

LEG. FINANCE - BILLS - 1977 - 1978 652  
HB 52 cont., thru HB 56

1	Fisheries			
2	Commission	1,059,200		
3	International			
4	North Pacific			
5	Fisheries Commission	12,700		
6	International			
7	Fisheries Commission	118,600		
8	Law of the Sea	23,400		
9	Alaska Fisheries			
10	Council	142,000		
11	Coastal Zone Management			
12	& OCS Planning	2,135,200	250,000	1,885,200
13	State Pipeline			
14	Surveillance	1,061,600	197,100	864,500
15	Oil Pipeline			
16	Surveillance	864,500		
17	Gas Pipeline			
18	Review	197,100		
19	Department of Revenue			
20	Fish and Game Licensing	577,500	309,500	268,000
21	Department of Natural Resources			
22	Resource Management	10,490,600	9,962,300	528,300
23	Land/Water			
24	Management	691,900		
25	Classification	287,700		
26	Cadastral Engineering	830,800		
27	Administration/Lands	778,400		
28	Southeast District	386,200		
29	Southcentral			

1	District	1,150,300
2	Northcentral	
3	District	721,700
4	Resource	
5	Investigation	999,200
6	Publications	156,200
7	Mineral Laboratory	214,200
8	Regulation and	
9	Information	153,200
10	Administration	210,600
11	Mineral Leasing	220,000
12	Evaluation and	
13	Operations	675,100
14	Mining	54,500
15	Pipeline	117,600
16	Administration/	
17	Mineral	176,700
18	Oil and Gas	
19	Conservation	863,300
20	Royalty Oil and	
21	Gas Board	198,400
22	Fire Protection -	
23	State	155,100
24	Forest Protection	
25	- BLM	1,200,100
26	Research and	
27	Technical	52,300
28	Management and	
29	Timber Sales	138,200

1	Administration/				
2	Forestry	58,900			
3	Parks & Recreation		3,030,200	2,453,400	576,800
4	Conservation				
5	Action Corps	490,900			
6	Mat-Su	431,200			
7	Chugach	399,600			
8	Kenai-Kodiak	214,800			
9	Southeast	186,200			
10	Copper Basin	111,100			
11	Interior	355,100			
12	Operations				
13	Administration	38,900			
14	Park Development	143,100			
15	Administration				
16	and Support	265,000			
17	State-Federal				
18	Coordination	100,000			
19	Historic				
20	Preservation	94,400			
21	Archaeology	68,100			
22	Direction and				
23	Support	131,800			
24	Land Use Planning		1,821,200	1,736,800	84,400
25	Planning Unit	130,700			
26	State-Federal				
27	Commission	600,200			
28	Office of the				
29	Commissioner	553,900			

1	Office of the			
2	Assistant			
3	Commissioner	73,100		
4	Pipeline Administration			
5	and Support	61,000		
6	Coastal Zone			
7	Coordination	35,100		
8	Planning and Research	367,200		
9	Department of Fish and Game			
10	Fish and Game		17,780,300	8,163,800 9,616,500
11	Commercial Fish/			
12	Research	1,829,300		
13	Commercial Fish/			
14	Management	3,992,400		
15	Commercial Fish/			
16	Administration			
17	and Support	716,300		
18	Commercial Fish/			
19	Federal Aid			
20	Programs	1,400,900		
21	Game Investigations/			
22	Research	4,019,900		
23	Game Management	342,400		
24	Hunter Safety	117,900		
25	Administration			
26	& Support/Game	318,500		
27	Investigations/			
28	Research-Sport			
29	Fish	2,001,400		

1	Management	739,600			
2	Sport Fish				
3	Restoration	46,700			
4	Administration &				
5	Support/Sport Fish	192,700			
6	Marine/Coastal				
7	Habitat Management	183,500			
8	Land & Water				
9	Protection	312,100			
10	Land & Water				
11	Management	293,900			
12	Habitat/Admini-				
13	stration	192,200			
14	Habitat Pipeline				
15	Monitoring	1,080,600			
16	Fish Rehabilitation		7,022,600	7,022,600	
17	Kitoi Bay	118,500			
18	Fire Lake -				
19	Ft. Richardson	572,000			
20	Crystal Lake	513,800			
21	Administration/				
22	Hatcheries	104,500			
23	Engineering	147,300			
24	Anadromous	4,886,800			
25	Administration/				
26	FRED	679,700			
27	Administration & Support		4,050,400	3,502,000	548,400
28	Board of Fish	91,400			
29	Board of Game	66,900			

1	Office of the			
2	Commissioner	201,600		
3	Information and			
4	Education	182,700		
5	Administrative			
6	Services	2,108,300		
7	Employee Housing	128,700		
8	Vessels	1,270,800		
9	Department of Public Safety			
10	Fish and Game Protection	6,814,600	6,641,800	172,800
11	Detachments	4,524,700		
12	Director's Office	653,200		
13	Aircraft Section	707,600		
14	Vessels Section	929,100		
15	Department of Environmental Conservation			
16	Environmental Conservation	4,664,500	3,649,600	1,014,900
17	Water Pollution			
18	Control	250,200		
19	Water Supply	611,800		
20	Facility			
21	Construction	183,700		
22	Director's Office/			
23	Water	89,400		
24	Environmental			
25	Analysis	275,000		
26	Air Quality	191,300		
27	Land Use	194,000		
28	Director's Office/			
29	Terrestrial	89,700		

1	Program			
2	Coordination	301,900		
3	Office of the			
4	Commissioner	305,300		
5	Advisory Board	14,200		
6	Management			
7	Services	268,300		
8	Technical Services	319,000		
9	Southeast Region	242,600		
10	Southcentral			
11	Region	478,200		
12	Northern Region	435,400		
13	Prince William			
14	Sound	161,600		
15	Pipeline			
16	Monitoring	252,900		
17	State Bond Committee			
18	Debt Service		5,791,900	5,791,900
19	Fish and Game			
20	Facilities	2,038,000		
21	Water and Sewer	3,284,700		
22	Parks and			
23	Recreation	386,000		
24	Fire Protection	83,200		
25	Category Fund Sources			
26	Federal Receipts	9,486,800		
27	General Fund	51,036,700		
28	Interagency			
29	Receipts	274,500		

1 Fish and Game  
 2 Fund 3,289,500  
 3 Program Receipts 2,509,000

4 TOTAL FUNDING -

5 Natural Resource  
 6 Management and  
 7 Environmental  
 8 Conservation 66,596,500

9 PUBLIC PROTECTION

10 Department of Administration

11 State Recorder 858,500 858,500

12 Department of Law

13 Consumer Protection 381,800 381,800

14 Department of Revenue

15 Alcoholic Beverage  
 16 Control Board 379,300 379,300

17 Department of Labor 2,762,000 1,381,000 1,381,000

18 General Admini-  
 19 stration/OSHA 501,900

20 Compliance Inspection/  
 21 OSHA 957,500

22 Health Inspection/  
 23 OSHA 274,200

24 Training and Con-  
 25 sultation/OSHA 289,500

26 Planning and  
 27 Standards/OSHA 150,100

28 Research and  
 29 Analysis 118,800

1	Mechanical			
2	Inspection	470,000		
3	Department of Commerce and			
4	Economic Development			
5	Regulation of Business		6,325,600	6,313,300
6	Weights and			12,300
7	Measures	613,100		
8	Banking and Small			
9	Loans	286,600		
10	Securities and			
11	Land Sales	132,800		
12	Corporations	161,500		
13	Administration/			
14	Banking	132,100		
15	Insurance			
16	Companies	327,500		
17	Rates and Policy			
18	Forms	152,300		
19	Licensing	52,400		
20	Insurance			
21	Investigation	123,800		
22	Public Utilities			
23	Commission	1,282,800		
24	Transportation			
25	Commission	1,141,000		
26	Pipeline			
27	Commission	578,900		
28	Occupational			
29	Licensing Boards	779,600		

1	Administration/				
2	Support	561,200			
3	Department of Military Affairs				
4	National Guard and				
5	Disaster		4,930,300	3,115,100	1,815,200
6	Civil Air Patrol	323,700			
7	Alaska Disaster Office				
8	Civil Defense				
9	Planning	504,100			
10	Radiological				
11	Program	40,500			
12	City				
13	Participation	125,000			
14	Flood Control	70,800			
15	Disaster Relief				
16	Act	95,600			
17	Alaska National Guard				
18	Office of				
19	Adjutant General	1,025,400			
20	State Armories	680,300			
21	Federal Armories	606,600			
22	Army Training				
23	Support	375,100			
24	Air Training				
25	Support	668,400			
26	Organized Militia				
27	Benefits	400,700			
28	Alaska Military				
29	Academy	14,100			

1	Department of Natural Resources			
2	Agricultural Inspection	689,500	456,500	233,000
3	Plant Industry	99,100		
4	Animal Industry	590,400		
5	Department of Public Safety	6,584,800	4,782,200	1,802,600
6	Fire Safety	593,300		
7	Traffic Safety			
8	Projects			
9	Coordination	241,100		
10	Traffic Safety			
11	Federal Projects*	857,100		
12	* The allocation to traffic safety federal projects shall be non-lapsing.			
13	Driver and			
14	Vehicle Services	4,393,400		
15	Vehicle Weight			
16	Enforcement	499,900		
17	State Bond Committee			
18	Debt Service	743,800		
19	National Guard			
20	Facilities	78,700		
21	Flood Control	632,600		
22	Fire Centers	32,500		
23	Category Fund Sources			
24	Federal Receipts	4,270,400		
25	General Fund	18,411,500		
26	Interagency			
27	Receipts	140,300		
28	Program Receipts	<u>833,400</u>		
29	TOTAL FUNDING -			

1	Public Protection	23,655,600		
2			ADMINISTRATION OF JUSTICE	
3	Office of the Governor		6,561,500	3,508,800 3,052,700
4	1st Judicial			
5	District/Public			
6	Defender	286,300		
7	2nd Judicial			
8	District/Public			
9	Defender	99,800		
10	3rd Judicial			
11	District/Public			
12	Defender	1,026,700		
13	4th Judicial			
14	District/Public			
15	Defender	538,000		
16	Administration/			
17	Public Defender	141,200		
18	Human Rights			
19	Commission	838,200		
20	Action Grants/			
21	CJPA	2,119,200		
22	Discretionary			
23	Grants/CJPA	611,100		
24	Planning/CJPA	761,800		
25	Police Standards			
26	Council	139,200		
27	Department of Law			
28	Prosecution		3,556,300	3,556,300
29	1st Judicial			

1	District	413,500		
2	2nd Judicial			
3	District	111,800		
4	3rd Judicial			
5	District	1,972,300		
6	4th Judicial			
7	District	838,100		
8	Administration			
9	and Support	220,600		
10	Department of Health and Social Services			
11	Reformation of Offenders		22,191,400	22,191,400
12	Adult Camp -			
13	Palmer	1,049,400		
14	Anchorage State			
15	Jail	889,400		
16	Juneau Correction			
17	Center	1,644,900		
18	Fairbanks			
19	Correction Center	1,904,500		
20	Ketchikan State			
21	Jail	604,400		
22	Anchorage City			
23	Jail	1,480,300		
24	Eagle River			
25	Correction Center	1,907,900		
26	Adult Local			
27	Facilities	1,082,300		
28	Adult Out-of-State			
29	Institutions	823,800		

1	Ridgeview Women's			
2	Facility	831,700		
3	McLaughlin Youth			
4	Center	3,533,800		
5	Juvenile Local			
6	Facilities	1,741,900		
7	Juvenile Out-of-			
8	State Contractual			
9	Services	526,000		
10	1st Judicial			
11	District/Probation			
12	and Parole	649,600		
13	2nd Judicial			
14	District/Probation			
15	and Parole	168,000		
16	3rd Judicial			
17	District/Probation			
18	and Parole	1,453,800		
19	4th Judicial			
20	District/Probation			
21	and Parole	642,600		
22	Administration/			
23	Corrections	1,110,900		
24	Parole Board	146,200		
25	Violent Crimes			
26	Compensation		323,600	323,600
27	Department of Labor			
28	Workmen's Protection		1,933,600	1,933,600
29	Administration of			

1	Wage and Hour	658,200			
2	Administration of				
3	Workmen's				
4	Compensation	967,100			
5	Wage and Hour				
6	- Local Hire	308,300			
7	Department of Public Safety		22,369,200	21,732,600	636,600
8	Community Relations	85,900			
9	Detachments and				
10	Criminal Investigation				
11	Bureau	13,045,000			
12	Division				
13	Headquarters	764			
14	Narcotics Unit	51			
15	Office of the				
16	Commissioner	1,749			
17	Records and				
18	Identification	135,100			
19	Laboratory Services	150,200			
20	Central				
21	Communications	1,293,300			
22	Housing Program	680,500			
23	Research and				
24	Planning	305,700			
25	Training	1,330,800			
26	Judicial Services/				
27	AST	2,313,600			
28	State Bond Committee				
29	Correctional Centers				

1	Debt Service		953,100	953,100
2	Alaska Court System			
3	Judicial System		18,741,900	18,741,900
4	Supreme Court	1,471,600		
5	Trial Courts	14,962,600		
6	Administration			
7	and Support	2,307,700		
8	Judicial Review		256,100	256,100
9	Judicial			
10	Qualifications	28,000		
11	Judicial Council	228,100		
12	Category Fund Sources			
13	Federal Receipts	3,259,000		
14	General Fund	73,197,400		
15	Interagency			
16	Receipts	46,100		
17	Program Receipts	<u>384,200</u>		
18	TOTAL FUNDING -			
19	Administration of			
20	Justice	76,886,700		
21			DEVELOPMENT	
22	Office of the Governor			
23	Tokyo Office		110,000	110,000
24	Policy Development and			
25	Planning		290,000	290,000
26	Department of Administration			
27	Surplus Property		222,100	222,100
28	Department of Revenue			
29	Municipal Bond Bank Authority		251,200	251,200

1	Shared Taxes		13,300,000	13,300,000	
2	Business License				
3	Tax	11,025,000			
4	Amusement and				
5	Gaming Tax	35,000			
6	Aviation Fuel				
7	Tax	165,000			
8	Electric and				
9	Telephone				
10	Cooperative Tax	1,000,000			
11	Liquor License				
12	Tax	550,000			
13	Fisheries Tax	525,000			
14	Department of Commerce and				
15	Economic Development				
16	Economic Development		4,698,500	3,383,300	1,315,200
17	Economic Enterprise -				
18	General Operations	927,800			
19	EDA Planning	198,500			
20	Tourism Promotion	1,211,700			
21	Developmental				
22	Loans	388,200			
23	Power Development	334,400			
24	Veterans' Loan				
25	Fund	1,166,300			
26	Alaska Power				
27	Authority	471,600			
28	Department of Natural Resources				
29	Agricultural Development		731,000	591,800	139,200

1	State Fairs	116,600		
2	Plant Materials			
3	Center	341,800		
4	Administration	133,400		
5	Agricultural Loan			
6	Fund	139,200		
7	Native Claims Payments		40,729,900	40,729,900
8	Department of Fish and Game			
9	King Crab Quality Control			
10	Board		256,800	256,800
11	Department of Community and			
12	Regional Affairs			
13	Community Development		4,013,400	2,929,800
14	Local Government			1,083,600
15	Assistance	362,400		
16	Local Boundary			
17	Commission			
18	Administration	73,900		
19	Organizational			
20	Grants	52,000		
21	Community Planning			
22	Assistance	1,269,600		
23	Agricultural			
24	Lands Exemption	125,000		
25	Juneau			
26	Indemnification	24,000		
27	Administration	212,200		
28	Community Legal			
29	Assistance	20,000		

1	Office of the			
2	Commissioner	192,700		
3	Administrative			
4	Services	243,500		
5	Community and Rural			
6	Development			
7	Assistance Grants	842,100		
8	Administration	516,000		
9	Senior Citizen			
10	Housing	80,000		
11	Revenue Sharing		17,654,700	17,654,700
12	National Forest Receipts		93,500	93,500
13	State Bond Committee			
14	Debt Service		2,757,300	2,757,300
15	Remote Housing	238,000		
16	Port Facilities	1,501,700		
17	Waters and			
18	Harbors	637,600		
19	Natural Disaster	385,000		
20	Category Fund Sources			
21	Federal Receipts	722,900		
22	General Fund	81,550,300		
23	Interagency			
24	Receipts	799,600		
25	Agricultural			
26	Loan Fund	139,200		
27	Program Receipts	508,000		
28	Surplus Property			
29	Revolving Fund	222,100		

1	Veterans Revolving			
2	Loan Fund	<u>1,166,300</u>		
3	TOTAL FUNDING -			
4	Development	85,108,400		
5				
6	Department of Public Works			
7	Marine Transportation		36,973,700	36,615,800
				357,900
8	Southeast Vessel			
9	Operations	28,168,900		
10	Southeast Shore			
11	Facilities	1,675,200		
12	Southwest Vessel			
13	Operations	4,721,800		
14	Southwest Shore			
15	Facilities	388,800		
16	Advertising and			
17	Promotion	67,500		
18	Administration	1,951,500		
19	International Airports		12,177,400	12,177,400
20	Anchorage			
21	Field Maintenance	2,238,800		
22	Building			
23	Maintenance	1,066,800		
24	Airport Safety	2,195,300		
25	Custodial	1,101,600		
26	Administration	910,800		
27	Equipment	878,600		
28	Fairbanks			
29	Field Maintenance	926,700		

1	Building				
2	Maintenance	674,800			
3	Security	1,673,300			
4	Custodial	173,800			
5	Administration	336,900			
6	Aviation/Administration		13,261,600	11,457,600	1,804,000
7	Trunk and Secondary				
8	Regional Operations	9,189,700			
9	Administration/				
10	Trunk and Secondary	718,600			
11	Chief Engineer	148,100			
12	Planning	151,900			
13	Design	219,100			
14	Construction	152,700			
15	Aviation/				
16	Administration	719,400			
17	Land and Leasing	339,800			
18	Office of the				
19	Commissioner	334,200			
20	Public Works/				
21	Administration	981,200			
22	Public Facility				
23	Procurement	306,900			
24	Department of Highways				
25	Highways		47,977,700	45,814,500	2,163,200
26	Central District	1,162,200			
27	Interior District	1,101,900			
28	Southeast				
29	District	678,400			

1	Western District	248,900			
2	Southcentral				
3	District	700,600			
4	Headquarters and				
5	Laboratory	3,742,900			
6	Central District	15,588,600			
7	Interior District	10,231,200			
8	Southeast District	5,433,800			
9	Western District	2,004,000			
10	Southcentral				
11	District	6,704,300			
12	Overweight/				
13	Oversize Permits	380,900			
14	State Bond Committee				
15	Debt Service		21,662,000	19,741,100	1,920,900
16	Highways	9,934,100			
17	Marine				
18	Transportation	4,249,500			
19	Aviation	7,478,400			
20	Category Fund Sources				
21	General Fund	113,629,000			
22	Interagency				
23	Receipts	1,746,300			
24	International				
25	Airport Revenue				
26	Fund	15,267,800			
27	Program Receipts	<u>1,409,300</u>			
28	TOTAL FUNDING -				
29	Transportation	132,052,400			

GENERAL GOVERNMENT			
1			
2	Office of the Governor	6,099,900	5,845,000 254,900
3	Executive Office	1,713,300	
4	Executive Mansion	121,700	
5	Contingency Fund	450,000	
6	Growth Policy		
7	Council	350,300	
8	Budget and		
9	Management	747,500	
10	Lieutenant Governor	363,600	
11	Elections	601,300	
12	Policy Development		
13	and Planning	785,500	
14	Volunteer Services	60,400	
15	Public Offices		
16	Commission	321,600	
17	Telecommunications	584,700	
18	Department of Administration	13,342,600	11,214,200 2,128,400
19	Office of the		
20	Commissioner	1,048,600	
21	Internal Audit	465,700	
22	Equal Employment		
23	Opportunity Office	219,800	
24	Administrative		
25	Services	314,700	
26	Personnel		
27	Management	1,406,700	
28	Employee		
29	Negotiations/		

1	Relations	587,300
2	Pre-Audit	225,300
3	Accounting Services	222,500
4	Payroll	522,000
5	Administration and	
6	Support/Finance	240,100
7	Purchasing	733,400
8	Risk Management	157,000
9	Central Mail and	
10	Switchboard	331,800
11	Central Duplicating	425,400
12	Property	126,300
13	Leasing and	
14	Facilities	121,900
15	Archives and	
16	Records	566,000
17	Services to Central	
18	Administration	525,600
19	Services to	
20	Operating Agencies	2,988,600
21	Administration	627,300
22	Telecommunications	
23	Network	225,700
24	Consultant Services	146,200
25	Labor Relations	
26	Agency	80,000
27	Public Employees'	
28	Retirement System	351,000
29	Teachers' Retirement	

1	System	343,300		
2	Other Benefits	2,300		
3	Central Support	100		
4	Department of Law			
5	Legal Services		3,983,600	2,639,600 1,344,000
6	Department of Revenue			
7	Fiscal Services		7,380,200	6,965,400 414,800
8	Audit	2,285,300		
9	Enforcement	1,147,800		
10	Petroleum Revenue	856,900		
11	Treasury			
12	Management	1,125,000		
13	Office of the			
14	Commissioner	327,300		
15	Administrative			
16	Services	1,637,900		
17	Department of Education			
18	Blue Book		5,800	5,800
19	Department of Health and Social Services			
20	Vital Statistics		323,700	323,700
21	Department of Public Safety			
22	Building Security		157,900	157,900
23	Department of Public Works			
24	Public Works		9,715,400	9,666,200 49,200
25	General Design	476,300		
26	Construction			
27	Inspection	190,500		
28	Construction			
29	Administration	238,000		

1	Maintenance	7,115,300		
2	Communications	1,455,800		
3	Remote Village			
4	Radio	239,500		
5	Highways Working Capital Fund			
6	State Equipment Fleet		11,038,000	11,038,000
7	Central District	3,769,500		
8	Interior District	3,256,400		
9	Southeastern			
10	District	1,158,500		
11	Western District	663,800		
12	Southcentral			
13	District	1,883,200		
14	Administration	306,600		
15	Legislature			
16	Budget and Audit Committee		2,162,300	2,162,300
17	Legislative Audit	1,439,800		
18	Legislative			
19	Finance	597,300		
20	Committee Expenses	125,200		
21	Legislative Council		5,923,600	5,923,600
22	Council and			
23	Subcommittees	259,000		
24	Salaries and			
25	Allowances	976,000		
26	Leadership	188,100		
27	LAA Executive			
28	Administration	538,800		
29	LAA Administrative			

1	Services	1,049,900		
2	LAA Research			
3	Services	478,700		
4	LAA Legal			
5	Services	634,300		
6	Session Expenses	1,483,800		
7	Assembly			
8	Building	220,000		
9	Equipment			
10	Account	95,000		
11	Office of Ombudsman		367,900	367,900
12	Category Fund Sources			
13	Federal Receipts	254,900		
14	General Fund	45,226,100		
15	Interagency			
16	Receipts	2,672,700		
17	FICA Administration			
18	Fund Reserve			
19	Account	41,800		
20	Highway Working			
21	Capital Fund	11,038,000		
22	Program Receipts	26,500		
23	Public Employees'			
24	Retirement Fund	604,800		
25	Teachers' Retirement			
26	System Fund	<u>636,100</u>		
27	TOTAL FUNDING -			
28	General Government	60,500,900		
29				

\* Sec. 14. The following allocations and appropriation items are for

1 capital projects and are effective immediately in accordance with AS 01.-  
2 10.070(c).

3 EDUCATION

4 Department of Education	135,000	135,000
5 Film Acquisition		
6 State Library	100,000	
7 Acquisitions for		
8 Museum Collection,		
9 Juneau	25,000	
10 Rare Alaskana	10,000	
11 University of Alaska		
12 Higher Education	1,444,000	1,444,000
13 Health Occupations		
14 Facility	400,000	
15 Juneau Fisheries		
16 Building	425,000	
17 Kenai Sprinkler	110,000	
18 Ketchikan Community		
19 College Career		
20 Building		
21 Remodeling	250,000	
22 Ketchikan Community		
23 College Ziegler		
24 Building Remodeling	99,000	
25 Kodiak Community		
26 College Seafood Lab		
27 Equipment	110,000	
28 Kuskokwim Community		
29 College Sewer		

1	System	50,000	
2			HEALTH
3	Department of Health and Social Services		
4	Room Sound Proofing	14,000	14,000
5			NATURAL RESOURCE MANAGEMENT
6	Department of Natural Resources	33,500	33,500
7	Planetary Camera	15,000	
8	Atomic Absorption		
9	Spectrometer	18,500	
10	Department of Fish and Game	961,500	961,500
11	Acoustic Salmon		
12	Counters	310,000	
13	Statewide Computer		
14	Terminal Network	85,100	
15	Kitoy Bay Hatchery		
16	Repairs and		
17	Upgrading	200,000	
18	Fire Lake Sewer		
19	System	20,000	
20	Auxiliary Generators		
21	- MV Pandalus	40,000	
22	Kittywake Alterations		
23	and Repair	23,200	
24	Communications		
25	Equipment	25,000	
26	Naknek-Kvichak		
27	District Markers	15,000	
28	East Creek		
29	Incubators	202,000	

1	Center - 9 bed			
2	addition	120,000		
3				
4	Department of Revenue			
5	Increased Reserves for Municipal			
6	Bond Bank		1,000,000	1,000,000
7	Department of Commerce and Economic Development			
8	Community Assistance			
9	EDA "304"		810,000	162,000 648,000
10	Energy and Power			
11	Development		265,000	265,000
12	Management System	200,000		
13	Maintenance and			
14	Repairs - Nelson			
15	Lagoon Windmills	10,000		
16	Technological and			
17	Economic Options			
18	and Alternate Uses			
19	for Waste Heat	55,000		
20	Department of Natural Resources			
21	Increased Capital-Agricultural			
22	Loan Fund		200,000	200,000
23	Plant Materials Center		155,000	155,000
24	Electrical Upgrade/			
25	Palmer	30,000		
26	Complete Office-			
27	Laboratory Building/			
28	Palmer	125,000		
29	Department of Public Works			

1	Water and Harbor Projects		1,500,000	1,500,000
2	Harbor Dredging/Nome	2,500		
3	Haines Harbor			
4	Facilities	222,500		
5	Homer/Seldovia			
6	Harbor Facilities	150,000		
7	Petersburg Harbor			
8	Facilities	150,000		
9	Valdez Harbor			
10	Facilities	200,000		
11	Cordova Harbor			
12	Facilities	200,000		
13	Whittier Harbor			
14	Study	25,000		
15	Anchorage Ship			
16	Creek Dredging	50,000		
17	Emergency Repairs	75,000		
18	Administration,			
19	Planning, Engineering	425,000		
20			TRANSPORTATION	
21	Department of Public Works			
22	Anchorage International Airport		9,832,000	9,832,000
23	North/South Runway			
24	Phase III	6,542,000		
25	Miscellaneous			
26	Improvements			
27	and Modification	300,000		
28	Blast Protection and			
29	Seal Coating			

1	Runway 6 L	2,060,000		
2	Parking Improve-			
3	ments	930,000		
4	Fairbanks International Airport			
5	Runway 01/L Seal Coating		650,000	650,000
6	Marine Transportation		941,000	941,000
7	Vessel Upgrading	180,000		
8	Spare Parts			
9	Inventory	271,000		
10	Waste Disposal			
11	Design	50,000		
12	Dock Electrical and			
13	Safety Rehabili-			
14	tation	40,000		
15	Columbia Fast Food			
16	Service Conversion	400,000		
17				
			GENERAL GOVERNMENT	
18	Department of Revenue			
19	Treasury Computer System		270,000	270,000
20	Department of Public Works			
21	Buildings		1,010,300	1,010,300
22	State Office Building			
23	Boiler Replacement	90,000		
24	Capitol Heating			
25	System Repair	435,000		
26	Boiler Repairs/			
27	Statewide	45,000		
28	Roof Repairs/			
29	Statewide	250,000		

1	Painting/Statewide	20,000		
2	Sitka Pioneers			
3	Home Window			
4	Replacement	70,300		
5	Alaska Office			
6	Building Electrical			
7	Modifications	40,000		
8	Capitol Building			
9	Door Replacement	11,000		
10	Juneau Parking			
11	Structure Storage			
12	Area	49,000		
13	Department of Highways			
14	Equipment Replacement		8,836,700	8,836,700
15	Capital Budget Category Fund Sources			
16	Federal Receipts	11,440,000		
17	General Fund	35,746,500		
18	Highway Working			
19	Capital Fund	8,836,700		
20	International			
21	Airport Revenue			
22	Fund	<u>1,490,000</u>		
23	TOTAL FUNDING -	57,513,200		

24 \* Sec. 15. This Act takes effect immediately in accordance with AS 01.-  
25 10.070(c).  
26  
27  
28  
29

HB 52

January 13, 1977

The Honorable Hugh Malone  
Speaker of the House  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. Speaker:

Under authority of art. III, sec. 18 and art. IX, sec. 12 of the Alaska Constitution, and in accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting the general appropriation bill for Fiscal Year 1978, covering the operating expenses and capital costs of the State of Alaska. For purposes of clearly identifying for the legislature federal program receipts, they are set out in this bill as appropriations, even though in most instances the state treasury is merely a conduit from the federal treasury to the program involved and the federal money is not, as a general rule, subject to the state legislature's appropriation process.

Sincerely,

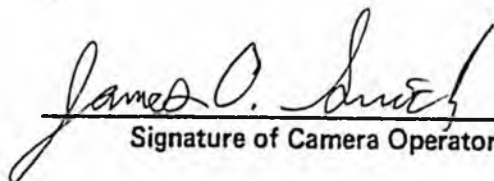
Jay S. Hammond  
Governor

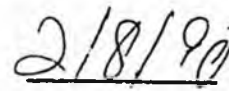


# RECORDS CERTIFICATION



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

## HOUSE

3/10/78

FURTHER: \_\_\_\_\_

Date: 5/10/78

Mr. Speaker:

The Committee on FINANCE has had 2dCSHB 54  
"An Act relating to the administration of state land; and providing for an effective date." (with pending amendment #1) attached

under consideration and (a majority of the committee) (the committee reports it back as follows)

( ) recommends it do pass ( ) recommends it do not pass

( ) recommends it do pass with attached amendment(s)

(x) recommends it be replaced with <sup>3rd</sup> CS for HR 54

and that it do pass ( ) new title (x) same title

( ) AND attaches a Letter of Intent ( ) New Fiscal Note

( ) reports it back without recommendation

( ) and recommends it be referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Freeman  
\_\_\_\_\_  
Shaw  
\_\_\_\_\_  
Thompson  
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Wright  
\_\_\_\_\_  
Belmont  
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\_\_\_\_\_

James O. [Signature]  
Chairman

1048

Original sponsor: Rules Committee by  
request of the Governor

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 3d CS FOR HOUSE BILL NO. 54

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the administration of state land;  
7 and providing for an effective date."

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

9 \* Section 1. AS 38.05.050 is amended to read:

10 Sec. 38.05.050. FIXING SALE. The commissioner, upon recommenda-  
11 tion of the director, [DIRECTOR, WITH THE APPROVAL OF THE COMMISSIONER,]  
12 shall determine the lands to be sold, the limitations and conditions  
13 which attach to the lands sold, and the terms of the sale. The director  
14 shall fix the time of sale and the manner of giving notice of the sale.  
15 The sale shall take place at the time and location specified in the  
16 notice of sale and within the recording district where the property is  
17 located or an adjacent recording district.

18 \* Sec. 2. AS 38.05.115(a) and (b) are amended to read:

19 (a) The commissioner, upon recommendation of the director, shall  
20 determine the timber and other materials to be sold, and the limita-  
21 tions, conditions and terms of sale. The limitations, conditions and  
22 terms shall include the utilization, development and maintenance of the  
23 sustained yield principle, subject to preference among other beneficial  
24 uses. The director may negotiate sales of timber or materials without  
25 advertisement and on the limitations, conditions, and terms which he  
26 considers are in the best interests of the state, subject to the ap-  
27 proval of the commissioner. However, not more than 500 M.B.M. or equi-  
28 valent other measure of timber or more than 25,000 cubic yards [\$5,000]  
29 of materials may be sold by nonadvertised, negotiated sale to the same

1 purchaser within a one-year period.

2 (b) Negotiated sales [FOR TIMBER OR MATERIALS] not exceeding 50  
3 M.B.M. or the equivalent other measure of timber or 2,500 cubic yards of  
4 materials [A VALUE OF \$500] are exempt from the provisions of AS 34.15.-  
5 150.

6 \* Sec. 3. AS 38.05.115 is amended by adding a new subsection to read:

7 (c) The limitations of this section are not applicable to timber  
8 which becomes state property under the provisions of AS 45.50.210 - AS  
9 45.50.235.

10 \* Sec. 4. AS 38.05 is amended by adding a new section to read:

11 Sec. 38.05.118. NEGOTIATED TIMBER SALES IN AREAS OF HIGH UNEMPLOY-  
12 NENT. (a) Notwithstanding any other provision of secs. 110 - 120 of  
13 this chapter, the director, with the approval of the commissioner, may  
14 negotiate a sale of timber to a local manufacturer at appraised value.  
15 The period of a contract for a sale of timber negotiated under this sec-  
16 tion may not exceed 25 years. The contract shall provide that the  
17 appraised value of timber remaining to be harvested under the provisions  
18 of the contract shall be redetermined at least once every five years.

19 (b) Notice of intent to negotiate a contract authorized by (a) of  
20 this section shall be given in accordance with sec. 305 of this chapter.

21 (c) No sale of timber may be negotiated by the director under this  
22 section unless he first finds that, within an area proximate to the  
23 business site which the manufacturer may economically serve, there  
24 exists

25 (1) a high level of local unemployment;

26 (2) an underutilized timber manufacturing capacity; and

27 (3) an underutilized allowable cut of state timber.

28 \* Sec. 5. AS 45.50.235 is amended by adding a new subsection to read:

29 (b) Timber property which becomes state property under the pro-

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visions of this section may be sold under terms and conditions established by the director of the division of lands.

\* Sec. 6. This Act takes effect immediately in accordance with AS 01.-10.070(c).

THE LEGISLATURE OF THE STATE OF ALASKA  
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. 2d CS, HB 54

Title An Act relating to State land and providing an effective date

Requested by Representative Mike Miller

Date May 30, 1978

II. FISCAL DETAIL

Agency Affected Natural Resources

Program Category Affected NREC

Budget Request Unit(s) Affected Division of Land and Water Mgmt., Southeast District

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES		95.407	100.178	105.187	110.446	
200 TRAVEL		15.000	15.000	16.500	18.000	
300 CONTRACTUAL		16.800	21.800	25.070	28.830	
400 COMMODITIES		1.000	1.000	1.150	1.325	
500 EQUIPMENT		2.000	2.000	4.000	2.000	
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		<b>130.207</b>	<b>139.978</b>	<b>151.907</b>	<b>160.601</b>	

FUNDING (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
GENERAL FUND		130.207	139.978	151.907	160.601	
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
FULL TIME		3	3	3	3	
PART TIME		1	1	1	1	
TEMPORARY						

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

It is anticipated that 2d CS, HB 54 will directly affect the timber sales program for the Haines-Skagway area.

Currently the Haines forestry program is understaffed which has made it impossible for the State to achieve its allowable cut objectives as well as adequately prepare and administer timber sales to minimize adverse economic and environmental impacts. Due to inadequate staff, past timber harvests were conducted with a minimum of road and sale layout preparation, resulting in environmental degradation and poorly planned and designed road systems and harvest units.

Sale access is considered among the most difficult in Southeast Alaska, necessitating a greater effort to locate and design transportation routes to optimize transportation benefits to the State and reduce adverse environmental affects. Remote, unroaded sale locations of future harvests as well as

IV. DATE May 30, 1978 PREPARED BY William J. Zufelt (continued)  
AGENCY Division of Land & Water Mgmt.  
PHONE 465-2419

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

the necessity of harvesting in small scattered cuts to minimize environmental impacts, requires a large team effort to design and locate numerous miles of new access road as well as numerous individual cutting units, to achieve the allowable cut and environmental objectives.

Currently there are two permanent forester positions and one seasonal forestry technician position in Haines. This fiscal note adds three permanent forester positions and 1 temporary forestry technician position. These positions will permit preparation and sale of an estimated 15 million board feet of timber annually which will result in an estimated \$600,000 of improvements (mostly new road construction) and \$300,000 of direct revenue to the State, as opposed to a total estimated expenditure of \$230,000 (\$100,000 presently). In addition, there are economic benefits to the Haines community through direct employment and trade in the woods products industry as well as the indirect economic benefits of support services.



Official Business

# Alaska State Legislature

## House of Representatives

Office of the Majority Leader

Pouch V  
State Capitol  
Juneau, Alaska 99811

June 1, 1978

### M E M O R A N D U M

TO: Kay Poland  
FROM: Mike Miller

A handwritten signature in black ink, appearing to read "Mike Miller", written over the printed name.

Kay--

This is a follow up to our brief conversation yesterday in which I indicated that there was a fiscal impact which should be considered in conjunction with House Bill 54.

The fiscal impact represents a net revenue gain. When the bill passes, it will be necessary to hire three full-time and one part-time employee at a cost of \$130,000. Please note however, that the stumpage sales would generate \$300,000 in direct revenue to the state plus \$600,000 worth of improvements (mostly in new road construction).

January 14, 1977

The Honorable Hugh Malone  
Speaker of the House  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18 of the Alaska Constitution, and in accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill relating to the administration of state land. This bill makes three changes in the Alaska Land Act (AS 38.05):

1. It eliminates the requirement in AS 38.05.050 that land sales be held in the recording district where the property sold is located because re-recording district boundaries have been modified with the result that some districts do not include a site appropriate or convenient for the holding of a sale of land located in the district. In other cases, it is possible that a sale site in an adjacent recording district may be closer to the property for sale than any possible site in the same district.

2. The bill also adjusts the maximum amount of materials which may be sold by non-advertised, negotiated sale under AS 38.05.115(a). The measure of the maximum amount of materials which may be sold in this manner is changed from dollar value (\$5,000) to volume (25,000 cubic yards) to be consistent with the volume measure of timber in the same section, to adopt the standard industry measurement, and to provide for a more flexible measurement in the face of rising prices and inflation.

3. In AS 38.05.115(b), the bill also adjusts in the same manner and for the same reasons, measures of the maximum amounts of timber and material which may be sold by negotiated sale without notarization as required by AS 34.15.150. This maximum is changed from dollar value (\$500) to board feet (50 M.B.M.) for timber and cubic yards (2,500 cubic yards) for gravel.

Sincerely,

Jay S. Hammond  
Governor

I. REQUEST

Bill No. HB 54  
 Title: Administration of State Lands  
 Requested by: Office of the Governor Date: \_\_\_\_\_  
 Return Date Requested: \_\_\_\_\_  
 Agency: Natural Resources Program: Lands

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Land & Water Management

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
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	0 /	0 /	0 /	0 /	0 /	0 /
MAX MONTHS (P./T.)	/	/	/	/	/	/

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

IV. ATTACHMENTS

V. DATE: 12-3-76 PREPARED BY: George H. Hollitt

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

finance  
C.S.  
          

A M E N D M E N T

Offered in the HOUSE

By Miller and Duncan

TO: CS for House Bill 54

Page 2, between lines 9 and 10: insert new \* Sec. 4 to read:

\* Sec. 4. AS 38.05 is amended by adding a new section to read:

Sec. 38.05.118. NEGOTIATED TIMBER SALES IN AREAS OF HIGH UNEMPLOYMENT. (a) Notwithstanding any other provision of secs. 110 - 120 of this chapter, the director, with the approval of the commissioner, may negotiate a sale of timber to a local manufacturer at appraised value. The period of a contract for a sale of timber negotiated under this section may not exceed 25 years. The contract shall provide that the appraised value of timber remaining to be harvested under the provisions of the contract shall be redetermined at least once every five years.

(b) Notice of intent to negotiate a contract authorized by (a) of this section shall be given in accordance with sec. 305 of this chapter.

(c) No sale of timber may be negotiated by the director under this section unless he first finds that, within an area proximate to the business site of the manufacturer which he may economically serve, there exists

- (1) a high level of local unemployment;
- (2) an underutilized timber manufacturing capacity; and
- (3) an underutilized allowable cut of state timber.

Renumber subsequent sections accordingly.

Original sponsor: Rules Committee by  
request of the Governor

Offered: 3/9/78  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 2d CS FOR HOUSE BILL NO. 54

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the administration of state land;  
7 and providing for an effective date."

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

9 \* Section 1. AS 38.05.050 is amended to read:

10 Sec. 38.05.050. FIXING SALE. The commissioner, upon recommenda-  
11 tion of the director, [DIRECTOR, WITH THE APPROVAL OF THE COMMISSIONER,]  
12 shall determine the lands to be sold, the limitations and conditions  
13 which attach to the lands sold, and the terms of the sale. The director  
14 shall fix the time of sale and the manner of giving notice of the sale.  
15 The sale shall take place at the time and location specified in the  
16 notice of sale and within the recording district where the property is  
17 located or an adjacent recording district.

18 \* Sec. 2. AS 38.05.115(a) and (b) are amended to read:

19 (a) The commissioner, upon recommendation of the director, shall  
20 determine the timber and other materials to be sold, and the limitations,  
21 conditions and terms of sale. The limitations, conditions and terms  
22 shall include the utilization, development and maintenance of the sus-  
23 tained yield principle, subject to preference among other beneficial  
24 uses. The director may negotiate sales of timber or materials without  
25 advertisement and on the limitations, conditions, and terms which he  
26 considers are in the best interests of the state, subject to the ap-  
27 proval of the commissioner. However, not more than 500 M.B.M. or equiva-  
28 lent other measure of timber or more than 25,000 cubic yards [\$5,000] of  
29 materials may be sold by nonadvertised, negotiated sale to the same

1 purchaser within a one-year period.

2 (b) Negotiated sales [FOR TIMBER OR MATERIALS] not exceeding 50  
3 M.B.M. or the equivalent other measure of timber or 2,500 cubic yards of  
4 materials [A VALUE OF \$500] are exempt from the provisions of AS 34.15.-  
5 150.

6 \* Sec. 3. AS 38.05.115 is amended by adding a new subsection to read:

7 (c) The limitations of this section are not applicable to timber  
8 which becomes state property under the provisions of AS 45.50.210 - AS  
9 45.50.235.

10 \* Sec. 4. AS 45.50.235 is amended by adding a new subsection to read:

11 (b) Timber property which becomes state property under the pro-  
12 visions of this section may be sold under terms and conditions estab-  
13 lished by the director of the division of lands.

14 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.-  
15 10.070(c).

CITATIONS

Legislative Citation - Commending Rear Admiral John B. Hayes, by all members of the House, was received and it appears on today's calendar.

Mr. Miller moved that the House recess for ten minutes. There being no objection, the House recessed at 10:22 a.m.

AFTER RECESS

The House was called to order at 10:45 a.m.

CONSIDERATION OF THE DAILY CALENDARSECOND READING OF HOUSE BILLS

HB HOUSE BILL NO. 54 (administration of state land; effective date) was read the second time with the Resources Committee report (page 239, 1977 journal) and the Judiciary Committee report (page 1353, 1977 journal).

CSHB 54 Mr. Miller moved and asked unanimous consent that COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 54 (same title) be adopted in lieu of HB 54. There being no objection, it was so ordered.

Amendment No. 1 by Gardiner:

Page 2, between lines 5 and 6, add:

\* Sec. 3. AS 38.05.115 is amended by adding a new subsection to read:

(c) The limitations of this section are not applicable to timber which becomes state property under the provisions of AS 45.50.210 to AS 45.50.235.

\* Sec. 4. AS 45.50.235 is amended by adding a new subsection to read:

(b) Timber property which becomes state property under the provisions of this section may be sold under terms and conditions established by the director of the division of lands.

Renumber remaining sections accordingly.

Mr. Gardiner moved and asked unanimous consent that amendment No. 1 be adopted.

Mr. Swanson objected and withdrew his objection.

There being no further objection, amendment No. 1 was adopted.

Amendment No. 2 by Miles, Gardiner and Dankworth:

Page 1, line 18: Delete "director, with the approval of the commissioner,"

Add: "commissioner, upon recommendation of the director,"

Mr. Miles moved and asked unanimous consent that amendment No. 2 be adopted.

Mr. Meekins objected.

Mr. Gardiner moved and asked unanimous consent that CSHB 54 amended and pending amendment be returned to the Judiciary Committee.

Mr. Bradley objected.

The question being: "Shall CSHB 54 am, together with pending amendment No. 2, be returned to the Judiciary Committee?" The roll was taken with the following result:

Yeas:	34	Akers, Bennett, Bradley, Buchholdt, Carpenter, Chatterton, Cotten, Cowper, Dankworth, Duncan, Eliason, Freeman, Gardiner, Gruening, Guy, Haugen, Hayes, Kelly, Lovseth, McKinnon, Malone, Meekins, Miles, Miller, Nakak, Osterback, Farr, Rhode, Rudd, Schaeffer, Smith, Snider, Swanson, Urion.
Nays:	0	
Excused:	6	Anderson, Beirne, Brown, Lethin, Ose, Phillips.

And so, the motion passed, and CSHB 54 am was returned to the Judiciary Committee with pending amendment No. 2.

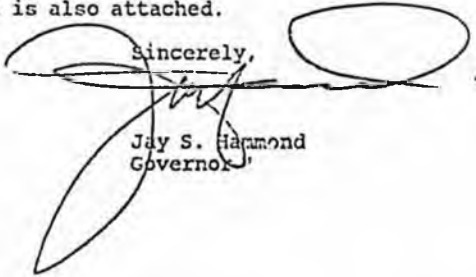
CITATIONS

Mr. Miller moved that Citation Commending Rear Admiral John B. Hayes be shown as sponsored by all members of the House. There being no objection, it was so ordered.

HB 882 This appropriation is being requested to fund unanticipated additional costs related to a destroyed wind machine and tower at Nelson Lagoon. These funds will cover costs already incurred in re-installing a new tower and wind machine.

Fiscal material is also attached.

Sincerely,

  
Jay S. Hammond  
Governor

HB 883 HOUSE BILL NO. 863 by the Finance Committee, entitled:

"An Act making a special appropriation to the Department of Health and Social Services for developmentally disabled adults in the northern portion of Southeast Alaska; and providing for an effective date."

was introduced, read the first time and referred to the Committees on Health, Education and Social Services and Finance.

CONSIDERATION OF THE DAILY CALENDAR

SECOND READING OF HOUSE BILLS

CSHB 54 am COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 54 amended (administration of state land; effective date) which had been returned to the Judiciary Committee in second reading with amendment No. 2 pending (page 405 of the journal) was read the second time with the Judiciary Committee report (page 522 of the journal).

2d CSHB 54 Mr. Miller moved and asked unanimous consent that 2d COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 54 (same title) be adopted in lieu of CSHB 54 am. There being no objection, it was so ordered.

Regarding pending amendment No. 2 (page 405 of the journal), the Speaker stated that without objection, since amendment No. 2 had been incorporated into 2d CSHB 54, the matter had been considered. There being no objection, it was so ordered.

Amendment No. 1 by Freeman and Bradley:

Page 1, line 9: Replace \* Section 1 of the bill with the following:

\* Section 1. AS 38.05.050 is amended to read:

Sec. 38.05.050. FIXING SALE. (a) The director, with the approval of the commissioner, shall determine the lands to be sold, the limitations and conditions which attach to the lands sold, and the terms of the sale. The director shall fix the time of sale and the manner of giving notice of the sale. The sale shall take place at the time and location specified in the notice of sale and within the recording district where the property is located or an adjacent recording district.

(b) No later than June 30, 1979, the director shall classify, survey and plat for sale at least 25,000 acres of state land which is otherwise vacant, unappropriated and unreserved and is suitable for erection of residential dwellings to use as a permanent abode. The land shall then be sold in parcels not exceeding two and one-half acres in reasonably compact form, with boundaries conforming as nearly as practicable to natural geologic and topographic features. The first sale shall be held not later than September 1, 1979, and the entire 25,000 acres shall be sold by not later than September 1, 1984.

Mr. Freeman moved and asked unanimous consent that amendment No. 1 be adopted.

Mr. Gruening objected.

Mr. Gruening moved and asked unanimous consent that 2d CSHB 54, along with amendment No. 1, be referred to the Finance Committee.

Mr. Urion objected.

Mr. Miller moved and asked unanimous consent that the House recess for ten minutes. There being no objection, the House recessed at 10:55 a.m.

AFTER RECESS

The House was called to order at 11:05 a.m.

2d The question being: "Shall 2d CSHB 54, with pending  
CSHB amendment No. 1 be referred to the Finance Committee?"  
54 The roll was taken with the following result:

Yeas: 22 Akers, Anderson, Bennett, Bradley,  
Brown, Buchholdt, Chatterton, Duncan,  
Freeman, Gardiner, Gruening, Guy,  
Hayes, McKinnon, Malone, Meekins,  
Miles, Miller, Ose, Parr, Phillips,  
Swanson.

Nays: 8 Carpenter, Cotten, Cowper, Kelly,  
Lovseth, Rhode, Smith, Urion.

Excused: 10 Beirne, Dankworth, Eliason, Haugen,  
Lethin, Nakak, Osterback, Rudd,  
Schaeffer, Snider.

And so, the motion passed, and the bill was referred to  
the Finance Committee.

HB HOUSE BILL NO. 588 (supplemental appropriation to the  
588 Department of Natural Resources for repurchase of certain  
oil and gas leases in Kachemak Bay, pursuant to Ch. 113  
SLA 1976; effective date) was read the second time with  
the Finance Committee report (page 514 of the journal).

Mr. Miller moved and asked unanimous consent that HB 588  
be considered engrossed, advanced to third reading and  
placed on final passage. There being no objection, it  
was so ordered.

HB 588 was read the third time.

The question being: "Shall HB 588 pass the House?" The  
roll was taken with the following result:

Yeas: 19 Akers, Brown, Buchholdt, Cotten,  
Cowper, Duncan, Gardiner, Gruening,  
Guy, Kelly, Lovseth, McKinnon, Malone,  
Meekins, Miles, Miller, Parr, Smith,  
Urion.

Nays: 10 Anderson, Bennett, Carpenter,  
Chatterton, Freeman, Hayes, Ose,  
Phillips, Rhode, Swanson.

Excused: 11 Beirne, Bradley, Dankworth, Eliason,  
Haugen, Lethin, Nakak, Osterback,  
Rudd, Schaeffer, Snider.

And so, HB 588 failed to pass the House.

Speaker Malone gave notice of reconsideration of his vote  
on HB 588 on the next legislative day.

Original sponsor: Rules Committee by  
request of the Governor

Offered: 3/9/78  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 2d CS FOR HOUSE BILL NO. 54

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the administration of state land;  
7 and providing for an effective date."

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

9 \* Section 1. AS 38.05.050 is amended to read:

10 Sec. 38.05.050. FIXING SALE. The commissioner, upon recommenda-  
11 tion of the director, [DIRECTOR, WITH THE APPROVAL OF THE COMMISSIONER,]  
12 shall determine the lands to be sold, the limitations and conditions  
13 which attach to the lands sold, and the terms of the sale. The director  
14 shall fix the time of sale and the manner of giving notice of the sale.  
15 The sale shall take place at the time and location specified in the  
16 notice of sale and within the recording district where the property is  
17 located or an adjacent recording district.

18 \* Sec. 2. AS 38.05.115(a) and (b) are amended to read:

19 (a) The commissioner, upon recommendation of the director, shall  
20 determine the timber and other materials to be sold, and the limitations,  
21 conditions and terms of sale. The limitations, conditions and terms  
22 shall include the utilization, development and maintenance of the sus-  
23 tained yield principle, subject to preference among other beneficial  
24 uses. The director may negotiate sales of timber or materials without  
25 advertisement and on the limitations, conditions, and terms which he  
26 considers are in the best interests of the state, subject to the ap-  
27 proval of the commissioner. However, not more than 500 M.B.M. or equiva-  
28 lent other measure of timber or more than 25,000 cubic yards [\$5,000] of  
29 materials may be sold by nonadvertised, negotiated sale to the same

1 purchaser within a one-year period.

2 (b) Negotiated sales [FOR TIMBER OR MATERIALS] not exceeding 50  
3 M.B.M. or the equivalent other measure of timber or 2,500 cubic yards of  
4 materials [A VALUE OF \$500] are exempt from the provisions of AS 34.15.-  
5 150.

6 \* Sec. 3. AS 38.05.115 is amended by adding a new subsection to read:

7 (c) The limitations of this section are not applicable to timber  
8 which becomes state property under the provisions of AS 45.50.210 - AS  
9 45.50.235.

10 \* Sec. 4. AS 45.50.235 is amended by adding a new subsection to read:

11 (b) Timber property which becomes state property under the pro-  
12 visions of this section may be sold under terms and conditions estab-  
13 lished by the director of the division of lands.

14 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.-  
15 10.070(c).

Original sponsor: Rules Committee by  
request of the Governor

Offered: 5/14/77  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 54

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the administration of state land;  
7 and providing for an effective date."

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

9 \* Section 1. AS 38.05.050 is amended to read:

10 Sec. 38.05.050. FIXING SALF. The director, with the approval of  
11 the commissioner, shall determine the lands to be sold, the limitations  
12 and conditions which attach to the lands sold, and the terms of the  
13 sale. The director shall fix the time of sale and the manner of  
14 giving notice of the sale. The sale shall take place at the time and  
15 location specified in the notice of sale and within the recording dis-  
16 trict where the property is located or an adjacent recording district.

17 \* Sec. 2. AS 38.05.115(a) and (b) are amended to read:

18 (a) The director, with the approval of the commissioner, [COMMIS-  
19 SIONER, UPON RECOMMENDATION OF THE DIRECTOR,] shall determine the timber  
20 and other materials to be sold, and the limitations, conditions and  
21 terms of sale. The limitations, conditions and terms shall include the  
22 utilization, development and maintenance of the sustained yield prin-  
23 ciple, subject to preference among other beneficial uses. The director  
24 may negotiate sales of timber or materials without advertisement and on  
25 the limitations, conditions, and terms which he considers are in the  
26 best interests of the state, subject to the approval of the commissioner.  
27 However, not more than 500 M.B.M. or equivalent other measure of timber  
28 or more than 25,000 cubic yards [\$5,000] of materials may be sold by  
29 nonadvertised, negotiated sale to the same purchaser within a one-year

1 period.

2 (b) Negotiated sales [FOR TIMBER OR MATERIALS] not exceeding 50  
3 M.B.M. or the equivalent other measure of timber or 2,500 cubic yards  
4 of materials [A VALUE OF \$500] a. exempt from the provisions of AS  
5 34.15.150.

6 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.-  
7 10.070(c).

Introduced: 1/14/77  
Referred: Resources and  
Judiciary

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 54

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the administration of state land;  
7 and providing for an effective date."

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

9 \* Section 1. AS 38.05.050 is amended to read:

10 Sec. 38.05.050. FIXING SALE. The director, with the approval of  
11 the commissioner, shall determine the lands to be sold, the limitations  
12 and conditions which attach to the lands sold, and the terms of the  
13 sale. The director shall fix the time of sale and the manner of  
14 giving notice of the sale. The sale shall take place at the time and  
15 location specified in the notice of sale [AND WITHIN THE RECORDING  
16 DISTRICT WHERE THE PROPERTY IS LOCATED].

17 \* Sec. 2. AS 38.05.115(a) is amended to read:

18 (a) The commissioner, upon recommendation of the director, shall  
19 determine the timber and other materials to be sold, and the limita-  
20 tions, conditions and terms of sale. The limitations, conditions and  
21 terms shall include the utilization, development and maintenance of  
22 the sustained yield principle, subject to preference among other  
23 beneficial uses. The director may negotiate sales of timber or  
24 materials without advertisement and on the limitations, conditions,  
25 and terms which he considers are in the best interests of the state,  
26 subject to the approval of the commissioner. However, not more than  
27 500 M.B.M. or equivalent other measure of timber or more than 25,000  
28 cubic yards [\$5,000] of materials may be sold by nonadvertised,  
29 negotiated sale to the same purchaser within a one-year period.

1 \* Sec. 3. AS 38.05.115(b) is amended to read:

2 (b) Negotiated sales [FOR TIMBER OR MATERIALS] not exceeding 50  
3 M.B.M. or the equivalent other measure of timber or 2,500 cubic yards  
4 of materials [A VALUE OF \$500] are exempt from the provisions of AS  
5 34.15.150.

6 \* Sec. 4. This Act takes effect immediately in accordance with AS 01.-  
7 10.010(c).

January 14, 1977

The Honorable Hugh Malone  
Speaker of the House  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18 of the Alaska Constitution, and in accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill relating to the administration of state land. This bill makes three changes in the Alaska Land Act (AS 38.05):

1. It eliminates the requirement in AS 38.05.059 that land sales be held in the recording district where the property sold is located because recording district boundaries have been modified with the result that some districts do not include a site appropriate or convenient for the holding of a sale of land located in the district. In other cases, it is possible that a sale site in an adjacent recording district may be closer to the property for sale than any possible site in the same district.

2. The bill also adjusts the maximum amount of materials which may be sold by non-advertised, negotiated sale under AS 38.05.115(a). The measure of the maximum amount of materials which may be sold in this manner is changed from dollar value (\$5,000) to volume (25,000 cubic yards) to be consistent with the volume measure of timber in the same section, to adopt the standard industry measurement, and to provide for a more flexible measurement in the face of rising prices and inflation.

3. In AS 38.05.115(b), the bill also adjusts in the same manner and for the same reasons, measures of the maximum amounts of timber and material which may be sold by negotiated sale without notarization as required by AS 34.15.150. This maximum is changed from dollar value (\$500) to board feet (50 M.B.M.) for timber and cubic yards (2,500 cubic yards) for gravel.

Sincerely,

Jay S. Hammond  
Governor

I. REQUEST

Bill No. HB 54  
 Title: Administration of State Lands  
 Requested by: Office of the Governor Date: \_\_\_\_\_  
 Return Date Requested: \_\_\_\_\_  
 Agency: Natural Resources Program: Lands

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Land & Water Management

A. EXPENDITURES: (Thousands of dollars)

OBJECT	PY 77	PY 78	PY 79	PY 80	PY 81	PY 82
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	0 /	0 /	0 /	0 /	0 /	0 /
MAX MONTHS (P./T.)	/	/	/	/	/	/

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

IV. ATTACHMENTS

V. DATE: 12-3-76 PREPARED BY: George L. Hallert

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

# Alaska State Legislature

## House of Representatives

### Committee on Judiciary

Pouch V  
State Capitol  
Juneau, Alaska 99811



Al Business

March 8, 1978

Rep. Hugh Malone, Speaker  
House of Representatives  
Pouch V  
Juneau, Alaska 99801

Dear Mr. Speaker:

The Judiciary Committee has had CSHB 54am under consideration and recommends it do pass with the attached amendments and replaced with a second CS for CSHB 54am, under the same title.

A third amendment has been proposed by Representatives Freeman and Bradley, having to do with disposal of state lands, which the Committee did not adopt. Representatives Freeman and Bradley have also submitted separate legislation, HB 720, on this topic and the Governor also has a proposal on state land disposal.

Judiciary has neither of those bills in committee and members do not feel they have the expertise to deal with the issues of Amendment 3 and land disposal.

The Committee suggests that it would be more appropriate for the Resources or Finance Committee which presently have jurisdiction over HB 720 and other related bills to take up the consideration of Amendment 3. If the body wishes Amendment 3 to be attached to CSHB 54am it would be appropriate to refer CSHB 54am back to the Resources or Finance Committee.

Sincerely,

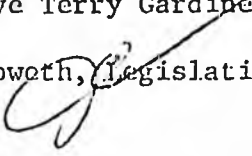
Terry Gardiner, Chairman  
House Judiciary Committee

OF ALASKA  
THE LEGISLATURE  
LEGISLATIVE AFFAIRS AGENCY

POUCH Y. STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

MEMORANDUM

March 8, 1978

SUBJECT: 2d CS for HB 54  
TO: Representative Terry Gardiner  
FROM: John B. Chenoweth,  Legislative Counsel

As drafted and returned to you, 2d CSHB 54 incorporates the first floor amendment, offered by you and adopted by majority vote of the House (secs. 3 and 4 of the bill) and the second floor amendment -- the one that precipitated return of the bill to the Judiciary Committee. It does not contain the pending third floor amendment, offered by Representatives Freeman and Bradley.

JBC:hjd

AMENDMENT

~~3~~  
~~1~~  
NO. 1

READ IN THE SENATE:

BY: FREEMAN and BRADLEY

To: \_\_\_\_\_ SENATE BILL No. \_\_\_\_\_

*2d CS* HOUSE BILL No. 54

PAGE: 1

LINE: 9

Replace Sec. 1 of the bill with the following

*1. This  
amended  
is per Henry*

Section 1. AS 38.05.050 is amended to read:

Sec. 38.05.050. FIXING SALE. (a) The director, with the approval of the commissioner, shall determine the lands to be sold, the limitations and conditions which attach to the lands sold, and the terms of the sale. The director shall fix the time of sale and the manner of giving notice of the sale. The sale shall take place at the time and location specified in the notice of sale and within the recording district where the property is located or an adjacent recording district.

(b) No later than June 30, 1979, the director shall classify, survey and plat for sale at least 25,000 acres of state land which is otherwise vacant, unappropriated and unreserved and is suitable for erection of residential dwellings to use as a permanent abode. The land shall then be sold in parcels not exceeding two and one-half acres in reasonably compact form, with boundaries conforming as nearly as practicable to natural geologic and topographic features. The first sale shall be held not later than September 1, 1979, and the entire 25,000 acres shall be sold by not later than September 1, 1984.



# 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

2/8/90  
Date

"An Act relating to the Alaska Mining License Tax; effective date."

# COMMITTEE REPORT

## HOUSE

3/7/77

\_\_\_\_\_ Date

Mr. Speaker:

The Committee on FINANCE has had HB 56 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
- AND attaches a report of its intent
- (other) \_\_\_\_\_

### MEMBERS SIGNING THE MAJORITY REPORT:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

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

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

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

\_\_\_\_\_ Chairman

1-14-77

COMMITTEE REPORT

FINANCE

HOUSE

3/4/77

Date

Mr. Speaker:

The Committee on RESOURCES has had HB 56 under consideration. ~~A majority~~ of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for HB 56 (same title) and that CS for HB 56 do pass
- (and) recommends it be referred to the \_\_\_\_\_ committee
- reports it back without recommendation
- AND attaches a report of its intent
- (other) \_\_\_\_\_

MEMBERS SIGNING THE MAJORITY REPORT:

Jim Bennett Do Pass

Merle H. Anderson Do Pass

Wm. Sters Do Pass

Alvin Osterback Do Pass

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

H. Mahne recommends: No Rec.

W. Miller recommends: No Rec.

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

Alvin Osterback  
Chairman

Original sponsor: Rules Committee by  
request of the Governor

Offered: 3/7/77  
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 56

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

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

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

9 \* Section 1. AS 43.65.010 is repealed and re-enacted to read:

10 Sec. 43.65.010. MINING LICENSE AND TAX. (a) For the privilege  
11 of engaging in the business of mining in the state, a person shall first  
12 apply for and obtain a license from the department. The license fee is  
13 \$25, which must accompany the application for a license.

14 (b) There is also levied an annual license tax on each person  
15 engaging in the business of mining in the state computed on the net  
16 proceeds of the taxpayer from the mining business. The license tax  
17 shall be computed according to the following table:

18 If the net proceeds are:	Then the tax is:
19 Over \$50,000 but not over	3 per cent of the excess over
20 \$100,000	\$50,000
21 Over \$100,000	\$1,500 plus 5 per cent of the
	22 excess over \$100,000

23 (c) Upon application and receipt of an exemption certificate, a  
24 new mining business operation is exempt from the license tax levied by  
25 this chapter for three and one-half years after production from the  
26 mining business operation begins. The tax exemption granted to new  
27 mining business operations does not apply to the business of mining  
28 sand and gravel. The Department of Natural Resources shall certify to  
29 the department the date upon which production began from the mining

1 business operation, and the department shall issue a certificate of  
2 exemption to the applicant after this certification. A person must  
3 apply for an exemption certificate in the first year of production from  
4 the mining business operation in order to qualify for the exemption under  
5 this section.

6 (d) If mining business operations not qualifying for tax exemption  
7 under sec. 10(c) of this chapter are conducted in two or more places in  
8 the state by one person, those operations may, at the person's option,  
9 be considered as one mining business, and the tax shall be computed upon  
10 the net proceeds of all those mining business operations.

11 \* Sec. 2. AS 43.65 is amended by adding new sections to read:

12 Sec. 43.65.015. NET PROCEEDS. (a) In this chapter, "net proceeds"  
13 means the total gross receipts from the mining business less the following  
14 deductions:

15 (1) all expenses incurred directly in the extraction of  
16 minerals in the state;

17 (2) all expenses incurred in transporting the minerals from  
18 the point of extraction to any further processing plant where only  
19 necessary treatment processes are applied to obtain a commercially  
20 marketable product;

21 (3) all expenses directly related to the production, smelting  
22 and refining, crushing, screening or other necessary process incurred  
23 to make a commercially marketable product;

24 (4) the actual selling expenses incurred in marketing the  
25 product;

26 (5) all expenses incurred in transporting the marketable  
27 product to a buyer;

28 (6) depreciation of the mining business equipment, works,  
29 plant and facilities used directly in the extraction, transportation

1 and processing phases of the mining business, in accordance with sec.  
2 167 of the Internal Revenue Code (26 U.S.C. sec. 1976);

3 (7) amortization of exploration and mining development costs  
4 not included in (6) of this subsection;

5 (8) an allowance for depletion on a cost or percentage basis  
6 at the rates set out in secs. 611 - 614 of the Internal Revenue Code (26  
7 U.S.C. secs. 611 - 614) except that the allowance for depletion may not  
8 exceed 50 per cent of the taxpayer's net proceeds calculated before the  
9 allowance for depletion;

10 (9) net operating losses allowable under the Internal Revenue  
11 Code.

12 (b) If the taxpayer has expenses in the state other than those  
13 specified in (a) of this section, such as general overhead expenses,  
14 relating to the business of mining or to the business of mining and  
15 other business activities, the deductions shall be apportioned in the  
16 ratio which the direct expenses of the mining business in the state  
17 under (a) of this section bear to the total direct expenses of all  
18 business activities of that taxpayer in the state.

19 (c) Except for wages paid during temporary travel out of the state  
20 by an employee who is domiciled in the state, the deductions allowed in  
21 (a) and (b) of this section do not include wages or other payments for  
22 services not performed in the state.

23 (d) If a person is engaged in the business of mining and the only  
24 receipts from the business are royalties, the net proceeds of the  
25 mining business are the royalties received less the depletion allowance  
26 under (a)(8) of this section.

27 Sec. 43.65.017. GROSS RECEIPTS. (a) In this chapter, "gross  
28 receipts" means all revenue received, including royalties, rental pay-  
29 ments, and all other compensation from the business of mining. Gross

1 receipts include the actual amount received during the year for the  
2 sale of minerals whether or not the minerals were actually extracted  
3 during that year.

4 (b) If minerals are sold or transferred at a price other than the  
5 true market price, such as when a wholly owned subsidiary transfers or  
6 sells the mineral to its parent at a price less than market value, gross  
7 receipts are the true market price or average market price per ton or  
8 other measurable unit of the mineral multiplied by the total units of the  
9 mineral sold or transferred during the year.

10 (c) Gross receipts from the business of mining sand and gravel  
11 include:

12 (1) receipts from the sale to customers directly from the  
13 pit or mine;

14 (2) receipts from the sale to customers at their place of  
15 business or their business site, including receipts relating to the  
16 delivery of the sand and gravel; and

17 (3) the average market value of sand and gravel from inter-  
18 company transfers of the minerals calculated immediately before the  
19 transfer, including intercompany transfers of sand and gravel to a  
20 ready-mix or concrete plant.

21 \* Sec. 3. AS 43.65.020 is amended to read:

22 Sec. 43.65.020. TAXPAYER'S DUTIES. (a) A person subject to tax  
23 under this chapter shall make a return stating specifically the items  
24 of gross receipts [INCOME] from the business [PROPERTY], including  
25 royalty received and the deductions [AND CREDITS] allowed by this chapter,  
26 and other information for carrying out this chapter which the department  
27 [DEPARTMENT OF REVENUE] prescribes. The return shall show the mining  
28 license number and shall be signed by the taxpayer or his authorized  
29 agent, under penalty of perjury. If receivers, trustees, or assigns are

1 operating the mining [PROPERTY OR] business, they shall make returns for  
2 the person engaged in the mining business [, OR THE RECIPIENT OF ROYALTY  
3 IN CONNECTION WITH MINING PROPERTY]. The tax due on the basis of the  
4 returns shall be collected in the same manner as if collected from the  
5 person of whose business they have custody and control.

6 (b) A return made on the basis of the calendar year shall be  
7 filed [MADE] before March 15 [MAY 1] of the next year. A return made on  
8 the basis of a fiscal year shall be filed [MADE] before the 15th [FIRST]  
9 day of the third [FIFTH] month of the next fiscal year.

10 (c) The department [DEPARTMENT OF REVENUE] may grant a reasonable  
11 extension of time for filing returns, under regulations adopted [PRE-  
12 SCRIBED] by it. Except in the case of a taxpayer going abroad, no  
13 extension may be granted [MADE] for more than six months.

14 (d) A [TAXPAYER'S] return shall be filed with [MADE TO] the  
15 department using the same tax year as the person uses in filing his  
16 federal income tax return [DEPARTMENT OF REVENUE AT JUNEAU. A TAXPAYER  
17 SHALL MAKE HIS RETURN EITHER ON A CALENDAR YEAR OR FISCAL YEAR BASIS,  
18 IN CONFORMANCE WITH THE BASIS USED IN MAKING HIS RETURN FOR FEDERAL IN-  
19 COME TAX PURPOSES].

20 (e) The total amount of tax imposed by this chapter shall be paid  
21 on or before the due date of the tax return required under this section  
22 [THE 30TH DAY OF APRIL OF THE NEXT CALENDAR YEAR, OR, IF THE RETURN IS  
23 MADE ON THE BASIS OF THE FISCAL YEAR, THEN ON THE LAST DAY OF THE FOURTH  
24 MONTH OF THE NEXT FISCAL YEAR].

25 (f) [EVERY PERSON PROSECUTING OR ATTEMPTING TO PROSECUTE OR  
26 ENGAGING IN THE BUSINESS OF MINING IN THE STATE SHALL COMPLY WITH THE  
27 DEPARTMENT'S REGULATIONS AND SHALL KEEP SUCH RECORDS, GIVE SUCH STATEMENTS  
28 UNDER OATH, AND MAKE SUCH RETURNS AS THE DEPARTMENT OF REVENUE PRE-  
29 SCRIBES.]

1 (g) When the department considers it necessary, it may require a  
2 person, by notice served upon him, to make a return, give statements  
3 under oath, or keep records as it considers sufficient to show whether  
4 or not the person is liable for the [TO] tax under this chapter. If a  
5 person fails to file a return at the time prescribed by law or regula-  
6 tion, or makes, wilfully or otherwise, a false or fraudulent return,  
7 the department shall make the return from its own knowledge and from  
8 such information as it can obtain [THROUGH TESTIMONY OR OTHERWISE]. A  
9 return so made and subscribed by the department is prima facie good and  
10 sufficient for all legal purposes.

11 \* Sec. 4. AS 43.65.030 is amended to read:

12 Sec. 43.65.030. APPLICATION FOR RENEWALS. A person engaged in the  
13 business of mining shall apply [APPLICATION] for renewal of a mining  
14 license each year [SHALL BE MADE] before the 30th day of the first month  
15 of the person's tax year [MAY 1 OF EACH YEAR].

16 \* Sec. 5. AS 43.65 is amended by adding new sections to read:

17 Sec. 43.65.051. PENALTIES AND INTEREST. (a) If part of a de-  
18 ficiency in the tax is due to fraud with intent to evade the tax, then  
19 50 per cent of the total amount of the deficiency, in addition to the  
20 deficiency, shall be assessed and collected. If this penalty is  
21 assessed, then the penalty in AS 43.05.220 does not apply.

22 (b) A person who is required under this chapter to pay the tax,  
23 make a return, keep records, or supply information who wilfully fails  
24 to pay the tax, make the return, keep the records, or supply the infor-  
25 mation, at the time required by law or regulations, is, in addition to  
26 other penalties provided by this chapter, guilty of a misdemeanor and  
27 upon conviction is punishable by a fine of not more than \$1,000, or by  
28 imprisonment for not more than one year, or by both.

29 (c) In this section, "person" includes an officer or employee of

1 a corporation or a member or employee of a partnership who is under duty  
2 to perform the act in respect to which the violation occurs.

3 (d) A person who wilfully attempts to evade the tax imposed by  
4 this chapter is, in addition to other penalties provided by this chapter,  
5 guilty of a felony and upon conviction is punishable by a fine of not  
6 more than \$5,000, or by imprisonment for not more than five years, or  
7 by both.

8 (e) A person who wilfully makes and subscribes a return, statement,  
9 or other document required under this chapter which he does not believe  
10 to be true and correct as to every material matter and which contains or  
11 is verified by a written declaration that it is made under the penalties  
12 of perjury is, in addition to other penalties provided by this chapter,  
13 guilty of a felony and upon conviction is punishable by a fine of not  
14 more than \$5,000, or by imprisonment for not more than three years, or  
15 by both.

16 (f) A person who wilfully or knowingly aids, procures, or counsels  
17 the preparation or presentation in connection with any matter arising  
18 under this chapter of a return, affidavit, claim or other document,  
19 which is fraudulent or is false as to any material matter is guilty of a  
20 felony whether or not the falsity or fraud is with the knowledge or  
21 consent of the person required to present the return, affidavit, claim,  
22 or document, and upon conviction is punishable by a fine of not more  
23 than \$5,000, or by imprisonment for not more than three years, or by  
24 both.

25 (g) A person who wilfully delivers or discloses to the department  
26 under this chapter any list, return, account, statement, or other docu-  
27 ment, known by him to be fraudulent or to be false as to any material  
28 matter, upon conviction is punishable by a fine of not more than \$1,000,  
29 or by imprisonment for not more than one year, or by both.

1           Sec. 43.65.055. REFERENCES TO INTERNAL REVENUE CODE. When the  
2 Internal Revenue Code is referred to in this chapter the reference is to  
3 the Internal Revenue Code in effect on the effective date of this Act,  
4 and as subsequently amended.

5 \* Sec. 6. AS 43.65.060(4) is amended to read:

6           (4) "new mining business operation [OPERATIONS]" means a  
7 mining operation [OPERATIONS] which began production after January 1,  
8 1953, and which has not acquired the ownership or property of another  
9 mining business which has previously received an exemption certificate  
10 under sec. 10 of this chapter [OR WHICH HAVE NOT BEEN LIABLE TO PAY A  
11 MINING LICENSE TAX UNDER THIS CHAPTER ON NET INCOME SINCE JANUARY 1,  
12 1948];

13 \* Sec. 7. AS 43.65.060 is amended by adding new paragraphs to read:

14           (7) "business of mining" means a business operation for the  
15 extraction of minerals from the earth or water of the state, operated by  
16 a person

17           (A) who (i) owns and operates, (ii) works, or (iii)  
18 develops a mineral property, whether or not that property is  
19 currently producing a marketable product;

20           (B) who leases a mineral property and operates that  
21 property, whether or not it is producing a marketable product;

22           (C) who leases a mineral property and pays royalties,  
23 rents or other payments to the owner of the property; or

24           (D) who has an interest in a lease, concession, joint  
25 venture, or other agreement for the exploration or development, or  
26 extraction of a mineral property if royalties, rents, or other  
27 payments are to be paid for that interest;

28           (8) "department" means the Department of Revenue;

29           (9) "minerals" means asbestos, coal, sulphur, iron ore, lead,

1 zinc, mercury, tin, chromite, bauxite, copper, gold, silver, platinum,  
2 potash, clay, stone, sand, gravel, and other valuable metals, ores and  
3 marketable earth or stone but not including oil and gas.

4 \* Sec. 8. AS 43.65.050 and 43.65.060(1) - (3) are repealed.

5 \* Sec. 9. This Act is retroactive to January 1, 1977.

6 \* Sec. 10. This Act takes effect immediately in accordance with AS 01.10.  
7 070(c).

Introduced: 1/14/77  
Referred: Resources and  
Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 56

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Mining License Tax;  
7 and providing for an effective date."

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

9 \* Section 1. AS 43.65.010 is repealed and re-enacted to read:

10 Sec. 43.65.010. MINING LICENSE AND TAX. (a) For the privilege  
11 of engaging in the business of mining in the state, a person shall  
12 first apply for and obtain a license from the department. The license  
13 fee is \$25, which must accompany the application for a license.

14 (b) There is also levied an annual license tax on each person  
15 engaging in the business of mining in the state computed on the net  
16 proceeds of the taxpayer from the mining business. The license tax  
17 shall be computed according to the following table:

18 If the net proceeds are:	Then the tax is:
19 Over \$40,000 but not over	3 per cent of the excess over
20 \$50,000	\$40,000
21 Over \$50,000 but not over	\$300 plus 5 per cent of the
22 \$100,000	excess over \$50,000
23 Over \$100,000	\$2,800 plus 7 per cent of the
24	excess over \$100,000

25 (c) Upon application and receipt of an exemption certificate, a  
26 new mining business operation is exempt from the license tax levied by  
27 this chapter for three and one-half years after production from the  
28 mining business operation begins. The tax exemption granted to new  
29 mining business operations does not apply to the business of mining

1 the department the date upon which production began from the mining  
2 business operation, and the department shall issue a certificate of  
3 exemption to the applicant after this certification. A person must  
4 apply for an exemption certificate in the first year of production  
5 from the mining business operation in order to qualify for the exemption  
6 under this section.

7 (d) If mining business operations are conducted in two or more  
8 places within the state by one person, those operations are considered  
9 as one mining business, and the tax shall be computed upon the net  
10 proceeds of all those mining business operations.

11 \* Sec. 2. AS 43.65 is amended by adding new sections to read:

12 Sec. 43.65.015. NET PROCEEDS. (a) In this chapter, "net pro-  
13 ceeds" means the total gross receipts from the mining business less  
14 the following deductions incurred during the taxable year:

15 (1) all expenses incurred directly in the extraction of  
16 minerals in the state;

17 (2) all expenses incurred in transporting the minerals from  
18 the point of extraction to any further processing plant where only  
19 necessary treatment processes are applied to obtain a commercially  
20 marketable product;

21 (3) all expenses directly related to the production, re-  
22 fining, crushing, screening or other necessary process incurred to  
23 make a commercially marketable product;

24 (4) the actual selling expenses incurred in marketing the  
25 product;

26 (5) all expenses incurred in transporting the marketable  
27 product to a buyer;

28 (6) depreciation of the mining business equipment, works,  
29 plant and facilities used directly in the extraction, transportation

1 and processing phases of the mining business, in accordance with sec.  
2 167 of the Internal Revenue Code (26 U.S.C. sec. 1976);

3 (7) amortization of mining development costs not included  
4 in (6) of this subsection;

5 (8) an allowance for depletion on a cost or percentage  
6 basis at the rates set out in secs. 611 - 614 of the Internal Revenue  
7 Code as amended (26 U.S.C. secs. 611 - 614) except that the allowance  
8 for depletion may not exceed 50 per cent of the taxpayer's net proceeds  
9 calculated before the allowance for depletion.

10 (b) If the taxpayer has expenses within the state other than  
11 those specified in (a) of this section, such as general overhead  
12 expenses, relating to the business of mining or to the business of  
13 mining and other business activities, the deductions shall be appor-  
14 tioned in the ratio which the direct expenses of the mining business  
15 within the state under (a) of this section bear to the total direct  
16 expenses of all business activities of that taxpayer in the state.

17 (c) Except for wages paid during temporary travel out of the  
18 state by an employee who is domiciled in the state, the deductions  
19 allowed in (a) and (b) of this section do not include wages or other  
20 payments for services not performed in the state.

21 (d) If a person is engaged in the business of mining and the  
22 only receipts from the business are royalties, the net proceeds of the  
23 mining business are the royalties received less the depletion allowance  
24 under sec. 15(a)(8) of this chapter.

25 Sec. 43.65.017. GROSS RECEIPTS. (a) In this chapter, "gross  
26 receipts" means all revenue received, including royalties, rental pay-  
27 ments, and all other compensation from the business of mining. Gross  
28 receipts include the actual amount received during the year for the  
29 sale of minerals whether or not the minerals were actually extracted

1 during that year.

2 (b) If minerals are sold or transferred at a price other than  
3 the true market price, such as when a wholly owned subsidiary transfers  
4 or sells the mineral to its parent at a price less than market value,  
5 gross receipts are the true market price or average market price per  
6 ton or other measurable unit of the mineral multiplied by the total  
7 units of the mineral sold or transferred during the year.

8 (c) Gross receipts from the business of mining sand and gravel  
9 include:

10 (1) receipts from the sale to customers directly from the  
11 pit or mine;

12 (2) receipts from the sale to customers at their place of  
13 business or their business site, including receipts relating to the  
14 delivery of the sand and gravel; and

15 (3) the average market value of sand and gravel from inter-  
16 company transfers of the minerals calculated immediately before the  
17 transfer, including intercompany transfers of sand and gravel to a  
18 ready-mix or concrete plant.

19 \* Sec. 3. AS 43.65.020 is amended to read:

20 Sec. 43.65.020. TAXPAYER'S DUTIES. (a) A person subject to tax  
21 under this chapter shall make a return stating specifically the items  
22 of gross receipts [INCOME] from the business [PROPERTY], including  
23 royalty received and the deductions [AND CREDITS] allowed by this  
24 chapter, and other information for carrying out this chapter which the  
25 department [DEPARTMENT OF REVENUE] prescribes. The return shall show  
26 the mining license number and shall be signed by the taxpayer or his  
27 authorized agent, under penalty of perjury. If receivers, trustees,  
28 or assigns are operating the mining [PROPERTY OR] business, they shall  
29 make returns for the person engaged in the mining business [, OR THE

1 RECIPIENT OF ROYALTY IN CONNECTION WITH MINING PROPERTY]. The tax due  
2 on the basis of the returns shall be collected in the same manner as  
3 if collected from the person of whose business they have custody and  
4 control.

5 (b) A return made on the basis of the calendar year shall be  
6 filed [MADE] before March 15 [MAY 1] of the next year. A return made  
7 on the basis of a fiscal year shall be filed [MADE] before the fif-  
8 teenth [FIRST] day of the third [FIFTH] month of the next fiscal year.

9 (c) The department [DEPARTMENT OF REVENUE] may grant a reasonable  
10 extension of time for filing returns, under regulations adopted  
11 [PRESCRIBED] by it. Except in the case of a taxpayer going abroad, no  
12 extension may be granted [MADE] for more than six months.

13 (d) A [TAXPAYER'S] return shall be filed with [MADE TO] the  
14 department [DEPARTMENT OF REVENUE AT JUNEAU] using the same tax year  
15 as the person uses in filing his federal income tax return. [A TAX-  
16 PAYER SHALL MAKE HIS RETURN EITHER ON A CALENDAR YEAR OR FISCAL YEAR  
17 BASIS, IN CONFORMANCE WITH THE BASIS USED IN MAKING HIS RETURN FOR  
18 FEDERAL INCOME TAX PURPOSES.]

19 (e) The total amount of tax imposed by this chapter shall be  
20 paid on or before the due date of the tax return required under this  
21 section [THE 30TH DAY OF APRIL OF THE NEXT CALENDAR YEAR, OR, IF THE  
22 RETURN IS MADE ON THE BASIS OF THE FISCAL YEAR, THEN ON THE LAST DAY  
23 OF THE FOURTH MONTH OF THE NEXT FISCAL YEAR].

24 (f) [EVERY PERSON PROSECUTING OR ATTEMPTING TO PROSECUTE OR  
25 ENGAGING IN THE BUSINESS OF MINING IN THE STATE SHALL COMPLY WITH THE  
26 DEPARTMENT'S REGULATIONS AND SHALL KEEP SUCH RECORDS, GIVE SUCH STATE-  
27 MENTS UNDER OATH, AND MAKE SUCH RETURNS AS THE DEPARTMENT OF REVENUE  
28 PRESCRIBES.]

29 (g) When the department considers it necessary, it may require a

1 person, by notice served upon him, to make a return, give statements  
2 under oath, or keep records as it considers sufficient to show whether  
3 or not the person is liable for the [TO] tax under this chapter. If a  
4 person fails to file a return at the time prescribed by law or regula-  
5 tion, or makes, wilfully or otherwise, a false or fraudulent return,  
6 the department shall make the return from its own knowledge and from  
7 such information as it can obtain [THROUGH TESTIMONY OR OTHERWISE]. A  
8 return so made and subscribed by the department is prima facie good  
9 and sufficient for all legal purposes.

10 \* Sec. 4. AS 43.65.030 is amended to read:

11 Sec. 43.65.030. APPLICATION FOR RENEWALS. A person engaged in  
12 the business of mining shall apply [APPLICATION] for a renewal of a  
13 mining license each year [SHALL BE MADE] before the 30th day of the  
14 first month of the person's tax year [MAY 1 OF EACH YEAR].

15 \* Sec. 5. AS 43.65 is amended by adding a new section to read:

16 Sec. 43.65.051. PENALTIES AND INTEREST. (a) If part of a  
17 deficiency in the tax is due to fraud with intent to evade the tax,  
18 then 50 per cent of the total amount of the deficiency, in addition to  
19 the deficiency, shall be assessed and collected. If this penalty is  
20 assessed, then the penalty in AS 43.05.220 does not apply.

21 (b) A person who is required under this chapter to pay the tax,  
22 make a return, keep records, or supply information who wilfully fails  
23 to pay the tax, make the return, keep the records, or supply the  
24 information, at the time required by law or regulations, is, in  
25 addition to other penalties provided by this chapter, guilty of a  
26 misdemeanor, and upon conviction is punishable by a fine of not more  
27 than \$1,000, or by imprisonment for not more than one year, or by  
28 both.

29 (c) In this section, "person" includes an officer or employee of

1 a corporation or a member or employee of a partnership who is under  
2 duty to perform the act in respect to which the violation occurs.

3 (d) A person who wilfully attempts to evade the tax imposed by  
4 this chapter is, in addition to other penalties provided by this  
5 chapter, guilty of a felony and, upon conviction, shall be fined not  
6 more than \$5,000, or imprisoned for not more than five years, or both.

7 (e) A person who wilfully makes and subscribes a return, state-  
8 ment, or other document required under this chapter which contains or  
9 is verified by a written declaration that it is made under the penal-  
10 ties of perjury which he does not believe to be true and correct as to  
11 every material matter is, in addition to other penalties provided by  
12 this chapter, guilty of a felony and, upon conviction, shall be fined  
13 not more than \$5,000, or imprisoned for not more than three years, or  
14 both.

15 (f) A person who wilfully or knowingly aids, procures, or  
16 counsels the preparation or presentation in connection with any  
17 matter arising under this chapter of a return, affidavit, claim or  
18 other document, which is fraudulent or is false as to any material  
19 matter is guilty of a felony whether or not the falsity or fraud is  
20 with the knowledge or consent of the person required to present the  
21 return, affidavit, claim, or document, and, upon conviction, shall be  
22 fined not more than \$5,000, or imprisoned for not more than three  
23 years, or both.

24 (g) A person who wilfully delivers or discloses to the depart-  
25 ment under this chapter any list, return, account, statement, or other  
26 document, known by him to be fraudulent or to be false as to any  
27 material matter shall be fined not more than \$1,000, or imprisoned for  
28 not more than one year, or both.

29 \* Sec. 6. AS 43.65.060(4) is amended to read: