
Sam Antikovich K. Poland _____
John ... _____
George ... _____

Members NOT concurring in the Majority report:

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

Bill Ray Chairman

COMMITTEE REPORT

SENATE

3/13/75

Mr. President:

Date 3/31/75

The Committee on JUDICIARY has had SB 268 transferring the Alcoholic Beverage Control Bd. from Dept. of Revenue to Public under consideration. A Majority of the members of the Committee Safety

- 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:

Tillion _____
MELAND _____
3 w/ls _____
Paland _____

Members NOT concurring in the Majority report:

[Signature] recommends: No Recommendation
 _____ recommends:
 _____ recommends:
 _____ recommends:
 _____ recommends:

3 w/ls Chairman

268

Introduced: 3/13/75
Referred: Judiciary and
Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 268

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act transferring the Alcoholic Beverage Control
7 Board from the Department of Revenue to the Department
8 of Public Safety; and providing for an effective date."

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

10 * Section 1. AS 04.05.010(a) is amended to read:

11 (a) There is established an Alcoholic Beverage Control Board
12 within the Department of Public Safety [REVENUE] consisting of five
13 members appointed for overlapping three-year terms. The board is
14 vested with the duties, powers, and responsibilities involved in the
15 control of alcoholic beverages, including the promulgation of rules
16 and regulations and the hearing of appeals from the action of officers
17 and employees charged with enforcing the alcoholic beverage control
18 laws, rules, and regulations. The governor shall appoint the board
19 subject to confirmation by the legislature. No member of the board
20 may hold any other state or federal office, either elective or appoin-
21 tive. Two members of the board shall be actively engaged in the
22 alcoholic beverage industry, except that no member may be an officer,
23 agent, or employee of a wholesale alcoholic beverage enterprise. No
24 three members of the board may be engaged in the same business, occu-
25 pation or profession. Three members constitute a quorum for the
26 conduct of business. The board shall meet at least once each year in
27 each of the four judicial districts to study, reconsider and modify
28 existing agency rules and regulations in the light of current local
29 problems.

COMMITTEE COPY.

1 * Sec. 2. AS 04.05.010 is amended by adding a new subsection to read:

2 (c) The Department of Public Safety shall provide necessary
3 clerical and administrative services for the board.

4 * Sec. 3. AS 04.10.450 is amended to read:

5 Sec. 04.10.450. DISPOSITION OF FUNDS. Money collected or due
6 the state for licenses under the provisions of this title shall be
7 deposited in [WITH THE DEPARTMENT OF REVENUE AND COVERED INTO] the
8 general fund.

9 * Sec. 4. AS 04.10.460 is amended to read:

10 Sec. 04.10.460. CONDITIONS OF REFUND. Money derived from the
11 licenses issued, except wholesale licenses within organized boroughs
12 and all classes of cities, shall be refunded semi-annually to the
13 boroughs and cities. If the officers of a borough or city fail to
14 actively enforce its ordinances, the laws of the United States, the
15 laws of the state, and the regulations relating to the manufacture and
16 sale of intoxicating liquors in the state, the commissioner of public
17 safety [REVENUE] may deny the refund and no further money may be paid
18 to the local governments until the enforcement of the laws and regula-
19 tions is actively resumed.

20 * Sec. 5. AS 04.15.050 is amended to read:

21 Sec. 04.15.050. SEIZURE AND SALE OF SHIPMENTS TO UNLICENSED
22 PERSONS. Any intoxicating liquor shipped into the state for sale
23 other than to licensees is contraband and subject to confiscation by
24 the state and any intoxicating liquor seized shall be sold under the
25 order of the board and the proceeds thereof deposited in [WITH THE
26 DEPARTMENT OF REVENUE AND COVERED INTO] the general fund. However,
27 this section does not apply to sacramental wine, alcohol or liquor
28 used for industrial, pharmaceutical or medical purposes or other
29 liquor used for filling the prescription of a physician.

1 * Sec. 6. AS 44.25.020(4) is repealed.
2 * Sec. 7. This Act takes effect July 1, 1975.

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March 13, 1975

The Honorable Chancy Croft
President of the Senate
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. President:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill which transfers the Alcoholic Beverage Control Board from the Department of Revenue to the Department of Public Safety and the duties of the Commissioner of Revenue under the alcoholic beverage licensing provisions to the Commissioner of Public Safety.

Sincerely,

Jay S. Hammond
Governor

ALASKA STATE LEGISLATURE

NINTH... Legislature FIRST... Session

SENATE BILL..... NO. ...268.

By THE RULES COMMITTEE BY.....
REQUEST OF THE GOVERNOR

"An Act transferring the Alcoholic Beverage Control Board from the Department of Revenue to the Department of Public Safety; and providing for an effective date."

transferring the Alcoholic Beverage Control Bd.

Introduced in the Senate ...3/13... 19...75.

HISTORY IN THE SENATE

19 75	Read first time and referred to Committee on
5 13	Judiciary and Finance
4 1	Reported back with recommendation that <i>jud. do pass - to Finance</i>
4 7	<i>File & pass to Rules</i>
4 8	<i>Return to Finance - reported out</i>
	Read second time and
	Read third time and
	PASS Effective Date
	Yeas Yeas
	Nays Nays
	Absent Absent
	Excused Excused
	Reconsideration
	PASS Effective Date
	Yeas Yeas
	Nays Nays
	Absent Absent
	Excused 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 Effective Date
	Yeas Yeas
	Nays Nays
	Absent Absent
	Excused Excused
	Reconsideration
	PASS Effective Date
	Yeas Yeas
	Nays Nays
	Absent Absent
	Excused 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.

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. SB 268
 Title: Transferring ABC Board from Revenue to Public Safety
 Requested by: Senator Ray Date: 12/15/75
 Return Date Requested: 1/1/76
 Agency: Revenue Program: Alcoholic Beverage Control

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Alcoholic Beverage Control

A. EXPENDITURES: (Thousands of dollars)

CBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

B. FUNDING: (Thousands of dollars)

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

C. POSITIONS:

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

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

No extra expense is anticipated as only necessary clerical and administrative services are provided by Public Safety. All routine clerical and administrative functions are supported by the ABC Staff. Public Safety would be required to support personnel actions, purchase requests, leave accrual, travel reimbursement and accounts payable for ABC staff of ten (10) and five (5) Board members. Existing Revenue support equivalent at 7% of an Accounting Clerk III workload.

IV. ATTACHMENTS

See attached narrative on advantages and disadvantages of transfer.

V. DATE: 12/23/75 PREPARED BY: [Signature]

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

ADVANTAGES OF ABC TRANSFER TO PUBLIC SAFETY:

1. Public Safety currently provides most background investigation data on ABC license applicants, consisting of interviews, financial check, criminal record checks, and business involvement as required by AS 04. The transfer would eliminate problems with data considered to be confidential leaving Public Safety.
2. Public Safety currently performs many ABC investigations and premises inspections in remote areas where troopers are stationed. The transfer should make these vital services more tolerable by the troopers.
3. ABC Investigators are given police commissions to enforce AS 04. The transfer should enhance ABC Investigator latitude in dealing with liquor problems, as violations other than liquor are often encountered simultaneously with liquor violations.
4. The ABC program is more compatible with Public Safety programs than Revenue programs.

DISADVANTAGES:

The Statewide license issuing activity probably conflicts with the law enforcement objective of Public Safety. Separation of law enforcement efforts within a municipality will become much more difficult as ABC licensing and enforcement activity is usually within a municipality.

COMMENTS:

ABC would continue to transmit license fee receipts to Revenue and be subject to the Revenue tax checks prior to approving certain license transactions.

Introduced: 3/13/75
Referred: Judiciary and
Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 268

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act transferring the Alcoholic Beverage Control
7 Board from the Department of Revenue to the Department
8 of Public Safety; and providing for an effective date."

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

10 * Section 1. AS 04.05.010(a) is amended to read:

11 (a) There is established an Alcoholic Beverage Control Board
12 within the Department of Public Safety [REVENUE] consisting of five
13 members appointed for overlapping three-year terms. The board is
14 vested with the duties, powers, and responsibilities involved in the
15 control of alcoholic beverages, including the promulgation of rules
16 and regulations and the hearing of appeals from the action of officers
17 and employees charged with enforcing the alcoholic beverage control
18 laws, rules, and regulations. The governor shall appoint the board
19 subject to confirmation by the legislature. No member of the board
20 may hold any other state or federal office, either elective or appoin-
21 tive. Two members of the board shall be actively engaged in the
22 alcoholic beverage industry, except that no member may be an officer,
23 agent, or employee of a wholesale alcoholic beverage enterprise. No
24 three members of the board may be engaged in the same business, occu-
25 pation or profession. Three members constitute a quorum for the
26 conduct of business. The board shall meet at least once each year in
27 each of the four judicial districts to study, reconsider and modify
28 existing agency rules and regulations in the light of current local
29 problems.

1 * Sec. 2. AS 04.05.010 is amended by adding a new subsection to read:

2 (c) The Department of Public Safety shall provide necessary
3 clerical and administrative services for the board.

4 * Sec. 3. AS 04.10.450 is amended to read:

5 Sec. 04.10.450. DISPOSITION OF FUNDS. Money collected or due
6 the state for licenses under the provisions of this title shall be
7 deposited in [WITH THE DEPARTMENT OF REVENUE AND COVERED INTO] the
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9 * Sec. 4. AS 04.10.460 is amended to read:

10 Sec. 04.10.460. CONDITIONS OF REFUND. Money derived from the
11 licenses issued, except wholesale licenses within organized boroughs
12 and all classes of cities, shall be refunded semi-annually to the
13 boroughs and cities. If the officers of a borough or city fail to
14 actively enforce its ordinances, the laws of the United States, the
15 laws of the state, and the regulations relating to the manufacture and
16 sale of intoxicating liquors in the state, the commissioner of public
17 safety [REVENUE] may deny the refund and no further money may be paid
18 to the local governments until the enforcement of the laws and regula-
19 tions is actively resumed.

20 * Sec. 5. AS 04.15.050 is amended to read:

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22 PERSONS. Any intoxicating liquor shipped into the state for sale
23 other than to licensees is contraband and subject to confiscation by
24 the state and any intoxicating liquor seized shall be sold under the
25 order of the board and the proceeds thereof deposited in [WITH THE
26 DEPARTMENT OF REVENUE AND COVERED INTO] the general fund. However,
27 this section does not apply to sacramental wine, alcohol or liquor
28 used for industrial, pharmaceutical or medical purposes or other
29 liquor used for filling the prescription of a physician.

1 * Sec. 6. AS 44.25.020(4) is repealed.
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MEMORANDUM

TO: [James D. Fennel
Staff Assistant
Senate Finance Committee

FROM: Trygve R. Hermann, Director
Division of Administrative Services
Department of Public Safety

DATE : December 11, 1975

SUBJECT: Fiscal Note Alcohol Beverage
Control Board

In response to your request for updated information on Senate Bill 268 proposing the transfer of the ABC Board from the Department of Revenue to the Department of Public Safety--I would have to say that the fiscal note submitted in April of 1975 is still correct to the extent that the operations of the ABC Board are still the same as they were at that time. I do not have access to the current ABC Board budget and, therefore, would suggest that our revised cost would amount to their FY 77 budget request.

I would also like to note at this time for consideration by the committee, should this item come up, that the Department of Public Safety over the past several years has assumed several functions from other State departments and in each case the administrative support which has been transferred to the department along with the operational budget has been inadequate. If serious consideration is given to the proposal, I would also like to discuss the administrative aspects of the program with Department of Revenue personnel and consider submission of a request for additional administrative support to handle an expansion of our overall Department program such as this.

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. SB 268
 Title: Transferring ABC Board from Revenue to Public Safety
 Requested by: Senator Ray Date: 4/4/75
 Return Date Requested: 4/11/75
 Agency: Revenue Program: Alcoholic Beverage Control

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Alcoholic Beverage Control

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		-0-	-0-	-0-	-0-	-0-

B. FUNDING: (Thousands of dollars)

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

C. POSITIONS:

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

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

No extra expense is anticipated as only necessary clerical and administrative services are provided by Public Safety. All routine clerical and administrative functions are supported by the ABC Staff. Public Safety would be required to support personnel actions, purchase requests, leave accrual, travel reimbursement and accounts payable for ABC staff of ten (10) and five (5) Board members. Existing Revenue support equivalent is estimated at 7% of an Accountant I workload.

IV. ATTACHMENTS

See attached narrative on advantages and disadvantages of transfer.

V. DATE:

4/11/75

PREPARED BY:

B. Wolf

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 Senator Ray, Chairman, Senate Finance Committee
 Commissioner Burton, Public Safety

ADVANTAGES OF ABC TRANSFER TO PUBLIC SAFETY:

1. Public Safety currently provides most background investigation data on ABC license applicants, consisting of interviews, financial checks, criminal record checks, and business involvement as required by AS 04. The transfer would eliminate problems with data considered to be confidential leaving Public Safety.
2. Public Safety currently performs many ABC investigations and premises inspections in remote areas where troopers are stationed. The transfer should make these vital services more tolerable by the troopers.
3. ABC Investigators are given police commissions to enforce AS 04. The transfer should enhance ABC investigator latitude in dealing with liquor problems, as violations other than liquor are often encountered simultaneously with liquor violations.
4. The ABC program is more compatible with Public Safety programs than Revenue programs.

DISADVANTAGES:

No disadvantages of substance are known to be associated with the transfer. ABC would continue to transmit license fee receipts to Revenue and be subject to the Revenue tax checks prior to approving certain license transactions.

BUDGET COMPONENT 04 53-9-05-00-00 BUDGET REQUEST UNIT 04 53-9-05-00-00 AGENCY REVENUE

CATEGORY		PROGRAM	SUI-PROGRAM		ELEMENT		SUB-ELEMENT		
PUBLIC PROTECTION		REG OF BUSI & PROFSN	ALC BEVERAGE CONT BD						
OBJECT GROUP	OBJECT GROUP DESCRIPTION	E. I. S. C. A. L. LEG. APPROP.	Y. E. A. R. FINAL AUTH.	1 9 7 4 ACTUAL	FISCAL YR 1975 AUTHORIZED	REVISED	F I S C A I Y E A R 1 9 7 6 MAINTENANCE	CHANGE REQUEST	GOV. BUDGT.
100	PERSONAL SERVICES	134.8	134.8	124.3	157.6	26.9	187.3	187.3	187.3
200	TRAVEL	32.2	32.2	18.4	32.2		36.9	36.9	36.9
300	CONTRACTUAL SERVICES	35.0	35.0	47.3	35.0		48.9	48.9	48.9
400	COMMODITIES	1.5	1.5	2.1	2.0		2.1	2.1	2.1
500	EQUIPMENT	.4	.4	1.1	1.4				
600	LANDS, BUILDINGS, IMPROVEMENTS								
700	GRANTS, CLAIMS, SHARED REVENUE								
800	MISCELLANEOUS								
TOTAL		203.9	203.9	193.3	228.2	26.9	275.2	275.2	275.2
001	INTER-AGENCY TRANSFERS			1.9					
FUNDING SOURCE									
002	FEDERAL RECEIPTS								
003	REQUIRD GEN. FUND MATCHING								
004	OTHER GENERAL FUND	203.9	203.9	193.3	228.2	26.9	275.2	275.2	275.2
005	INTER-AGENCY RECEIPTS								
	OTHER-								
	OTHER-								
	OTHER-								
	OTHER-								
POSITIONS									
070	PERMANENT FULL TIME	8.0	8.0	8.0	10.0		10.0	10.0	10.0
071	PERMANENT PART TIME								
072	TEMPORARY (FULL TIME EQUIV.)								
073	NUMBER OF MAN-MONTHS	96.0	96.0	96.0	120.0		120.0	120.0	120.0

March 13, 1975

SB
268

The Honorable Chancy Croft
President of the Senate
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. President:

In accordance with AS 24.30.060(h) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill which transfers the Alcoholic Beverage Control Board from the Department of Revenue to the Department of Public Safety and the duties of the Commissioner of Revenue under the alcoholic beverage licensing provisions to the Commissioner of Public Safety.

Sincerely,

Jay S. Hammond
Governor

Introduced: 3/13/75
Referred: Judiciary and
Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 268

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

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Introduced: 3/13/75
Referred: Judiciary and
Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 268

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

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12 within the Department of Public Safety [REVENUE] consisting of five
13 members appointed for overlapping three-year terms. The board is
14 vested with the duties, powers, and responsibilities involved in the
15 control of alcoholic beverages, including the promulgation of rules
16 and regulations and the hearing of appeals from the action of officers
17 and employees charged with enforcing the alcoholic beverage control
18 laws, rules, and regulations. The governor shall appoint the board
19 subject to confirmation by the legislature. No member of the board
20 may hold any other state or federal office, either elective or appoin-
21 tive. Two members of the board shall be actively engaged in the
22 alcoholic beverage industry, except that no member may be an officer,
23 agent, or employee of a wholesale alcoholic beverage enterprise. No
24 three members of the board may be engaged in the same business, occu-
25 pation or profession. Three members constitute a quorum for the
26 conduct of business. The board shall meet at least once each year in
27 each of the four judicial districts to study, reconsider and modify
28 existing agency rules and regulations in the light of current local
29 problems.

1 * Sec. 2. AS 04.05.010 is amended by adding a new subsection to read:

2 (c) The Department of Public Safety shall provide necessary
3 clerical and administrative services for the board.

4 * Sec. 3. AS 04.10.450 is amended to read:

5 Sec. 04.10.450. DISPOSITION OF FUNDS. Money collected or due
6 the state for licenses under the provisions of this title shall be
7 deposited in [WITH THE DEPARTMENT OF REVENUE AND COVERED INTO] the
8 general fund.

9 * Sec. 4. AS 04.10.460 is amended to read:

10 Sec. 04.10.460. CONDITIONS OF REFUND. Money derived from the
11 licenses issued, except wholesale licenses within organized boroughs
12 and all classes of cities, shall be refunded semi-annually to the
13 boroughs and cities. If the officers of a borough or city fail to
14 actively enforce its ordinances, the laws of the United States, the
15 laws of the state, and the regulations relating to the manufacture and
16 sale of intoxicating liquors in the state, the commissioner of public
17 safety [REVENUE] may deny the refund and no further money may be paid
18 to the local governments until the enforcement of the laws and regula-
19 tions is actively resumed.

20 * Sec. 5. AS 04.15.050 is amended to read:

21 Sec. 04.15.050. SEIZURE AND SALE OF SHIPMENTS TO UNLICENSED
22 PERSONS. Any intoxicating liquor shipped into the state for sale
23 other than to licensees is contraband and subject to confiscation by
24 the state and any intoxicating liquor seized shall be sold under the
25 order of the board and the proceeds thereof deposited in [WITH THE
26 DEPARTMENT OF REVENUE AND COVERED INTO] the general fund. However,
27 this section does not apply to sacramental wine, alcohol or liquor
28 used for industrial, pharmaceutical or medical purposes or other
29 liquor used for filling the prescription of a physician.

1 * Sec. 6. AS 44.25.020(4) is repealed.
2 * Sec. 7. This Act takes effect July 1, 1975.

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Introduced: 3/13/75
Referred: Judiciary and
Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 268

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act transferring the Alcoholic Beverage Control
7 Board from the Department of Revenue to the Department
8 of Public Safety; and providing for an effective date."

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

10 * Section 1. AS 04.05.010(a) is amended to read:

11 (a) There is established an Alcoholic Beverage Control Board
12 within the Department of Public Safety [REVENUE] consisting of five
13 members appointed for overlapping three-year terms. The board is
14 vested with the duties, powers, and responsibilities involved in the
15 control of alcoholic beverages, including the promulgation of rules
16 and regulations and the hearing of appeals from the action of officers
17 and employees charged with enforcing the alcoholic beverage control
18 laws, rules, and regulations. The governor shall appoint the board
19 subject to confirmation by the legislature. No member of the board
20 may hold any other state or federal office, either elective or appoin-
21 tive. Two members of the board shall be actively engaged in the
22 alcoholic beverage industry, except that no member may be an officer,
23 agent, or employee of a wholesale alcoholic beverage enterprise. No
24 three members of the board may be engaged in the same business, occu-
25 pation or profession. Three members constitute a quorum for the
26 conduct of business. The board shall meet at least once each year in
27 each of the four judicial districts to study, reconsider and modify
28 existing agency rules and regulations in the light of current local
29 problems.

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12 and all classes of cities, shall be refunded semi-annually to the
13 boroughs and cities. If the officers of a borough or city fail to
14 actively enforce its ordinances, the laws of the United States, the
15 laws of the state, and the regulations relating to the manufacture and
16 sale of intoxicating liquors in the state, the commissioner of public
17 safety [REVENUE] may deny the refund and no further money may be paid
18 to the local governments until the enforcement of the laws and regula-
19 tions is actively resumed.

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21 Sec. 04.15.050. SEIZURE AND SALE OF SHIPMENTS TO UNLICENSED
22 PERSONS. Any intoxicating liquor shipped into the state for sale
23 other than to licensees is contraband and subject to confiscation by
24 the state and any intoxicating liquor seized shall be sold under the
25 order of the board and the proceeds thereof deposited in [WITH THE
26 DEPARTMENT OF REVENUE AND COVERED INTO] the general fund. However,
27 this section does not apply to sacramental wine, alcohol or liquor
28 used for industrial, pharmaceutical or medical purposes or other
29 liquor used for filling the prescription of a physician.

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* Sec. 6. AS 44.25.020(4) is repealed.

* Sec. 7. This Act takes effect July 1, 1975.

COMMITTEE REPORT

4/1/75

SENATE

Mr. President:

Date 4/1/75

The Committee on FINANCE has had SR 258 ~~transferring the Alcoholic Beverage Control Bd. from Dept. of Revenue to Public~~ under consideration. A Majority of the members of the Committee Safety

- 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:

Bill Gray _____
Dean Chance _____

Members NOT concurring in the Majority report:

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

Bill Gray Chairman

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. SB 268

Title: Transfer ABC Board from Revenue to Public Safety

Requested by: Rules Committee/ Governor Date: 3-13-75

Return Date Requested:

Agency: Public Safety Program: Regs. of Business & Professions

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Alcoholic Beverage Control Board

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES	184.5	187.3	196.7	206.5	216.8	227.7
200 TRAVEL	32.2	36.9	38.8	40.7	42.8	45.0
300 CONTRACTUAL	35.0	48.9	51.4	54.0	56.7	59.5
400 COMMODITIES	2.0	2.1	2.2	2.3	2.4	2.6
500 EQUIPMENT	1.4			1.0		
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	255.1	275.2	289.0	304.5	318.7	334.8

B. FUNDING: (Thousands of dollars)

GENERAL FUND	255.1	275.2	289.0	304.5	318.7	334.8
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	10 /	10 /	10 /	10 /	10 /	10 /
MAN MONTHS (P./T.)	120 /	120 /	120 /	120 /	120 /	120 /

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

SB 268 transfers the Alcoholic Beverage Control Board from Revenue to the Department of Public Safety.

This covers their budget as submitted and approved.

IV. ATTACHMENTS

V. DATE: April 4, 1975

PREPARED BY: Vona L. Hall

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

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. SB 268

Title: Transfer ABC Board from Revenue to Public Safety

Requested by: Rules Committee/ Governor

Date: 2-13-75

Return Date Requested: _____

Agency: Public Safety

Program: Regs. of Business & Professions

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Alcoholic Beverage Control Board

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
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500 EQUIPMENT	1.4			1.0		
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	255.1	275.2	289.0	304.5	318.7	334.8

B. FUNDING: (Thousands of dollars)

GENERAL FUND	255.1	275.2	289.0	304.5	318.7	334.8
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	10 /	10 /	10 /	10 /	10 /	10 /
MAN MONTHS (P./T.)	120 /	120 /	120 /	120 /	120 /	120 /

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

SB 268 transfers the Alcoholic Beverage Control Board from Revenue to the Department of Public Safety.

This covers their budget as submitted and approved.

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The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. SB 268

Title: Transfer ABC Board from Revenue to Public Safety

Requested by: Rules Committee/ Governor

Date: 3-13-75

Return Date Requested: _____

Agency: Public Safety

Program: Regs. of Business & Professions

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Alcoholic Beverage Control Board

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FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	10 /	10 /	10 /	10 /	10 /	10 /
MAN MONTHS (P./T.)	120 /	120 /	120 /	120 /	120 /	120 /

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

SB 268 transfers the Alcoholic Beverage Control Board from Revenue to the Department of Public Safety.

This covers their budget as submitted and approved.

IV. ATTACHMENTS

V. DATE: April 4, 1975

PREPARED BY: Vona L. Hall

Original: Legislative Finance
cc: Budget and Management

Budget Submission

ABC ORIGINAL

FY 76

BUDGET REQUEST UNIT Alcoholic Beverage Control Board

BRU CODE 04 53-9-05-00-00

CATEGORY: Public Protection

PROGRAM: Regulation of Business and Professions

SUB-PROGRAM: Alcoholic Beverage Control Board

ELEMENT: _____

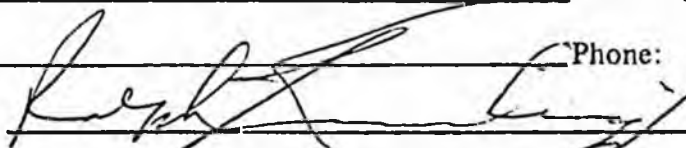
SUB-ELEMENT: _____

AGENCY: Revenue DIVISION: Alcoholic Beverage Control Board

Name and Position of Program Manager: Philip A. Wall, Acting Director Phone: 277-8638

Name and Position of Agency Contact: _____ Phone: _____

DATE: 10-28-74



(Signature of Agency Head)

REVISED _____

BUDGET SUBMISSION

Budget Submission

FY 76

BUDGET REQUEST UNIT ALCOHOLIC BEVERAGE CONTROL BOARD

BRU CODE 04-53-9-05-00-00

CATEGORY: PUBLIC PROTECTION

PROGRAM: REGULATION OF BUSINESS AND PROFESSIONS

SUB-PROGRAM: ALCOHOLIC BEVERAGE CONTROL

ELEMENT: _____

SUB-ELEMENT: _____

AGENCY: REVENUE DIVISION: ABC BOARD

Name and Position of Program Manager: PHILIP A. WALL, ACTING DIRECTOR Phone: 277-8638

Name and Position of Agency Contact: JERRY COUZIN, FISCAL OFFICER Phone: 465-2335

DATE: October 21, 1974

(Signature of Agency Head)

REVISED _____

BUDGET SUBMISSION

STATUTORY BASIS:

Title 4

DEFINITION & GOALS:

The Alcoholic Beverage Control Board is vested with the duties, powers, and responsibilities included in the control of alcoholic beverages; including the promulgation of rules and regulations and the hearing of appeals from action of employers charged with enforcing Alcoholic Beverage Control laws, rules and regulations. The Director and the five members of the ABC Board are appointed by the Governor subject to legislative confirmation. The Director serves as Executive Officer of the Board and is charged with the enforcement of rules and regulations of the Board and with the issuance of all licenses provided for in Title 4.

The staff consists of the Director, Secretary, Records and Licensing Supervisor, Documents Processing Clerk III, Documents Processing Clerk II, and five ABC Investigators. One of these Investigators is on duty at Fairbanks. The remainder of the Staff is located at 509 W. 3rd Avenue in Anchorage.

SPECIFIC OBJECTIVES:

- Improve municipal law enforcement of liquor laws.
- Reduce the incidence of liquor being served intoxicated persons and minors by 20%.
- Improve licensee policing of their own establishments.
- Improve the Liquor Licensing process and systems. Reduce Licensing delays by 30%.
- Provide better information and service for those interested in licensing matters.

BRU Alcoholic Beverage Control Board BRU CODE 04 53-9-05-00-00 REVISED _____

1 DEFINITION STATEMENT



2 Analytic Statement

OVERVIEW

The Board is vested with the duties, powers and responsibilities involved in the control of Alcoholic Beverages (AS 04.05.010). Monthly public meetings are held in various communities where testimony on proposed license action is taken and where the actual decisions on the licenses renewal applications during December. There are three personnel in the licensing section. All are at 509 W. 3rd Avenue in Anchorage.

Enforcement of the manufacture and sale of intoxicating beverages within organized boroughs and within all classes of cities is the responsibility of municipal law enforcement. The refund of money derived from liquor licenses can be withheld if enforcement is not applied at the municipal level (AS 04.10.460). The Alaska State Troopers provide new license investigation on applications received from areas outside municipalities (15 AAC 20.020). In addition, the Board has five Investigators who monitor enforcement performed by municipal law enforcement and who perform special investigation and surveillance assignments. The Staff is supervised by an ABC Investigator III. All Investigators are assigned to the Anchorage Office, except for an ABC Investigator II at Fairbanks. The remainder of the Board is comprised of a Secretary, Director, and five Board members. The Director and Board members are appointed by the Governor with confirmation by the Legislature. Just over 1100 establishments are licensed in calendar year 1974.

MAINTENANCE

Enforcement and licensing functions comprise the maintenance activity of the BRU. Improvement can be accomplished within existing resources and are defined as SPECIFIC OBJECTIVES on page 1.

CHANGE

No change is requested for FY 76.

BRU Alcoholic Beverage Control Board

BRU CODE

04 53-9-05-00-00

REVISED

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ANALYTIC STATEMENT

3

Program Accomplishment Plan

MEASURE	PRIOR YEAR (PY)		CURRENT YEAR PLAN (CY)	BUDGET YEAR (BY)		EXPLANATION
	PLAN	ACTUAL		MAINTENANCE	REQUEST	
No. of Licensed Establishments	1,080	1,102	1,115	1,128	1,128	License approval is based upon population quotas.
No. of applications for new licenses and transfers of ownership processed	360	400	385	450	450	
No. of Licenses and Permits Issued	1,720	1,790	2,385	1,850	1,850	Caterers, special events, waitress and restaurant designation permits are not being received as projected CY.
No. of inspections of licensed establishments and those proposed to be licensed	1,143	600	400	400	400	PY activity was not carried out at the planned level. More routine.
No. of Surveillance and Investigations of licensees and their operations and ownership	55	30	1,050	1,300	1,300	

BRU Alcoholic Beverage Control Board

BRU CODE 04 53-9-05-00-00

REVISED

3

PROGRAM
ACCOMPLISHMENT PLAN

ROI-02J-207J STATE OF ALASKA BUDGET REQUEST UNIT OPERATING EXPENDITURES SUMMARY RUN DATE 05/12/74 PAGE 146

BUDGET REQUEST UNIT 04 53-9-C5-00-00

AGENCY REVENUE

CATEGORY	PROGRAM	SUB-PROGRAM		ELEMENT	SUB-ELEMENT			
PUBLIC PROTECTION	REG OF BUSI & PRFSN	ALC BEVERAGE	CONT BD					
COMPONENT	COMPONENT	F I S C A L Y E A R 1 9 7 4		F I S C A L Y E A R 1 9 7 6				
STRUCTURE	DESCRIPTION	LEG. APPROP.	FINAL AUTH.	ACTUAL	AUTHORIZED	REVISED	MAINTENANCE CHANGE REQUEST	GOV-BUDGT
53-9-05-00-00	ALC BEVERAGE CONT BD	203.9	203.9	193.3	228.2			

TOTAL	ALC BEVERAGE CONT BD	203.9	203.9	193.3	228.2		275.2	275.2
OBJECT	DESCRIPTION							
100	PERSONAL SERVICES	134.8	134.8	124.3	157.6		187.3	187.3
200	TRAVEL	32.2	32.2	13.4	32.2		36.9	36.9
300	CONTRACTUAL SERVICES	35.0	35.0	47.3	35.0		48.9	48.9
400	COMMODITIES	1.5	1.5	2.2	2.0		2.1	2.1
500	EQUIPMENT	.4	.4	1.1	1.4		0	0
600	LANDS, BUILDINGS, IMPROVEMENTS							
700	GRANTS, CLAIMS, SPARED REVENUE							
800	MISCELLANEOUS							

FUNDING SOURCE								
FEDERAL RECEIPTS								
PERMITTED GEN. FUND MATCHING								
OTHER GENERAL FUND		203.9			228.2		275.2	275.2
INTER-AGENCY RECEIPTS								

POSITIONS								
PERMANENT FULL TIME		8.0			10.0		10.0	10.0
PERMANENT PART TIME								
TEMPORARY (FULL TIME EQUIV.)								
NUMBER OF MAN MONTHS		96.0			120.0		120.0	120.0

ROI-02J-207J STATE OF ALASKA COMPONENT OPERATING EXPENDITURES BY OBJECT GROUP RUN DATE 05/12/74 PAGE 147

BUDGET COMPONENT 04 73-2-02-02-01

BUDGET UNIT 04 73-2-02-02-00

AGENCY 04 73-2-02-02-00

BUDGET COMPONENT 04 53-9-05-00-00 BUDGET REQUEST UNIT 04 53-9-05-00-00 AGENCY REVENUE

CATEGORY	PROGRAM	SUB-PROGRAM	ELEMENT	SUB-ELEMENT					
PUBLIC PROTECTION	REG OF BUSI & PROFSN	ALC BEVERAGE CONT BD							
OBJECT GROUP	OBJECT DESCRIPTION	FISCAL YEAR 1974	FISCAL YR 1975	FISCAL YEAR 1976					
	LEG. APPROP. FINAL AUTH.	ACTUAL	AUTHORIZED REVISED	MAINTENANCE CHANGE REQUEST GCV. BUDGT					
100	PERSONAL SERVICES	134.8	134.8	124.3	157.6	26.9	187.3	187.3	
200	TRAVEL	32.2	32.2	18.4	32.2		36.9	36.9	
300	CONTRACTUAL SERVICES	35.0	35.0	47.3	35.0		48.9	48.9	
400	COMMODITIES	1.5	1.5	2.2	2.0		2.1	2.1	
500	EQUIPMENT	.4	.4	1.1	1.4		-0-	-0-	
600	LANDS, BUILDINGS, IMPROVEMENTS								
700	GRANTS, CLAIMS, SHARED REVENUE								
800	MISCELLANEOUS								
TOTAL		203.9	203.9	193.3	228.2		275.2	275.2	
001	INTER-AGENCY TRANSFERS			1.9					
FUNDING SOURCE									
002	FEDERAL RECEIPTS								
003	REQUIRED GEN. FUND MATCHING								
004	OTHER GENERAL FUND	203.9			228.2		275.2	275.2	
005	INTER-AGENCY RECEIPTS								
	OTHER-								
	OTHER-								
	OTHER-								
	OTHER-								
POSITIONS									
070	PERMANENT FULL TIME	8.0			10.0		10.0	10.0	
071	PERMANENT PART TIME								
072	TEMPORARY (FULL TIME EQUIV.)								
073	NUMBER OF MAN-MONTHS	96.0			120.0		120.0	120.0	

BUDGET REQUEST UNIT 04 53-9-05-00-00 AGENCY REVENUE

CATEGORY	PROGRAM	SUB-PROGRAM	ELEMENT	SUB-ELEMENT
PUBLIC PROTECTION	REG OF BUSI & PROFSN	ALC BEVERAGE CONT BD		
COMPONENT	COMPONENT	FISCAL YEAR 1974	FISCAL YR 1975	

Analysis of Maintenance

ITEM	AMOUNT	FUNDING SOURCE	EXPLANATION
Alcoholic Beverage Control Board			
FY 75 Authorized	<u>228.2</u>	GF	
Special FY 75 Appropriation	26.9	GF	Personal Services
Adjusted FY 75 Appropriation	<u>255.1</u>		
1 1/2 Merit Increase (including 18% Benefits)	2.8	GF	Personal Services
Less FY 75 Equipment	(1.4)		
Other Increases	18.7	GF	Travel - Inflation 14.5% 4.7 Contractual Services - Inflation 5% 22.0 To automate present manual system 13.9 Commodities - Inflation 5% .1
FY Maintenance Level	<u>275.2</u>	GF	

BRU Alcoholic Beverage Control Board

BFU CODE 04-53-9-05-00-00

REVISED

5

ANALYSIS OF
MAINTENANCE LEVEL

Personal Services Summary

ITEM	PRIOR YEAR (PY) ACTUAL	CURRENT YEAR (CY) AUTHORIZED	BUDGET YEAR (BY)			GOVERNOR'S BUDGET
			AGENCY			
			Maintenance	Change	Request	
CURRENT PERSONAL SERVICES						
SALARIES			158.7		158.7	
OVERTIME						
BENEFITS			28.6		28.6	
VACANCY			4.92 %		4.92 %	
SUB-TOTAL	124.3	157.6	187.3		187.3	
NEW PERSONAL SERVICES						
SALARIES						
OVERTIME						
BENEFITS						
VACANCY						
SUB-TOTAL						
TOTAL Pers. Svcs.						
FUNDING SOURCE						
FEDERAL RECEIPTS						
REQUIRED G. F. MATCHING						
OTHER GENERAL FUND						
INTER-AGENCY TRANSFERS						
OTHER:		157.6	187.3		187.3	
POSITIONS						
PFT: POSITIONS & (MONTHS)	()	10 (120)	10 (120)	()	10 (120)	()
PPT/SEAS: POS. & (MONTHS)	()	()	()	()	()	()
TEMP.FTE: POS. & (MONTHS)	()	()	()	()	()	()
TOTAL MONTHS		120	120		120	

BRU ALCOHOLIC BEVERAGE CONTROL BOARD BRU CODE 04 53-9-05-00-00 REVISED

10 PERSONAL SERVICES SUMMARY

PCN	DT	CLASS	LCC	AUTHORIZED STAT.	CLASS CODE	INCUMBENT CR VACANCY DATE	VARIAN RANGE /STEP	CLASS	LOC	MONTHLY SALARY	ANN. SALRY	YEAR TO DATE MO.LOST G/T	PRICR YEAR MO.LOST G/T	DATE	DATE	DATE
04	REVENUE				PRG. 53 REG OF BUSI	PROFSN	DIV. 9 ALC BOARD					BUDGET STRUC. 05-00-00	ALC BEVERAGE CCAT 30			
9001	N	7748	FBA		DIR ALCN BEV CONTROL ED	DUGGAN	21-D			2,603	31,236	1.0				0.0
9002	Y	1151	FBA	PE	SECRETARY I	KORTIE	13-B			808	10,456	0.0				1.1
9003	Y	7514	FBA	PE	DOCUMENTS PROCESS CLK III	SWICK	01-C	7513		516	10,452	0.0				0.0
9004	Y	7718	FBA	PE	INVESTIGATOR A/C	LAROSE	13-E			1,342	16,764	0.0				0.0
9005	Y	7718	JBA		INVESTIGATOR A/C	07/29/74	13-A			1,342	16,104	1.0				0.0
9006	Y	7718	FBA	PE	INVESTIGATOR A/C	GATZ	13-C			1,293	15,516	0.0				0.0
9007	Y	7718	FBA		INVESTIGATOR A/C	01/12/73	13-A			1,201	14,412	1.9				0.0
9008	Y	7718	FBA	PE	INVESTIGATOR A/C	CLARK	13-D			1,342	16,104	0.0				0.0
9009	N	1903	FBA		RECORDS & LICENSING SPVR	08/14/74	13-A			1,293	15,516	0.4				0.0
9010	Y	7513	FBA		DOCUMENTS PROCESS CLK II	PETERS	01-A			760	9,120	0.4				0.0
SUBL-TOT	PCN	CT	0010	YTD	VAC. SVNGS	7,048	PRYR. SVNGS/PCT	7,702	4.92	156,360		000		000		000
ELEM-TOT	PCN	CT	0010	YTD	VAC. SVNGS	7,048	PRYR. SVNGS/PCT	7,702	4.92	156,360		000		000		000
SUPEP-TOT	PCN	CT	0010	YTD	VAC. SVNGS	7,048	PRYR. SVNGS/PCT	7,702	4.92	156,360		000		000		000
DIV. TOT	PCN	CT	0010	YTD	VAC. SVNGS	7,048	PRYR. SVNGS/PCT	7,702	4.92	156,360		000		000		000
PRG-TOT	PCN	CT	0010	YTD	VAC. SVNGS	7,048	PRYR. SVNGS/PCT	7,702	4.92	156,360		000		000		000
CTCY-TOT	PCN	CT	0059	YTD	VAC. SVNGS	11,380	PRYR. SVNGS/PCT	15,632	2.11	737,821		1,140		019		000

Current Position Summary

(1)	PCN (2)	PAY RGE. (3)	MO. SAL. (4)	CURRENT YEAR (CY) AUTHORIZED			BUDGET YEAR (BY)			
				NO. POS. (5)	NO. MO. (6)	ANNUAL AMOUNT (7)	NO. POS. (8)	NO. MO. (9)	ANNUAL AMOUNT	
									Maintenance (10)	Change (11)
1										
2										
3				9	108	156,360	9	108	156,360	
4										
5									2,345	
6									158,705	
7										
8						28,145			28,567	
9										
10										
11						184,505			187,272	
12										
13										
14						157,600				
15										
16						26,905				
17										
18										
19										
20										
21										
22										
				23	SALARY		156,360			158,705
				24	OVERTIME					
				25	BENEFITS		28,145			28,567
				26	SUB-TOTAL		184,505			187,272
				27	VACANCY					4.92
				TOTAL ANNUAL AMOUNTS						
				PERMANENT FULL TIME: POSITIONS & (months)		10 (120)		10 (120)		()
				PERMANENT PART TIME/SEASONAL POSITIONS & (months)		()		()		()
				TEMPORARY, FULL TIME EQUIVALENT: POSITIONS & (months)		()		()		()
				TOTAL MONTHS		120		120		

BRU ALCOHOLIC BEVERAGE CONTROL

BRU CODE 04 53-9-05-00-00

REVISED

11

PERSONAL SERVICES
CURRENT POSITION
SUMMARY

15 Contractual Services

CODE	CONTRACTUAL SERVICES CLASSIFICATION	PRIOR YEAR (P'Y)	CURRENT YEAR (CY)	BUDGET YEAR (BY)			GOVERNOR'S BUDGET
				AGENCY			
				Maintenance	Change	Request	
200	TOTAL CONTRACTUAL	47.3	35.0	48.9		48.9	
310	COMMUNICATION SERVICES	7.0	7.0	7.4		7.4	
320	PRINTING AND ADVERTISING	6.8	6.0	6.0		6.0	
330	RENTS AND UTILITIES	21.5	14.8	21.2		21.2	
340	REPAIRS, SERVICES AND ALTERATIONS	9	2.0	2.0		2.0	
350	TRANSPORTATION OF THINGS	1.3	.3	.3		.3	
360	EQUIPMENT RENTAL	4.4	3.4	12.0		12.0	
370	INSURANCE AND BONDING	.4					
380	PROFESSIONAL FEES AND SERVICES	3.5					
390	OTHER	1.5					
500	INTER-AGENCY TRANSFERS (Non-Add)						

EXPLANATION: Maintenance with 5% inflationary increase and 12.0 to update current manual system. The work load peaking occurs on October 1 when annual review of applications are sent each licensee and again in December when the next year's license is produced and mailed. Twelve smaller peaks occur each month as the Board Agenda and Board minutes are prepared. License data is typed an average of five times each year. The data should be captured once and then reproduced automatically greatly improving the accuracy and efficiency of the process.

BRU Alcoholic Beverage Control Board

BRU CODE 04-53-9-05-00-00

REVISED

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. SB 268
 Title: Transferring ABC Board from Revenue to Public Safety
 Requested by: Senator Ray Date: 4/4/75
 Return Date Requested: 4/11/75
 Agency: Revenue Program: Alcoholic Beverage Control

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Alcoholic Beverage Control

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		-0-	-0-	-0-	-0-	-0-

B. FUNDING: (Thousands of dollars)

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

C. POSITIONS:

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

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

No extra expense is anticipated as only necessary clerical and administrative services are provided by Public Safety. All routine clerical and administrative functions are supported by the ABC Staff. Public Safety would be required to support personnel actions, purchase requests, leave accrual, travel reimbursement and accounts payable for ABC staff of ten (10) and five (5) Board members. Existing Revenue support equivalent is estimated at 7% of an Accountant I workload.

IV. ATTACHMENTS

See attached narrative on advantages and disadvantages of transfer.

V. DATE:

4/11/75

PREPARED BY:

[Signature]

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 Senator Ray, Chairman, Senate Finance Committee
 Commissioner Burton, Public Safety

ADVANTAGES OF ABC TRANSFER TO PUBLIC SAFETY:

1. Public Safety currently provides most background investigation data on ABC license applicants, consisting of interviews, financial checks, criminal record checks, and business involvement as required by AS 04. The transfer would eliminate problems with data considered to be confidential leaving Public Safety.
2. Public Safety currently performs many ABC investigations and premises inspections in remote areas where troopers are stationed. The transfer should make these vital services more tolerable by the troopers.
3. ABC Investigators are given police commissions to enforce AS 04. The transfer should enhance ABC Investigator latitude in dealing with liquor problems, as violations other than liquor are often encountered simultaneously with liquor violations.
4. The ABC program is more compatible with Public Safety programs than Revenue programs.

DISADVANTAGES:

No disadvantages of substance are known to be associated with the transfer. ABC would continue to transmit license fee receipts to Revenue and be subject to the Revenue tax checks prior to approving certain license transactions.

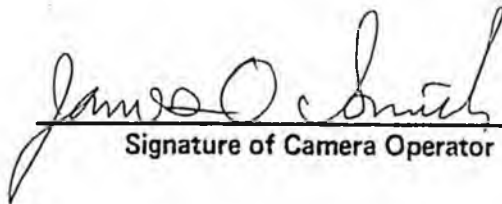
CATEGORY		PROGRAM	SUP-PROGRAM		ELEMENT		SUB-ELEMENT		
PUBLIC PROTECTION		REG OF BUSI & PROFSN	ALC BEVERAGE CONT BD						
OBJECT GROUP	OBJECT GROUP DESCRIPTION	FISCAL YR 1974 LEG. APPROP.	FISCAL YR 1974 FINAL AUTH.	FISCAL YR 1975 ACTUAL	FISCAL YR 1975 AUTHORIZED	FISCAL YR 1975 REVISED	FISCAL YR 1976 MAINTENANCE	FISCAL YR 1976 CHANGE REQUEST	FISCAL YR 1976 GOV. BUDGT.
100	PERSONAL SERVICES	134.8	134.8	124.3	157.6	26.9	197.3	187.3	187.3
200	TRAVEL	32.2	32.2	18.4	32.2		36.9	36.9	36.9
300	CONTRACTUAL SERVICES	35.0	35.0	47.3	35.0		48.9	46.9	48.9
400	COMMODITIES	1.5	1.5	2.0	2.0		2.1	2.1	2.1
500	EQUIPMENT	.4	.4	1.1	1.4				
600	LANDS, BUILDINGS, IMPROVEMENTS								
700	GRANTS, CLAIMS, SHARED REVENUE								
800	MISCELLANEOUS								
TOTAL		203.9	203.9	193.3	228.2	26.9	275.2	275.2	275.2
001	INTER-AGENCY TRANSFERS			1.9					
FUNDING SOURCE									
002	FEDERAL RECEIPTS								
003	REQUIRD GEN. FUND MATCHING								
004	OTHER GENERAL FUND	203.9	203.9	193.3	228.2	26.9	275.2	275.2	275.2
005	INTER-AGENCY RECEIPTS								
	OTHER-								
	OTHER-								
	OTHER-								
	OTHER-								
POSITIONS									
070	PERMANENT FULL TIME	8.0	8.0	8.0	10.0		10.0	10.0	10.0
071	PERMANENT PART TIME								
072	TEMPORARY (FULL TIME EQUIV.)								
073	NUMBER OF MAN-MONTHS	96.0	96.0	96.0	120.0		120.0	120.0	120.0

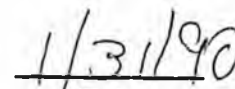


RECORDS CERTIFICATION



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.


Signature of Camera Operator


Date

COMMITTEE REPORT

5/20/75

SENATE

Mr. President:

Date _____

The Committee on FINANCE has had SB 271
taxation of public utilities
under consideration. A Majority of the members of the Committee

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

Members signing the Majority report:

Members NOT concurring in the Majority report:

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

Chairman

COMMITTEE REPORT

SENATE

3/14/75

Mr. President:

Date 5-20-75

The Committee on COMMERCE has had SB 271 relating to the taxation of public utilities 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 271 ^{SAME TITLE} AND THAT CS FOR SB 271 DO PASS

"and" recommends it BE REFERRED TO THE Finance COMMITTEE

- () reports it back WITHOUT RECOMMENDATION
- () "other"

Members signing the Majority report:

J. Keefe _____

Donald Wilkins _____

Calvin _____

Members NOT concurring in the Majority report:

3 _____ no recommendation _____

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

J. Keefe _____ Chairman

Original sponsor: Rodey, Willis
and Colletta

Offered: 5/20/75
Referred: Finance

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 CS FOR SENATE BILL NO. 271

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to payments in lieu of taxes by
7 municipally owned utilities; and providing for an
8 effective date."

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

10 * Section 1. AS 29.48.040 is amended by adding new subsections to read:

11 (b) A municipality operating municipal utilities may not make
12 contributions to its general fund or other municipal nonutility funds
13 until it has first made payments in lieu of taxes to all municipalities
14 served by its municipal utilities in amounts set out in this section.
15 Payments in lieu of taxes by municipally owned utilities are considered
16 an operating cost of the utility.

17 (c) Where a city or cities are located within a borough, payments
18 in lieu of taxes based on property tax levies shall be distributed to
19 the city or cities and borough as follows:

20 (1) payments in lieu of taxes upon real and personal property
21 located within a city shall be distributed to the city and the borough
22 in the same proportion that the city's and borough's tax effort bears
23 to the total taxes collected by the city and the borough within the city;

24 (2) payments in lieu of taxes upon real and personal
25 property located outside cities shall be made to the borough;

26 (3) if a borough levies only real property taxes and no
27 personal property taxes, the payments in lieu of taxes shall be on the
28 basis of real property only.

29 (d) Payments received by the borough from municipal utilities

COMMITTEE COPY

1 under (c) of this section shall be distributed by the borough among
2 borough areawide, nonareawide and service area functions as follows:

3 (1) payments based upon utility real and personal property
4 located within a city shall be used by the borough only for borough
5 areawide functions and for any service areas which include the whole
6 of the city, according to the respective mill levies for each;

7 (2) payments in lieu of taxes upon real and personal property
8 outside the city shall be used for areawide, nonareawide and service
9 area functions according to the respective mill levies for each; the
10 borough assembly may, by ordinance, collect payments in taxes for all
11 service areas, except for service areas which include cities, in one
12 lump sum and distribute the money among the service areas in its dis-
13 cretion.

14 (e) The municipality owning the utility making payments in lieu
15 of taxes may, at its option, make payments in lieu of taxes in the
16 amount of three and one-half per cent of the gross revenue received by
17 the utility during the previous year. If payments in lieu of taxes
18 are made within a borough containing a city or cities, the payments
19 shall be made as follows:

20 (1) payments in lieu of taxes upon gross revenue received
21 within a city shall be distributed to the city and the borough in the
22 same proportion that the city's and borough's revenue for real and
23 personal property taxes bears to the total taxes collected as real and
24 personal property taxes by the city and the borough within the city;

25 (2) payments in lieu of taxes upon revenue received outside
26 cities shall be distributed to the borough.

27 (f) Proceeds received by the borough based on utility gross revenue
28 shall be distributed by the borough among borough areawide, nonareawide
29 and service area functions as follows:

1 (1) proceeds received by the borough based upon utility
2 gross revenue received within a city shall be used by the borough only
3 for borough areawide functions and for service areas which include the
4 whole of the city; if there is a service area within a particular city,
5 the proceeds for the functions of that service area shall be distributed
6 in that proportion which real and personal property taxes collected for
7 that service area within the city bear to the total of real and personal
8 property taxes collected within the city for borough areawide and service
9 area functions; the remaining proceeds shall be used for areawide func-
10 tions only;

11 (2) proceeds based upon utility gross revenue outside the
12 city shall be used for areawide purposes in the same proportion that the
13 borough's real and personal property taxes outside cities for areawide
14 purposes bears to total real and personal property taxes collected by
15 the borough for the entire area outside cities;

16 (3) gross revenue taxes received by the borough on the basis
17 of utility gross revenue received outside cities shall be used by the
18 borough for nonareawide and service area functions in the same propor-
19 tion that the borough real and personal property taxes raised for those
20 functions bear to total borough real and personal property taxes col-
21 lected outside cities;

22 (4) if a borough levies only real property taxes and no
23 personal property taxes, the distribution of money by the borough shall
24 be based on real property tax revenues only.

25 (g) Where a city is not located within a borough, the payments in
26 lieu of taxes shall be paid to the city according to the assessed value
27 of real and personal property taxes of the municipally owned utility,
28 or if a real property tax only is levied, upon the basis of the assessed
29 value of the real property owned by the utility in the city. The

1 municipality owning the utility may, at its option, pay an amount equal
2 to three and one-half per cent of the gross earnings of the utility in
3 the municipality.

4 * Sec. 2. This Act takes effect January 1, 1976.
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271

Introduced: 3/14/75
Referred: Commerce and
Finance

BY RODEY, WILLIS AND COLLETTA

1 IN THE SENATE

2 SENATE BILL NO. 271

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the taxation of public utilities;
7 and providing for an effective date."

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

9 * Section 1. AS 43 is amended by adding a new chapter to read:

10 CHAPTER 73. PUBLIC UTILITY GROSS REVENUE TAX.

11 Sec. 43.73.010. TAX IMPOSED. (a) There is a tax imposed on all
12 public utilities within the state regulated by the Alaska Public
13 Utilities Commission, except solid waste and garbage disposal utilities.
14 The tax is three and one-half per cent of the gross revenue received by
15 the utility during the preceding year.

16 (b) For the purpose of computing gross revenue, a utility shall
17 include only that revenue which has been derived from electric energy,
18 water, telephone or other services which it distributes to its customers.
19 It shall not include revenue derived from the sale or transmission of
20 electric energy and power or products to, or on behalf of, another
21 distributor. Gross revenue of a telephone utility includes all revenue
22 earned from local and toll services.

23 Sec. 43.73.020. COLLECTION AND PAYMENT. The tax imposed by this
24 chapter shall be paid to the Department of Revenue before March 1 of
25 each year on the gross revenue earned the preceding year. The returns
26 shall be made on forms provided by, and in the manner prescribed by,
27 the department.

28 Sec. 43.73.030. DEPOSIT IN THE GENERAL FUND. The tax collected
29 under this chapter shall be deposited in the general fund. The

COMMITTEE COPY

1 legislature is authorized to appropriate as a revenue-sharing payment
2 to each municipality an amount equal to the amount of tax paid on the
3 gross revenue earned within the municipality, less the amount expended
4 by the state in its collection.

5 Sec. 43.73.040. REVENUE-SHARING PAYMENT IN BOROUGHES CONTAINING
6 CITIES. (a) If a utility serves a borough and a city within that
7 borough, the revenue-sharing payment authorized by sec. 30 of this
8 chapter shall be paid to the respective municipalities in the following
9 amounts:

10 (1) the revenue-sharing payment for tax collected on revenue
11 earned within a city shall be distributed to the city and the borough
12 in the same proportion that the city's and borough's tax effort bears
13 to the total taxes collected by the city and the borough within the city
14 and

15 (2) the revenue-sharing payment for tax collected on gross
16 revenue earned outside cities shall be distributed to the borough.

17 (b) Proceeds received by a borough containing one or more cities
18 shall be used as follows:

19 (1) proceeds based upon utility gross revenue earned within
20 a city shall be used by the borough only for borough areawide functions,
21 and if there are any service areas which include the whole of the city,
22 for the functions of that service area in that proportion which taxes
23 collected for that service area within the city bear to the total of
24 taxes collected within the city for borough, areawide and service area
25 functions;

26 (2) proceeds based upon utility gross revenue outside the
27 city shall be used for areawide purposes in the same proportion that the
28 borough's tax effort outside cities for areawide purposes bears to total
29 taxes collected by the borough for the entire area outside cities.

1 (c) Gross revenue taxes received by the borough on the basis of
2 utility gross revenue received outside cities shall be used by the
3 borough for nonareawide and service area functions in the same propor-
4 tion that the borough's taxes raised for those functions bear to total
5 borough taxes collected outside cities.

6 Sec. 43.73.050. MUNICIPAL UTILITIES. A municipality operating
7 municipal utilities may not make contributions to its general fund or
8 other municipal nonutility funds until it has first made payments in
9 lieu of taxes to all municipalities served by its municipal utilities
10 in an amount equal to the payments which would have been paid by the
11 state to the municipalities under this chapter if the municipal utili-
12 ties were privately owned. Payments in lieu of taxes shall be applied
13 by the municipalities to city, areawide, nonareawide and service area
14 functions in the same manner as state refunds of utility gross revenue
15 taxes of a privately owned, regulated public utility would be distri-
16 buted under this chapter. Payments in lieu of taxes by municipally
17 owned utilities shall be considered an operating cost of the utility.

18 Sec. 43.73.060. IN LIEU OF AD VALOREM AND EXCISE TAXES. (a) The
19 tax imposed by this chapter shall be in lieu of state and local ad
20 valorem and excise taxes in municipalities electing to participate in
21 revenue-sharing payments under sec. 70 of this chapter.

22 (b) The inventory and fixtures of a business operated by a regu-
23 lated public utility not required for the furnishing of utility ser-
24 vices, including but not limited to appliance stores or departments, is
25 not exempt from ad valorem taxes. The inventory and accounts of these
26 businesses shall be separately maintained, and taxes shall be paid upon
27 them as provided by law.

28 Sec. 43.73.070. MUNICIPAL OPTION. (a) A municipality may, rather
29 than obtaining revenue-sharing payments under this chapter, continue to

1 levy real and personal property, excise taxes and other municipal taxes
2 authorized by law for utilities. If a municipality elects to continue
3 to levy taxes on regulated public utilities, the gross revenue tax
4 imposed by this chapter does not apply to gross revenue earned by such
5 a utility within that municipality.

6 (b) Election by a municipality to forego receipt of state payments
7 based on utility revenue within that municipality shall be communicated
8 in writing to the commissioner of revenue by July 1 of the year preced-
9 ing the year in which the payment would otherwise be made.

10 * Sec. 2. AS 10.25.540 - 10.25.580 are repealed.

11 * Sec. 3. This Act takes effect January 1, 1976.

ALASKA STATE LEGISLATURE

NINTH... Legislature FIRST.. Session

SENATE BILL..... NO. ...271..

By ROPEY... WILLIS AND GOLLETTA..

"An Act relating to the taxation of public utilities; and providing for an effective date."

public utilities taxation

Introduced in the Senate 3/14....., 1975.

HISTORY IN THE SENATE

1975

3 24

Read first time and referred to Committee on

Commerce and Finance

Reported back with recommendation that

Com. replace w/CS + 3 do pass to Finance

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	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	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	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.

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE
 Second Session - Ninth Legislature

I. REQUEST

Bill No. Senate Bill 271
 Title: An act relating to the taxation of public utilities
 Requested by: James D. Fennel Date: 12-5-75
 Return Date Requested: 1-1-76
 Agency: Revenue Program: Audit

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Audit Division

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES	15,090	15,090	15,090	15,090	15,090	15,090
200 TRAVEL						
300 CONTRACTUAL	20,000					
400 COMMODITIES	200	200	200	200	200	200
500 EQUIPMENT	800					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	36,090	15,290	15,290	15,290	15,290	15,290

B. FUNDING: (Thousands of dollars)

GENERAL FUND	36,090	15,290	15,290	15,290	15,290	15,290
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	1 /	1 /	1 /	1 /	1 /	1 /
MAN MONTHS (P./T.)	12 /	12 /	12 /	12 /	12 /	12 /

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

See attached memorandums

Gross revenue figures for 1974 should be available approximately March 1, if an additional update is desired.

IV. ATTACHMENTS

V. DATE: 12-30-75

PREPARED BY:

Gary L. Jenkins
 Gary L. Jenkins
 Director
 Audit Division

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

MEMORANDUM

State of Alaska

TO: Frederick P. Boetsch
Deputy Commissioner, Taxation
Department of Revenue

DATE: April 24, 1975

FILE NO:

TELEPHONE NO:

FROM: Gary L. Jenkins
Director
Audit Division

SUBJECT: Senate Bill 271

I have again reviewed this bill and in an attempt to determine what revenues may be raised by it for sharing to the various communities. The utilities under the control of Alaska Public Utilities Commission, which would be included in this bill, are the cable television; electric; gas, steam and heating; telephone and radio telephone and water utilities. The total gross revenue of these utilities in 1973 was \$138,988,967. At a tax of 3.5 percent of gross revenue this would generate a total tax of \$4,864,615.

As I explained in my earlier memo, this bill would require each individual municipal government to elect whether this tax would be collected and then shared with them or they would continue to collect ad valorem and excise taxes on these utilities.

GLJ/bjm

cc: R. D. Stevenson

MEMORANDUM

State of Alaska

TO: Frederick P. Boetsch
Deputy Commissioner, Taxation
Department of Revenue

DATE: April 16, 1975

FILE NO:

TELEPHONE NO:

FROM: Gary L. Jenkins
Director
Audit Division

SUBJECT: Senate Bill 271

This bill provides for a gross revenue tax on public utilities which would be collected by the State in lieu of local ad valorem taxation of utilities real and personal property. This bill further provides that all of the taxes collected will be refunded to the municipalities in which the utility is located minus the cost of the State's collection of the tax.

It is very difficult to determine what the staffing needs would be should this bill be enacted, since each municipality has the option of electing to have the State collect the tax in place of them imposing the property tax.

I would anticipate that at the minimum this would require one Tax Examiner II position in Audit Division, as well as, \$20,000 to do the necessary programming for a revenue sharing program.

GLJ/bjm

Attachment

cc: R. D. Stevenson

STATE OF ALASKA

DEPARTMENT OF REVENUE

JAY S. HAMMOND, GOVERNOR

POUCH S A - JUNEAU 99811

May 20, 1975

The Honorable Bill Ray
Chairman
Senate Finance Committee
Alaska State Legislature
State Capitol
Juneau, AK 99811

Dear Senator Ray:

re Senate Bill No. 271

Senate Bill No. 271, an Act relating to the taxation of public utilities was introduced in the Senate on March 14, 1975 and was referred to the Senate Commerce and Finance Committees.

For the consideration of the Senate Finance Committee, I am enclosing a copy of a memorandum from Gary L. Jenkins, Director, Audit Division of the Department of Revenue together with a copy of fiscal note, concerning the proposed legislation.

If you or any members of the Senate Finance Committee have any questions on the material submitted, please telephone the writer and I will contact Mr. Jenkins for further material or testimony.

Very truly yours,



R. D. Stevenson
Special Assistant

RDS:sp
Enclosure

cc Gary L. Jenkins, Director
Audit Division
Department of Revenue

MEMORANDUM

State of Alaska

TO: Frederick P. Boetsch
Deputy Commissioner, Taxation
Department of Revenue

DATE: April 24, 1975

FILE NO:

TELEPHONE NO:

FROM: Gary L. Jenkins
Director
Audit Division

SUBJECT: Senate Bill 271

I have again reviewed this bill and in an attempt to determine what revenues may be raised by it for sharing to the various communities. The utilities under the control of Alaska Public Utilities Commission, which would be included in this bill, are the cable television; electric; gas, steam and heating; telephone and radio telephone and water utilities. The total gross revenue of these utilities in 1973 was \$138,988,967. At a tax of 3.5 percent of gross revenue this would generate a total tax of \$4,864,615.

As I explained in my earlier memo, this bill would require each individual municipal government to elect whether this tax would be collected and then shared with them or they would continue to collect ad valorem and excise taxes on these utilities.

GLJ/bjm

cc: R. D. Stevenson

FISCAL NOTE
First Session - Ninth Legislature

I. REQUEST

Bill No. Senate Bill 171
 Title: "An Act relating to the taxation of public utilities."
 Requested by: _____ Date: _____
 Return Date Requested: _____
 Agency: Revenue Program: Audit

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Audit Division

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES	14,844	14,844	14,844	14,844	14,844	14,844
200 TRAVEL						
300 CONTRACTUAL	20,000					
400 COMMODITIES	200	200	200	200	200	200
500 EQUIPMENT	800	800	800	800	800	800
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	35,844	15,044	15,044	15,044	15,044	15,044

B. FUNDING: (Thousands of dollars)

GENERAL FUND	35,844	15,044	15,044	15,044	15,044	15,044
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	1 /	1 /	1 /	1 /	1 /	1 /
MAN MONTHS (P./T.)	12 /	12 /	12 /	12 /	12 /	12 /

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

See attached memorandum.

IV. ATTACHMENTS

V. DATE: April 16, 1975 PREPARED BY: _____

Gary L. Jenkins
 Director, Audit Division

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

MEMORANDUM

State of Alaska

TO: Frederick P. Boetsch
Deputy Commissioner, Taxation
Department of Revenue

DATE: April 16, 1975

FILE NO:

TELEPHONE NO:

FROM: Gary L. Jenkins
Director
Audit Division

SUBJECT: Senate Bill 271

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I would anticipate that at the minimum this would require one Tax Examiner II position in Audit Division, as well as, \$20,000 to do the necessary programming for a revenue sharing program.

GLJ/bjm

Attachment

cc: R. D. Stevenson

Original sponsor: Rodey, Willis
and Colletta

Offered: 5/20/75
Referred: Finance

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 CS FOR SENATE BILL NO. 271

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to payments in lieu of taxes by
7 municipally owned utilities; and providing for an
8 effective date."

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

10 * Section 1. AS 29.48.040 is amended by adding new subsections to read:

11 (b) A municipality operating municipal utilities may not make
12 contributions to its general fund or other municipal nonutility funds
13 until it has first made payments in lieu of taxes to all municipalities
14 served by its municipal utilities in amounts set out in this section.
15 Payments in lieu of taxes by municipally owned utilities are considered
16 an operating cost of the utility.

17 (c) Where a city or cities are located within a borough, payments
18 in lieu of taxes based on property tax levies shall be distributed to
19 the city or cities and borough as follows:

20 (1) payments in lieu of taxes upon real and personal property
21 located within a city shall be distributed to the city and the borough
22 in the same proportion that the city's and borough's tax effort bears
23 to the total taxes collected by the city and the borough within the city;

24 (2) payments in lieu of taxes upon real and personal
25 property located outside cities shall be made to the borough;

26 (3) if a borough levies only real property taxes and no
27 personal property taxes, the payments in lieu of taxes shall be on the
28 basis of real property only.

29 (d) Payments received by the borough from municipal utilities

1 under (c) of this section shall be distributed by the borough among
2 borough areawide, nonareawide and service area functions as follows:

3 (1) payments based upon utility real and personal property
4 located within a city shall be used by the borough only for borough
5 areawide functions and for any service areas which include the whole
6 of the city, according to the respective mill levies for each;

7 (2) payments in lieu of taxes upon real and personal property
8 outside the city shall be used for areawide, nonareawide and service
9 area functions according to the respective mill levies for each; the
10 borough assembly may, by ordinance, collect payments in taxes for all
11 service areas, except for service areas which include cities, in one
12 lump sum and distribute the money among the service areas in its dis-
13 cretion.

14 (e) The municipality owning the utility making payments in lieu
15 of taxes may, at its option, make payments in lieu of taxes in the
16 amount of three and one-half per cent of the gross revenue received by
17 the utility during the previous year. If payments in lieu of taxes
18 are made within a borough containing a city or cities, the payments
19 shall be made as follows:

20 (1) payments in lieu of taxes upon gross revenue received
21 within a city shall be distributed to the city and the borough in the
22 same proportion that the city's and borough's revenue for real and
23 personal property taxes bears to the total taxes collected as real and
24 personal property taxes by the city and the borough within the city;

25 (2) payments in lieu of taxes upon revenue received outside
26 cities shall be distributed to the borough.

27 (f) Proceeds received by the borough based on utility gross revenue
28 shall be distributed by the borough among borough areawide, nonareawide
29 and service area functions as follows:

1 (1) proceeds received by the borough based upon utility
2 gross revenue received within a city shall be used by the borough only
3 for borough areawide functions and for service areas which include the
4 whole of the city; if there is a service area within a particular city,
5 the proceeds for the functions of that service area shall be distributed
6 in that proportion which real and personal property taxes collected for
7 that service area within the city bear to the total of real and personal
8 property taxes collected within the city for borough areawide and service
9 area functions; the remaining proceeds shall be used for areawide func-
10 tions only;

11 (2) proceeds based upon utility gross revenue outside the
12 city shall be used for areawide purposes in the same proportion that the
13 borough's real and personal property taxes outside cities for areawide
14 purposes bears to total real and personal property taxes collected by
15 the borough for the entire area outside cities;

16 (3) gross revenue taxes received by the borough on the basis
17 of utility gross revenue received outside cities shall be used by the
18 borough for nonareawide and service area functions in the same propor-
19 tion that the borough real and personal property taxes raised for those
20 functions bear to total borough real and personal property taxes col-
21 lected outside cities;

22 (4) if a borough levies only real property taxes and no
23 personal property taxes, the distribution of money by the borough shall
24 be based on real property tax revenues only.

25 (g) Where a city is not located within a borough, the payments in
26 lieu of taxes shall be paid to the city according to the assessed value
27 of real and personal property taxes of the municipally owned utility,
28 or if a real property tax only is levied, upon the basis of the assessed
29 value of the real property owned by the utility in the city. The

1 municipality owning the utility may, at its option, pay an amount equal
2 to three and one-half per cent of the gross earnings of the utility in
3 the municipality.

4 # Sec. 2. This Act takes effect January 1, 1976.

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Original sponsor: Rodey, Willis
and Colletta

Offered: 5/20/75
Referred: Finance

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