

LEG. FINANCE - BILLS 1977 - 1978 719

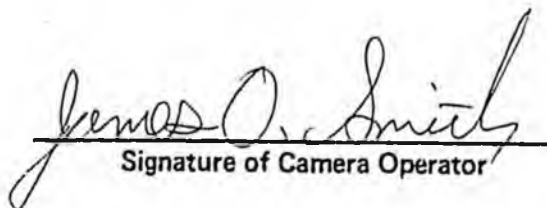
HB 395 thru HB 403

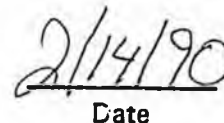


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Signature of Camera Operator


Date



Official Business

Alaska State Legislature

House of Representatives

Office of the Speaker

Pouch V
State Capitol
Juneau, Alaska 99811

March 6, 1978

Honorable Steve Cowper, Chairman
House Finance Committee
Pouch V
Juneau, Alaska 99611

Dear Steve:

Attached is a letter from Dr. Jerry Schrader giving an analysis of request figures from community mental health programs around the state. As far as this program goes, I would appreciate it if the House Finance Committee could give consideration to additional funding to the amount of \$600,000 beyond the Governor's budget.

Thank you for your help.

Sincerely,

A handwritten signature in cursive script that reads "Hugh Malone".
Hugh Malone

HM:JB:sf

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES

Division of Mental Health and
Developmental Disabilities

POUCH H-048 - JUNEAU 99811

February 28, 1978

Legislature
Document # General #40

Hugh Malone
Speaker
Representative
Pouch V
Juneau, Alaska 99811

Dear Representative Malone:

The following is an Analysis of the figures you sent us:

Aleutian/Priboloff	69,000	Represents a realistic maintenance budget, however, the Aleutian/Priboloff's are having trouble recruiting. Recent information indicates they now have available candidates.
Anchorage Municipality	523,000	Maintenance Budget includes 55.0 Federal Funding Reduction offset.
Bristol Bay Area Health	72,000	Maintenance Budget
Central Penin. M.H. Association	185,000	75,000 Expansion - 2 Mental Health Professionals
City of Cordova	85,000	Maintenance Budget
City of Ketchikan	318,000	Maintenance Budget includes 60.0 Federal Funding Reduction offset.
City of Homer	75,000	Maintenance Budget
Copper River Native Association	75,000	Maintenance Budget
Kodiak Island Borough	180,000	Maintenance Budget includes 30.0 Federal Funding Reduction offset.
Kuskokwim Native Association	84,000	Maintenance Budget

Manueluk Association	136,000	50,000 Expansion - 1 Mental Health Professional and 1 Paraprofessional.
McGrath Anvik	74,000	Maintenance Budget
North Slope Borough	149,000	60,000 Expansion - 1 Mental Health Professional and upgrade present positions. Barrow is experiencing great difficulties recruiting for present positions.
Norton Sound Health Corp.	100,000	Maintenance Budget
Seward Council	80,000	Maintenance Budget
Sitka Health Corp.	57,000	Maintenance Budget
Tanana Chiefs	157,000	40,000 Expansion - 1 Mental Health Professional
Yukon Kuskokwim Health Corporation	148,000	Maintenance and some increase in support services
CINA (reduced request)	86,000	Additions to Anchorage program to provide outreach to Native programs
Tok	55,000	Expected request for Professional and support
Valdez	65,000	Expected request for Professional and support
Skagway	60,000	Undecided but interested and may apply - Professional and support
Fairbanks	100,00	Request for possible transfer to Community Control. Will allow for 3 Professional expansion of Fairbanks Clinic.
Haines	<u>60,000</u>	Undecided but interested and may apply - Professional and support.
	2,993,000	

An analysis of these requests indicates that 233.0 is being requested for expansion of existing programs and 426.0 for new starts at CINA, Tok, Valdez, Fairbanks, Skagway, and Haines. The remaining 2334.0 represents the communities request for a maintenance of existing programs. This includes full funding for 5 programs

Hugh Malone
Page 3
February 28, 1978

which received partial funding for FY 1977 (North Slope Borough, McGrath-Anvik, Copper River Native Association, Bristol Bay Area Health Corporation, Kuskokwim Native Association) and 145.0 to replace a decrease in federal funding in Anchorage, Ketchikan, and Kodiak. In addition, during FY 1978, the Department of Health and Social Services revised its policy regarding the payment of indirect costs to community mental health grant programs. In prior years indirect costs were not allowed. As a consequence, some of these requests contain amounts for funding of indirect costs. At the present time, the impact of this policy change on these programs remains uncertain because we have only received one grant application as of this date. The deadline for all grant applications is March 15, 1978.

The Division's first priority would be to fund a realistic maintenance of existing programs. The Division's original estimate of maintenance funding for these programs was 2074.4 which allowed for an overall increase of 15%. However, this did not take into account possible increases for funding of indirect costs.

The Division's second priority would be to establish at least 3 or 4 new starts (305.0) with funding for approximately 9 to 10 months.

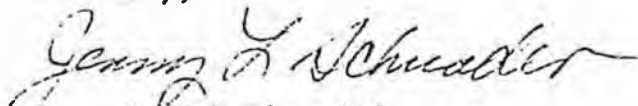
The Division's third priority would be to fund the needed expansion in several of the existing programs, especially the Central Peninsula Mental Health Association.

The preliminary community request of 2993.0 exceeds the Governor's allowance by 883.5. The current knowledge we have of these programs indicate that they would constructively use 600.0 of the additional 883.5 to maintain existing programs, provide for some new starts, and fund some appropriate expansion.

In summary I believe a somewhat reduced level of funding is more appropriate. My reasons for recommending this are:

1. Although there is a difference of opinion about the necessary maintenance level, it will probably be negotiated some where between 2334.0, the amount requested by the communities to maintain existing programs, and 2074.4, the Division's original estimate of maintenance funding for these programs.
2. I do not anticipate that all of the new programs will apply for funding and if they do, 9 or 10 months of funding would be appropriate.
3. Of the 4 programs requesting expansion, the Central Peninsula Mental Health Association shows the greatest likelihood of being able to use the increased resources.

Sincerely,


Jerry L. Schrader, M.D.
Director

Attachment

FINANCIAL SUMMARY

COMMUNITY MENTAL HEALTH GRANTS
FY 79

Division of Mental Health Original Estimate
For maintenance of on-going programs 2074.7

Community Mental Health Centers
Request for on-going maintenance 2334.0
(Letter from Hugh Malone, 2/14/78)

Division of Mental Health FY 79 Request 2024.5
(p. 147 short form)

Community Mental Health Centers
Total Request 3307.0
(Letter from Hugh Malone, 2/14/78)

Governor's FY 79 Request 2109.5
(p. 147 short form)

Introduced: 3/23/77
Referred: Health, Education &
Social Services and Finance

1 IN THE HOUSE

BY MALONE

2 HOUSE BILL NO. 395

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 capital expenditures under the
7 Community Mental Health Services Act."

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12 costs eligible for state participation under sec. 550 of this chapter.

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Original sponsor: Malone

Offered: 4/14/78
Referred: Rules

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CORRECTION

THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

Introduced: 3/23/77
Referred: Health, Education &
Social Services and Finance

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Original sponsor: Malone

Offered: 4/14/78
Referred: Rules

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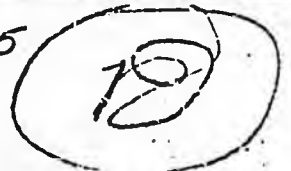
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STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

HB395



JAY S. HAMMOND, GOVERNOR

POUCH K - STATE CAPITOL
JUNEAU 99811

March 10, 1977

MAR 11 1977

Representative Hugh Malone
House Speaker
Alaska House of Representatives
Pouch V, State Capitol
Juneau, Alaska 99811

Re: House Bill No. 258
(community mental
health centers)

Dear Mr. Malone:

In reviewing the provisions of the above-referenced measure which you have introduced, we have noted an area which may benefit by clarification.

While Section 1 appropriates \$518,600 "for the purchase of community mental health services under AS 47.30.520 - 47.30.620" for FY 78, Section 2 specifies an additional sum of \$80,000 through the division of mental health for "a grant to the Seward Council on Alcoholism and Community Services for construction of a community mental health center."

It must be pointed out that the \$80,000 could not be disbursed under the contract program "for the purchase of community mental health services" because AS 47.30.570(1) prohibits including capital expenditures as eligible costs. Whether this was inadvertent or intentional we feel that perhaps some express direction should be given to the Department of Health and Social Services for the issuance of these funds. If, because they are for a capital expenditure, they will not come under the cost-sharing formula of AS 47.30.550, no local matching contribution can apparently be required. But whatever the intention is, it would be helpful to the administrative agency to have it spelled out.

Even without the apparent conflict we have described, the flat appropriation of a sum of money for a private organization to use for the purchase or construction of facilities frequently causes a problem in disbursement. The legislature, of course, need only be certain that it will be for a public purpose, but the Department feels that it is in the interest of the state for it to receive some assurance

Representative Hugh Malone
House Speaker
Alaska House of Representatives

March 10, 1977
Page 2

that this purpose either continues for the life of the structure, or that the state recover its investment. The contracts of several agencies now provide for such recovery, and it is hoped that agreements to the same effect can be worked out with other recipients who are not otherwise in a contract relationship with the state. The language of Sec. 2 of HB 258 does not expressly authorize the department to impose any conditions to provide for such recovery with respect to the grant for the community mental health center.

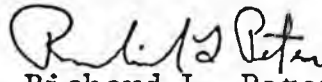
The problem is very real. The department is just now concluding negotiations to protect its investment in two houses which were purchased by an alcoholism treatment contractor with state funds, and which the contractor declined to turn over to his successor when the local contract was transferred. If the ownership of these properties had not been transferred to the new contractor, he would probably have sought funds from the state to spend for the same purpose.

The legislature appropriates money for many private facilities with no express provision for conditioning the grants without such explicit legislative direction, or a binding contract agreed to by the recipient, the state has to rely on litigation to protect its interest if the public purpose is later subverted.

Thank you for your consideration of these matters.

Sincerely,

AVRUM M. GROSS
ATTORNEY GENERAL

By: 
Richard L. Peter
Assistant Attorney General

RLP:jf

cc: Fran Ulmer

Introduced: 2/23/77
 Referred: Finance

1 IN THE HOUSE

BY MALONE

2 HOUSE BILL NO. 258

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
 7 ment of Health and Social Services for the operation
 8 and construction of community mental health centers;
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 17 a grant to the Seward Council on Alcoholism and Community Services for con-
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19 * Sec. 3. Section 1 of this Act takes effect July 1, 1977. Section 2 of
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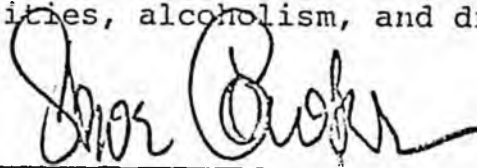
Committee

HOUSE JOURNAL

HOUSE FINANCE COMMITTEE

LETTER OF INTENT
FOR
COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 395

It is the intent of the Legislature that public purpose as used in AS 47.30.575(b) shall be interpreted to mean the provision of any service reasonably related to the provision of mental health services including services for developmental disabilities, alcoholism, and drug abuse.



Steve Cowper, Chairman
House Finance Committee

Date: April 11, 1978

COMMITTEE REPORT
SENATE

FURTHER: _____

5/16/78

Date: _____

Mr. President:

The Committee on FINANCE has had CSHB 395
capital expenditures under the Community Mental Health Services Act

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)
 recommends it be replaced with CS for _____

and _____ new title 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:

Chairman

COMMITTEE REPORT
SENATE

FURTHER: FINANCE

4/24/78

Date: 5/15/78

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MEMBERS SIGNING DO PASS:

Patricia Roney
Zigler

OTHER RECOMMENDATIONS:

Glenn Hadsing
Chairman

3752
Guthrie

Original sponsor: Malone

Offered: 4/14/78
Referred: Rules

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COMMITTEE COPY

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HB395

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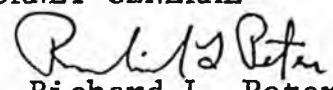
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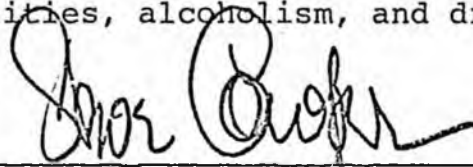
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ALASKA STATE LEGISLATURE

TENTH Legislature ^{SECOND} FIRST Session

HOUSE BILL NO. 395

By MALONE

"An Act relating to capital expenditures under the Community Mental Health Services Act."

Comm: Mental Hlth Serv. Act.

Introduced in the House 3-23-1977

HISTORY IN THE HOUSE

19 77	Mar. 23	Read first time and referred to Committee on HESS and Finance
	Apr 4	Reported back with recommendation that <i>House + Finance report to Finance</i>
	Apr 14	<i>1977</i> Finance report to committee - <i>do pass - do Rule</i>
	Apr 19	Read second time and <i>CS adopted</i>
	Apr 19	Read third time and
	Apr 20	<i>Reconsideration held one day</i>
	Apr 21	<i>Reconsideration standup</i>
	Apr 19	PASS <i>fd</i> Yeas 27 Nays 11 Absent Excused 1
	Apr 19	Reconsideration
	Apr 21	PASS <i>ef</i> Yeas 24 Nays 10 Absent Excused 6
	Apr 21	Reported correctly engrossed
	" 21	Signed by Speaker
	" 21	Sent to Senate

Gene Cashen
CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19 78	Apr 24	Read first time and referred to Committee on HESS - Finance
	5 16	Reported back with HESS-3rd recommendation that <i>pass to Finance</i>
		Read second time and
		Read third time and
		PASS Yeas Nays Absent Excused
		Effective Date Yeas Nays Absent Excused
		Reconsideration
		PASS Yeas Nays Absent Excused
		Effective Date Yeas Nays Absent Excused
		Reported correctly engrossed
		Signed by President
		Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

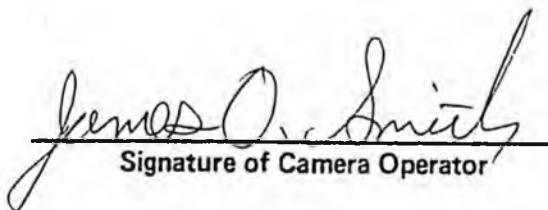
19	Received from Senate
	Concurred in Senate amendment thus adopting:
	Failed to concur in Senate amendment; asked Sen. to recede
	Senate receded from amendment
	Senate failed to recede from amendment
	FCC appointed by House
	FCC appointed by Senate
	FCC adopted
	To enrolling
	Reported correctly enrolled
	Sent to Governor
 by Governor
	Filed with Lt. Governor
	Chapter No.

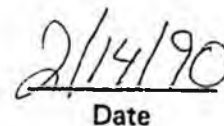


RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.


Signature of Camera Operator


Date

COMMITTEE REPORT

4/4/77

HOUSE

_____ Date

Mr. Speaker:

The Committee on FINANCE has had HD 395 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 HD 395 do pass
- (and) recommends it be referred to the _____ committee
- reports it back without recommendation
- AND attaches a ^{letter} report of its intent
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

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

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends: _____

_____ recommends: _____

_____ recommends: _____

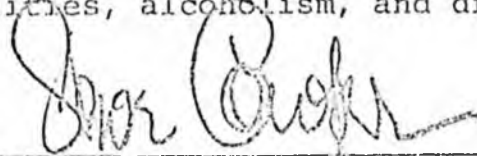
_____ Chairman

HOUSE JOURNAL

HOUSE FINANCE COMMITTEE

LETTER OF INTENT
FOR
COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 395

It is the intent of the Legislature that public purpose as used in AS 47.30.575(b) shall be interpreted to mean the provision of any service reasonably related to the provision of mental health services including services for developmental disabilities, alcoholism, and drug abuse.



Steve Cowper, Chairman
House Finance Committee

Date: April 11, 1978



Official Business

Alaska State Legislature

House of Representatives

Office of the Speaker

Pouch V
State Capitol
Juneau, Alaska 99811

March 6, 1978

Honorable Steve Cowper, Chairman
House Finance Committee
Pouch V
Juneau, Alaska 99611

Dear Steve:

Attached is a letter from Dr. Jerry Schrader giving an analysis of request figures from community mental health programs around the state. As far as this program goes, I would appreciate it if the House Finance Committee could give consideration to additional funding to the amount of \$600,000 beyond the Governor's budget.

Thank you for your help.

Sincerely,

A handwritten signature in cursive script that reads "Hugh Malone".
Hugh Malone

HM:JB:sf

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES

Division of Mental Health and
Developmental Disabilities

POUCH H 04B - JUNEAU 99311

February 28, 1978

Legislature
Document# General #40

Hugh Malone
Speaker
Representative
Pouch V
Juneau, Alaska 99811

Dear Representative Malone:

The following is an Analysis of the figures you sent us:

Aleutian/Priboloff	69,000	Represents a realistic maintenance budget, however, the Aleutian/Priboloff's are having trouble recruiting. Recent information indicates they now have available candidates.
Anchorage Municipality	523,000	Maintenance Budget includes 55.0 Federal Funding Reduction offset.
Bristol Bay Area Health	72,000	Maintenance Budget
Central Penin. M.H. Association	185,000	75,000 Expansion - 2 Mental Health Professionals
City of Cordova	85,000	Maintenance Budget
City of Ketchikan	318,000	Maintenance Budget includes 60.0 Federal Funding Reduction offset.
City of Homer	75,000	Maintenance Budget
Copper River Native Association	75,000	Maintenance Budget
Kodiak Island Borough	180,000	Maintenance Budget includes 30.0 Federal Funding Reduction offset.
Kuskokwim Native Association	84,000	Maintenance Budget

Manueluk Association	136,000	50,000 Expansion - 1 Mental Health Professional and 1 Paraprofessional.
McGrath Anvik	74,000	Maintenance Budget
North Slope Borough	149,000	60,000 Expansion - 1 Mental Health Professional and upgrade present positions. Barrow is experiencing great difficulties recruiting for present positions.
Norton Sound Health Corp.	100,000	Maintenance Budget
Seward Council	80,000	Maintenance Budget
Sitka Health Corp.	57,000	Maintenance Budget
Tanana Chiefs	157,000	40,000 Expansion - 1 Mental Health Professional
Yukon Kuskokwim Health Corporation	148,000	Maintenance and some increase in support services
CINA (reduced request)	86,000	Additions to Anchorage program to provide outreach to Native programs
Tok	55,000	Expected request for Professional and support
Valdez	65,000	Expected request for Professional and support
Skagway	60,000	Undecided but interested and may apply - Professional and support
Fairbanks	100,00	Request for possible transfer to Community Control. Will allow for 3 Professional expansion of Fairbanks Clinic.
Haines	<u>60,000</u>	Undecided but interested and may apply - Professional and support.
	2,993,000	

An analysis of these requests indicates that 233.0 is being requested for expansion of existing programs and 426.0 for new starts at CINA, Tok, Valdez, Fairbanks, Skagway, and Haines. The remaining 2334.0 represents the communities request for a maintenance of existing programs. This includes full funding for 5 programs

which received partial funding for FY 1977 (North Slope Borough, McGrath-Anvik, Copper River Native Association, Bristol Bay Area Health Corporation, Kuskokwim Native Association) and 145.0 to replace a decrease in federal funding in Anchorage, Ketchikan, and Kodiak. In addition, during FY 1978, the Department of Health and Social Services revised its policy regarding the payment of indirect costs to community mental health grant programs. In prior years indirect costs were not allowed. As a consequence, some of these requests contain amounts for funding of indirect costs. At the present time, the impact of this policy change on these programs remains uncertain because we have only received one grant application as of this date. The deadline for all grant applications is March 15, 1978.

The Division's first priority would be to fund a realistic maintenance of existing programs. The Division's original estimate of maintenance funding for these programs was 2074.4 which allowed for an overall increase of 15%. However, this did not take into account possible increases for funding of indirect costs.

The Division's second priority would be to establish at least 3 or 4 new starts (305.0) with funding for approximately 9 to 10 months.

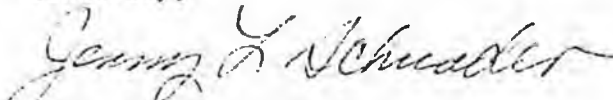
The Division's third priority would be to fund the needed expansion in several of the existing programs, especially the Central Peninsula Mental Health Association.

The preliminary community request of 2993.0 exceeds the Governor's allowance by 883.5. The current knowledge we have of these programs indicate that they would constructively use 600.0 of the additional 883.5 to maintain existing programs, provide for some new starts, and fund some appropriate expansion.

In summary I believe a somewhat reduced level of funding is more appropriate. My reasons for recommending this are:

1. Although there is a difference of opinion about the necessary maintenance level, it will probably be negotiated some where between 2334.0, the amount requested by the communities to maintain existing programs, and 2074.4, the Division's original estimate of maintenance funding for these programs.
2. I do not anticipate that all of the new programs will apply for funding and if they do, 9 or 10 months of funding would be appropriate.
3. Of the 4 programs requesting expansion, the Central Peninsula Mental Health Association shows the greatest likelihood of being able to use the increased resources.

Sincerely,


Jerry L. Schrader, M.D.
Director

FINANCIAL SUMMARY

COMMUNITY MENTAL HEALTH GRANTS
FY 79

Division of Mental Health Original Estimate
For maintenance of on-going programs 2074.7

Community Mental Health Centers
Request for on-going maintenance 2334.0
(Letter from Hugh Malone, 2/14/78)

Division of Mental Health FY 79 Request 2024.5
(p. 147 short form)

Community Mental Health Centers
Total Request 3307.0
(Letter from Hugh Malone, 2/14/78)

Governor's FY 79 Request 2109.5
(p. 147 short form)

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

HB395



JAY S. HAMMOND, GOVERNOR

POUCH K - STATE CAPITOL
JUNEAU 99811

March 10, 1977

Don't forget to return to Governor

MAR 11 1977.

Representative Hugh Malone
House Speaker
Alaska House of Representatives
Pouch V, State Capitol
Juneau, Alaska 99811

Re: House Bill No. 258
(community mental
health centers)

Dear Mr. Malone:

In reviewing the provisions of the above-referenced measure which you have introduced, we have noted an area which may benefit by clarification.

While Section 1 appropriates \$518,600 "for the purchase of community mental health services under AS 47.30.520 - 47.30.620" for FY 78, Section 2 specifies an additional sum of \$80,000 through the division of mental health for "a grant to the Seward Council on Alcoholism and Community Services for construction of a community mental health center."

It must be pointed out that the \$80,000 could not be disbursed under the contract program "for the purchase of community mental health services" because AS 47.30.570(1) prohibits including capital expenditures as eligible costs. Whether this was inadvertent or intentional we feel that perhaps some express direction should be given to the Department of Health and Social Services for the issuance of these funds. If, because they are for a capital expenditure, they will not come under the cost-sharing formula of AS 47.-30.550, no local matching contribution can apparently be required. But whatever the intention is, it would be helpful to the administrative agency to have it spelled out.

Even without the apparent conflict we have described, the flat appropriation of a sum of money for a private organization to use for the purchase or construction of facilities frequently causes a problem in disbursement. The legislature, of course, need only be certain that it will be for a public purpose, but the Department feels that it is in the interest of the state for it to receive some assurance

Representative Hugh Malone
House Speaker
Alaska House of Representatives

March 10, 1977
Page 2

that this purpose either continues for the life of the structure, or that the state recover its investment. The contracts of several agencies now provide for such recovery, and it is hoped that agreements to the same effect can be worked out with other recipients who are not otherwise in a contract relationship with the state. The language of Sec. 2 of HB 258 does not expressly authorize the department to impose any conditions to provide for such recovery with respect to the grant for the community mental health center.

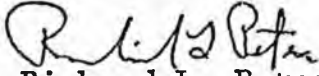
The problem is very real. The department is just now concluding negotiations to protect its investment in two houses which were purchased by an alcoholism treatment contractor with state funds, and which the contractor declined to turn over to his successor when the local contract was transferred. If the ownership of these properties had not been transferred to the new contractor, he would probably have sought funds from the state to spend for the same purpose.

The legislature appropriates money for many private facilities with no express provision for conditioning the grants without such explicit legislative direction, or a binding contract agreed to by the recipient, the state has to rely on litigation to protect its interest if the public purpose is later subverted.

Thank you for your consideration of these matters.

Sincerely,

AVRUM M. GROSS
ATTORNEY GENERAL

By: 
Richard L. Peter
Assistant Attorney General

RLP:jf

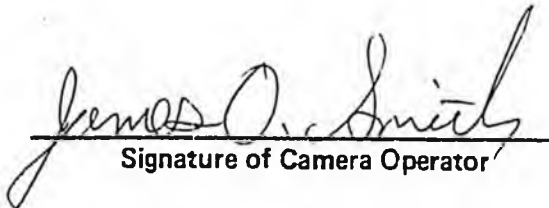
cc: Fran Ulmer

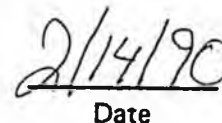


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Signature of Camera Operator


Date

4-20-77

COMMITTEE REPORT

HOUSE

May 11 1977 Date

Mr. Speaker:

The Committee on FINANCE has had HB 399

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 399 and that
CS for HB 399 do pass
- (and) recommends it be referred to the _____
committee
- reports it back without recommendation
- AND attaches a report of its intent *(Revised as of 5-16-77)*
- (other) Forwarded to Finance Panel

MEMBERS SIGNING THE MAJORITY REPORT:

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

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

<u>[Signature]</u>	recommends: <u>Do Not Pass</u>
<u>[Signature]</u>	recommends: <u>Do not pass</u>
<u>[Signature]</u>	recommends: <u>Do Not Pass</u>
<u>[Signature]</u>	<u>DO NOT PASS</u>

Chairman

Original sponsors: McKinnon and Swanson

Offered: 4/20/77
Referred: Finance

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 399

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating a special utility consumer counsel;
7 and providing for an effective date."

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

9 * Section 1. AS 44.23 is amended by adding new sections to read:

10 Sec. 44.23.070. LEGISLATIVE INTENT. The legislature determines
11 that the public interest requires and demands the regulation of public
12 utilities and will be better served by consumer representation before
13 utility regulatory agencies, outside of and apart from the representation
14 already provided by the Alaska Public Utilities Commission and its
15 staff. Therefore, the legislature concludes that it is in the public
16 interest that a public utility consumer counsel be established to repre-
17 sent the interests of consumers before utility regulatory agencies.

18 Sec. 44.23.080. PUBLIC UTILITY CONSUMER COUNSEL. (a) Within the
19 Department of Law is the office of the public utility consumer counsel.

20 (b) The office of the public utility consumer counsel consists of
21 at least one assistant attorney general appointed by the attorney
22 general who is admitted to the practice of law in the state, and is
23 familiar with public utility regulation and practice before public
24 utility regulatory commissions.

25 (c) The Department of Law shall set out separately the expenses of
26 the office of the public utility consumer counsel as an independent sub-
27 program or element of the Department of Law budget, which shall be
28 submitted by the governor in accordance with the Executive Budget Act
29 (AS 37.07) as part of his annual budget presentation to the legislature.

1 The funds budgeted shall include sufficient allowances for expert wit-
2 ness fees and other costs of participating in regulatory proceedings to
3 allow the office to operate effectively in representing the consumer of
4 services of a public utility.

5 (d) The public utility consumer counsel may

6 (1) intervene as a party or otherwise participate in a hear-
7 ing or other procedure before a utility regulatory agency for the
8 purpose of representing the interest of utility consumers in the
9 proceeding whenever he determines that the result of a proceeding may
10 substantially affect the interests of utility consumers;

11 (2) maintain actions for judicial review of utility regula-
12 tory agency decisions and may intervene or otherwise participate in
13 civil proceedings involving review or enforcement of agency action which
14 he determines may substantially affect the interests of consumers;

15 (3) select and contract for the services of technically
16 qualified persons in the area of public utility matters to assist him in
17 the preparation and presentation of matters before regulatory agencies
18 and the courts.

19 (e) The public utility consumer counsel shall submit to the
20 legislature an annual report of the activities of his office. The
21 report shall be submitted on or before the first day of the legislative
22 session.

23 * Sec. 2. AS 42.05.111 is amended to read:

24 Sec. 42.05.111. LEGAL COUNSEL. (a) The commission shall employ
25 [ATTORNEY GENERAL IS] legal counsel who [FOR THE COMMISSION. HE] shall
26 advise the commission in legal matters arising in the discharge of its
27 duties and, notwithstanding AS 44.23.020, represent the commission in
28 actions to which it is a party. If, in the opinion of the commission, the
29 public interest is not adequately represented by counsel in a proceeding,

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the commission's counsel [ATTORNEY GENERAL], upon request of the commission, shall represent the public interest.

(b) The commission may employ temporary legal counsel from time to time in proceedings before the commission in which its own counsel [THE ATTORNEY GENERAL] is representing the public interest or a party before the commission.

* Sec. 3. This Act takes effect July 1, 1977.

Revised as of May 16, 1977

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHB 399
Title An Act creating a special utility consumer counsel
Requested by House Finance Committee Date May 13, 1977

II. FISCAL DETAIL

Agency Affected Department of Law
Program Category Affected General Government
Budget Request Unit(s) Affected Legal Services

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES		64.5	68.3	72.4	76.8	81.4
200 TRAVEL		6.5	6.9	7.3	7.8	8.2
300 CONTRACTUAL		74.3	78.7	81.0	85.8	90.9
400 COMMODITIES		3.9	1.0	1.1	1.2	1.3
500 EQUIPMENT		4.0				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		153.2	154.9	161.8	171.6	181.8

FUNDING (Thousands of Dollars)

GENERAL FUND		153.2	154.9	161.8	171.6	181.8
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		2.0	2.0	2.0	2.0	2.0
PART TIME						
TEMPORARY						

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

The two Fiscal Notes that accompanied CSHB 399 to the House Finance Committee suggest that enactment of CSHB 399 would result in an aggregate annual fiscal impact of 306.9 (thousands of dollars). The Finance Committee finds the actual fiscal impact to be 166.8.

The Department of Law's Fiscal Note (House Journal No. 50) was reduced by the Committee. The Tariff Specialist II position was deleted (\$35,481), which correspondingly reduced travel and per diem (\$1,625), plus the one-time expense for staff-related office furniture and equipment (\$783). The Department's estimate of \$70 per hour for utility experts was reduced to \$50 (\$20,000); communication costs to \$1,700; office rent to \$5,000; and office supplies to \$500.

This total reduction of \$71,489 results in the actual fiscal impact of 153.2 because the Finance Committee did not adopt the Fiscal Note prepared by the Alaska Public Utilities Commission (House Journal Supplement No. 54, p. 5). CSHB 399 merely creates two new positions in the Dept. of Law; the state already bears the full costs of the Commission's counsel, whether he is in the Dept. of Law or a member of the Commission staff.

IV. DATE May 13, 1977 PREPARED BY Steve Cowper, Chairman
AGENCY House Finance Committee
PHONE 465-3706

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

Revised as of May 16, 1977

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHB 399
Title An Act creating a special utility consumer counsel
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IV. DATE May 13, 1977 PREPARED BY Steve Cowper, Chairman
AGENCY House Finance Committee
PHONE 465-3706
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

Revised as of May 16, 1977

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHB 399
Title An Act creating a special utility consumer counsel
Requested by House Finance Committee Date May 13, 1977

II. FISCAL DETAIL

Agency Affected Department of Law
Program Category Affected General Government
Budget Request Unit(s) Affected Legal Services

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OTHER (Specify)						

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PART TIME						
TEMPORARY						

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IV. DATE May 13, 1977 PREPARED BY Steve Cowper, Chairman
AGENCY House Finance Committee
PHONE 465-3706
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

ORIGINAL FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 399
 Title An Act creating a special utility consumer council and providing for an effective
 Requested by House Commerce Date date "
April 12, 1977

II. FISCAL DETAIL

Agency Affected Department of Law
 Program Category Affected General Government
 Budget Request Unit(s) Affected Legal Services

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES		100.00	106.0	112.4	119.1	126.2
200 TRAVEL		8.2	8.7	9.2	9.8	10.4
300 CONTRACTUAL		106.8	113.2	120.0	127.2	134.8
400 COMMODITIES		5.0	2.1	2.2	2.3	2.4
500 EQUIPMENT		4.8				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		224.8	230.0	243.8	258.4	273.8

FUNDING (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
GENERAL FUND		224.8	230.0	243.8	258.4	273.8
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
FULL TIME		3.0	3.0	3.0	3.0	3.0
PART TIME						
TEMPORARY						

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

This fiscal note supposes a 3-person staff; an attorney V, a tariff specialist II, and a legal secretary I. This is the minimum staff necessary to carry out the duties of a utilities consumer counsel. It is estimated that the counsel would review all of the various filings made before the APUC, comment on many, and become substantially involved in at least 10 major rate and certification cases annually. In order to acquire utilities financial and engineering expertise for 10 major case examinations, without creating a large in-house staff, outside consultants will be used. Such experts, in the fields of sewer, water, gas telephone, steam, garbage and electrical utilities cost between \$40 per hour and \$120 per hour. We have used an average hourly cost of \$70 and feel it is conservative.

Richard I. Peques

IV. DATE April 15, 1977 PREPARED BY Richard I. Peques, Administrative Officer
 AGENCY Department of Law
 PHONE 364-3695
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

4. Commodities

Professional Supplies, Annual Cost of	\$ 500
Start-up to complete utilities, law, tariff library \$3,000 =	\$ 3,500
Stationary & Office supplies & consumables =	\$ 1,500
Total Commodities =	\$ <u>5,000</u>

5. Equipment

One-time expense for staff related office furniture and equipment

27 desks ^{\$667} \$1,000 , chairs ^{\$700} \$800 , 1 transcriber \$450, ² 2 dictators ^{\$350} \$700 , library bookshelves \$700, file cabinets \$600, tables and cradene \$500.

Total Equipment

\$3,967
~~\$4,750~~

CORRECTION

THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

ORIGINAL FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 399
 Title "An Act creating a special utility consumer council and providing for an effective
 Requested by House Commerce Date date."
April 12, 1977

II. FISCAL DETAIL

Agency Affected Department of Law
 Program Category Affected General Government
 Budget Request Unit(s) Affected Legal Services

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES		100.00	106.0	112.4	119.1	126.2
200 TRAVEL		8.2	8.7	9.2	9.8	10.4
300 CONTRACTUAL		106.8	113.2	120.0	127.2	134.8
400 COMMODITIES		5.0	2.1	2.2	2.3	2.4
500 EQUIPMENT		4.8				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		224.8	230.0	243.8	258.4	273.8

FUNDING (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
GENERAL FUND		224.8	230.0	243.8	258.4	273.8
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
FULL TIME		3.0	3.0	3.0	3.0	3.0
PART TIME						
TEMPORARY						

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

This fiscal note supposes a 3-person staff; an attorney V, a tariff specialist II, and a legal secretary I. This is the minimum staff necessary to carry out the duties of a utilities consumer counsel. It is estimated that the counsel would review all of the various filings made before the APUC, comment on many, and become substantially involved in at least 10 major rate and certification cases annually. In order to acquire utilities financial and engineering expertise for 10 major case examinations, without creating a large in-house staff, outside consultants will be used. Such experts, in the fields of sewer, water, gas telephone, steam, garbage and electrical utilities cost between \$40 per hour and \$120 per hour. We have used an average hourly cost of \$70 and feel it is conservative.

Richard I. Pecques

IV. DATE April 15, 1977 PREPARED BY Richard I. Pecques, Administrative Officer
 AGENCY Department of Law
 PHONE 364-3695
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Additionally, we expect some support costs for expert travel and the costs for exhibits and written testimony. It is expected that 100 hours of consultant's work will be expended for each of the 10 major cases including investigation, preparation and actual expert testimony.

During 1976 the APUC had before it 124 pending proceedings and opened 96 new proceedings, including 28 filings for interim and general rate increases. During the coming year the APUC expects this same high level of activity and, in addition, anticipates major filings in connection with RCA intrastate long distance rates and the establishment of permanent rate structures for Alaska Village Electric Cooperative customers. We therefore believe that the level of activity proposed by this fiscal note for the utilities consumer counsel is realistic and necessary if this consumer program is to function effectively.

Cost projections beyond FY 1978 have been increased by 6% each year to reflect inflation.

Financial Analysis

Staff

Attorney V, R25A, \$3,161 x 12 = 37,932 x 1.255 = \$47,605

~~Taxiff Specialist II, R211, \$2,256 x 12 = 28,272 x 1.255 = \$35,481~~

Legal Secretary I, R10B, \$1,120 x 12 = 13,440 x 1.255 = \$16,867

Total Personal Services \$64,472
~~\$99,953~~

Staff Travel

1. Hearing Attendance outside of Anchorage - 5 hearings, 3 days each for 2 staff members at \$55 per day. 5 x 3 ~~x 2~~ x 55 = \$825 ~~\$1,650~~ per diem
Travel Cost 5 ~~x 2~~ x \$160 avg. RT instate fare = \$800 ~~\$1,600~~ travel.

2. Staff travel to gather evidence 10 trips at 3 days each.
10 x 3 x \$55 = \$1,650 per diem
10 x 1 x \$160 = \$1,600 travel

3. Staff travel out-of-state to gather evidence. 3 trips at 5 days each.
3 x 5 x \$50 = \$750.00 per diem
3 x 1 x \$300 = \$900.00 travel

Total travel and per diem \$6,525
~~\$8,150~~

3. Contractual

Communications & Postage - 400 per mo. = \$4,800

Duplicating - 300 per mo. = \$3,600

Rents & utilities est. 1,000 sq ft at \$1.20 per mo.
1,000 x \$1.20 x 12 = \$14,400

Mag Card Typewriter Rental = \$ 2,800

Professional fees, hourly rate for licensed utilities experts ~~\$70~~ \$50 \$50,000
1,000 hrs x ~~\$70~~ \$50 ~~\$70,000~~

Utilities experts staff support, preparation of exhibits, written testimony
est. 200 hrs x \$25 = \$ 5,000

Experts travel to attend hearings and offer testimony.
15 trips x 3 days x \$55 = \$ 2,475 subsistence
15 trips x \$250 travel = \$ 3,750 travel

Total Contractual Services \$ 86,825
~~\$106,925~~

4. Commodities

Professional Supplies, Annual Cost of	\$ 500
Start-up to compile utilities, law, tariff library \$3,000 =	\$ 3,500
Stationary & Office supplies & consumables =	\$ 1,500
Total Commodities =	\$ <u>5,000</u>

5. Equipment

One-time expense for staff related office furniture and equipment

2 desks \$1,000 ^{\$667} , chairs \$800 ^{\$700} , 1 transcriber \$450, 2 ¹ dictators \$700 ^{\$350} , library bookshelves \$700, file cabinets \$600, tables and cradene \$500.
--

Total Equipment

\$3,967
~~\$4,750~~

Fiscal note #18 399

Revised 5/13/77 by Steve Cooper, Chairman

To: The Chairman

From: K. Cooper

I believe another \$13.6 should be deleted from the fiscal note. \$12.5 from Contractual Services and \$1.1 from Commodities.

① My budget \$4800 for communications. In FY77 the 42 attorneys plus the administrative services unit of legal services are authorized \$68.5. The FY76 actual was \$67.9 (see page 795 of FY78 budget) if we ignore administrative costs and divide \$68.5 by 42 attorneys we arrive at \$1.631 per year per attorney.

- \$3100 I recommend allowing \$1700 ($4800 - 1700 = 3100$) for communications.

② 1000 sq ft. for 2 people is absurd. This is equal to 4 offices the size of mine. The states Space Utilization Analysis calls for 180 sq ft for Division Directors and 250 sq ft for Commissioners of Dept., and 80-100 sq ft for clericals. The attorney and his library books should be comfortable in 250 sq ft. and the Secretary in 100. $350 \text{ sq ft} \times 1.20 / \text{sq ft} / \text{mo.} \times 12 \text{ months}$ equals \$5040 ($14400 - 5040 = 9360$) a reduction of \$9400

\$9400
- 9400
\$12.5

③ The stationery & office supply budget is 300%+ to high. Their FY76 actual was \$15.4 and FY77 authorized is \$17.0. Again ignoring administrative costs $\$17.0 \div 42 \text{ attorneys} = \4.05 per attorney per year. Allowing \$400 per together with \$500 for professional supplies totals \$900 for ongoing commodities costs. This is very generous when one considers that the department of law requests only a total of \$500 for office supplies and stationery for new attorney positions in their FY78 budget.

\$1,100

Original sponsors: McKinnon and Swanson

Offered: 4/20/77
Referred: Finance

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 399

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating a special utility consumer counsel;
7 and providing for an effective date."

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

9 * Section 1. AS 44.23 is amended by adding new sections to read:

10 Sec. 44.23.070. LEGISLATIVE INTENT. The legislature determines
11 that the public interest requires and demands the regulation of public
12 utilities and will be better served by consumer representation before
13 utility regulatory agencies, outside of and apart from the representation
14 already provided by the Alaska Public Utilities Commission and its
15 staff. Therefore, the legislature concludes that it is in the public
16 interest that a public utility consumer counsel be established to repre-
17 sent the interests of consumers before utility regulatory agencies.

18 Sec. 44.23.080. PUBLIC UTILITY CONSUMER COUNSEL. (a) Within the
19 Department of Law is the office of the public utility consumer counsel.

20 (b) The office of the public utility consumer counsel consists of
21 at least one assistant attorney general appointed by the attorney
22 general who is admitted to the practice of law in the state, and is
23 familiar with public utility regulation and practice before public
24 utility regulatory commissions.

25 (c) The Department of Law shall set out separately the expenses of
26 the office of the public utility consumer counsel as an independent sub-
27 program or element of the Department of Law budget, which shall be
28 submitted by the governor in accordance with the Executive Budget Act
29 (AS 37.07) as part of his annual budget presentation to the legislature.

1 The funds budgeted shall include sufficient allowances for expert wit-
2 ness fees and other costs of participating in regulatory proceedings to
3 allow the office to operate effectively in representing the consumer of
4 services of a public utility.

5 (d) The public utility consumer counsel may

6 (1) intervene as a party or otherwise participate in a hear-
7 ing or other procedure before a utility regulatory agency for the
8 purpose of representing the interest of utility consumers in the
9 proceeding whenever he determines that the result of a proceeding may
10 substantially affect the interests of utility consumers;

11 (2) maintain actions for judicial review of utility regula-
12 tory agency decisions and may intervene or otherwise participate in
13 civil proceedings involving review or enforcement of agency action which
14 he determines may substantially affect the interests of consumers;

15 (3) select and contract for the services of technically
16 qualified persons in the area of public utility matters to assist him in
17 the preparation and presentation of matters before regulatory agencies
18 and the courts.

19 (e) The public utility consumer counsel shall submit to the
20 legislature an annual report of the activities of his office. The
21 report shall be submitted on or before the first day of the legislative
22 session.

23 * Sec. 2. AS 42.05.111 is amended to read:

24 Sec. 42.05.111. LEGAL COUNSEL. (a) The commission shall employ
25 [ATTORNEY GENERAL IS] legal counsel who [FOR THE COMMISSION. HE] shall
26 advise the commission in legal matters arising in the discharge of its
27 duties and, notwithstanding AS 44.23.020, represent the commission in
28 actions to which it is a party. If, in the opinion of the commission, the
29 public interest is not adequately represented by counsel in a proceeding.

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the commission's counsel [ATTORNEY GENERAL], upon request of the commission, shall represent the public interest.

(b) The commission may employ temporary legal counsel from time to time in proceedings before the commission in which its own counsel [THE ATTORNEY GENERAL] is representing the public interest or a party before the commission.

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

#

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. CSHB 399
 Title An Act creating a special utility consumer counsel
 Requested by Commerce Committee Date 4/20/77

II. FISCAL DETAIL
 Agency Affected Department of Commerce and Economic Development
 Program Category Affected Public Protection
 Budget Request Unit(s) Affected Alaska Public Utilities Commission

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
*100 PERSONAL SERVICES		70.9	70.9	70.9	70.9	70.9
200 TRAVEL		5.0	5.0	5.0	5.0	5.0
300 CONTRACTUAL		3.7	3.7	3.7	3.7	3.7
400 COMMODITIES		.6	.6	.6	.6	.6
500 EQUIPMENT		1.9				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		82.1	80.2	80.2	80.2	80.2

FUNDING (Thousands of Dollars)

GENERAL FUND		82.1	80.2	80.2	80.2	80.2
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		2	2	2	2	2
PART TIME						
TEMPORARY						

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

*This includes the full salary of the Assistant Attorney General assigned to the Commission. Currently the APUC budget pays half his salary from its Contractual Account 300.

See Attached Comments

IV. DATE 4/25/77 PREPARED BY *Larson S. Bussell*
 AGENCY Alaska Public Utilities Commission
 PHONE 272-1487
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

FISCAL NOTE COMPUTATIONS

COMMITTEE SUBSTITUTE FOR HOUSE BILL 399

100 PERSONAL SERVICES

	<u>Attorney IV</u> <u>R24--Step E</u>	<u>Secretary I</u> <u>R10--Step A</u>	<u>TOTAL</u>
Salary	\$42,876	\$13,644	
Benefits @ 25.5%	10,933	3,479	
	<u>\$53,809</u>	<u>\$17,123</u>	\$70,932

200 TRAVEL

<u>Attorney</u>			
Out-of-town hearings, transportation @ \$150 per trip x 15 trips		\$2,250	
Out-of-town hearings, per diem @ \$125 per trip x 15 trips		1,875	
Program Travel in-State and/or out-of-State, transportation		500	
Program Travel in-State and/or out-of-State, per diem		<u>375</u>	
			5,000

300 CONTRACTUAL

<u>Telephone</u> - Installation, 2 telephones		50	
Monthly charge \$20 x 12 mos. x 2 employees		480	
Long distance calls, Attorney, \$60 per mo.		720	
<u>Office Space</u> - Attorney, 252 sq. ft. @ 55¢/sq. ft. = \$138.60 x 12 mos.		1,663	
Secretary, 126 sq. ft. @ 55¢/sq. ft. = \$69.30 x 12 mos.		<u>831</u>	
			3,744

400 COMMODITIES

Stationery, office supplies, books @ \$300 x 2 employees			600
--	--	--	-----

500 EQUIPMENT

<u>Attorney</u>			
File Cabinet, 4-dr., legal, with lock	\$220		
Table	120		
Bookcase	140		
2 Side Chairs with Arms @ \$30	<u>60</u>		
		540	
<u>Secretary</u>			
Typewriter	850		
Desk	360		
Typist Chair	<u>120</u>		
		<u>1,330</u>	
			<u>1,870</u>
		GRAND TOTAL	\$82,146

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHB 399 ⁹
Title An Act creating a special utility consumer counsel
Requested by House Finance Committee Date May 13, 1977

II. FISCAL DETAIL

Agency Affected Department of Law
Program Category Affected General Government
Budget Request Unit(s) Affected Legal Services

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES		64.5	68.3	72.4	76.8	81.4
200 TRAVEL		6.5	6.9	7.3	7.8	8.2
300 CONTRACTUAL	74.3	86.8	78.92.0	80.97.6	85.8 103.4	90.9 109.6
400 COMMODITIES	3.9	5.0	1.0 2.1	1.1 2.2	1.2 2.3	1.3 2.4
500 EQUIPMENT		4.0				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		166.8	169.4	179.5	190.2	201.6

FUNDING (Thousands of Dollars)

GENERAL FUND		166.8	169.4	179.5	190.2	201.6
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		2.0	2.0	2.0	2.0	2.0
PART TIME						
TEMPORARY						

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

The two Fiscal Notes that accompanied CSHB 399 to the House Finance Committee suggest that enactment of CSHB 399 would result in an aggregate annual fiscal impact of .306.9 (thousands of dollars). The Finance Committee finds the actual fiscal impact to be 166.8.

The Department of Law's Fiscal Note (House Journal No. 50) was reduced by the Committee. The Tariff Specialist II position was deleted (\$35,481), which correspondingly reduced travel and per diem (\$1,625), plus the one-time expense for staff-related office furniture and equipment (\$783). The Department's estimate of \$70 per hour for utility experts was reduced to \$50 (\$20,000);

This total reduction of \$57,889 results in the actual fiscal impact of 166.8, because the Finance Committee did not adopt the Fiscal Note prepared by the Alaska Public Utilities Commission (House Journal Supplement No. 54, p.5). CSHB 399 merely creates two new positions in the Department of Law; the state already bears the full costs of the Commission's counsel, whether he is in the Department of Law or a member of the Commission staff.

IV. DATE May 13, 1977 PREPARED BY Steve Cowper, Chairman
AGENCY House Finance Committee
Original: Legislative Finance PHONE 465-3706
cc: Budget and Management
Prime Sponsor (First Legislator Named)

** communication costs to \$1,700; office rent to \$500
and office supplies to \$500*

Introduced: 3/25/77
Referred: Commerce and
Finance

1 IN THE HOUSE

BY MCKINNON AND SWANSON

2 HOUSE BILL NO. 399

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating a special utility consumer counsel;
7 and providing for an effective date."

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

9 * Section 1. AS 44.23 is amended by adding a new section to read:

10 Sec. 44.23.070. PUBLIC UTILITY CONSUMER COUNSEL. (a) Within the
11 Department of Law is the office of the public utility consumer counsel.

12 (b) The office of the public utility consumer counsel consists of
13 at least one assistant attorney general appointed by the attorney
14 general who is admitted to the practice of law in the state, familiar
15 with public utility regulation, and experienced in practice before
16 public utility regulatory commissions.

17 (c) The Department of Law shall set out separately the expenses of
18 the office of the public utility consumer counsel as an independent sub-
19 program or element of the Department of Law budget, which shall be
20 submitted by the governor in accordance with the Executive Budget Act
21 (AS 37.07) as part of his annual budget presentation to the legislature.
22 The funds budgeted shall include sufficient allowances for expert wit-
23 ness fees and other costs of participating in regulatory proceedings to
24 allow the office to operate effectively in representing the consumer of
25 services of a public utility.

26 (d) The public utility consumer counsel may

27 (1) intervene as a party or otherwise participate in a hear-
28 ing or other procedure before a utility regulatory agency for the
29 purpose of representing the interest of utility consumers in the

1 proceeding whenever he determines that the result of a proceeding may
2 substantially affect the interests of utility consumers;

3 (2) maintain actions for judicial review of utility regula-
4 tory agency decisions and may intervene or otherwise participate in
5 civil proceedings involving review or enforcement of agency action which
6 he determines may substantially affect the interests of consumers;

7 (3) select and contract for the services of technically
8 qualified persons in the area of public utility matters to assist him in
9 the preparation and presentation of matters before regulatory agencies
10 and the courts.

11 (e) The public utility consumer counsel shall submit to the
12 legislature an annual report of the activities of his office. The
13 report shall be submitted on or before the first day of the legislative
14 session.

15 * Sec. 2. This Act takes effect July 1, 1977.

Original sponsors: McKinnon and Swanson

Offered: 4/20/77
Referred: Finance

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 399

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating a special utility consumer counsel;
7 and providing for an effective date."

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

9 * Section 1. AS 44.23 is amended by adding new sections to read:

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11 that the public interest requires and demands the regulation of public
12 utilities and will be better served by consumer representation before
13 utility regulatory agencies, outside of and apart from the representation
14 already provided by the Alaska Public Utilities Commission and its
15 staff. Therefore, the legislature concludes that it is in the public
16 interest that a public utility consumer counsel be established to repre-
17 sent the interests of consumers before utility regulatory agencies.

18 Sec. 44.23.080. PUBLIC UTILITY CONSUMER COUNSEL. (a) Within the
19 Department of Law is the office of the public utility consumer counsel.

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21 at least one assistant attorney general appointed by the attorney
22 general who is admitted to the practice of law in the state, and is
23 familiar with public utility regulation and practice before public
24 utility regulatory commissions.

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26 the office of the public utility consumer counsel as an independent sub-
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28 submitted by the governor in accordance with the Executive Budget Act
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1 The funds budgeted shall include sufficient allowances for expert wit-
2 ness fees and other costs of participating in regulatory proceedings to
3 allow the office to operate effectively in representing the consumer of
4 services of a public utility.

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7 ing or other procedure before a utility regulatory agency for the
8 purpose of representing the interest of utility consumers in the
9 proceeding whenever he determines that the result of a proceeding may
10 substantially affect the interests of utility consumers;

11 (2) maintain actions for judicial review of utility regula-
12 tory agency decisions and may intervene or otherwise participate in
13 civil proceedings involving review or enforcement of agency action which
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16 qualified persons in the area of public utility matters to assist him in
17 the preparation and presentation of matters before regulatory agencies
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19 (e) The public utility consumer counsel shall submit to the
20 legislature an annual report of the activities of his office. The
21 report shall be submitted on or before the first day of the legislative
22 session.

23 * Sec. 2. AS 42.05.111 is amended to read:

24 Sec. 42.05.111. LEGAL COUNSEL. (a) The commission shall employ
25 [ATTORNEY GENERAL IS] legal counsel who [FOR THE COMMISSION. HE] shall
26 advise the commission in legal matters arising in the discharge of its
27 duties and, notwithstanding AS 44.23.020, represent the commission in
28 actions to which it is a party. If, in the opinion of the commission, the
29 public interest is not adequately represented by counsel in a proceeding,

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the commission's counsel [ATTORNEY GENERAL], upon request of the commission, shall represent the public interest.

(b) The commission may employ temporary legal counsel from time to time in proceedings before the commission in which its own counsel [THE ATTORNEY GENERAL] is representing the public interest or a party before the commission.

* Sec. 3. This Act takes effect July 1, 1977.

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. CASHB 300
 Title An Act creating a special utility consumer counsel
 Requested by Commerce Committee Date 4/20/77

II. FISCAL DETAIL
 Agency Affected Department of Commerce and Economic Development
 Program Category Affected Public Protection
 Budget Request Unit(s) Affected Alaska Public Utilities Commission

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
*100 PERSONAL SERVICES		70.9	70.9	70.9	70.9	70.9
200 TRAVEL		5.0	5.0	5.0	5.0	5.0
300 CONTRACTUAL		3.7	3.7	3.7	3.7	3.7
400 COMMODITIES		.6	.6	.6	.6	.6
500 EQUIPMENT		1.9				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		82.1	80.2	80.2	80.2	80.2

FUNDING (Thousands of Dollars)

GENERAL FUND		82.1	80.2	80.2	80.2	80.2
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		2	2	2	2	2
PART TIME						
TEMPORARY						

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

*This includes the full salary of the Assistant Attorney General assigned to the Commission. Currently the APUC budget pays half his salary from its Contractual Account 300.

See Attached Comments

IV. DATE 4/25/77 PREPARED BY Larson J. Duggan
 AGENCY Alaska Public Utilities Commission
 Original: Legislative Finance PHONE: 272-1487
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

FISCAL NOTE COMPUTATIONS

COMMITTEE SUBSTITUTE FOR HOUSE BILL 399

100 PERSONAL SERVICES

	<u>Attorney IV</u> <u>R24--Step E</u>	<u>Secretary I</u> <u>R10--Step A</u>	<u>TOTAL</u>
Salary	\$42,876	\$13,644	
Benefits @ 25.5%	<u>10,933</u>	<u>3,479</u>	
	\$53,809	\$17,123	\$70,932

200 TRAVEL

<u>Attorney</u>			
Out-of-town hearings, transportation @ \$150 per trip x 15 trips		\$2,250	
Out-of-town hearings, per diem @ \$125 per trip x 15 trips		1,875	
Program Travel in-State and/or out-of-State, transportation		500	
Program Travel in-State and/or out-of-State, per diem		<u>375</u>	
			5,000

300 CONTRACTUAL

<u>Telephone</u> - Installation, 2 telephones		50	
Monthly charge \$20 x 12 mos. x 2 employees		480	
Long distance calls, Attorney, \$60 per mo.		720	
<u>Office Space</u> - Attorney, 252 sq. ft. @ 55¢/sq. ft. = \$138.60 x 12 mos.		1,663	
Secretary, 126 sq. ft. @ 55¢/sq. ft. = \$69.30 x 12 mos.		<u>831</u>	
			3,744

400 COMMODITIES

Stationery, office supplies, books @ \$300 x 2 employees			600
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500 EQUIPMENT

<u>Attorney</u>			
File Cabinet, 4-dr., legal, with lock	\$220		
Table	120		
Bookcase	140		
2 Side Chairs with Arms @ \$30	<u>60</u>		
		540	
<u>Secretary</u>			
Typewriter	850		
Desk	360		
Typist Chair	<u>120</u>		
		1,330	

		<u>1,870</u>
GRAND TOTAL		\$82,146



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

2/14/90
Date

"An Act relating to indemnification in the event of a decrease in property values within the City and Borough of Juneau resulting from enactment of the capital relocation initiative."

COMMITTEE REPORT

3-29-77

HOUSE

_____ Date

Mr. Speaker:

The Committee on FINANCE has had HB 403

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 HOUSE FINANCE and that CS for 14-15 403 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: <u>NO P.C.</u>
_____	recommends: _____

_____ Chairman

Original sponsors: Duncan and Miller

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 403

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 indemnification in the event of a
7 decrease in property values within the City and Borough
8 of Juneau resulting from enactment of the capital
9 relocation initiative."

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

11 * Section 1. Section 9, ch. 59, SLA 1975 is amended to read:

12 Sec. 9. CONCLUSION OF THE INDEMNIFICATION PROGRAM. Applications
13 shall be accepted until December 31, 1985 and thereafter shall be ac-
14 cepted until [NO APPLICATION MAY BE ACCEPTED AFTER] the legislature
15 sitting at the new capital site declares the indemnification program
16 terminated.

17 * Sec. 2. Section 11(a)(4), ch. 59, SLA 1975 is amended to read:

18 (4) to reflect quarterly changes in value as determined by
19 comparing the then current quarterly homeownership costs in the
20 Anchorage consumer price index, published by the United States Depart-
21 ment of Labor, Bureau of Labor Statistics with those published for
22 July 1975; in no case shall the quarterly adjustment factor be less than
23 [EXCEED] the average quarterly rate of increase in the index for the
24 calendar years 1971 through 1974 or greater than the average quarterly
25 rate of increase in the index for the four-year period ending the
26 preceding January 1.

27 * Sec. 3. Section 12, ch. 59, SLA 1975 is amended to read:

28 Sec. 12. BASE YEAR ASSESSMENT. (a) The state assessor shall
29 within one year of the effective date of this Act take the steps

1 necessary to complete the assessment of all real property within the
2 City and Borough of Juneau at its full and true value as of January 1,
3 1976. All additional real property coming into existence between
4 January 1, 1976 and January 1, 1978 shall be appraised at its full and
5 true value as of the assessment date for tax purposes in that year. All
6 real property upon which improvements or new construction for resi-
7 dential purposes are made after January 1, 1978, shall be appraised at
8 its full and true value as of the assessment date for tax purposes in
9 that year. Property subdivided after 1978 but not improved upon shall
10 be carried at its full and true value as of the base-year assessment, as
11 adjusted.
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HB 403

1 IN THE HOUSE

2 HOUSE BILL NO.
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

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19 comparing the then current quarterly homeownership costs in the Anchorage
20 consumer price index, published by the United States Department of Labor,
21 Bureau of Labor Statistics with those published for July 1975; in no case
22 shall the quarterly adjustment factor BE LESS THAN (exceed) the average
23 quarterly rate of increase in the index for the calendar years 1971 through
24 1974, OR GREATER THAN THE ^{Average rate of} QUARTERLY INCREASE IN THE INDEX FOR THE FOUR YEAR
25 PERIOD ENDING THE PRECEDING JANUARY 1.

26
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2 tional real property coming into existence between January 1, 1976 and
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5 which improvements or new construction for residential purposes are
6 made after January 1, 1978, shall be appraised at its full and true
7 value as of the assessment date for tax purposes in that year.
8 Property subdivided after 1978 but not improved upon shall be carried
9 at its full and true value as of the base-year assessment, as adjusted.
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FORM 02-0018C
FOR BRIEF COMMUNICATIONS
MAY BE HANDWRITTEN

MEMORANDUM

State of Alaska

TO: Legislative Affairs Agency

DEPT. _____
DIV. _____
SEC. _____

DATE : April 5, 1977

FROM: Anne Lindbeck, Secretary
House Finance Committee

SUBJECT: Preparation of Committee
Substitute for HB 403

Please prepare a Committee Substitute for HB 403 as per the attached copy. This is needed by 1:15 p.m., Tuesday, 4/5/77

Thank you.

Original Sponsors:
Duncan and Miller

Introduced: 3/25/77
Referred: Finance

1 IN THE HOUSE

BY FINANCE

2 CS HOUSE BILL NO. 403

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

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19 comparing the then current quarterly homeownership costs in the Anchor-
20 age consumer price index, published by the United States Department of
21 Labor, Bureau of Labor Statistics with those published for July 1975;
22 in no case shall the quarterly adjustment factor BE LESS THAN [exceed]
23 the average quarterly rate of increase in the index for the calendar
24 years 1971 through 1974, OR GREATER THAN THE QUARTERLY INCREASE IN THE
25 INDEX FOR THE FOUR-YEAR PERIOD ENDING THE PRECEDING JANUARY 1.

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Adopted

HB 403

1 of Juneau at its full and true value as of January 1, 1976. All addi-
 2 tional real property coming into existence between January 1, 1976 and
 3 January 1, 1978 shall be appraised at its full and true value as of the
 4 assessment date for tax purposes in that year. All real property upon
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 6 made after January 1, 1978, shall be appraised at its full and true
 7 value as of the assessment date for tax purposes in that year.

8 Property subdivided after 1978 but not improved upon shall be carried
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 10

ADJUSTED

HB 403

1 IN THE HOUSE

2 HOUSE BILL NO.
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

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1 of Juneau at its full and true value as of January 1, 1976. All additional
2 real property coming into existence after (between) January 1, 1976
3 (AND JANUARY 1, 1978) shall be appraised at its full and true value as of
4 the assessment date for tax purposes in that year.
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Introduced: 3/25/77
Referred: Finance

1 IN THE HOUSE

BY DUNCAN AND MILLER

2 HOUSE BILL NO. 403

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

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21 ment of Labor, Bureau of Labor Statistics with those published for
22 July 1975; in no case shall the quarterly adjustment factor exceed the
23 average quarterly rate of increase in the index for the four-year period
24 ending the preceding January 1 [CALENDAR YEARS 1971 through 1974].

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28 sary to complete the assessment of all real property within the City and
29 Borough of Juneau at its full and true value as of January 1, 1976.

1 All additional real property coming into existence after [BETWEEN]
2 January 1, 1976 [AND JANUARY 1, 1978] shall be appraised at its full and
3 true value as of the assessment date for tax purposes in the [THAT]
4 year it comes into existence.