

LEG. FINANCE - BILLS 1977 - 1978 724  
HB 439 cont., thru HB 442

# ALASKA STATE COMMISSION FOR HUMAN RIGHTS

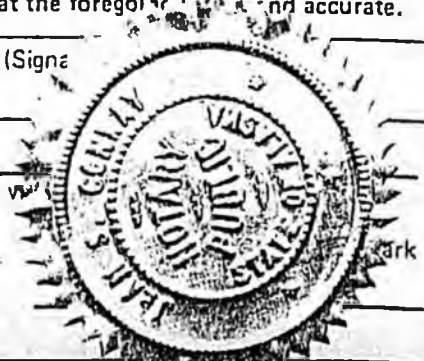
ALASKA STATE COMMISSION FOR HUMAN RIGHTS  
 Office of the Governor  
 204 E. 5th Avenue, Room 213  
 Anchorage, Alaska 99501  
 Telephone: (907) 276-7474



Pouch AH  
 Juneau, Alaska 99811  
 465-3560

Fairbanks Regional Office Bldg.  
 Room H  
 675 7th Avenue  
 Fairbanks, Alaska 99701  
 452-1584

<b>COMPLAINT OF DISCRIMINATION</b>		State Complaint No. <i>G-78-0214-029-G</i>	Filing Date <i>2/14/78</i>
<b>INSTRUCTIONS</b> If you have a complaint, fill in this form and bring, or mail it to the Alaska State Commission for Human Rights office in your area. In most cases, a complaint must be filed with ASCHR within a specified time after the discriminatory act took place. IT IS THEREFORE IMPORTANT TO FILE YOUR COMPLAINT AS SOON AS POSSIBLE. (Attach extra sheet of paper if necessary). PLEASE PRINT OR TYPE.		<b>CAUSE OF DISCRIMINATION</b> <input checked="" type="checkbox"/> race or color <input type="checkbox"/> marital status <input type="checkbox"/> religion <input type="checkbox"/> changes in marital stat <input type="checkbox"/> national origin <input type="checkbox"/> parenthood <input type="checkbox"/> sex <input type="checkbox"/> pregnancy <input type="checkbox"/> physical handicap <input checked="" type="checkbox"/> age <input type="checkbox"/> retaliation <input type="checkbox"/> Other _____ <span style="float: right;">(specify)</span>	
Name <i>Niel Thomas, Executive Director</i>		Date of Birth (if age discrimination is alleged)	
Mailing Address <i>Alaska State Commission for Human Rights 204 E. 5th Avenue, Rm. 213</i>		Telephone No. (include area code) <i>(907) 276-7474</i>	
City, State, and ZIP Code <i>Anchorage, AK 99501</i>		THE FOLLOWING PERSON ALWAYS KNOWS WHERE TO CONTACT ME Name <i>Alaska State Commission for Human Rights</i> Telephone No. (include area code) <i>276-7474</i>	
Street Address <i>204 E. 5th Avenue, Rm. 213</i>		City, State, and ZIP Code <i>Anchorage, AK 99501</i>	
<b>LIST THE EMPLOYER, EMPLOYMENT AGENCY, LABOR ORGANIZATION, FINANCIAL INSTITUTION, STATE OR LOCAL AGENCY, LANDLORD, OR OTHER PERSON WHO DISCRIMINATED AGAINST YOU. (if more than one, list all)</b>			
Name <i>State of Alaska, Department of Administration, Division of Pioneers Benefits</i>		Telephone No. (include area code) <i>465-4400</i>	
Street Address <i>Pouch C</i>		City, State, and ZIP Code <i>Juneau, Alaska 99811</i>	
Others who discriminated against you (If any)			
Complaint filed elsewhere <input type="checkbox"/> yes <input checked="" type="checkbox"/> no	Date filed with other Agency or Court <i>N/A</i>	Name and address of other agency complaint is filed with: <i>N/A</i>	
If discrimination in employment is alleged, are there more than 15 or less than 15 employees/members of the company/union named above? <input type="checkbox"/> More than 15 <input type="checkbox"/> less than 15		Date most recent or continuing discrimination took place (Month, Day, and Year)	
Explain what unfair thing was done to you and how other persons were treated differently. Understanding that this statement is for the use of the Alaska State Commission for Human Rights, I hereby certify:  I allege that Respondent unlawfully denies its funds and services on the basis of race to a disproportionate number of Natives aged 65 and older through the application of its proof of age requirements. It is inherently more difficult for Natives to furnish acceptable proof than for non-Natives, and there are reasonable methods of determining age which would not have a disparate impact. This complaint alleges discrimination in violation of AS 18.80.255 and is made on behalf of a class consisting of all Native applicants aged 65 and older who, within two years prior to the filing of this complaint, and all present and future Native applicants aged 65 and older, have been, are, or will be denied admission to the program because of Respondent's determination of ineligibility because of the class members' inability to offer proof of age which was or is or will be acceptable to Respondent.			
IF THERE IS A NOTARY PUBLIC OR POSTMASTER AVAILABLE, COMPLAINANT WILL SIGN ON THIS SIDE		IF NO NOTARY PUBLIC OR POSTMASTER IS AVAILABLE COMPLAINANT WILL SIGN ON THIS SIDE	
I swear or affirm that I have read the above charge and that it is true to the best of my knowledge, information and belief.		There is no notary public or postmaster available. I certify under penalty of perjury that the foregoing is true and accurate.	
Date <i>2/14/78</i>	Complainant (Signature) <i>Niel Thomas</i>	Date	Complainant (Signature)
SUBSCRIBED AND SWORN TO before me this <u><i>14</i></u> day of <u><i>February</i></u> , 19 <u><i>78</i></u> at <u><i>Juneau, Alaska</i></u> Notary Public or Postmaster <u><i>Helen V. Conway</i></u> My Commission expires: <u><i>July 27, 1981</i></u>		Where signed: _____ (city, town or village) Witness to signature if by mark _____ mark	



January 31, 1978

Margaret Berck *also Human Rights Commission*  
Supervising Attorney *and Ombudsman*  
Alaska Legal Services  
315 Fifth Street  
Juneau, Alaska 99801

Dear Ms. Berck:

It has come to my attention that the administration of the Alaska Longevity Bonus Program may be racially discriminatory in its requirements of proof for eligibility.

There are two basic requirements for eligibility under the program: age and continuous domicile in Alaska. To qualify under the age requirement, a person must be 65 years of age or older. Proof is required in the form of a birth certificate, baptismal certificate, etc.<sup>1.</sup> To qualify under the continuous domicile requirement, one must "have maintained a continuous domicile in the territory and state 25 years, commencing on or before January 3, 1959".<sup>2.</sup> No proof is required for the continuous domicile provision.

It is generally not difficult for older non-native Alaskans to produce a birth certificate. Most were born in urban areas where such records are kept. On the other hand, it might be difficult for many non-natives to prove length of Alaskan residency if such proof were required. Conversely, many older native Alaskans have great difficulty providing proof of age. Many were born in times and places where birth certificates and baptismal certificates were non-existent. To determine even approximate age by any existing records (Russian Church, school, etc.) takes anywhere from six months to several years.<sup>3.</sup> Thus these native Alaskans are denied Longevity Bonus payments until it can be officially determined that they are at least 65 years of age. However, for many of these native Alaskans, it would not be difficult to prove continuous domicile in Alaska.

This is the reason I believe the program is discriminating. Of the two criteria, proof is required for only that criterion which is difficult for many natives to prove; but proof is not required for that which might be difficult for non-natives.

Margaret Barck  
January 31, 1978  
Page Two.

I would appreciate your investigation of this matter, and  
a reply as soon as possible.

Thank you.

Sincerely,

John C. Sackett  
Alaska State Senator

Attachment

JCS/bvh

1. See copy of Bonus Program Booklet, pp 1-2, attached.
2. Ibid., p 2-4.
3. This information obtained from Mildred Richards, Bureau of Vital Statistics, Alaska Department of Health and Social Services.

Baldwin  
4127

LAW OFFICES OF  
ALASKA LEGAL SERVICES CORPORATION

165 SOUTH FRANKLIN STREET  
JUNEAU, ALASKA 99801  
TELEPHONE 586-6425

February 22, 1978

Hon. John Sackett  
Alaska State Legislature  
Room 415, Capitol  
Juneau, Alaska 99801

Dear Senator Sackett

ALSC is in accord with your assessment of the Longevity Bonus Program and believes that the program is operating in a discriminatory fashion. Many of our attorneys practicing in the rural areas of the state have brought this matter to my attention. These attorneys have informed me that a number of ALSC clients have had difficulty in proving their age in order to establish eligibility for longevity bonus benefits. I have personally had clients from Southeastern who have been unable to obtain birth certificates either on account of the records having been destroyed in fires or the nonexistence of such records. Our attorneys in the Bush indicate that there the problem is compounded by the fact that persons sent into the communities to develop vital statistics often arbitrarily assigned ages without adequately exploring all evidence to determine the true age of the person. For these reasons, the age establishing criteria required by the Longevity Bonus Program results in setting up a barrier to eligibility which is faced almost exclusively by Alaskan Natives.

Although our attorneys have sought and in some cases obtained relief for individual clients through the adjudicatory process, the discriminatory effect of current law and regulation cannot be resolved without legislative action. First, current law, AS 47.45.050, provides that applicants who are disqualified are not entitled to a hearing as a matter of right. The granting of a hearing is discretionary with the Department of Administration. Thus, disqualified applicants, many of whom are Alaskan Natives challenging the accuracy of their vital statistics records, are without an adjudicatory opportunity to contest their denial of benefits. This denial of a right to a hearing is clearly a constitutional deprivation since, in effect, the State is denying persons their property rights without due process of law.

Hon. John Sackett  
February 22, 1978  
Page 2

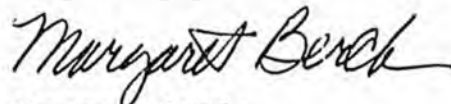
However, to merely guarantee the applicant the right to a hearing, in and of itself, will not resolve the various problems occurring in the present system. It seems that methods of proving age which take into account the special circumstances of Alaskan Natives, should specifically be established by statute. Without providing for such evidentiary standards, little or no change will result for the Alaskan Native contesting his denial of benefits.

Second, under current law, AS 47.45.080, a recipient can accrue bonuses totalling only two months. Thus, the applicant who has difficulty in establishing his age and may by necessity have to resort to the hearing process will lose certain of his benefits. Once again, it is the Alaskan Native who is impacted by this scheme. Since these delays are not the fault of the applicant, the applicant should not be deprived of money to which he is eligible. Clearly the more equitable solution would be to provide for benefits retroactive from the date of application.

Because of our recognition of this problem in general, ALSC supported last session the enactment of H.B. 439. However, after considering your comments and also after discussing this particular legislation with other attorneys from our program it seems that H.B. 439 as it currently stands would not sufficiently resolve the discriminatory effects of the existing system. For that reason I have enclosed for your consideration a copy of certain proposed amendments to H.B. 439 as well as a memo explaining the provisions contained therein.

I sincerely hope that this information is of assistance to you.

Very truly yours,



Margaret Berck  
ALSC Lobbyist

MB/km

Enclosure

LAW OFFICES OF  
ALASKA LEGAL SERVICES CORPORATION  
165 SOUTH FRANKLIN STREET  
JUNEAU, ALASKA 99801  
TELEPHONE 586-6425

MEMORANDUM

TO: Hon. John Sackett, Senate Finance Committee Chairman  
FROM: Peggy Berck, ALSC  
SUBJECT: H.B. 439 - Longevity Bonus  
DATE: February 22, 1978

The attached bill is a proposed Finance Committee substitute clarifying the present provisions of H.B. 439 and incorporating features of several different bills relating to the Longevity Bonus Program. The bill presently before the committee (the Senate State Affairs CS for CS for H.B. 439) 1) allows a recipient to receive bonus payments for up to 90 days while absent from Alaska for medical reasons, 2) requires an administrative hearing for any applicant or recipient who is disqualified, and 3) has an immediate effective date. The first and third of these provisions were added by the Senate State Affairs Committee.

I. Analysis of Proposed Committee Substitute

Section 1. This section would require that bonus payments be made retroactively to the date of Application, regardless of the two-month accrual limitation set forth in AS 47.45.080. The problem addressed is that unnecessary delays not the fault of the applicant result in the applicant being deprived of money for which he or she is eligible.

This section addresses the same problem as that recognized in Senate Bill 97, submitted by request of the Governor.

Section 2. This is the provision added by the Senate State Affairs Committee. It would allow a recipient to receive bonus payments for up to 90 days while absent from Alaska for medical reasons.

Section 3. This section rewrites Section 2 of the Senate State Affairs CS. Sub(a) requires the department to notify anyone in advance if his or her bonus is being cut off, temporarily or permanently, or whose application is being denied. Sub(b) mandates a hearing if requested. Although current law, AS 47.45.050, vests the Department of Administration with the discretionary authority to grant hearings when requested, no hearings have ever been held. (Testimony of Marie Swanson, Administrator of Longevity Bonus Program, before (H)HESS re: H.B. 439). When requests for hearings are denied, the only choice is to file suit in court under AS 47.45.060. The agency should have a chance to catch its own errors before a court becomes involved. The change would reduce the need for lawsuits and still give people denied a bonus the chance to object to the denial. Furthermore, Sub(b) would require that recipients who request hearings continue receiving their bonuses until a decision is made.

If the final decision upholds the agency, the interim payments made must be paid back. Sub(c) requires that the hearing be held at a place convenient to the appellant. The right to hearing and the place of the hearing are adapted from Senate Bill 358 by Sen. Bradley.

With respect to the hearing provisions embodied in this section, it should be noted that a strong legal argument can be made that such hearings are constitutionally required. Although the State clearly asserts that the Longevity Bonus system is not a public relief program (see: AS 47.45.170), it is nevertheless a property right. Longevity Bonus benefits are clearly as much of a property right as those rights at issue in Goldberg v. Kelly, 90 S. Ct. 1011, (welfare Payments) and Pence v. Kleppe, 529 F. 2d 135, (land allotments). There the U.S. Supreme Court and the Court of Appeals for the Ninth Circuit respectively, held that hearings were constitutionally required before the property rights at issue could be denied. In Goldberg, the U.S. Supreme Court declared "the fundamental requisite of due process of law is the opportunity to be heard," and that such an opportunity to be heard must be "at a meaningful time and place." Nor is it constitutionally sufficient that an individual engaged in a dispute with an administrative agency be afforded an opportunity to present his or her position in writing in lieu of an appearance

Hon. John Sackett  
February 22, 1978  
Page 4

before a hearing officer. The Supreme Court in Goldberg continued:

"Written submissions are an unrealistic option for most recipients who lack the educational attainment necessary to write effectively and who cannot obtain professional assistance. Moreover, written submissions do not afford the flexibility of oral presentations; they do not permit the recipient to mold his argument to the issue the decision maker appears to regard as important."

Since this line of reasoning is particularly applicable to the elderly Alaskans who will be affected by H.B. 439, it is the position of ALSC that the hearing provisions of H.B. 439 will merely statutorily guarantee those elderly persons their inherent constitutional rights. The enactment of this legislation will preclude the necessity of elderly Alaskans of having to resort to the judicial system in order to establish their constitutional rights to due process of law and equal protection under the law.

Section 4. This section allows a person to appeal to court only after an administrative hearing and decision. This should reduce the need for lawsuits. The section also deletes the authorization for recovery of the costs of a hearing from the applicant or recipient or from the representative of the applicant or recipient. People seeking to obtain longevity bonus payments should not be penalized for asserting their rights, and should have no greater burden imposed on them than welfare recipients. No other administrative program in the state requires a taxpayer to pay twice for the costs of government.

Section 5. This section addresses the problem of proving age or residence where there are inadequate records. This most commonly occurs with Natives residing in the bush who have not had the benefit of careful record-keeping. The language assures that statements of people with personal knowledge of the applicant will be considered and requires that the department take into account the special circumstances of persons born in the bush.

Section 6. This provision requiring an immediate effective date was added by the Senate State Affairs Committee.

## II. Fiscal Impact

House Bill 439, should it become enacted, will undoubtedly necessitate the Department of Administration to send hearing officials to communities throughout the state. The additional cost to the Department resulting from this legislation is difficult to accurately predict at this time. When I spoke to Commissioner Allen in January, 1977, relative to this legislation, he stated that in his past four months as the Commissioner of Administration only one such hearing request had been denied during that period. Furthermore, Marie Swanson, the Administrator of the Longevity Bonus Program, testified before the House HESS Committee that during the entire existence of the Longevity Bonus Program no hearings had ever been held. She stated that any discrepancies as to qualification had always been negotiated without the necessity of holding a hearing. The employment of this negotiation mechanism was confirmed by other testimony presented at the Senate HESS Committee hearing.

The enactment of House Bill 439 would not preclude the use of this negotiation process to keep hearing expenditures at a minimum. However, even if the hearings should result in increased expenditures, it is clear that increased cost alone is no legal justification for the failure of the State to provide such hearings.

Hon. John Sackett  
February 22, 1978  
Page 7

The United States Supreme Court and the Alaska Supreme Court have held in numerous decisions that a constitutional right cannot be denied due to increased governmental expense. See: Stanley v. Illinois, 405 U.S. 645, Boddie v. Connecticut, 401 U.S. 371, Baker v. City of Fairbanks, 471 P2d 385 (Alaska 1970), and Alvarado v. State 486 P 2d 891 (Alaska 1971).

IN THE HOUSE

BY THE FINANCE COMMITTEE

SENATE CS FOR CS FOR HOUSE BILL NO. 439 (FINANCE)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TENTH LEGISLATURE - SECOND SESSION

For an Act entitled: "An Act relating to the Alaska longevity  
bonus; and providing for an effective date."

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

\* Section 1. AS 47.45.010(b) is amended to read:

Sec. 47.45.010(b)

When the Commissioner of Administration determines that an appellant qualifies under this chapter he shall immediately begin payment of the bonus. Notwithstanding the provisions of Section 080 of this chapter, payments are retroactive to the date of the application.

\* Section 2. AS 47.45.030 is amended by adding a new subsection to read:

(b) A recipient who upon the direction of physician licensed to practice in Alaska receives hospitalization or hospital outpatient care outside the state shall continue to receive bonuses during his absence, up to 90 days.

\* Section 3. AS 47.45.050 is repealed and reenacted to read:

Sec. 47.45.050 DEPARTMENT HEARING

(a) The Department of Administration shall by certified mail notify any recipient or applicant whose longevity bonus will be terminated or suspended, or whose application for a

longevity bonus is being denied, at least 30 days before the effective date of the action to be taken. The notice shall inform the applicant or recipient, in plain language, of the action which is proposed, including a statement of the reasons. Notices which refer only to state statutes or regulations or are otherwise vague in detail shall not be adequate compliance with this section. The notice shall also inform the applicant or recipient of his or her right to appeal the decision, orally or in writing, and to have a hearing, and shall also inform the applicant or recipient of the other rights under this section.

(b) Upon the oral or written request of the applicant or recipient, the department shall provide a hearing. If a recipient whose longevity bonus is being terminated or suspended appeals or requests a hearing within 30 days of receiving notice of the proposed termination or suspension, the decision to terminate or suspend shall not go into effect until after the administrative decision and any appeals. Any payments made while an appeal is pending are a debt due the state by the recipient if the department action is upheld in a final decision.

(c) If a hearing is requested, the hearing shall be held at a reasonable time and place. The place of the hearing shall be convenient to the appellant, after taking into account the appellant's isolation and financial or physical

ability to travel, and the availability to the appellant of evidence or witnesses necessary for the hearing. Should the hearing be held in a community other than the appellant's place of residence, the Department of Administration shall pay per diem and transportation costs for indigent appellants and their witnesses.

\* Section 4. AS 47.45.060 is amended to read:

Sec. 47.45.060 LEGAL REMEDY

After a decision on an appeal, pursuant to section 050 of this chapter, legal remedy from suspension, termination or denial [DISQUALIFICATION] may be sought by an applicant or recipient in any court of competent jurisdiction in the state. The Court shall hear the matter de novo and the [THE] burden of proof shall rest solely upon the applicant or recipient.

[AND ANY COSTS RELATED TO A DISQUALIFICATION VERDICT DETERMINED AGAINST THE APPLICANT OR RECIPIENT MAY BE RECOVERABLE BY THE ATTORNEY GENERAL FROM THAT PERSON, OR FROM ANY AGENCY REPRESENTING THAT PERSON SUPPORTED IN WHOLE, OR, IN PART, WITH STATE APPROPRIATIONS.]

\* Section 5. AS 47.45 is amended by adding a new section to read:

Sec. 47.45 135 PROOF OF AGE AND DOMICILE

Proof of age or domicile may consist of birth certificates, baptismal certificates, delayed or otherwise, statements of personal knowledge, or other evidence which may be reasonably available to the applicant. The commissioner shall reduce

the proof necessary for persons born in rural Alaska, if he or she is otherwise satisfied with the validity of the application.

- \* Section 6. This Act takes effect immediately in accordance with AS 01.10.070(c).

2-2-78

Jim Baldwin is

drafting Committee

substitute

06-5319

8/74-2M

Bureau of Vital Statistics  
ALASKA DEPARTMENT OF HEALTH AND WELFARE  
Pouch H-020, Juneau, Alaska 99811

SEARCHES	
Name	
DOB	
POB	
PC	
DCI	
Census	
Newspaper	

APPLICATION FOR A DELAYED CERTIFICATE OF BIRTH

(This form should be completed as accurately as possible. The information will enable the Bureau of Vital Statistics to thoroughly check its files for a registration of the birth, and advise as to the filing of a Delayed Certificate of Birth in the event the birth is not registered.)

IF ANY DATE IS UNKNOWN, PLEASE GIVE APPROXIMATE DATE

1. FULL NAME AT BIRTH:	First	Middle	Last	2. DATE OF BIRTH
---------------------------	-------	--------	------	------------------

3. PLACE OF BIRTH:	A. City or Town	B. Hospital
--------------------	-----------------	-------------

4. ATTENDANT AT BIRTH:	A. Name	B. Title
		<input type="checkbox"/> Doctor <input type="checkbox"/> Nurse <input type="checkbox"/> Midwife

*(Do NOT give stepparent or adoptive foster parent)*

5. NATURAL FATHER:
A. Full Name
B. Race
C. Birthplace
D. <u>If now deceased:</u> Date of Death
Place of Death

6. NATURAL MOTHER:
A. Full Maiden Name
B. Race
C. Birthplace
D. <u>If now deceased:</u> Date of Death
Place of Death
Name at Time of Death

7. MARRIAGE OF PARENTS:	A. Date of Marriage	B. Place of Marriage
-------------------------	---------------------	----------------------

8. BROTHERS AND/OR SISTERS—LIVING AND/OR DECEASED: <i>(Please indicate those deceased)</i>			
	<u>Given Name</u>	<u>Date of Birth</u>	<u>Place of Birth</u>
2 next older	1.		
	2.		
2 next younger	1.		
	2.		

9. MAILING ADDRESS OF APPLICANT:		
Name	Street or Box No.	
City or Town	State	Zip Code

10. SIGNATURE OF APPLICANT	11. DATE SIGNED
----------------------------	-----------------

PLEASE COMPLETE REVERSE SIDE

In reply, please refer to

CASE NO. \_\_\_\_\_

\_\_\_\_\_  
*Date*

Bureau of Data Processing  
Social Security Administration  
Department of Health, Education,  
and Welfare  
Baltimore, Maryland 21235

RE: \_\_\_\_\_  
*Social Security Account Number*

Gentlemen:

Please send a photocopy of my application for a Social Security Account Number to--

Bureau of Vital Statistics  
Alaska Department of Health and Social Services  
Pouch H 02G  
Juneau, Alaska 99811

It is needed to support my birthdate, birthplace, and parentage in the delayed registration of my birth.

Sincerely yours,

\_\_\_\_\_  
*Signature*

MAILING ADDRESS:

\_\_\_\_\_  
*Street or P. O. Box No.*

\_\_\_\_\_  
*City or Town, State, Zip Code*

DD1-8/74-2M  
(06-5262)

# **CORRECTION**

**THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY**

06-5319

8/74-2M

Bureau of Vital Statistics  
ALASKA DEPARTMENT OF HEALTH AND WELFARE  
Pouch H 02G, Juneau, Alaska 99811

SEARCHES	
Name	
DOB	
POB	
PC	
DCT	
Census	
Newspaper	

APPLICATION FOR A DELAYED CERTIFICATE OF BIRTH

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IF ANY DATE IS UNKNOWN, PLEASE GIVE APPROXIMATE DATE

1. FULL NAME *First Middle Last* | 2. DATE OF BIRTH  
AT BIRTH:

3. PLACE OF BIRTH: A. City or Town | B. Hospital

4. ATTENDANT AT BIRTH: A. Name | B. Title  
 Doctor  Nurse  Midwife

*(Do NOT give stepparent or adoptive foster parent)*

5. NATURAL FATHER:  
A. Full Name \_\_\_\_\_  
B. Race \_\_\_\_\_  
C. Birthplace \_\_\_\_\_  
D. If now deceased:  
Date of Death \_\_\_\_\_  
Place of Death \_\_\_\_\_

6. NATURAL MOTHER:  
A. Full Maiden Name \_\_\_\_\_  
B. Race \_\_\_\_\_  
C. Birthplace \_\_\_\_\_  
D. If now deceased:  
Date of Death \_\_\_\_\_  
Place of Death \_\_\_\_\_  
Name at Time of Death \_\_\_\_\_

7. MARRIAGE OF PARENTS: A. Date of Marriage | B. Place of Marriage

8. BROTHERS AND/OR SISTERS—LIVING AND/OR DECEASED: *(Please indicate those deceased)*

	<u>Given Name</u>	<u>Date of Birth</u>	<u>Place of Birth</u>
2 next older	1. _____	_____	_____
	2. _____	_____	_____
2 next younger	1. _____	_____	_____
	2. _____	_____	_____

9. MAILING ADDRESS OF APPLICANT:  
Name \_\_\_\_\_ Street or Box No. \_\_\_\_\_  
City or Town \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

10. SIGNATURE OF APPLICANT | 11. DATE SIGNED

PLEASE COMPLETE REVERSE SIDE

IF ANY DATE IS UNKNOWN, PLEASE GIVE APPROXIMATE DATE

12. HAVE YOU BEEN BAPTIZED?  / Yes  / No  
If yes: Date \_\_\_\_\_ Name of Church \_\_\_\_\_  
City or Town \_\_\_\_\_  
Baptismal Name \_\_\_\_\_ and State \_\_\_\_\_

13. HAVE YOU ATTENDED SCHOOL?  / Yes  / No  
If yes: Date of Entrance \_\_\_\_\_ Name of School \_\_\_\_\_  
City or Town \_\_\_\_\_  
Grade \_\_\_\_\_ and State \_\_\_\_\_  
High \_\_\_\_\_ Name of School \_\_\_\_\_  
City or Town \_\_\_\_\_  
and State \_\_\_\_\_

14. HAVE YOU EVER BEEN MARRIED?  / Yes  / No If yes, list below:  

	Name of Spouse	Date of Marriage	Place of Marriage
1st	_____	_____	_____
2nd	_____	_____	_____

15. DO YOU HAVE ANY CHILDREN?  / Yes  / No If yes, list below:  

	Name of Child	Date of Birth	Place of Birth
1st born	_____	_____	_____
2nd born	_____	_____	_____

16. DO YOU HAVE A SOCIAL SECURITY ACCOUNT NUMBER?  / Yes  / No  
If yes: Number \_\_\_\_\_ Date Issued \_\_\_\_\_

*Please complete attached form letter, and return it with this application.*

17. HAVE YOU REGISTERED WITH SELECTIVE SERVICE?  / Yes  / No  
If yes: Date of Registration \_\_\_\_\_ Place of Registration \_\_\_\_\_

18. HAVE YOU SERVED IN THE U.S. ARMED FORCES?  / Yes  / No  
If yes: Date of Enlistment/Induction \_\_\_\_\_ Place of Enlistment or Induction \_\_\_\_\_

19. HAVE YOU EVER BEEN INSURED?  / Yes  / No  
If yes: Date Policy Issued \_\_\_\_\_ Name of Insurance Company \_\_\_\_\_

20. HAVE YOU EVER BEEN HOSPITALIZED?  / Yes  / No  
If yes: Date Admitted \_\_\_\_\_ Name of Hospital \_\_\_\_\_  
City or Town \_\_\_\_\_  
and State \_\_\_\_\_

21. IN WHAT VILLAGES OR TOWNS IN ALASKA HAVE YOU RESIDED, AND DURING WHAT YEARS?

22. HAVE YOU EVER USED ANY NAME OTHER THAN THE ONE GIVEN TO YOU AT BIRTH (ITEM 1)?  
 / Yes  / No If yes, list below: (Excluding married name)

Eskimo, Indian, or Aleut Name: \_\_\_\_\_

Adoptive Foster Name: \_\_\_\_\_

Other: \_\_\_\_\_

In reply, please refer to

CASE NO. \_\_\_\_\_

\_\_\_\_\_  
*Date*

Bureau of Data Processing  
Social Security Administration  
Department of Health, Education,  
and Welfare  
Baltimore, Maryland 21235

RE:

\_\_\_\_\_  
*Social Security Account Number*

Gentlemen:

Please send a photocopy of my application for a Social Security Account Number to--

Bureau of Vital Statistics  
Alaska Department of Health and Social Services  
Pouch II 02G  
Juneau, Alaska 99811

It is needed to support my birthdate, birthplace, and parentage in the delayed registration of my birth.

Sincerely yours,

\_\_\_\_\_  
*Signature*

MAILING ADDRESS:

\_\_\_\_\_  
*Street or P. O. Box No.*

\_\_\_\_\_  
*City or Town, State, Zip Code*

06-5236

APPLICATION FOR CERTIFICATION OF BIRTH RECORD

FACTS CONCERNING THE BIRTH

FULL NAME (First) (Middle) (Last)  
AT BIRTH

DATE OF BIRTH PLACE OF BIRTH

FULL NAME OF FATHER MAIDEN NAME OF MOTHER

CERTIFICATION

NUMBER OF COPIES WANTED	TYPE AND FEE
	Certified photocopy @ \$3.00 each \$
	Plastic Birth Card, billfold size @ \$3.00 each \$

Money orders, made payable to the BUREAU OF VITAL STATISTICS, are preferred  
PURPOSE FOR WHICH NEEDED TOTAL \$

APPLICANT

SIGNATURE OF APPLICANT DATE

STREET ADDRESS CITY, STATE, AND ZIP CODE

RELATIONSHIP TO PERSON WHOSE BIRTH CERTIFICATION IS BEING REQUESTED

WHERE TO MAIL THIS FORM

If the birth occurred in Alaska, mail this form—with a money order in the proper amount—to:

Bureau of Vital Statistics  
Alaska Department of Health and Social Services  
Pouch H-02G  
Juneau, Alaska 99811

Empty rectangular box for address information.

**IMPORTANT!**  
Please print address to which certification is to be sent in this space.

Original sponsors: Guy, Akers,  
Anderson, et al

Offered: 5/4/77  
Referred: Rules

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

2

CS FOR HOUSE BILL NO. 439

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 longevity bonus."

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

8 \* Section 1. AS 47.45.050 is repealed and re-enacted to read:

9

Sec. 47.45.050. DEPARTMENT HEARING. (a) The Department of

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Administration shall by certified mail notify an applicant or recipient

11

who has been disqualified. The notice shall inform the applicant or

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recipient of the exact reason for his disqualification and of his right

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to a hearing at his request under this section. The notice shall be in

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plain and comprehensive language. Form letters using only referral to

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state statutes or departmental regulations, or otherwise vague in detail,

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shall not be considered compliance by the department with this section.

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(b) Upon the request of an applicant or recipient who has been

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disqualified, the Department of Administration shall hold an open depart-

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mental hearing at a reasonable time and place.

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Introduced: 4/6/77  
Referred: Health, Education &  
Social Services

BY GUY, AKERS, ANDERSON, BRADLEY,  
BROWN, BUCHHOLDT, COTTEN, GRUENING,  
KELLY, LETHIN, MCKINNON, MEEKINS,  
NAKAK, OSE, PHILLIPS AND SCHAEFFER

1 IN THE HOUSE

2 HOUSE BILL NO. 439

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 longevity bonus."

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

8 \* Section 1. AS 47.45.050 is amended to read:

9           Sec. 47.45.050. DEPARTMENT HEARING. Upon the request of the  
10 applicant, the [THE] Department of Administration shall provide a  
11 reasonable opportunity for [MAY HOLD] a departmental hearing to [UPON  
12 THE REQUEST OF] an applicant or recipient who has been disqualified.  
13 Previous to this hearing the department shall by certified mail notify  
14 an applicant or recipient in plain and comprehensive language the exact  
15 reason for his disqualification. Form letters using only referral to  
16 state statutes or department regulations, or otherwise vague in detail,  
17 shall not be considered compliance by the department with this section.

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#

THE LEGISLATURE OF THE STATE OF ALASKA  
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SCS for CS for HB 439  
 Title An Act requiring hearings on disqualifications and continuing coverage  
 Requested by Senate State Affairs Date 1/26/78 for illness  
absences.

II. FISCAL DETAIL

Agency Affected Department of Administration  
 Program Category Affected Social Services  
 Budget Request Unit(s) Affected Longevity Bonus

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES						
200 TRAVEL		8.4	8.8	9.3	9.7	10.2
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		84.0	90.0	96.0	102.0	108.0
<b>TOTAL</b>	<b>-0-</b>	<b>92.4</b>	<b>98.8</b>	<b>105.3</b>	<b>111.7</b>	<b>118.2</b>

FUNDING (Thousands of Dollars)

GENERAL FUND	<del>0</del>	92.4	98.8	105.3	111.7	118.2
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART TIME						
TEMPORARY						

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

AS 47.45.030 (b)

ASSUMPTIONS: Number of recipients effected .8 percent annually.  
 Bonus payment to continue at \$125 per month.

YR. No. RECIP.

FY79	6,950	x .008 = 56	x 12 = 672	x \$125 = \$84,000
FY80	7,471	x .008 = 60	x 12 = 720	x \$125 = \$90,000
FY81	7,992	x .008 = 64	x 12 = 768	x \$125 = \$96,000
FY82	8,513	x .008 = 68	x 12 = 816	x \$125 = \$102,000
FY83	9,034	x .008 = 72	x 12 = 864	x \$125 = \$108,000

AS 47.45.050 (b)

Based on receiving 6-12 hearing requests annually. Primary cost would be travel to locations & per diem at \$350 per person per trip. Assume 12 trips for two persons annually and inflation at 5%.

IV. DATE 1/27/78

PREPARED BY Russell Clark  
 AGENCY Department of Administration  
 PHONE 465-2293

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named) Guy  
 Office of the Governor - Keith Specking

33-001 (Rev. 12/77) Vern Perry



# 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

# COMMITTEE REPORT

## SENATE

3/5/77

February 22, 1978 Date

Mr. President:

The Committee on FINANCE has had HB 440  
special appropriation to Leg. Affairs Agency & Dept. of Admin for toll-free phone  
under consideration. A majority of the members of the Committee services to  
state offices in state capital

- 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: None

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

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

\_\_\_\_\_  
Chairman

**COMMITTEE REPORT**  
**SENATE**

2/27/78

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

Date: \_\_\_\_\_

Mr. President:

The Committee on FINANCE has had HB 440 special appropriation to Alaska Court System, Legislative Affairs & Dept. of Administration for toll free phone service to state offices in state capital 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:

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\_\_\_\_\_  
Chairman

COMMITTEE REPORT

SENATE

4/27/77

\*\*Finance

4 MAY 77 Date

Mr. President:

The Committee on STATE AFFAIRS has had HB 440 special appropriation to Leg. Affairs Agency & Dept. of Admin. for toll-free phone under consideration. A majority of the members of the Committee service to state offices in state capital

- 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 independent recommendation reports it back as follows
- AND attaches a report of its intent
- (other) \_\_\_\_\_

PR 1102  
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Jamm

MEMBERS SIGNING THE MAJORITY REPORT:

<u>Ed Wilkin</u>	<u>Do-pass</u>	<u>J Bradley - No Rec</u>
<u>2 V. H. ...</u>	<u>No - Rec.</u>	
<u>1 John ...</u>	<u>DO PASS</u>	
<u>2 ...</u>	<u>NO REC</u>	

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

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

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

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

Ed Wilkin, Co. Chairman  
CO Chairman  
Do pass

COMMITTEE REPORT  
SENATE

5/5/77

*Rules*

February 22, 1978 Date

Mr. President:

The Committee on FINANCE has had HB 440  
special appropriation to Leg. Affairs Agency & Dept. of Admin. for toll-free phone  
under consideration. A majority of the members of the Committee service to  
state offices in state capital

recommends it do pass

recommends it do not pass

recommends it do pass with attached amendment(s)

recommends it be replaced with SCS for HB 440 and that  
*may* CS for HB 440 do pass new title

*pg 313*

(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:

John Sackett \_\_\_\_\_  
George H. ... \_\_\_\_\_  
Pat ... \_\_\_\_\_  
Orsini \_\_\_\_\_

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

Henry ... recommends: Alto ...  
\_\_\_\_\_ recommends: \_\_\_\_\_  
\_\_\_\_\_ recommends: \_\_\_\_\_

John Sackett  
Chairman

**COMMITTEE REPORT**  
**SENATE**

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

2/22/78

Date: February 23, 1978

Mr. President:

The Committee on RULES has had HB 440  
spec. appropriation to Alaska Court System, Legislative Affairs & Dept. of  
Administration for toll free phone service to state offices in state capital

under consideration and (a majority of the committee) ~~(the committee)~~

~~recommends it be placed on the calendar (Mon. 2-27-'78)~~ Recommends it be placed on the calendar (Mon. 2-27-'78)

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:

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Cappetta  
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\_\_\_\_\_  
Chairman

Original sponsors: Smith, Akers,  
Anderson, et al

Offered: 2/22/78  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR HOUSE BILL NO. 440

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the  
7 Legislative Affairs Agency and the legislative finance  
8 division; and providing for an effective date."

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

10 \* Section 1. The sum of \$33,000 is appropriated from the general fund to  
11 the Legislative Affairs Agency for the fiscal year ending June 30, 1978 to  
12 defray the expenses of the Legislative Council.

13 \* Sec. 2. The sum of \$34,000 is appropriated from the general fund to the  
14 legislative finance division for the fiscal year ending June 30, 1978 to  
15 defray the expenses of that division.

16 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-  
17 070(c).

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# COMMITTEE COPY

3903  
Baldwin

Introduced: 4/6/77  
Referred: Special Committee on  
Telecommunications and Finance

BY SMITH, AKERS, ANDERSON, BENNETT,  
BROWN, CARPENTER, COTTEN, COWPER,  
ELIASON, FREEMAN, GARDINER, MEEKINS,  
MILES, NAKAK, OSE, SCHAEFFER, SNIDER  
AND SWANSON BY SMITH

1 IN THE HOUSE

2 HOUSE BILL NO. 440

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 special appropriations to the Alaska  
7 Court System, the Legislative Affairs Agency, and the  
8 Department of Administration to provide toll-free  
9 telephone service for calls made to state offices  
10 located in the state capital; and providing for an  
11 effective date."

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

13 \* Section 1. The sum of \$203,100 is appropriated from the general fund to  
14 the Department of Administration to provide toll-free telephone service to  
15 offices of the executive branch located in the state capital.

16 \* Sec. 2. The sum of \$75,300 is appropriated from the general fund to the  
17 Legislative Affairs Agency to provide toll-free telephone service to offices  
18 of the legislature located in the state capital.

19 \* Sec. 3. The sum of \$3,800 is appropriated from the general fund to the  
20 Alaska Court System to provide toll-free telephone service to offices of the  
21 judiciary located in the state capital.

22 \* Sec. 4. This Act takes effect July 1, 1977.  
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SENATE JOURNAL

SENATE FINANCE COMMITTEE

LETTER OF INTENT

SENATE CS FOR HOUSE BILL NO. 440

The sum of \$33,000 appropriated to the Legislative Affairs Agency is for the purpose of paying FY 78 costs of the Employment Resources and Opportunities Subcommittee.

  
Chairman

ALASKA STATE LEGISLATURE

TENTH Legislature FIRST Session

HOUSE BILL NO. 440

By SMITH, AKERS, ANDERSON, BENNETT, BROWN, CARPENTER, COTTEN, COWPER, ELIASON, BREEMAN, GARDINER, MEEKINS, MILES, NAKAK, OSE, SCHAEFFER, SNIDER AND SWANSON

"An Act making special appropriations to the Alaska Court System, the Legislative Affairs Agency, and the Department of Administration to provide toll-free telephone service for calls made to state offices located in the state capital; and providing for an effective date."

Toll-free calls made to state

Introduced in the House ..... 4-6, 1977.

HISTORY IN THE HOUSE

19 77	Apr. 6	Read first time and referred to Committee on Telecommunications and Finance
	Apr. 14	Reported back with recommendation that <i>Telecommunications</i>
	Apr. 22	<i>to Finance</i>
	Apr. 26	Read second time and
	Apr. 26	Read third time and
	Apr. 26	PASS <i>ed</i> Effective Date
		Yeas 31 Yeas <i>Same</i>
		Nays ? Nays
		Absent - Absent
		Excused 1 Excused
		Reconsideration
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reported correctly engrossed
		Signed by Speaker
		Sent to Senate
		<i>Bernard Fisher</i>
		CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

1977	4 27	Read first time and referred to Committee on <i>SA Finance</i>
	5 5	Reported back with <i>SA 3rd</i> recommendation that <i>see, 2</i>
	1978	<i>to Finance</i>
	2 22	<i>to replace w/CS-4 do</i>
	2 23	<i>Pass; 1 moved to Rule</i>
	2 27	Read second time and <i>Rules Calendar</i>
		Read third time and
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reconsideration
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reported correctly engrossed
		Signed by President
		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. ....

3903  
Baldwin

Senate Bureau Letter of Intent Attached



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

*Judy 7*

May 25, 1977

The Honorable John Sackett  
Chairman  
Senate Finance Committee  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Re: HB 440

Dear Senator Sackett:

I must reluctantly oppose Section 1 and Section 3 of House Bill 440, which extends toll-free telephone service for intrastate calls made to the offices of the executive branch and offices of the judiciary located in the State Capital.

Although I am in full agreement with the purpose of this bill, I base my opposition to Sections 1 and 3 upon the following:

1. Basically, the service described in the bill would automatically reverse-bill all calls to 465 exchange numbers. These intrastate calls would be billed at the appropriate tariff rate for reverse-charge public calls. This is an extremely expensive method of developing a system of access to State government. Such a method could be much abused at needless expense to the taxpayers.
2. Without historical data, there is no way to predict with any accuracy the number of calls or the costs this program will generate. The costs could indeed be extremely high.
3. Without an accurate estimate of incoming calls to the capital, there is no way of knowing if there is adequate network capability to handle the activity the system will generate. Should additional equipment be needed, costs could fall to the State.

4. Not budgeted in the bill are the calls to the 465 exchange that have been paid for in the past by the private sector.

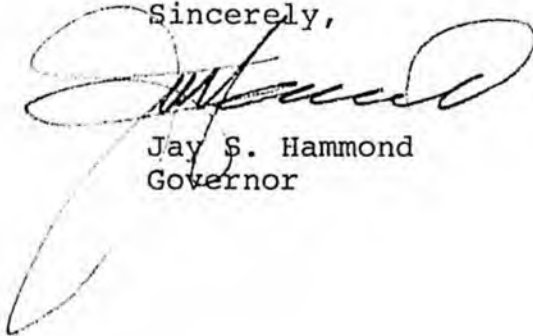
5. Every other state which has developed citizen access to government systems is utilizing a flat-rate billing system (WATS). My office has requested that the Alaska Public Utilities Commission require RCA Alascom to submit a proposal to meet In-WATS requirements. RCA Alascom is now developing an analysis of the technical and economic feasibility of such a service.

Proposal

I suggest, at this time, that this service be provided to the Legislature on a trial basis to establish utilization rate and cost estimates for a reverse billing system. My office will continue to look into the technical and economic feasibility of establishing a flat-rate billing system possibly backed-up with a computerized information system patterned on the systems found effective and cost-efficient by other states providing this service to their citizens.

I strongly support this concept of direct public access and plan to put a workable proposal before the Legislature next session.

Sincerely,

A large, stylized handwritten signature in dark ink, appearing to read 'Jay S. Hammond', is written over the typed name and title.

Jay S. Hammond  
Governor

STATE  
of ALASKA

## MEMORANDUM

4B440

TO:  J. H. Hogan, Director  
Legislative Finance Division

DATE: 2/17/78

FILE NO:

TELEPHONE NO: Unbudgeted Expenses

FROM: Pat Williams  
Administrative Assistant

SUBJECT:

The following is a breakdown of Legislative Finance FY 78 unbudgeted expenses to date:

TRAVEL

Dave Scott travel and per diem, Fairbanks & Anchorage trips re U of A surveillance \$2,374.35

Dave Scott moving expense (paid to Sourough Express for moving household items) 3,500.00

Zero Base Budgeting Seminar cost (per Legislative Resolve #103, 1977) - send one analyst. 784.00  
(per diem \$137.50; air fare \$197.40; registration \$450.00)

CONTRACTUAL

Centrex Billing - telephone 760.00

IBM Data Processing Contract 14,383.19

HOUSE FINANCE OFFICE ACCOUNT

Overexpended as of 1/31/78 2,144.56  
(allocation is \$10.0)

TCTAL: 23,916.10

← 10,000.0

~~1,000.0~~

\$ 5,000 / each for Steve  
& Sarah  
1,000 B/A.

EMPLOYMENT RESOURCES  
and  
OPPORTUNITIES COMMITTEE

ALLOCATIONS

FY 77	\$50,000.00	
FY 78	81,000.00	
Legislative Council supplemental	5,000.00	
	<hr/>	
	\$136,000.00	\$136,000.00

EXPENDITURES

FY 77	\$18,025.06	
FY 78 interim	84,500.00	
	<hr/>	
	\$102,526.06	\$102,526.06

totals of monies lapsed \$ 33,473.94

PROJECTED REQUESTED BUDGET FOR  
REMAINDER OF FY 78

Staff	
one administrative assistant	\$12,000
Developmental services	11,000
Travel	4,000
Communications	6,000
stationary	
postage	
printing	

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\$ 33,000.00

Original sponsors: Smith, Akers,  
Anderson, et al

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR HOUSE BILL NO. 440

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the  
7 Legislative Affairs Agency and the legislative finance  
8 division; and providing for an effective date."

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

10 \* Section 1. The sum of \$33,000 is appropriated from the general fund to  
11 the Legislative Affairs Agency for the fiscal year ending June 30, 1978 to  
12 defray the expenses of the Legislative Council.

13 \* Sec. 2. The sum of <sup>\$34,000</sup>~~\$35,000~~ is appropriated from the general fund to the  
14 legislative finance division for the fiscal year ending June 30, 1978 to  
15 defray the expenses of that division.

16 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-  
17 070(c).

Original sponsors: Smith, Akers,  
Anderson, et al

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR HOUSE BILL NO. 440

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the  
7 Legislative Affairs Agency and the legislative finance  
8 division; and providing for an effective date."

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

0 \* Section 1. The sum of \$33,000 is appropriated from the general fund to  
1 the Legislative Affairs Agency for the fiscal year ending June 30, 1978 to  
2 defray the expenses of the Legislative Council.

3 \* Sec. 2. The sum of \$35,000 is appropriated from the general fund to the  
4 legislative finance division for the fiscal year ending June 30, 1978 to  
5 defray the expenses of that division.

6 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-  
7 070(c).

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SENATE JOURNAL

SENATE FINANCE COMMITTEE

LETTER OF INTENT

SENATE CS FOR HOUSE BILL NO. 440

The sum of \$33,000 appropriated to the Legislative Affairs Agency is for the purpose of paying FY 78 costs of the Employment Resources and Opportunities Subcommittee.

---

Chairman

Introduced: 4/6/77  
Referred: Special Committee on  
Telecommunications and Finance

BY SMITH, AKERS, ANDERSON, BENNETT,  
BROWN, CARPENTER, COTTEN, COWPER,  
ELIASON, FREEMAN, GARDINER, MEEKINS,  
MILES, NAKAK, OSE, SCHAEFFER, SNIDER  
AND SWANSON

1 IN THE HOUSE

2 HOUSE BILL NO. 440

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 special appropriations to the Alaska  
7 Court System, the Legislative Affairs Agency, and the  
8 Department of Administration to provide toll-free  
9 telephone service for calls made to state offices  
10 located in the state capital; and providing for an  
11 effective date."

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

13 \* Section 1. The sum of \$203,100 is appropriated from the general fund to  
14 the Department of Administration to provide toll-free telephone service to  
15 offices of the executive branch located in the state capital.

16 \* Sec. 2. The sum of \$75,300 is appropriated from the general fund to the  
17 Legislative Affairs Agency to provide toll-free telephone service to offices  
18 of the legislature located in the state capital.

19 \* Sec. 3. The sum of \$3,800 is appropriated from the general fund to the  
20 Alaska Court System to provide toll-free telephone service to offices of the  
21 judiciary located in the state capital.

22 \* Sec. 4. This Act takes effect July 1, 1977.

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LEGISLATIVE INQUIRE ON TOLL FREE INWARD CALLING TO JUNEAU

In response to a request by Legislative Affairs RCA Alascom offers the following as information.

Several alternatives were investigated as a means to offer inward bound to Juneau toll free calling services to all citizens of the State.

A meeting was held March 15th with Legislative Affairs to discuss the alternatives which were: Foreign Exchange service, Zenith service, and toll free (to the originator) 465 service. It was the concensus after discussing the alternatives that toll free (to the originator) 465 service was the best option. This service would accomplish the goals of the project as laid out by Legislative Affairs.

Basically the service would automatically reverse bill all calls to 465 exchange numbers. This service would affect all in State initiated calls and would exclude out of State calls. These calls would be billed at the appropriate tariff rate for reversed-charge intrastate calls. The service would involve all 465 prefixed numbers.

The following list describes the features of this system:

1. Can serve all telephone locations in the State
2. Could be implemented in a minimum time frame following a firm order and appropriate regulatory approval if necessary
3. Uses the existing network that all telephone users are familiar with by allowing users to place their calls in the normal manner
4. Would provide originated toll free calling to the State Centrex
5. The use of the existing network would tend to eliminate contention problems for users
6. A plan such as this would provide a usage sensative method of billing favorable to the State
7. According to Juneau Douglas Telephone Company this plan would require little or no expansion of the Centrex equipment
8. No operator intervention unless needed
9. Would provide Direct Inward Dialing (DID) service thus utilizing the full features of the existing Centrex system
10. Should not require additional Centrex operator staff
11. Would provide individual call billing
12. Directory information could be easily distributed through direct mail. (example: inclusion with yearly tax form mail outs)
13. Possibility exists that billing could be handled using computer techniques such as magnetic tape for more efficient billing by the State to their own entities
14. Would provide access to State Government for all citizens
15. Would provide access to Juneau from all other State Government locations thus eliminating some of the internal administrative problems encountered by each unit with long distance billing

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LEGISLATIVE INQUIRY ON TOLL FREE INWARD CALLING TO JUNEAU  
PAGE TWO

16. System could provide citizen feedback on major issues before the Legislative body
17. System is not unique to Juneau. The same system could be utilized if a State Centrex were provided for the new capital
18. Because of individual call billing and the possible use of computerized printouts a close watch could be maintained to uncover abuses on the system
19. Could be done on a trail basis to establish track record and determine the cost effectiveness and efficiencies

COST

We have no effective means without historical data to determine the cost of this plan. Costs above what the State presently pays for incoming State business calls would depend entirely on the citizens desires to use the system. We can, however, use the figures based on the cost for calls originating from Juneau 465 numbers to other locations in the State to establish an estimated per call cost of \$2.85. Using this estimate, if this plan stimulated 100 calls per day above normal State business calls it would cost \$285.00 per day or based on a 22 day month \$6,270 per month. Two hundred calls per day equates to \$12,540 per month.

## Intent

The sum of 33,000 appropriated to the Legislative affairs agency is for the purpose of paying

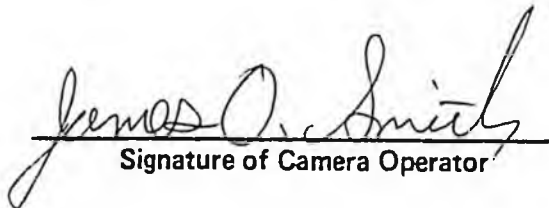
FY 78 costs of the Employment Resources and Opportunities Sub-Committee.

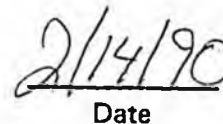


# RECORDS CERTIFICATION



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

"An Act making special appropriations to the Alaska Court System, the Legislature Affairs Agency, and the Department of Administration to provide toll-free telephone service for calls made to state offices located in the state capital; effective date."

# COMMITTEE REPORT

## HOUSE

4/14/77

4-21-77

Date

Mr. Speaker:

The Committee on FINANCE has had HE 460

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:

[Signature] \_\_\_\_\_

[Signature] \_\_\_\_\_

[Signature] \_\_\_\_\_

### MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

[Signature] recommends: W. Keen

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

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

[Signature]

Chairman

Introduced: 4/6/77  
Referred: Special Committee on  
Telecommunications and Finance

BY SMITH, AKERS, ANDERSON, BENNETT,  
BROWN, CARPENTER, COTTEN, COWPER,  
ELIASON, FREEMAN, GARDINER, MEEKINS,  
MILES, NAKAK, OSE, SCHAEFFER, SNIDER  
AND SWANSON

1 IN THE HOUSE

2 HOUSE BILL NO. 440

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 special appropriations to the Alaska  
7 Court System, the Legislative Affairs Agency, and the  
8 Department of Administration to provide toll-free  
9 telephone service for calls made to state offices  
10 located in the state capital; and providing for an  
11 effective date."

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

13 \* Section 1. The sum of \$203,100 is appropriated from the general fund to  
14 the Department of Administration to provide toll-free telephone service to  
15 offices of the executive branch located in the state capital.

16 \* Sec. 2. The sum of \$75,300 is appropriated from the general fund to the  
17 Legislative Affairs Agency to provide toll-free telephone service to offices  
18 of the legislature located in the state capital.

19 \* Sec. 3. The sum of \$3,800 is appropriated from the general fund to the  
20 Alaska Court System to provide toll-free telephone service to offices of the  
21 judiciary located in the state capital.

22 \* Sec. 4. This Act takes effect July 1, 1977.  
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Introduced: 4/6/77  
Referred: Special Committee on  
Telecommunications and Finance

BY SMITH, AKERS, ANDERSON, BENNETT,  
BROWN, CARPENTER, COTTEN, COWPER,  
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James O. Smith  
Signature of Camera Operator

2/14/90  
Date

# COMMITTEE REPORT

## HOUSE

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

Date: \_\_\_\_\_

Mr. Speaker:

The Committee on FINANCE (second time) has had VB 442

"An Act relating to the Alaska Power Authority."

under consideration and <sup>a second time</sup> (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 VB 442 (2)

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:

\_\_\_\_\_  
\_\_\_\_\_  
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\_\_\_\_\_  
Chairman

9-5-77

# COMMITTEE REPORT HOUSE

\_\_\_\_\_ Date

Mr. Speaker:

The Committee on FINANCE has had HB 442

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 442 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:

<u>Freeman</u>	<u>Freeman</u>	_____
<u>Freeman</u>	<u>Freeman</u>	_____
<u>Freeman</u>	<u>Freeman</u>	_____
<u>Freeman</u>	<u>Freeman</u>	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

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

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

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

*Handwritten initials*

Freeman  
Vice Chairman



# LAWS OF ALASKA

1976

Source

Chapter No.

SCS CSHB 779 am S

278

## AN ACT

Creating the Alaska Power Authority.

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

\* Section 1. AS 44 is amended by adding a new chapter to read:

#### CHAPTER 56. ALASKA POWER AUTHORITY.

#### ARTICLE 1. CREATION AND ORGANIZATION.

Sec. 44.56.010. LEGISLATIVE FINDING AND POLICY. (a) The legislature finds, determines and declares that

- (1) there exist numerous potential hydroelectric and fossil fuel generating sites in the state;
- (2) the establishment of power projects at these sites is necessary to supply lower cost power to the state's municipal electric, rural electric, cooperative electric, and private electric utilities, and regional electric authorities, and thereby to the consumers of the state, as well as to supply existing or future industrial needs;
- (3) the achievement of the goals of lower consumer power costs and long-term economic growth and of establishing, operating and developing power projects in the state will be accelerated and facilitated by the creation of an instrumentality of the state with powers to incur debt for constructing, and with powers to operate, power projects.

(b) It is declared to be the policy of the state, in the interests of promoting the general welfare of all the people of the state, and public purposes, to reduce consumer

power costs and otherwise to encourage the long-term economic growth of the state, including the development of its natural resources, through the establishment of power projects by creating the public corporation with powers, duties and functions as provided in this chapter.

Sec. 44.56.020. CREATION OF AUTHORITY. There is created the Alaska Power Authority. The authority is a public corporation of the state in the Department of Commerce and Economic Development but with separate and independent legal existence.

Sec. 44.56.030. MEMBERSHIP OF THE AUTHORITY. The authority consists of the commissioner of commerce and economic development and four public members appointed by the governor. The appointment of each director other than the commissioner of commerce and economic development is subject to confirmation by the legislature. The directors must be residents of the state and qualified voters at the time of appointment and shall comply with the requirements of AS 39.5C (conflict of interest). The term of office of each director appointed by the governor is four years except that the directors first appointed shall have terms of one, two, three, and four years, respectively. A vacancy in a directorship occurring other than by expiration of term shall be filled in the same manner as the original appointment but for the unexpired term only.

Sec. 44.56.040. OFFICERS AND QUORUM. The directors shall elect one of the public members as chairman and other officers they determine desirable. The powers of the authority are vested in the directors, and three directors of the authority constitute a quorum. Action may be taken and motions and resolutions adopted by the authority at a meeting by the affirmative vote of at least three directors. The directors of the authority serve without compensation, but they shall receive the same travel pay and per diem as provided by law for board members.

Sec. 44.56.050. STAFF. The authority shall employ an executive director who may with the approval of the authority select and employ additional staff as necessary. In addition to its staff of regular employees, the authority may contract for and engage the services of the bond counsel, consultants, experts, and financial advisors the authority considers necessary for the purpose of developing information, or conducting studies, investigations, hearings, or other proceedings. The director is subject to confirmation by the legislature.

## ARTICLE 2. PURPOSE AND POWERS.

Sec. 44.56.070. PURPOSE OF THE AUTHORITY. The purpose of the authority is to promote, develop and advance the general prosperity and economic welfare of the people of Alaska by providing a means of constructing, acquiring, financing and operating hydroelectric and fossil fuel generating projects.

Sec. 44.56.080. POWERS OF THE AUTHORITY. In furtherance of its corporate purposes, the authority has the following powers in addition to its other powers:

- (1) to sue and be sued;
- (2) to have a seal and alter it at pleasure;
- (3) to make and alter bylaws for its organization and internal management;
- (4) to make rules and regulations governing the exercise of its corporate powers;
- (5) to acquire, whether by construction, purchase, gift or lease, and to improve, equip and operate power projects;
- (6) to issue bonds to carry out any of its corporate purposes and powers, including the acquisition or construction of a project to be owned or leased, as lessor or lessee, by the authority, or the acquisition of any interest in it or any right to capacity of it, the establishment or increase of reserves to secure or to pay the bonds or interest on them, and the payment of all other costs or expenses of the authority incident to and necessary or convenient to carry out its corporate purposes and powers;
- (7) to sell, lease as lessor or lessee, exchange, donate, convey or encumber in any manner by mortgage or by creation of any other security interest, real or personal property owned by it, or in which it has an interest, when, in the judgment of the authority, the action is in furtherance of its corporate purposes;
- (8) to accept gifts, grants or loans from, and enter into contracts or other transactions regarding them, with a federal agency or an agency or instrumentality of the state, municipality, private organization or other source;
- (9) to deposit or invest its funds, subject to agreements with bondholders;
- (10) to enter into contracts with the United States or any person and, subject to the laws of the United States and subject to concurrence of the legislature, with a foreign country or its agencies, for the construction, acquisition, operation and maintenance of all or any part of a power project, either inside or outside the state, and for the sale or transmission of power from a project or any right to the capacity of it or for the security of any bonds of the authority issued or to be issued for the project;
- (11) to enter into contracts for the purchase, sale, exchange, transmission, or use of power generated by a project, or any right to the capacity of it with any person and with the United States, and, subject to the laws of the United States and subject to the concurrence of the legislature, with a foreign country or its agencies;
- (12) to apply to the appropriate agencies of the state, the United States and to a foreign country and any other proper agency for the permits, licenses, or approvals as may be necessary, and to construct, maintain and operate power projects in accordance with the licenses or permits,

and to obtain, hold and use the licenses and permits in the same manner as any other person or operating unit;

(13) to perform feasibility studies with respect to hydroelectrical and fossil fuel power generating projects;

(14) to enter into contracts or agreements with respect to the exercise of any of its powers, and do all things necessary or convenient to carry out its corporate purposes and exercise the powers granted in this chapter;

(15) to exercise the power of eminent domain in accordance with AS 09.55.250 - 09.55.410.

Sec. 44.56.090. POWER CONTRACTS. The authority shall, in addition to other methods which it may find advantageous, provide that municipal electric, rural electric, cooperative electric, or private electric utilities and regional electric authorities or other persons authorized by law to engage in the distribution of power may secure a reasonable share of the power generated by a project, or any interest in it, or for any right to the capacity of it and shall sell the power or cause the power to be sold at prices representing cost of generation, plus capital and operating charges, plus a fair cost of transmission, all as determined by the directors, and subject to conditions which assure the resale of the power to retail consumers at the lowest possible price. A contract for the sale, transmission and distribution of power generated by a project or any right to the capacity of it shall provide

(1) for payment of all operating and maintenance expenses of a project and costs of renewals, replacements and improvements of it;

(2) for interest on and amortization charges sufficient to retire bonds of the authority issued for the project and reserves for them, plus a debt service coverage factor as may be determined by the authority to be necessary for the marketability of its bonds;

(3) for continuous control and operation of the project by the authority or its agents;

(4) for full and complete disclosure to the authority of all factors of cost in the transmission and distribution of power, so that rates to any persons may be fixed initially in the contract and may be adjusted from time to time on the basis of true cost data;

(5) for periodic revisions of the service and rates to persons on the basis of accurate cost data obtained by the accounting methods and systems approved by the directors and in furtherance and effectuation of the policy declared in this chapter;

(6) for the cancellation and termination of a contract upon violation of its terms by any person;

(7) for security for performance as the authority may consider practicable and advisable, including provisions assuring the continuance of the distribution and transmission

of power: generated by a project, the use of their facilities for these purposes, and the continuance of an outlet and adequate market for the power generated by the project;

(8) other terms not inconsistent with the provisions and policy of this chapter as the authority may consider advisable. Contracts to sell power are subject to review by the Alaska Public Utilities Commission.

### ARTICLE 3. FINANCIAL PROVISIONS.

Sec. 44.56.10J. BONDS OF THE AUTHORITY. (a) The authority may borrow money and may issue bonds, including but not limited to bonds on which the principal and interest are payable (1) exclusively from the income and receipts or other money derived from the project financed with the proceeds of the bonds; (2) exclusively from the income and receipts or other money derived from designated projects whether or not they are financed in whole or in part with the proceeds of the bonds; (3) from its income and receipts or other assets generally, or a designated part or parts of them; or (4) from one or more revenue-producing contracts including a contract providing for the security of the bonds made by the authority with any person. The authority may issue bonds to pay, fund or refund the principal of, or interest or redemption premiums on, bonds issued by it, whether or not the bonds or interest to be funded or refunded have become due.

(b) Bonds shall be authorized by resolution of the authority, and shall be dated and shall mature as the resolution may provide, except that no bond may mature more than 50 years from the date of its issue. Bonds shall bear interest at the rates, be in the denominations, be in the form, either coupon or registered, carry the registration privileges, be executed in the manner, be payable in the medium of payment, at the places, and be subject to the terms of redemption which the resolution or a subsequent resolution may provide.

(c) All bonds, regardless of form or character, shall be negotiable instruments for all the purposes of the Uniform Commercial Code.

(d) All bonds may be sold at public or private sale in the manner, for the price or prices, and at the time or times which the authority may determine.

### Sec. 44.56.110. TRUST INDENTURES AND TRUST AGREEMENTS.

(a) In the discretion of the authority, an issue of bonds may be secured by a trust indenture or trust agreement between the authority and a corporate trustee (which may be a trust company, bank, or national banking association, with corporate trust powers, located inside or outside the state) or by a secured loan agreement or other instrument or under a resolution giving powers to a corporate trustee by means of which the authority may

(1) make and enter into any and all the covenants and agreements with the trustee or the holders of the bonds which the authority may determine to be necessary or desirable, including, without limitation, covenants, provisions, limitations and agreements as to

(A) the application, investment, deposit, use and disposition of the proceeds of bonds of the authority or of money or other property of the authority or in which it has an interest;

(B) the fixing and collection of rentals, charges, fees or other consideration for, and the other terms to be incorporated in, contracts with respect to a project;

(C) the assignment by the authority of its rights in contracts with respect to a project or in a mortgage or other security interest created with respect to a project to a trustee for the benefit of bondholders;

(D) the terms and conditions upon which additional bonds of the authority may be issued;

(E) the vesting in a trustee of rights, powers, duties, funds or property in trust for the benefit of bondholders, including, without limitation, the right to enforce payment, performance, and all other rights of the authority or of the bondholders, under a lease, power of contract, contract of sale, mortgage, security agreement, or trust agreement with respect to a project by mandamus or other proceeding or by taking possession of by agent or otherwise and operating a project and collecting rents or other consideration and applying the same in accordance with the trust agreement;

(2) pledge, mortgage or assign money, leases, agreements, property or other rights or assets of the authority either presently in hand or to be received in the future, or both; and

(3) provide for any other matters of like or different character which in any way affect the security or protection of the bonds.

(b) Notwithstanding any other provisions of this chapter, the trust agreement shall contain a covenant by the authority that it will at all times maintain rates, fees or charges sufficient to pay, and that a contract entered into by the authority for the sale, transmission or distribution of power shall contain rates, fees or charges sufficient to pay the costs of operation and maintenance of the project, the principal of and interest on bonds issued under the trust agreement as the same severally become due and payable, to provide for debt service coverage as considered necessary by the authority for the marketing of its bonds and to provide for renewals, replacements and improvements of the project, and to maintain reserves required by the terms of the trust agreement. *or see*

(c) For the purpose of securing any one or more issues of its bonds, the authority may establish one or more special funds, called "capital reserve funds", and shall pay into those capital reserve funds the proceeds of the sale of its bonds and any other money which may be made available to the authority for the purposes of those funds from any other source. The funds shall be established only if the authority determines that the establishment would enhance the

marketability of the bonds. All money held in a capital reserve fund, except as provided in this section, shall be used as required, solely for (1) the payment of the principal of, and interest on, bonds or of the sinking fund payments with respect to those bonds, (2) the purchase or redemption of bonds, or (3) the payment of a redemption premium required to be paid when those bonds are redeemed before maturity; however, money in a fund may not be withdrawn from it at any time in an amount which would reduce the amount of that fund to less than the capital reserve requirement set out in (2) of this subsection, except for the purpose of making, with respect to those bonds, payment, when due, of principal, interest, redemption premiums and the sinking fund payments for the payment of which other money of the authority is not available. Income or interest earned by, or increment to, a capital reserve fund, due to the investment of the fund or any other amounts in it, may be transferred by the authority to other funds or accounts of the authority to the extent that the transfer does not reduce the amount of the capital reserve fund below the capital reserve fund requirement.

(d) If the authority decides to issue bonds secured by such a capital reserve fund, the bonds may not be issued if the amount in the capital reserve fund is less than such a per cent, not exceeding 10 per cent of the principal amount of all of those bonds secured by that capital reserve fund then to be issued and then outstanding in accordance with their terms, as may be established by resolution of the authority (called the "capital reserve fund requirement"), unless the authority, at the time of issuance of the obligations, deposits in the capital reserve fund from the proceeds of the obligations to be issued or from other sources, an amount which, together with the amount then in the fund, will not be less than the capital reserve fund requirement.

(e) In computing the amount of a capital reserve fund for the purpose of this section, securities in which all or a portion of the funds are invested shall be valued by some reasonable method established by the authority by resolution. Valuation on a particular date shall include the amount of any interest earned or accrued to that date.

(f) The chairman of the authority shall annually, no later than January 2, make and deliver to the governor and the legislature his certificate stating the sum, if any, required to restore any capital reserve fund to the capital reserve fund requirement. The legislature may appropriate such a sum, and all sums appropriated during the then current fiscal year by the legislature for such restoration shall be deposited by the authority in the proper capital reserve fund. Nothing in this section creates a debt or liability of the state.

(g) When the authority has created and established a capital reserve fund, the commissioner of revenue may lend surplus money in the general fund to the authority for deposit in a capital reserve fund in an amount equal to the capital reserve fund requirement. The loans shall be made on such terms and conditions as may be agreed upon by the commissioner of revenue and the authority, including without

limitation terms and conditions providing that the loans need not be repaid until the obligations of the authority secured and to be secured by the capital reserve fund are no longer outstanding.

Sec. 44.56.120. VALIDITY OF PLEDGE. It is the intention of the legislature that a pledge made in respect of bonds shall be valid and binding from the time the pledge is made; that the money or property so pledged and thereafter received by the authority shall immediately be subject to the lien of the pledge without physical delivery or further act; and that the lien of the pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority irrespective of whether the parties have notice. Neither the resolution, trust agreement nor any other instrument by which a pledge is created need be recorded or filed under the provisions of the Uniform Commercial Code to be valid, binding or effective against the parties.

Sec. 44.56.130. NONLIABILITY ON BONDS. (a) Neither the members of the authority nor a person executing the bonds is liable personally on the bonds or is subject to personal liability or accountability by reason of the issuance of the bonds.

(b) The bonds issued by the authority do not constitute an indebtedness or other liability of the state or of a political subdivision of the state, except the authority, but shall be payable solely from the income and receipts or other funds or property of the authority. The authority may not pledge the faith or credit of the state or of a political subdivision of the state, except the authority, to the payment of a bond and the issuance of a bond by the authority does not directly or indirectly or contingently obligate the state or a political subdivision of the state to apply money from, or levy or pledge any form of taxation whatever to the payment of the bond.

Sec. 44.56.140. PLEDGE OF THE STATE. The state pledges to and agrees with the holders of bonds issued under this chapter and with the federal agency which loans or contributes funds in respect to a project, that the state will not limit or alter the rights and powers vested in the authority by this chapter to fulfill the terms of a contract made by the authority with the holders or federal agency, or in any way impair the rights and remedies of the holders until the bonds, together with the interest on them with interest on unpaid installments of interest, and all costs and expenses in connection with an action or proceeding by or on behalf of the holders, are fully met and discharged. The authority is authorized to include this pledge and agreement of the state, insofar as it refers to holders of bonds of the authority, in a contract with the holders, and insofar as it relates to a federal agency, in a contract with the federal agency.

Sec. 44.56.150. TAX EXEMPTION. All property of the authority is public property devoted to an essential public and governmental function and purpose and is exempt from all taxes of the state or a political subdivision of the state. All bonds issued under this chapter are issued by a body

corporate and public of this state and for an essential public and governmental purpose and the bonds and the interest and income on and from the bonds and all income of the authority are exempt from taxation except for transfer, inheritance and estate taxes.

Sec. 44.56.160. BONDS LEGAL INVESTMENTS FOR FIDUCIARIES. The bonds of the authority are securities in which all public officers and bodies of the state and all municipalities and municipal subdivisions, all insurance companies and associations and other persons carrying on any insurance business, all banks, bankers, trust companies, savings banks, savings associations, including savings and loan associations and building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of the state, may properly and legally invest funds including capital in their control or belonging to them. Notwithstanding any other provisions of law, the bonds of the authority are also securities which may be deposited with and may be received by all public officers and bodies of this state and all municipalities and municipal subdivisions for any purpose for which the deposit of bonds or other obligations of the state is now or may hereafter be authorized.

#### ARTICLE 4. POWER PROJECT REVOLVING FUND.

Sec. 44.56.170. FUND ESTABLISHED. (a) There is established as a separate fund the power project revolving fund which shall be administered by the authority as a trust fund separate and distinct from any other money or funds of the authority.

(b) The authority may make loans from the fund, at such interest rate or rates as it determines, to eligible borrowers to pay the costs of feasibility studies, pre-construction engineering, design and construction of hydroelectric and fossil fuel power projects.

(c) The authority may make loans from the funds, at such interest rates as it determines, to cities, boroughs, village corporations, village councils and nonprofit marketing cooperatives for purposes of constructing, equipping, and the initial filling of fuel storage facilities, and for other energy requirements, including but not limited to electrical utilities, geothermal, solar, hydroelectric, or windpower energy production, or for natural gas line construction.

(d) Repayment of the loans shall be secured in such manner as the authority determines is feasible to assure repayment under a loan agreement entered into with the borrower. Under a loan agreement repayment may be deferred until the project with respect to which a loan is made has achieved earnings from its operations sufficient to pay the loan.

(e) As used in this section an "eligible borrower" is a municipality or public utility as defined in AS 42.05.701(2)(A).

ARTICLE 5. GENERAL PROVISIONS.

Sec. 44.56.180. CONSTRUCTION OF PROJECTS. The authority shall submit a statement outlining the general design, demonstration of financial feasibility, and maximum amount of bonds estimated to be necessary for each new project to the legislature and the commissioner of commerce and economic development, together with a statement that the authority intends to design, acquire and construct the project itself or that it intends that the project be designed, acquired or constructed by the United States or another person under agreement with the authority providing for ownership of all or a portion of the project by the authority or of a right to the capacity of it. If the legislature adopts a joint resolution approving the general design and maximum amount of bonds, the authority shall, in accordance with the terms of the joint resolution, (1) proceed to design, acquire and construct the new project, or (2) agree with the United States or other person for design, acquisition and construction of the project by the United States, for payments to the United States or other person for such design, acquisition and construction, reimbursement by the United States or other person in certain events, and otherwise on the terms and conditions as may be set out in such agreement. If the new project is to be designed, acquired and constructed by the authority, it shall be designed, acquired and constructed as a public work of the state except that public bidding shall not be required, if the authority so determines on projects in excess of \$50,000,000. For the purpose of this section a new project does not include an addition or modification to an existing project if the total cost of the addition or modification does not exceed \$1,000,000, to any repair or reconstruction of a project, or to any design, acquisition or construction necessary to complete a project for which bonds previously authorized by the legislature have been issued. Any such addition, modification, repair, reconstruction, design, acquisition or construction may be undertaken by the authority without any of the approvals necessary for a new project.

Sec. 44.56.190. ANNUAL AUDIT. The authority shall have its financial records audited annually by a certified public accountant. The legislative auditor may prescribe the form and content of the financial records of the authority and shall have access to these records at any time.

Sec. 44.56.200. ANNUAL REPORT. Before March 1 of each year, the authority shall submit to the governor and the legislature a comprehensive report describing operations, income and expenditures for the preceding 12-month period.

Sec. 44.56.210. BUDGET AND APPROPRIATIONS. The authority shall submit its annual budget to the legislature through the governor as provided for state agencies by the Executive Budget Act (AS 37.07). It may expend money directly appropriated by the legislature only as authorized by the legislature.

Sec. 44.56.220. PUBLIC RECORDS; OPEN MEETINGS. The provisions of AS 09.25.110 - 09.25.120 and AS 44.62.310 - 44.62.312 apply to the authority. The authority shall

publish proposed agenda of its meetings and afford the public an opportunity to be heard in accordance with AS 44.-62.312.

Sec. 44.56.230. DEFINITIONS. In this chapter, unless the context requires otherwise,

(1) "authority" means the Alaska Power Authority established by this chapter;

(2) "bonds" means bonds, notes, or other obligations of the authority issued under this chapter;

(3) "power" includes any and all electrical energy generated, distributed, bought or sold for purposes of lighting, heating, power and every other useful purpose;

(4) "power project" or "project" means a plant, works, system, facility, water rights, fuel deposits or sources, and real estate and personal property of any nature whatsoever, together with all facilities and appurtenances related to them or necessary for the purposes of them used or useful in the generation by means of water or fossil fuel of electric power and the production, transmission, purchase, sale, exchange and interchange of electric power, and shall include any interest in them, whether divided or undivided, or any right to the capacity of them.

(5) "public agency" means any city or other municipal corporation, political subdivision, governmental unit, or public corporation created by or under the laws of this state or of another state of the United States, and any state or the United States, and any person, board or other body declared by the laws of any state or the United States to be a department, agency, or instrumentality of them.

Sec. 44.56.240. SHORT TITLE. This chapter may be cited as the Alaska Power Authority Act.

# MEMORANDUM

## State of Alaska

TO:

DEPT. \_\_\_\_\_  
DIV. \_\_\_\_\_  
SEC. \_\_\_\_\_

Legislative Affairs

DATE : May 8, 1978

FROM: Vicki Wilson  
House Finance Committee  
Rm 411 - Phone: 3795/3796

SUBJECT: Finance CS for HB 442

Please include the attached language in the Finance Committee Substitute for HB 442, noting that "concurrent" resolution should be changed to "joint" resolution in each instance.

Thank you.

YOULD AMENDMENT 4-18-78:

~~Page 11,~~

"The requirements of Sec. (e) of this section do not apply to any project which the Authority has determined to finance and in which it will not maintain an ownership interest upon completion and for which the Legislature has adopted a ~~concurrent~~<sup>JOINT</sup> resolution of approval prior to the conclusion of the Tenth Legislature."

Add to:

Section 17, AS 44.56.180 (2)

---

*Rosenstein*

Original sponsor: Rules Committee by  
request of the Governor

Offered: 4/20/78  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 442 (Finance)

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 Power Authority; and  
7 providing for an effective date."

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

9 \* Section 1. AS 44.56.010(a)(2) and (3) are amended to read:

10 (2) the establishment of power projects at these sites is  
11 necessary to supply [LOWER COST] power at the lowest reasonable cost to  
12 the state's municipal electric, rural electric, cooperative electric,  
13 and private electric utilities, and regional electric authorities, and  
14 thereby to the consumers of the state, as well as to supply existing or  
15 future industrial needs;

16 (3) the achievement of the goals of lowest reasonable [LOWER]  
17 consumer power costs and beneficial long-term economic growth and of  
18 establishing, operating and developing power projects in the state will  
19 be accelerated and facilitated by the creation of an instrumentality of  
20 the state with powers to construct, acquire, finance, and [INCUR DEBT  
21 FOR CONSTRUCTING, AND WITH POWERS TO] operate[,] power projects.

22 \* Sec. 2. AS 44.56.030 is repealed and re-enacted to read:

23 Sec. 44.56.030. MEMBERSHIP OF THE AUTHORITY. (a) The authority  
24 shall consist of the following directors:

25 (1) four directors at large to be appointed by the governor  
26 and confirmed by the legislature;

27 (2) the commissioner of commerce and economic development.

28 (b) The commissioners of community and regional affairs, natural  
resources, transportation and public facilities, and revenue shall have

COMMITTEE COPY

1 the rights and privileges of directors except for the right to vote and  
2 may not be considered for purposes of quorum or voting.

3 \* Sec. 3. AS 44.56.040 is amended to read:

4 Sec. 44.56.040. OFFICERS AND QUORUM. The directors shall elect  
5 one of the directors at large [PUBLIC MEMBERS] as chairman and other  
6 officers they determine desirable. The powers of the authority are  
7 vested in the directors, and three directors of the authority constitute  
8 a quorum. Action may be taken and motions and resolutions adopted by  
9 the authority at a meeting by the affirmative vote of at least three  
10 directors. The directors of the authority serve without compensation,  
11 but they shall receive the same travel pay and per diem as provided by  
12 law for board members.

13 \* Sec. 4. AS 44.56 is amended by adding a new section to read:

14 Sec. 44.56.045. QUALIFICATIONS, POWERS, AND DUTIES OF OFFICERS AND  
15 DIRECTORS. (a) The directors at large must be residents and qualified  
16 voters of Alaska and shall comply with the requirements of AS 39.50  
17 (conflict of interests). The directors at large shall serve four-year  
18 terms. The four original directors at large have terms of one, two,  
19 three, and four years, respectively.

20 (b) A vacancy in a directorship occurring other than by expiration  
21 of a term shall be filled in the same manner as the original appoint-  
22 ment, but for the unexpired portion of the term only.

23 (c) The authority shall employ an executive director who may, with  
24 the approval of the authority, employ additional staff as necessary. In  
25 addition to its staff of regular employees, the authority may contract  
26 for and engage the services of legal and bond counsel, consultants,  
27 experts, and financial and technical advisors the authority considers  
28 necessary for the purpose of conducting studies, investigations, hear-  
29 ings, or other proceedings. The board of directors shall establish the

1 compensation of the executive director. The executive director and  
2 other personnel of the authority are exempt from the provisions of AS  
3 39.25.

4 \* Sec. 5. AS 44.56.070 is amended to read:

5 Sec. 44.56.070. PURPOSE OF THE AUTHORITY. The purpose of the  
6 authority is to promote, develop and advance the general prosperity and  
7 economic welfare of the people of Alaska by providing a means of con-  
8 structing, acquiring, financing and operating power production facil-  
9 ities limited to fossil fuel, wind power, tidal, geothermal, hydro-  
10 electric, or solar energy production and waste energy conservation  
11 facilities [HYDROELECTRIC AND FOSSIL FUEL GENERATING PROJECTS].

12 \* Sec. 6. AS 44.56.080(5) is amended to read:

13 (5) to acquire, whether by construction, purchase, gift or  
14 lease, and to improve, equip, [AND] operate, and maintain power pro-  
15 jects;

16 \* Sec. 7. AS 44.56.080(6) is amended to read:

17 (6) to issue bonds to carry out any of its corporate purposes  
18 and powers, including the acquisition or construction of a project to be  
19 owned or leased, as lessor or lessee, by the authority, or by another  
20 person, or the acquisition of any interest in a project [IT] or any  
21 right to capacity of a project [IT], the establishment or increase of  
22 reserves to secure or to pay the bonds or interest on them, and the  
23 payment of all other costs or expenses of the authority incident to and  
24 necessary or convenient to carry out its corporate purposes and powers;

25 \* Sec. 8. AS 44.56.080(8) is amended to read:

26 (8) to accept gifts, grants or loans from, and enter into  
27 contracts or other transactions regarding them, with any person [A  
28 FEDERAL AGENCY OR AN AGENCY OR INSTRUMENTALITY OF THE STATE, MUNICI-  
29 PALITY, PRIVATE ORGANIZATION OR OTHER SOURCE];

1 \* Sec. 9. AS 44.56.030(10) is amended to read:

2 (10) to enter into contracts with the United States or any  
3 person and, subject to the laws of the United States and subject to  
4 concurrence of the legislature, with a foreign country or its agencies,  
5 for the financing, construction, acquisition, operation and maintenance  
6 of all or any part of a power project, either inside or outside the  
7 state, and for the sale or transmission of power from a project or any  
8 right to the capacity of it or for the security of any bonds of the  
9 authority issued or to be issued for the project;

10 \* Sec. 10. AS 44.56.030(11) is amended to read:

11 (11) to enter into contracts [FOR THE PURCHASE, SALE, EX-  
12 CHANGE, TRANSMISSION, OR USE OF POWER GENERATED BY A PROJECT, OR ANY  
13 RIGHT TO THE CAPACITY OF IT] with any person and with the United States,  
14 and, subject to the laws of the United States and subject to the con-  
15 currence of the legislature, with a foreign country or its agencies for  
16 the purchase, sale, exchange, transmission, or use of power from a  
17 project, or any right to the capacity of it;

18 \* Sec. 11. AS 44.56.080(13) is amended to read:

19 (13) to perform feasibility studies with respect to [HY-  
20 DROELECTRICAL AND FOSSIL FUEL] power [GENERATING] projects;

21 \* Sec. 12. AS 44.56.090 is repealed and re-enacted to read:

22 Sec. 44.56.090. POWER CONTRACTS AND THE ALASKA PUBLIC UTILITIES  
23 COMMISSION. (a) The authority shall, in addition to the other methods  
24 which it may find advantageous, provide a method by which municipal  
25 electric, rural electric, cooperative electric, or private electric  
26 utilities and regional electric authorities, or other persons authorized  
27 by law to engage in the distribution of electricity may secure a  
28 reasonable share of the power generated by a project, or any interest in  
29 a project, or for any right to the power and shall sell the power or

1 cause the power to be sold at the lowest reasonable prices which cover  
2 the full cost of the electricity or services, including capital and  
3 operating costs, debt coverage as considered appropriate by the autho-  
4 rity, and other charges that may be authorized by this chapter. A  
5 contract for the sale, transmission and distribution of power generated  
6 by a project or any right to the capacity of it shall provide for full  
7 and complete disclosure to the authority of all factors of cost in the  
8 transmission and distribution of power.

9 (b) The authority is not subject to the jurisdiction of the Alaska  
10 Public Utilities Commission. Nothing in this chapter grants the autho-  
11 rity any jurisdiction over the services or rates of any public utility  
12 or diminishes or otherwise alters the jurisdiction of the Alaska Public  
13 Utilities Commission with respect to any public utility, including any  
14 right the commission may have to review and approve or disapprove con-  
15 tracts for the purchase of electricity by a public utility.

16 \* Sec. 13. AS 44.56.110(a)(1) is amended to read:

17 (1) make and enter into any and all the covenants and agree-  
18 ments with the trustee or the holders of the bonds which the authority  
19 may determine to be necessary or desirable, including, without limita-  
20 tion, covenants, provisions, limitations and agreements as to

21 (A) the application, investment, deposit, use and dis-  
22 position of the proceeds of bonds of the authority or of money or  
23 other property of the authority or in which it has an interest;

24 (L) the fixing and collection of rentals, charges, fees  
25 or other consideration for, and the other terms to be incorporated  
26 in, contracts with respect to a project or to generated power;

27 (C) the assignment by the authority of its rights in  
28 contracts with respect to a project or to generated power or in a  
29 mortgage or other security interest created with respect to a

1 project or generated power to a trustee for the benefit of bond-  
2 holders;

3 (D) the terms and conditions upon which additional bonds  
4 of the authority may be issued;

5 (E) the vesting <sup>in</sup> a trustee of rights, powers, duties,  
6 funds or property in trust for the benefit of bondholders, in-  
7 cluding, without limitation, the right to enforce payment, perfor-  
8 mance, and all other rights of the authority or of the bondholders,  
9 under a lease, power of contract, contract of sale, mortgage,  
10 security agreement, or trust agreement with respect to a project by  
11 injunction [MANDAMUS] or other proceeding or by taking possession  
12 of by agent or otherwise and operating a project and collecting  
13 rents or other consideration and applying the same in accordance  
14 with the trust agreement;

15 \* Sec. 14. AS 44.56.110(d) is amended to read:

16 (d) If the authority decides to issue bonds secured by such a  
17 capital reserve fund, the bonds may not be issued if the amount in the  
18 capital reserve fund is less than such an amount [A PER CENT, NOT EX-  
19 CEEDING 10 PERCENT OF THE PRINCIPAL AMOUNT OF ALL OF THOSE BONDS SE-  
20 CURED BY THAT CAPITAL RESERVE FUND THEN TO BE ISSUED AND THEN OUT-  
21 STANDING IN ACCORDANCE WITH THEIR TERMS,] as may be established by  
22 resolution of the authority (called the "capital reserve fund require-  
23 ment"), unless the authority, at the time of issuance of the obliga-  
24 tions, deposits in the capital reserve fund from the proceeds of the  
25 obligations to be issued or from other sources, an amount which, to-  
26 gether with the amount then in the fund, will not be less than the  
27 capital reserve fund requirement.

28 \* Sec. 15. AS 44.56.150 is amended to read:

29 Sec. 44.56.150. TAX EXEMPTION. All property of the authority is

1 public property devoted to an essential public and governmental function  
2 and purpose and is exempt from all taxes of the state or a political  
3 subdivision of the state; however, the authority may make payments in  
4 place of taxes in amounts equal to the real and personal property taxes  
5 which would be assessed on its real and personal property by each poli-  
6 tical subdivision in which its property is located to the same extent as  
7 if that property were private property and the authority were a non-  
8 public corporation. All bonds issued under this chapter are issued by a  
9 body corporate and public of this state and for an essential public and  
10 governmental purpose and the bonds and the interest and income on and  
11 from the bonds and all income of the authority are exempt from taxation  
12 except for transfer, inheritance and estate taxes.

13 \* Sec. 16. AS 44.56.170 is repealed and re-enacted to read:

14 Sec. 44.56.170. FUND ESTABLISHED; LOANS. (a) There is estab-  
15 lished as a separate fund the power project revolving fund which shall  
16 be administered by the authority as a trust fund separate and distinct  
17 from any other money or funds of the authority, and which shall be com-  
18 posed of appropriated funds and interest earned on loans by the fund.

19 (b) The authority may make loans from the fund to electric utili-  
20 ties, regional electric authorities, cities, boroughs, regional and  
21 village corporations, village councils, and nonprofit marketing coopera-  
22 tives to pay the costs of

23 (1) feasibility studies, preconstruction engineering, and  
24 design of any power projects;

25 (2) constructing, equipping, modifying, and expanding small-  
26 scale power production facilities or conservation facilities, limited to  
27 fossil fuel, wind power, tidal, geothermal, hydroelectric, or solar  
28 energy production and waste energy conservation facilities; and

29 (3) feasibility studies, preconstruction engineering, design,

1 construction, equipping, modification, and expansion of potable water  
2 supply including surface storage and groundwater sources and transmis-  
3 sion of water from surface storage to existing distribution systems.

4 (c) Before making any loans, except loans made under (f) of this  
5 section, from the power project revolving fund, the authority shall by  
6 regulation specify the standards for those loans with respect to the  
7 following:

8 (1) criteria regarding the eligibility of borrowers and of  
9 types of projects;

10 (2) standards regarding the technical and economic viability  
11 and revenue self-sufficiency of eligible projects;

12 (3) interest rates and other terms and conditions, and col-  
13 lateral or any other security required for loans; and

14 (4) other relevant criteria, standards, or procedures.

15 (d) Any loan made by the authority must be made according to the  
16 standards, criteria, and procedures established by regulation under this  
17 section.

18 (e) Repayment of the loans shall be secured in such manner as the  
19 authority determines is feasible to assure repayment under a loan agree-  
20 ment entered into with the borrower. Under a loan agreement, repayment  
21 may be deferred until the project for which a loan is made has achieved  
22 earnings from its operations sufficient to pay the loan.

23 (f) Projects for which loans are outstanding from the water re-  
24 sources revolving loan fund (AS 45.86) on the effective date of this Act  
25 may receive additional funding from the power project revolving loan  
26 fund for a term not exceeding 50 years and at an interest rate of not  
27 less than three nor more than five per cent per year on the unpaid  
28 balance. Repayment of loan principal and interest shall commence on the  
29 date of commercial operation of the project funded by the loan or 10

1 years from the date the loan is granted, whichever is earlier.

2 \* Sec. 17. AS 44.56.180 is amended to read:

3 Sec. 44.56.130. ASSESSMENT, PROPOSAL, AND CONSTRUCTION OF PRO-  
4 JECTS. (a) The authority shall, for each new project, determine the  
5 most appropriate means by which to finance a project which may include,  
6 but is not limited to,

7 (1) the issuance of revenue bonds;

8 (2) a guarantee of indebtedness by the Alaska Permanent Fund  
9 Corporation in accordance with AS 37.13.200;

10 (3) an appropriation from the general fund; or

11 (4) any combination of (1), (2), and (3) of this subsection.

12 (b) Upon completion of the reconnaissance study, the authority  
13 shall submit to the governor and the legislature a statement of its  
14 recommendations for financing each new project. The financing plan may  
15 include a recommendation for a guarantee of indebtedness or a general  
16 fund appropriation only when necessary to supplement private financing  
17 in order to make a project financially feasible. If the recommended  
18 financing for the project includes a guarantee of indebtedness by the  
19 permanent fund or an appropriation from the general fund, the legisla-  
20 ture must first give its approval by concurrent resolution before the  
21 authority may proceed with the engineering or design phase of the pro-  
22 ject. The legislative approval required in this subsection may not be  
23 considered the approval required under AS 37.13.230 for granting of a  
24 permanent fund guarantee.

25 (c) The authority shall submit a statement outlining the general  
26 design, demonstration of financial feasibility, and maximum amount of  
27 bonds and appropriations estimated to be necessary for each new project  
28 for which the maximum estimated total cost is \$50,000,000 or greater to  
29 the governor and the legislature [AND THE COMMISSIONER OF COMMERCE AND

1 ECONOMIC DEVELOPMENT], together with a statement that the authority  
2 intends to design, acquire, [AND] construct or finance the project  
3 itself or that it intends that the project be designed, acquired, [OR]  
4 constructed or financed by the United States or another person under  
5 agreement with the authority which may provide [PROVIDING] for ownership  
6 of all or a portion of the project by the authority or of a right to the  
7 capacity of it. If the legislature adopts a concurrent [JOINT] reso-  
8 lution approving the general design and maximum amount of bonds, the  
9 authority shall, in accordance with the terms of the concurrent [JOINT]  
10 resolution, (1) proceed to design, acquire and construct the new pro-  
11 ject, or (2) agree with the United States or other person for design,  
12 acquisition and construction of the project by the United States, for  
13 payments to the United States or other person for such design, acqui-  
14 sition and construction, reimbursement by the United States or other  
15 person in certain events, and otherwise on the terms and conditions as  
16 may be set out in such agreement.

17 (d) If the new project is to be designed, acquired and constructed  
18 by the authority, it shall be designed, acquired and constructed as a  
19 public work of the state [EXCEPT THAT PUBLIC BIDDING SHALL NOT BE RE-  
20 QUIRED, IF THE AUTHORITY SO DETERMINES ON PROJECTS IN EXCESS OF  
21 \$50,000,000]. For the purpose of this section a new project does not  
22 include (1) an addition or modification to an existing project if the  
23 total cost of the addition or modification does not exceed \$1,000,000;  
24 (2) [, TO] any repair or reconstruction of a project; [,] or (3) [TO]  
25 any design, acquisition or construction necessary to complete a project  
26 for which bonds previously authorized by the legislature have been  
27 issued. Any such addition, modification, repair, reconstruction, de-  
28 sign, acquisition or construction may be undertaken by the authority  
29 without any of the approvals necessary for a new project.

1 \* Sec. 18. AS 44.56.180 is amended by adding a new subsection to read:

2 (e) Any power project proposal requiring approval by the legis-  
3 lature under this chapter, except on projects with a complete reconnais-  
4 sance study on the effective date of this Act, together with supporting  
5 data, analyses, and findings of the authority, shall be submitted to the  
6 governor for review. The governor shall make an evaluation of the  
7 proposal which shall include, but not be limited to, an analysis of the  
8 balance of benefits and costs to Alaska, including environmental and  
9 social costs, and the ability of the project to generate sufficient  
10 revenues to be self-supporting. The governor shall submit the results  
11 of the evaluation, his recommendations, if any, and a statement as to  
12 whether the project is consistent with the long-term plan to the legis-  
13 lature.

14 \* Sec. 19. AS 44.56.210 is repealed and re-enacted to read:

15 Sec. 44.56.210. APPROPRIATIONS AND REPORTS. (a) Notwithstanding  
16 any other provision in this chapter, the authority is subject to the  
17 provisions of the Executive Budget Act (AS 37.07).

18 (b) The authority shall, by the 15th day of each regular legis-  
19 lative session, present to the legislature a report detailing project  
20 status, original costs and projected costs, particularly highlighting  
21 any costs in excess of the original cost estimates submitted for each  
22 project when that project was originally approved by the legislature.

23 \* Sec. 20. AS 44.56 is amended by adding a new section to read:

24 Sec. 44.56.224. LONG-TERM PLAN. The Department of Commerce and  
25 Economic Development, assisted by the authority, shall prepare, after  
26 public hearings, and, as appropriate, revise a long-term electrical  
27 power development plan for meeting projected electrical energy demand in  
28 Alaska at the lowest reasonable cost, including environmental and social  
costs, consistent with acceptable standards of reliability. The plan

1 must include, but is not limited to, considerations specified in sec.  
2 180(e) of this chapter. The plan and any revision of it shall be sub-  
3 mitted to the governor for his approval and shall be reviewed by all  
4 appropriate state agencies. After approval by the governor the plan  
5 shall be submitted to the legislature.

6 \* Sec. 21. AS 44.56.230(4) is amended to read:

7 (4) "power project" or "project" means a plant, works, sys-  
8 tem, facility, water rights, fuel deposits or sources, and real estate  
9 and personal property of any nature whatsoever, together with all faci-  
10 lities and appurtenances related to them or necessary for the purposes  
11 of them used or useful in power production limited to fossil fuel, wind  
12 power, tidal, geothermal, hydroelectric, or solar energy production and  
13 waste energy conservation [THE GENERATION BY MEANS OF WATER OR FOSSIL  
14 FUEL OF ELECTRIC POWER] and the [PRODUCTION,] transmission, purchase,  
15 sale, exchange and interchange of [ELECTRIC] power, and shall include  
16 any interest in them, whether divided or undivided, or any right to the  
17 capacity of them; [.]

18 \* Sec. 22. AS 44.56.230 is amended by adding new paragraphs to read:

19 (6) "person" includes a public agency in addition to the en-  
20 tities set out in AS 01.10.060(7);

21 (7) "reconnaissance study" means a study conducted for the  
22 purpose of establishing, with reasonable certainty, the economic merit  
23 of developing a certain project and includes, without relying on costly  
24 data collection, an environmental assessment so as to insure that no  
25 adverse environmental impacts exist of such magnitude as to render the  
26 project inadvisable, an assessment of a community's present economy and  
27 power needs, an estimate of the community's future economy and power  
28 needs, a determination of alternative energy costs, and an estimate of  
the project cost.

1 \* Sec. 23. AS 44.56.050 is repealed.

2 \* Sec. 24. The requirements of AS 44.56.180(e), enacted in sec. 18 of  
3 this Act, do not apply to any project which the authority has determined to  
4 finance and in which it will not maintain an ownership interest upon comple-  
5 tion and for which the Tenth Legislature has adopted a concurrent resolution  
6 of approval.

7 \* Sec. 25. This Act takes effect immediately in accordance with AS 01.-  
8 10.070(c).

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STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

March 8, 1978

The Honorable Steve Cowper  
Chairman, House Finance Committee  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Dear Representative Cowper:

During the last legislative session, I introduced a package of amendments (House Bill 442) to the Alaska Power Authority Act. These amendments were designed to improve the Authority in two ways -- through increased public accountability and breadth of input; and, through technical changes which would enhance efficiency. I would like to reiterate my strong support for these concepts as embodied in the amendments.

Since the introduction of those amendments, I have appointed the members of the Board of Directors of the Alaska Power Authority, an executive director has been hired, and financial advisors have been retained. Now that the Authority is operational, some additional changes have been suggested and are being submitted for your consideration. These changes are attached.

Since both the original amendments and the attached changes are extensive, I would like to list here those changes which Mr. Robert Ward, Chairman of the Board of Directors, and I feel to be the most crucial to the efficient and appropriate functioning of the Authority.

1. Financing. (CSHB 442--Sections 1, 6, 7; Attachment 2--numbers 8-11.) These amendments clarify the ability of the Authority to finance power development projects for other entities, as well as to construct and own such projects itself. This clarification appears clearly consistent with legislative intent.

The Honorable Steve Cowper

March 8, 1978

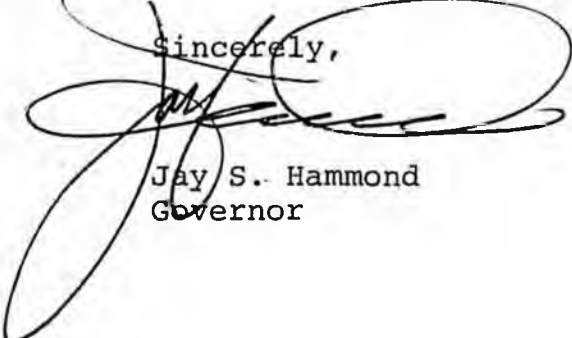
Page 2

2. Review and Findings. (CSHB 442--Sections 15, 17; Attachment 2--numbers 19-28.) Under this section, the executive branch is required to carefully evaluate Authority projects and transmit findings of fact to the Legislature concerning the full range of project costs and benefits. This process will provide the legislature and the public with an information base from which to begin their deliberations. The review will assure that all relevant state agencies will become informed and involved in project evaluation at an early date in the process. Through the coordinated response, all concerns can be addressed in a timely and thorough fashion, thus avoiding potentially costly delays later on.
3. APUC/APA. (CSHB 442--Section 9(b).) This amendment seeks to clarify the role of the Alaska Power Authority vis-a-vis the Alaska Public Utilities Commission. Under this section, the APA is not subject to jurisdiction of the APUC, nor does the APA alter or diminish the APUC jurisdiction with respect to any public utility.
4. Financial Accountability and Self-Supporting Projects. (CSHB 442--Sections 4, 16, 18; Attachment 2--numbers 7, 29, 30.) These sections clarify that the Authority is subject to the Executive Budget Act, that each project must be self-supporting, and that the legislature will receive annual reports regarding the status of projects and the occurrence of cost overruns. If a project is to be subsidized (i.e., is not economically feasible), such a public policy question should be addressed by the legislature on a project by project basis.

The amendments covering these four important areas are enclosed as Attachment 1. The second attachment details all suggested changes to the Commerce Committee Substitute to HB 442 which the committee may wish to consider.

Thank you for your consideration of these amendments. My staff will be glad to answer whatever questions your committee may raise regarding this issue.

Sincerely,



Jay S. Hammond  
Governor

Attachments

116 442

April 6, 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. 15 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 amending several provisions of the Alaska Power Authority Act. When I signed the Act (last legislature's SCS CSUB 779 am S, which became ch. 278 SLA 1976) I mentioned in my June 30, 1976 letter returning the Act to the legislature that I had serious reservations regarding the Act. The amendments proposed in the attached bill seek to achieve two major objectives: an increase in the public accountability and breadth of input to the authority, and an increase in the authority's ability to function in a business-like and efficient manner. A brief section-by-section analysis follows:

Section 1. This section amends AS 44.56.010(a)(3) to conform the legislative findings to the legislative statement of the purpose of the authority in AS 44.56.-070.

Sections 2 and 3. These amendments expand the board to include four ex officio and non-voting members, and provide that a chairman is to be appointed by the governor. The purpose of this change is to expand the representativeness and breadth of perspectives on the board.

Sections 4 and 9. As it stands, the present law excludes all power-generating technologies except fossil fuel and hydroelectric technologies. Those amendments are offered to allow the market and the technical experts to determine which technologies are best suited for meeting Alaska's power needs.