

LEG. FINANCE - BILLS 1979 - 1980 1059

HB 185 cont. thru HB 190

Alaska's Cultural Facilities Project

The Alaskan Cultural Facilities* project is a grass root development project which reflects a basic need of many Alaskan residents for gathering places to celebrate their lives together whether these places be heritage centers, art galleries, theatres or concert halls.

This need was identified in state wide hearings conducted by the Alaska State Arts Council in 1974. Communities in all areas of the state expressed their crucial need for meeting places.

A direct result of these hearings was the formation of a state committee. This committee developed the concepts and found funding for a Theatre Development Project, a unique experiment in a community arts planning. An appropriation of \$68,000 from the Alaska Legislature, \$10,000 grant from the National Endowment For The Arts, and \$5,000 from each participating municipality was secured. This funding allowed communities to hire consultants and technicians to implement the planning process. For the most part, communities used the services of Eldon Elder Associates, Inc. 27 West 67 Street, New York, New York 10023. Subsequent funding from the Alaska Legislature has enabled detailed planning in thirteen communities.

The plans developed for each community are available under separate cover. A typical report of the planning and research in each community included the following:

- History of the Project
- Community Characteristics
- Plan Development
- Cost of Project
- Site Selection
- Recommendation for Future Actions

At the present time the Cultural Facilities Development Committee is composed of thirteen representatives who have been appointed by their local government to represent their communities in planning and policy development in this statewide project.

*DEFINITION: For the purposes of the Cultural Facilities Development Committee, a "cultural facility" means a structure or complex, the principal purpose of which is to serve the visual and performing arts, including but not limited to a theatre, concert hall or gallery, or to serve as the repository of the historical or contemporary heritage of the community and its people, and which also may be used secondarily for such compatible activities as those related to education, meetings, and visitors."

The schematics and drawings shown in this booklet are samples. Complete sets of drawings are available in the central office or can be obtained by contacting the local representative to the committee.

MEMBERSHIP IN
CULTURAL FACILITIES DEVELOPMENT
COMMITTEE

A. Participation and membership in the CFDC statewide effort to construct Alaskan Cultural Facilities is open to all communities. However, to be an active voting member the following preliminary work should be completed.

1. A current, updated comprehensive report of facility planning conducted by a qualified theater/museum consultant.
2. Summary statement of the facility: purposes for which it will be used; why it is needed; what benefits will accrue to the community; how maintenance, staffing and programming for the facility will be financed.
3. Summary of physical layout: space allocations, dimensions and schematic drawings, if possible.
4. Site acquisition: a copy of written agreements where applicable.
5. Updated cost breakdown: architects and engineer's fees, equipment, parking, inflation (1979-1980 construction target dates), 1% construction cost for art works.
6. Current official letter or resolution from municipality to show municipality's willingness to administer funds for construction and management of facility.
7. Payment of assessed membership costs.
8. Pledge a firm commitment by continued participation in the statewide project before and after funding and for a period of at least 10 years.

B. CFDC is the coordinating agency for information, data gathering, provides pre-planning assistance, reviews construction plans and costs and projected operating costs.

C. Membership costs will be assessed annually by the voting members of the committee. Annual active voting membership will include paying a fee as designated. Associate non-voting memberships are open to any interested community. An associates communication fee of \$25.00 will be required.

Cultural Facilities Development Committee

President
ALLAN P. GREGG
Box 1078
Wrangell, Alaska 99929
Phone: 874-3570

State Coordinator
SHIRLEY G. REDIGER
340 N. Franklin
Juneau, Alaska 99801
Phone 586-1554 - Juneau

Contact Persons

Anchorage Betzi Woodman
117 E. Cook Avenue
Anchorage, Ak. 99401
277-0764

Carol Derfner
Anchorage Arts Council
402 W. 3rd Ave.
Suite 7
Anchorage, Ak. 99501

Angoon Mary Levan
P.O. Box 189
Angoon, Ak. 99820

Cordova Chris Putnam
P.O. Box 518
Cordova, AK. 99574
Home Phone: 424-7369
Office Phone: 424-7318

Dillingham Lois Hermansen
P.O. Box 191
Dillingham, Ak. 99576
Office Phone 842-5211

Haines..... Lee Heinmiller
P.O. Box 271
Haines, Ak. 99827
766-2162 or 766-2160

Hydaburg Mayor Robert Sanderson
Hydaburg, Ak.
285-3608

Juneau Jane Stewart
925 Calhoun
Juneau, Ak. 99801
Home Phone: 586-1220

Ketchikan Jack Shay
P.O. Box 3159
Ketchikan, Ak. 99901
225-3181

Kodiak Fred Gaffney
Box 2625
Kodiak, Ak.

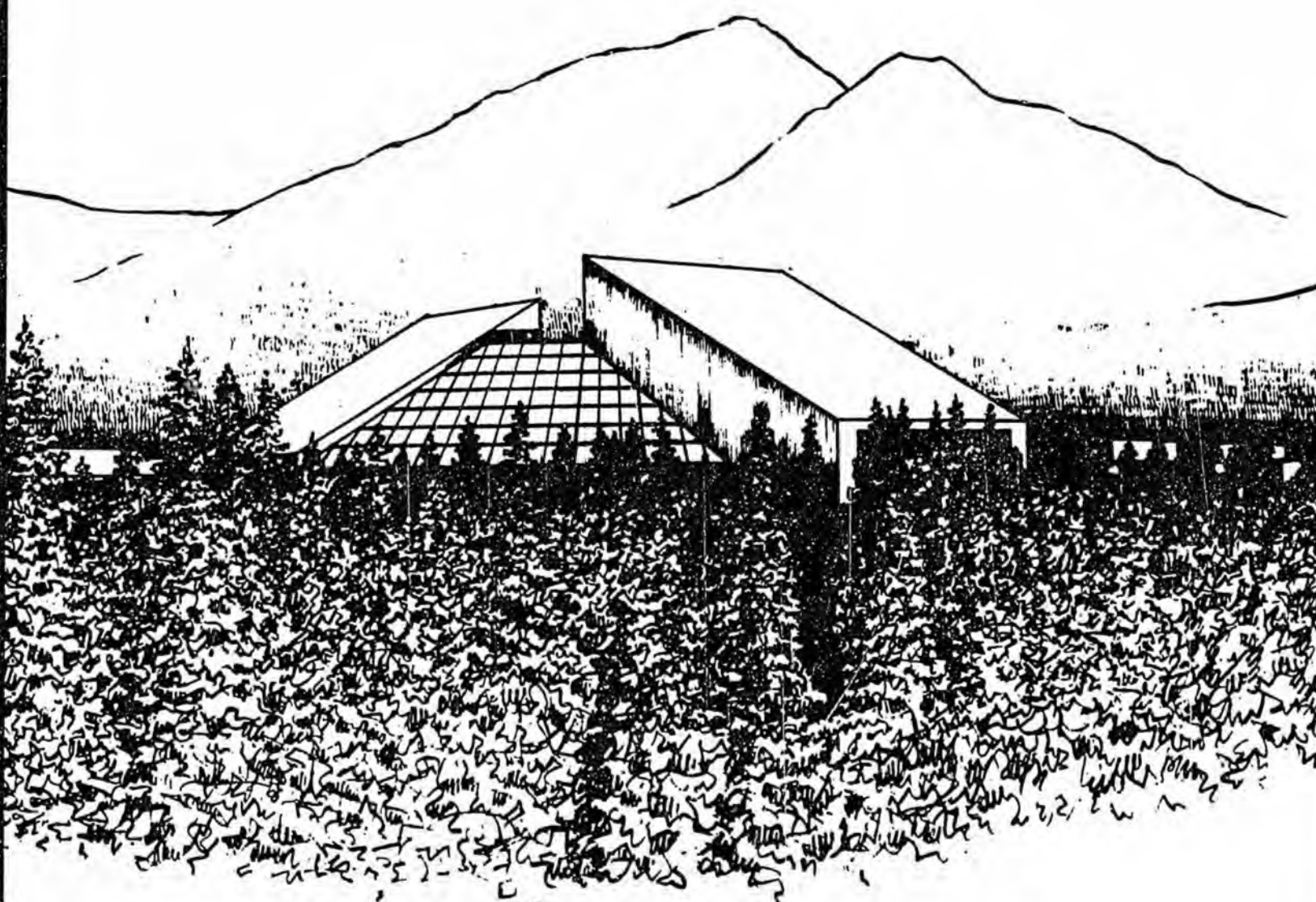
Dr. R. Holmes Johnson
Box 1727
Kodiak, Alaska 99615
485-3237

Naknek Anita Erickson
Box 136
Naknek, Ak. 99633
268-4280

Petersburg Syd Wright
Petersburg High School
P.O. Box 289
Petersburg, Ak. 99833
772-4434

Sitka Jan Craddick
P.O. Box 678
Sitka, Ak. 99835
747-8581

Skagway Charlotte Irwin
P.O. Box 106
Skagway, Ak. 99840
Phone: 983-2326



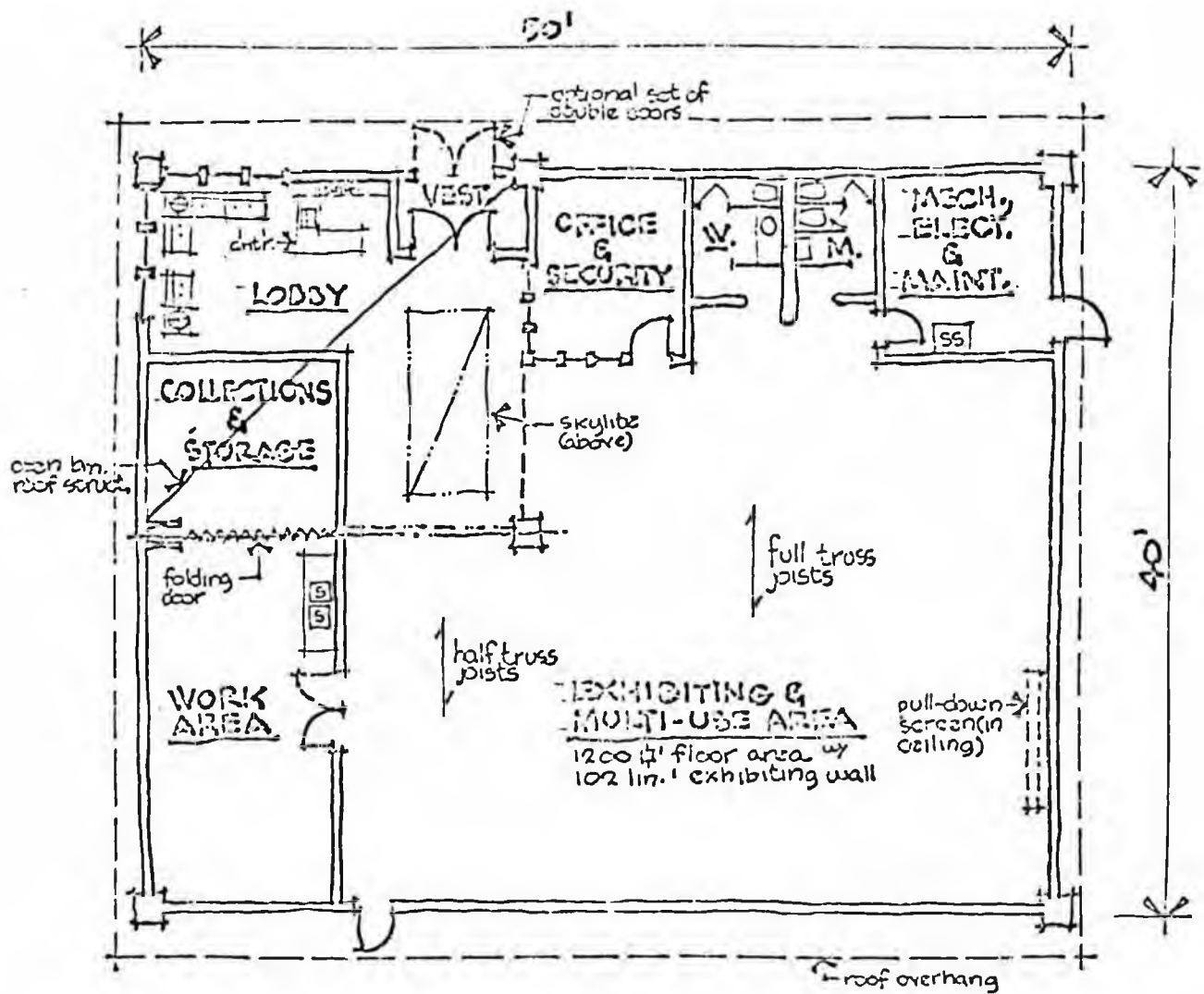
Anchorage

Anchorage is proposing a Cultural/Civic Center which will not only serve the residents of Anchorage but be a center for cultural activities for visitors to the state. Anchorage is privileged to have a large number of gifted artists and performing art groups. The present existing facilities come under increasing scheduling conflicts or have become technically outmoded. Currently, several previous plans are under review by city administrators.

The concepts developed by the BiCentennial Commission and later enlarged by the Breakthrough Committee provided for:

- 2500 – 3000 Seat Concert Hall
- 600 – 800 Seat Drama Theatre
- 200 – 250 Seat Studio Theatre
- Rehearsal Spaces
- Production Spaces (shop, costumes, etc.)
- Visual Arts Spaces

The projected cost is \$25 million.



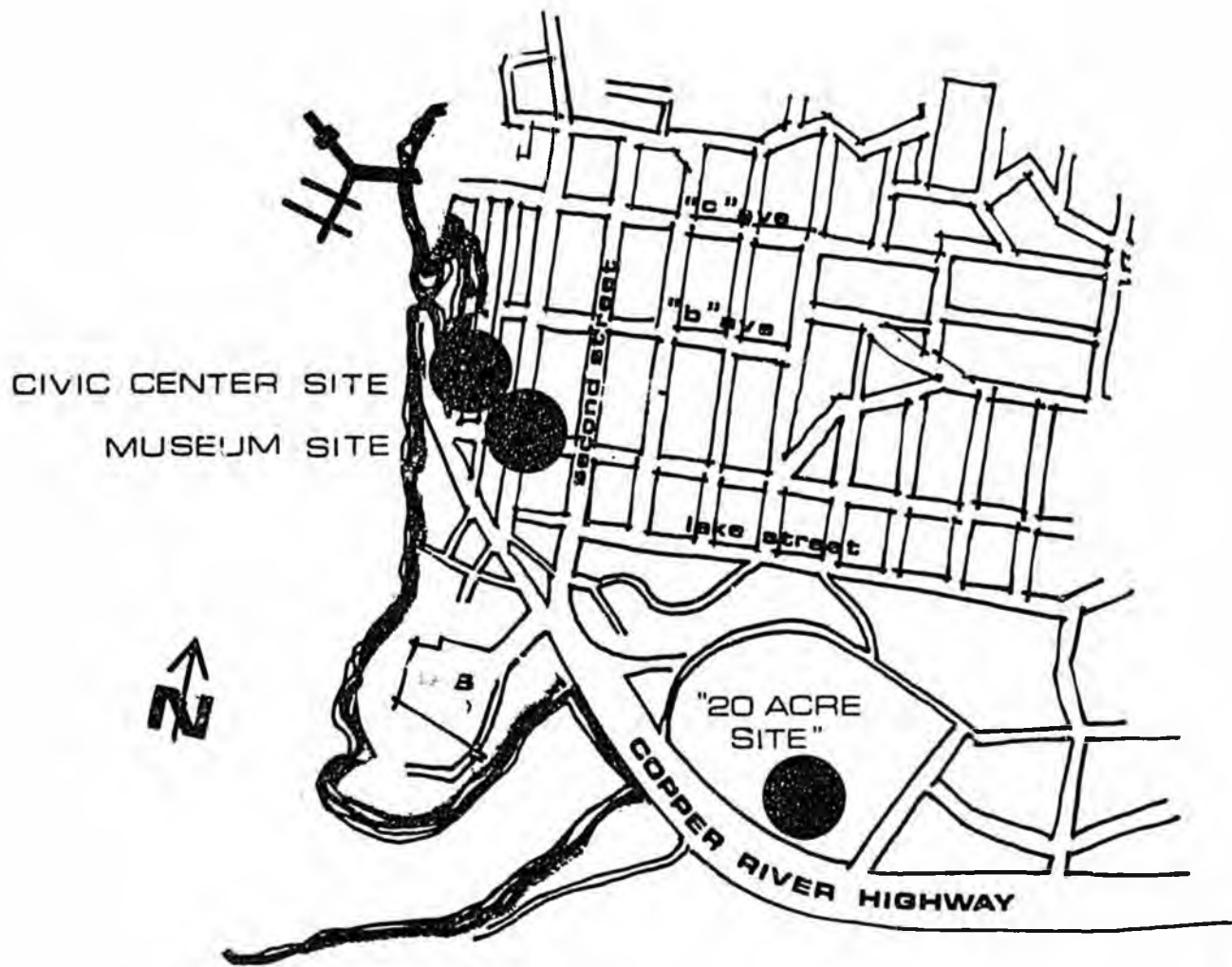
ANGOON PERFORMING ARTS CENTER FLOOR PLAN

ANGOON:

This cultural facility will be called the Living Museum. Its primary purpose will be to serve as a museum for the artifacts owned by the community.

The building will be fireproof which will maximize the security of the art objects. Local clans and individuals may deposit their artifacts in this facility for safe keeping and may check them out to use for dancing, pay-off parties or other Indian activities. Another facet of the proposed facility will be space and equipment which can be used for cultural arts activities, particularly, Tlingit dancing, movies, speakers, lectures and so on. It is felt that this building will be a great asset in developing tourism.

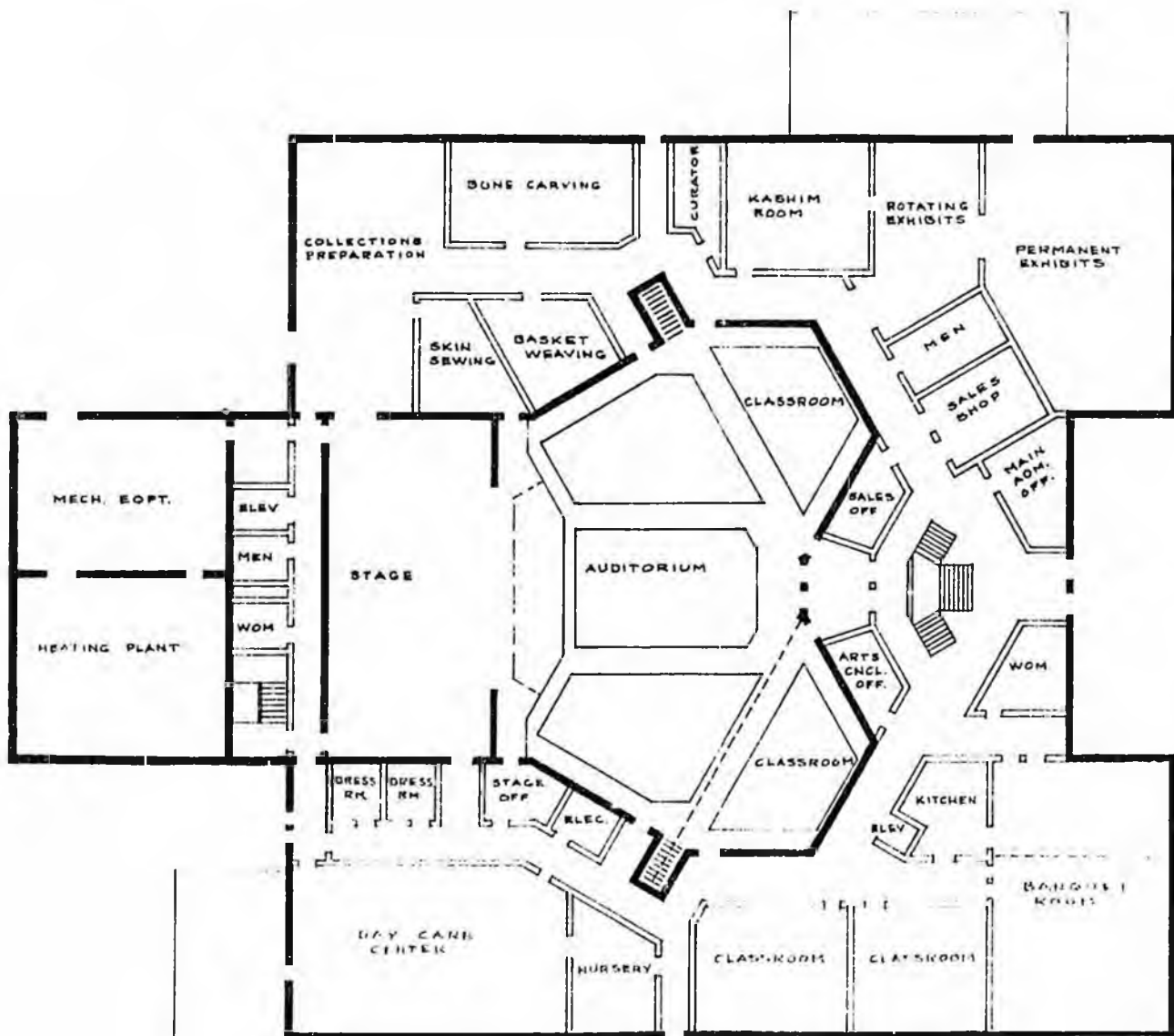
The building is 2,000 square feet of space and will cost \$500,000. City land will be used and the City will own the facility.



Proposed sites for Arts and Humanities Center

Cordova:

The proposed building in Cordova . . . The Cordova Arts and Humanities Center, is conceived as a facility available for use by schools, the community, and outside groups for performances and other purposes. The primary use of the building will be a 350 seat theater with a secondary use as an Arts and Crafts School and show area. The lack of properly a designed and equipped focal center for arts and community program is a deterrent to expansion of cultural activities. None of the existing spaces currently used for performances is a theatre. Cost of the facility is \$3,420,000.

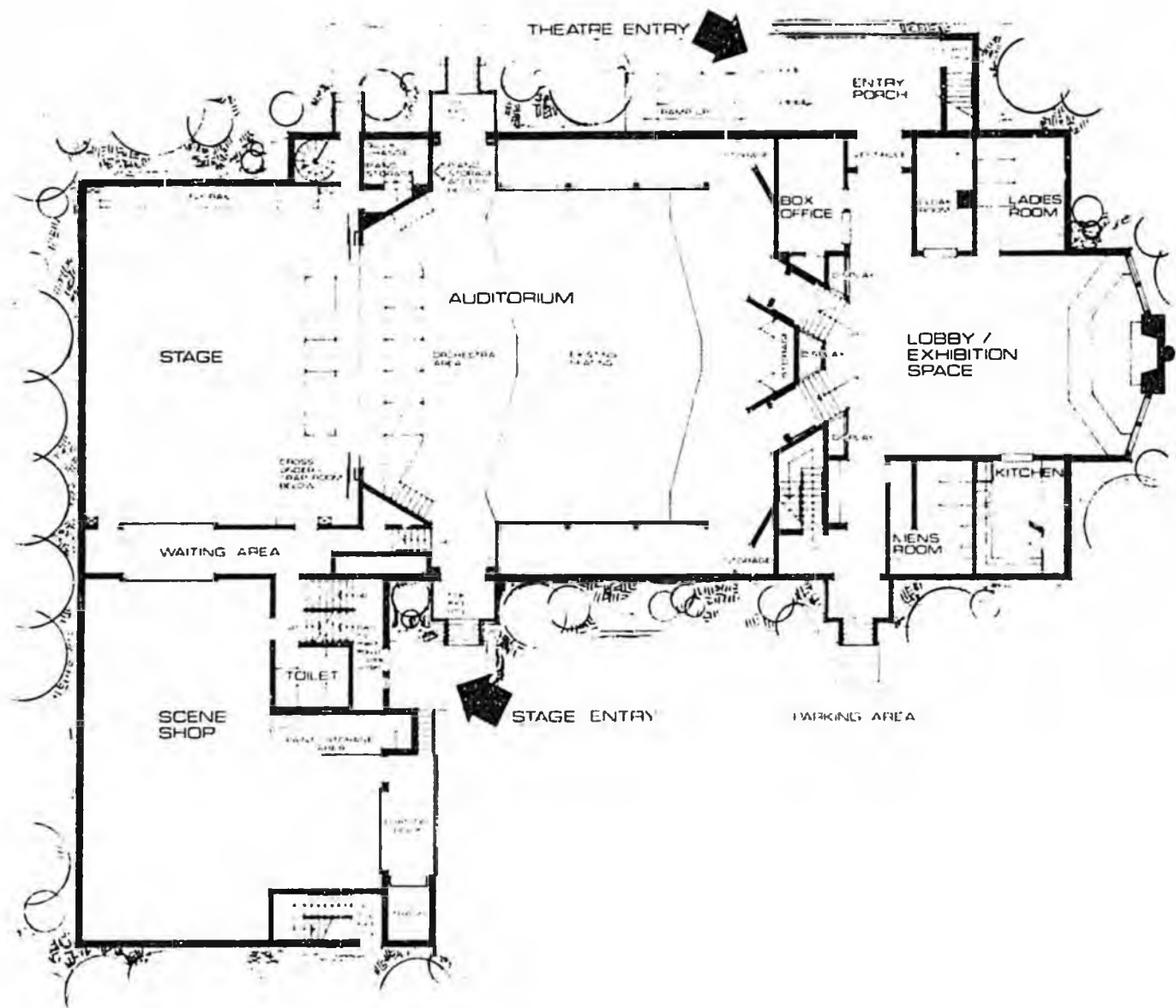


PROPOSED SCHEME "B" BRISTOL BAY REGIONAL CENTER, DILLINGHAM, ALASKA

DILLINGHAM:

A multi-purpose cultural facility is being planned for Dillingham. This building will have many functions including performing arts, day care center, community education, radio broadcasting and university extension courses.

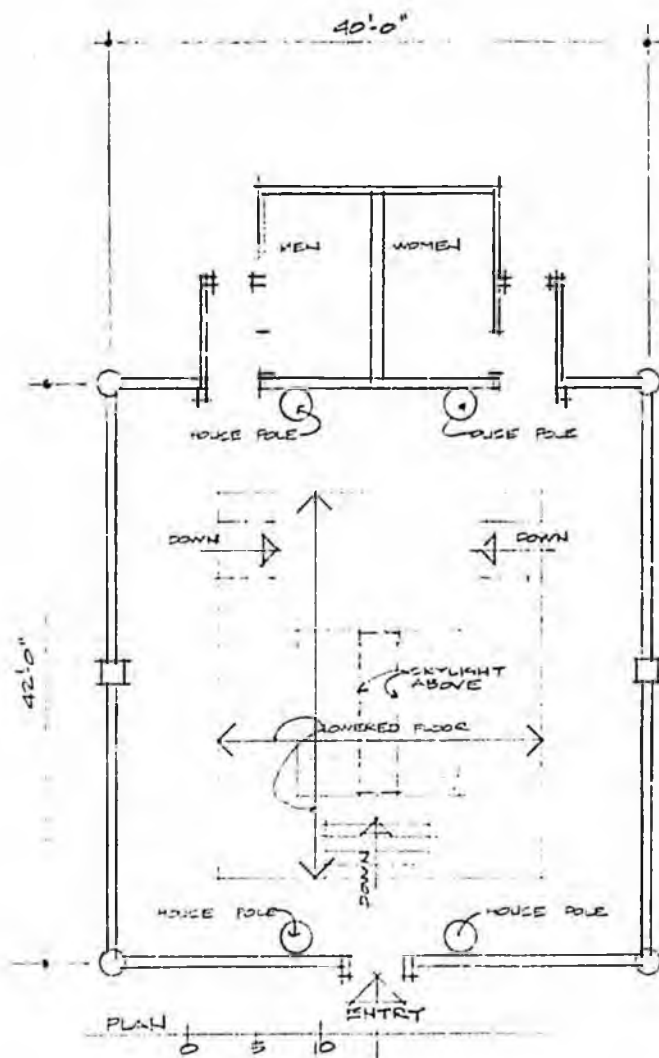
Dillingham is the center of a 10 village community and this facility will serve the entire region as well as the village of Dillingham. The cost of the facility is \$5 million. The City of Dillingham agrees to own the facility. A site is available for this building.



CHILKAT CENTER FOR THE ARTS FLOOR PLAN

HAINES:

The City of Haines is renovating and expanding the Chilkat Center for the Arts. The Chilkat Center for the Arts is an historical building renovated in 1967. The proposed renovation and improvement program will provide much needed equipment and space to insure that a complete facility which will meet the needs of the community will exist in Haines. This will include renovation of heating and plumbing systems, improved building insulation and fire protection, renovation of second floor space to a multi-purpose social center and rehearsal room, expanded lobby and display space, construction of a new wing to house shops, dressing rooms, storage areas, and new mechanical equipment and improvements to lighting and sound equipment. Cost of project is \$1,474,614.00.



PROPOSED FLOOR PLAN FOR HYDABURG CULTURAL CENTER

HYDABURG:

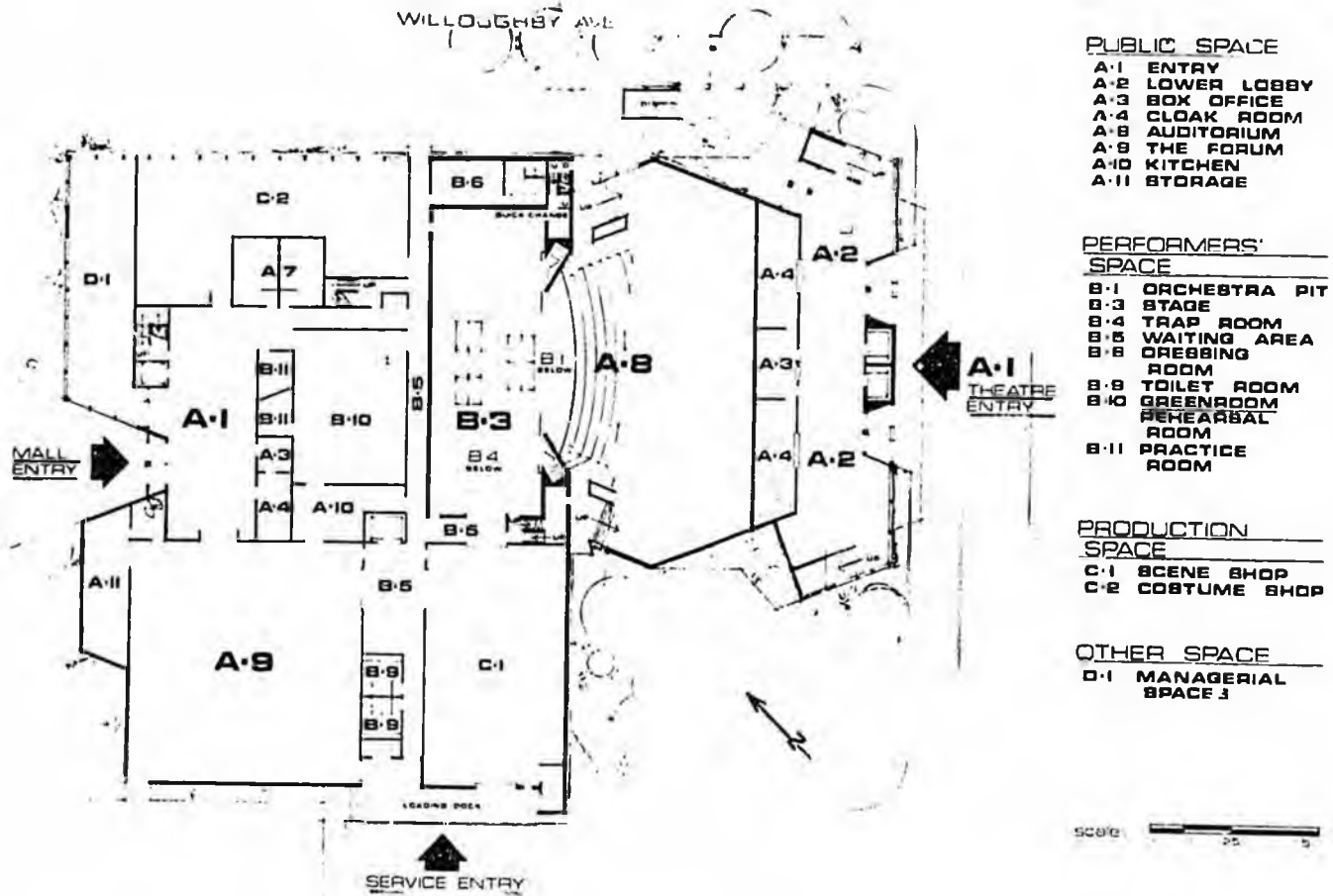
A Cultural Center is being proposed for Hydaburg, the only known corporate Haida Community in existence today. The Center is needed as a place where the art and culture of the Haida people can not only be preserved but nurtured; a place where music and dance can be performed as a part of the life of the community.

The Cultural Center is patterned after the old Kasaan Community House.

The design program envisions the following objectives:

1. To develop a design which draws heavily from and recalls, the major features of plan, scale structure and materials inherent in the Kasaan Community House.
2. To create a functional space where community and ceremonial activities can take place, as well as those events oriented toward art, artifact display, music, dance and educational programs.
3. To develop a design which incorporates the systems necessary to make the use of the structure feasible in a visually unobtrusive manner.
4. To create an environment which reinforces the history, culture and self-identity of this Haida Community. Secondly, it would provide the visitor with a deeper appreciation of this culture as well.

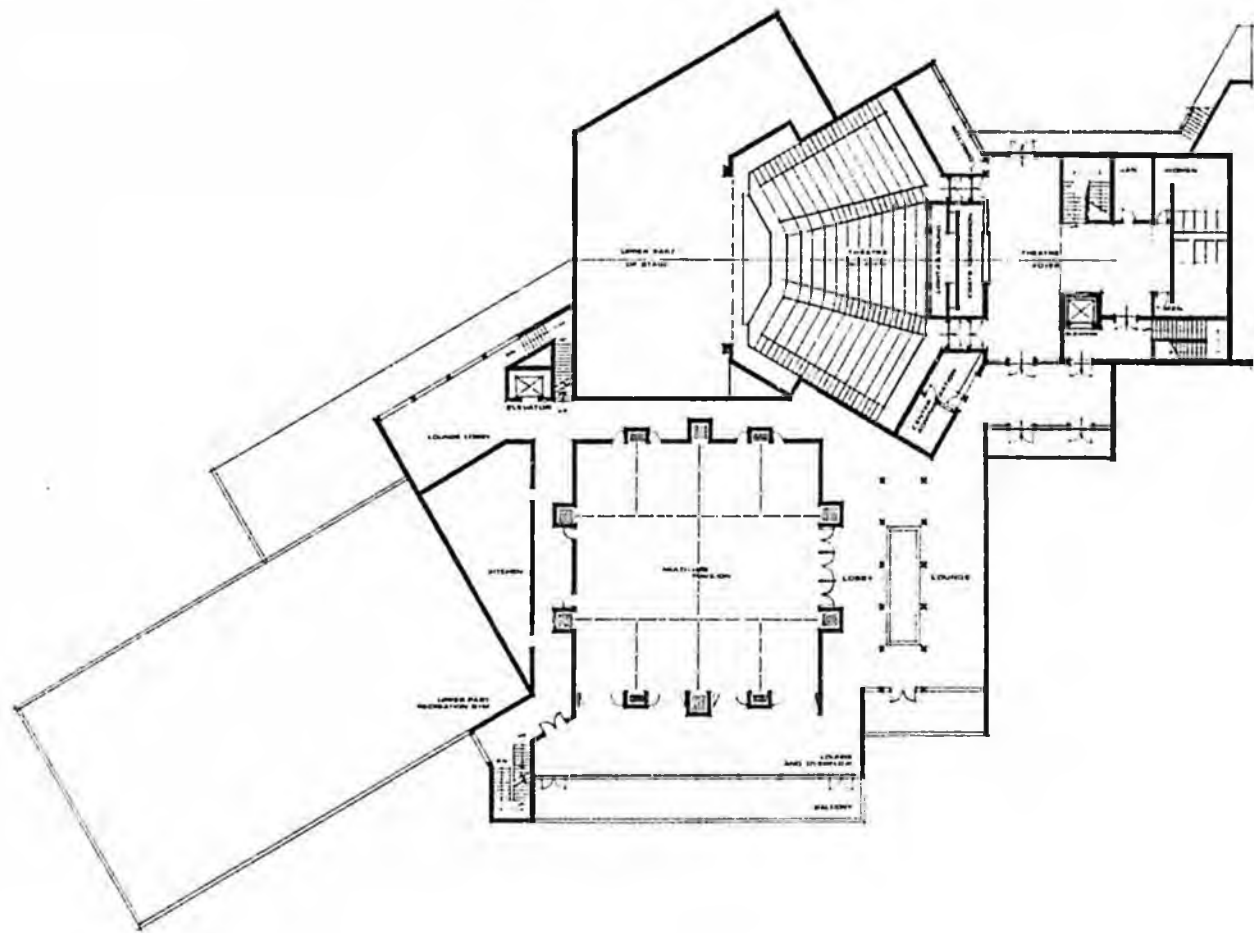
The total cost of the Cultural Center will be \$320,000.



JUNEAU PERFORMING ARTS CENTER FLOOR PLAN

JUNEAU:

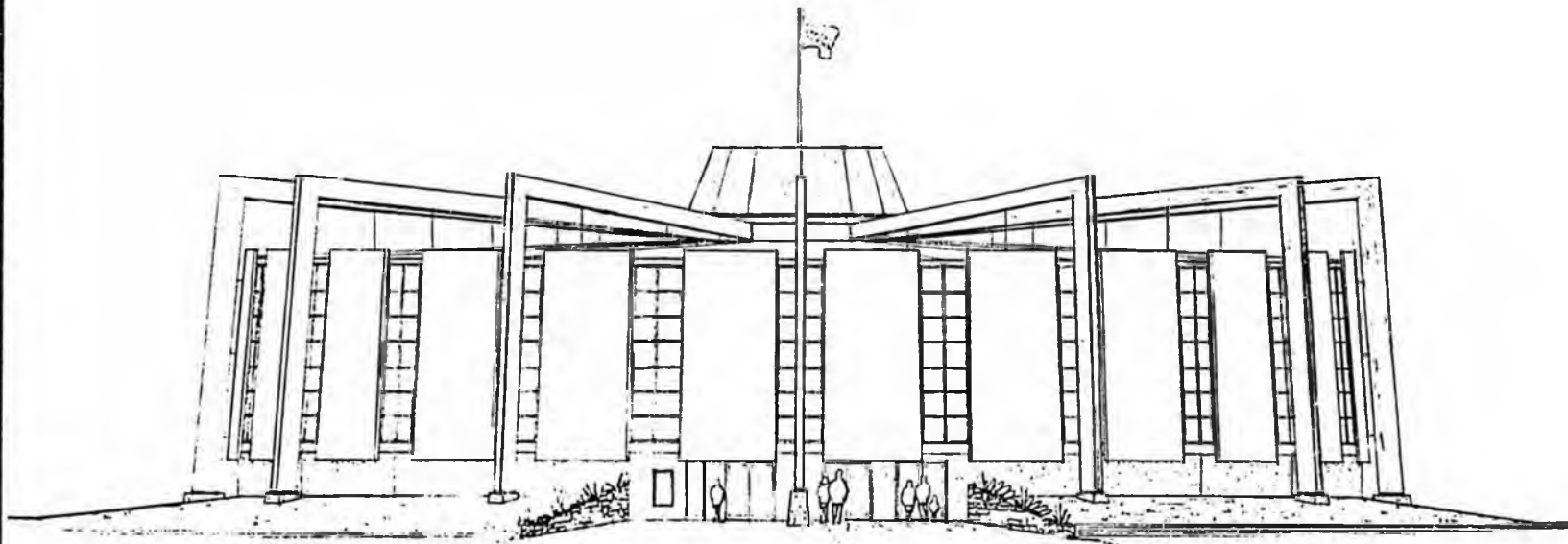
Juneau will be building a Performing Arts Center. This proposed new center will contain 59000 square feet of floor space. A medium size theater capable of holding 700 to 750 people and a smaller flat floor "forum" with retractable theater seating capable of holding 20 to 250 persons for meetings and cultural presentations. The building also would contain a scenery workshop, costume workshop, a crafts shop for local artists, dressing rooms, rehearsal halls, a performer waiting room (green room), besides office space and radio and future television operations. Projected cost of this facility is \$12.3 million.



KETCHIKAN COMMUNITY CENTER FLOOR PLAN

KETCHIKAN:

The proposed Ketchikan Community Center has four components. A performing arts theatre seating approximately 400 people; a multi-purpose pavillion seating approximately 500 people for dining and divisible into appropriately sized meeting rooms; an activity center providing a series of community meeting rooms, activity rooms, and specialty workshops, and a recreation center for recreation activities. The performing arts theatre has been designed to accomodate a number of performing arts activities including theatre groups, chamber music groups, Ketchikan Theatre Ballet and chamber opera. The multi-purpose pavillion is a flat floor space approximately 6400 square feet. It is envisioned to accommodate diverse activities such as square-dancing, banquets, dinner theatre, trade shows and displays, and etc. The overall organization of the center adapts to the use of visitors and residents. The cost is \$6,990,000.



ELEVATION AT MAIN ENTRANCE

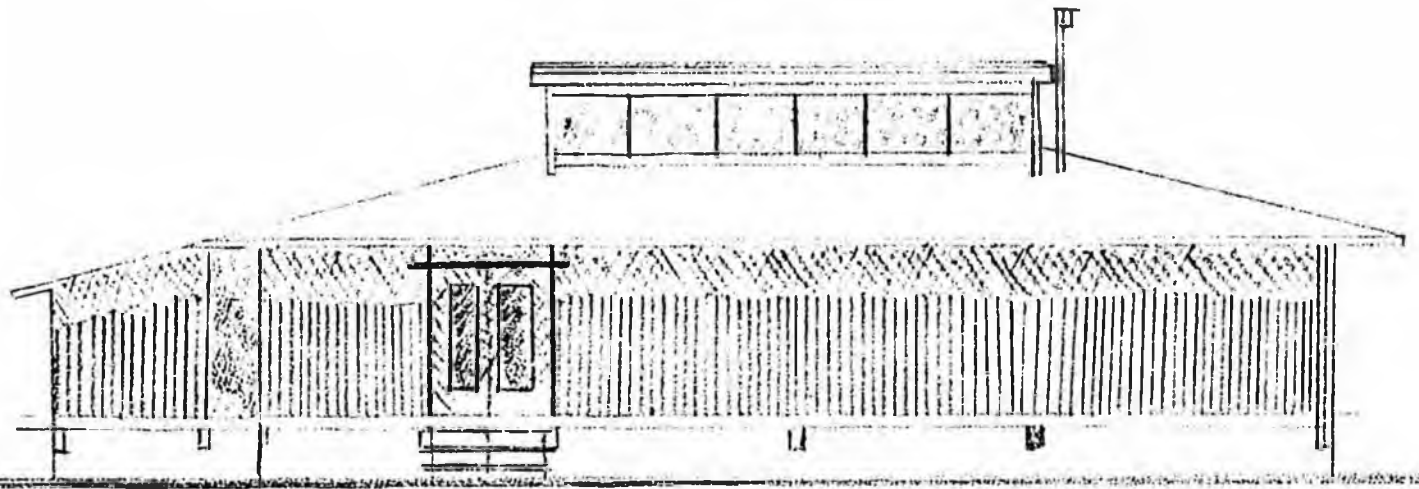
SCALE: 1/8" TO 1'-0"

Exterior View of Proposed Kodiak Community Center

Kodiak

The Kodiak Community Center will be a round type construction quite similar to the center in Fairbanks. It will be a multi-purposed used by every people-oriented organization in Kodiak for art, dance, craft, theater performances and workshops, meetings, conferences, crab festivals, state activities, education, fisheries oriented businesses, U. S. Coast Guard functions. A large percentage of Kodiak's population has been in residence for less than five years. Kodiak's rapid growth makes the Community Center essential to the community's development. The facility should provide a nucleus on which unity, pride and cooperation can be built for the city of Kodiak.

The projected cost is \$5 million.



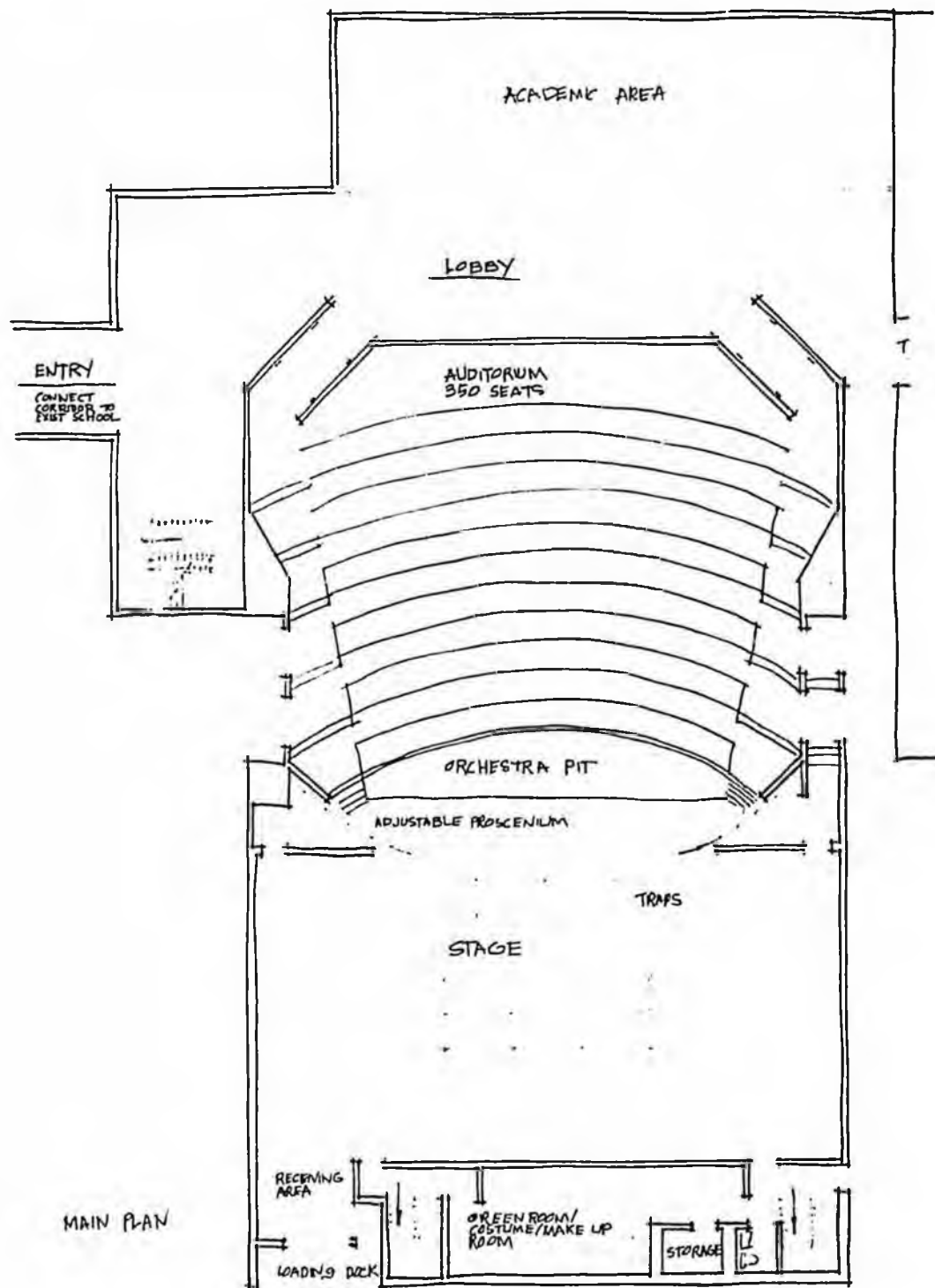
FRONT VIEW

Exterior view of proposed Naknek Community Cultural Museum

Naknek

A community cultural center museum is proposed in Naknek. This will be a single story 8 room building with 2,152 total square feet. This facility will provide a focal point for local cultural programs. Artists will be able to arrange displays and instruction sessions using the facilities. By viewing museum exhibits, visitors to the area could obtain an idea and an appreciation of the transition in life styles that has occurred locally in recent time. At the present time the oral history program and the collection of historical objects are stored in a Bristol Bay Borough school building. The shortage of storage space in the school may force these accumulated historical materials to be stored in private homes.

The cost of the building will be \$460,000.

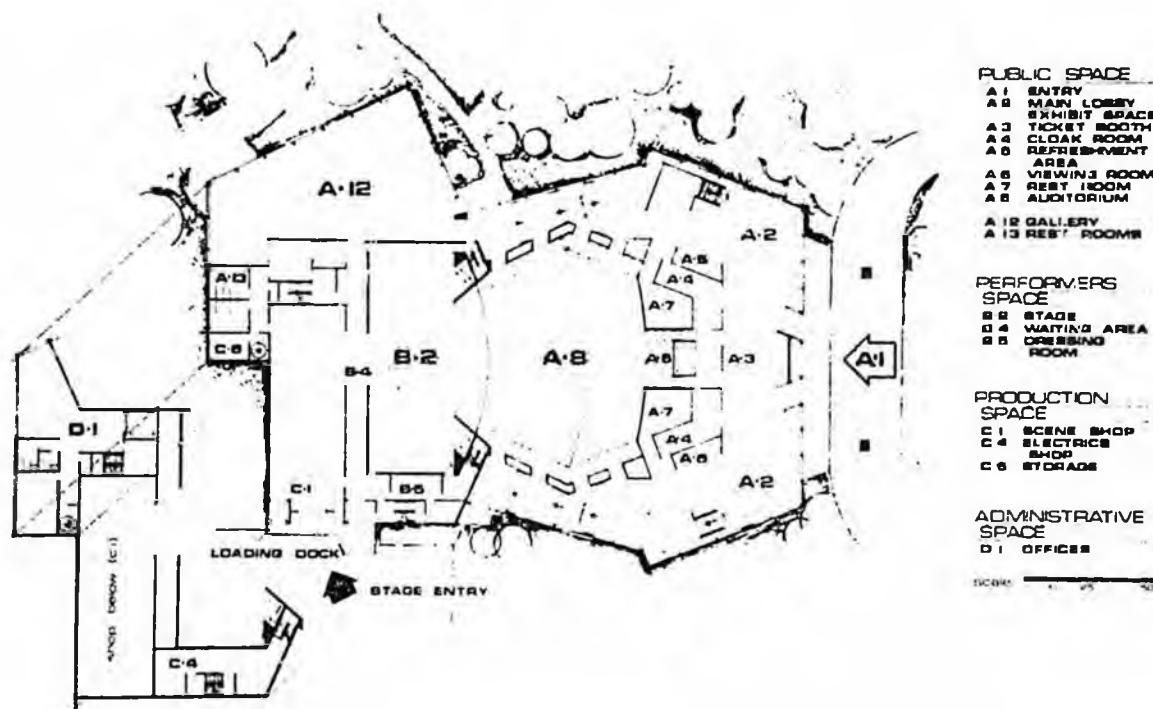


Proposed floor plan for Petersburg Fine Arts Center.

Petersburg

The proposed Petersburg Fine Arts Center has a 350 seat theater with supporting rooms, a lobby arts and crafts display area, an arts and crafts room and space for the local FM radio station. This theater will be built on school property. The proposed facility will be a community center and open to use by everyone. The maintenance, staffing and programming will be carried out under the existing school administration structure with the possible addition of a part time technical theater person.

Theater and the arts are an integral part of the school curriculum in Petersburg. In grades 8-12 at Petersburg over 50% of the students will be in a Shakespeare play before they graduate and 95% of them will be in at least one school play before they graduate. At least 1000 people attend each play when it is presented. The present facility which will be remodeled for a school community library is 26 years old and inadequate for the cultural growth in Petersburg. The cost of the proposed project is \$3,550,000.

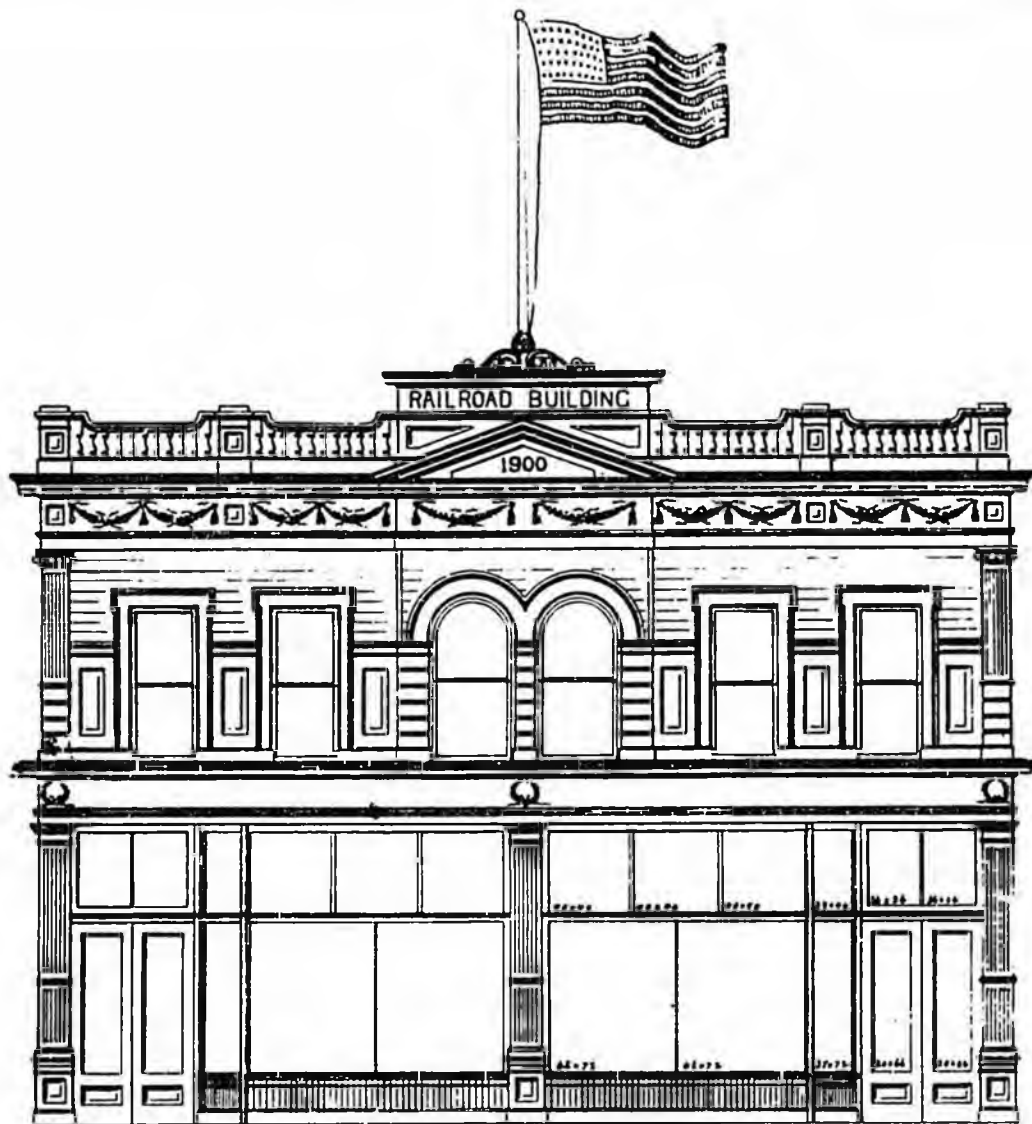


SITKA INTERCULTURAL ARTS CENTER FLOOR PLAN

SITKA:

The proposed Intercultural Arts Center in Sitka is a 68,000 square foot arts center which has been designed to house both the performing and visual arts. The center spaces will include a 750 seat proscenium theater, 250 seat arena where productions can be staged in-the-round, a high security art exhibit area, two low security areas for art displays, a community crafts workshop, scene and costume shops, a green room and office spaces. Most if not all of these spaces can be used for a variety of functions. The theater can be used for dramatic and musical productions, for conventions and for public meetings. The arena can also house conventions, and when its bleacher seating is folded back can serve from a caterer's kitchen, 200 in a banquet setting.

The projected construction and equipment cost for the facility is \$9 million.



HENRY DOZIER, ARCHT
SEATTLE WASH.

Front Elevation.

Scale 4ft to 1inch

OFFICE BUILDING
WHITE PASS AND YUKON RY.
Skagway Alaska.

**The original plan for Skagway called for the restoration of the
Skagway
Railroad Building.**

The initial plans for a performing arts facility in Skagway were to renovate the old railroad depot. The railroad building would be remodeled to accommodate a theatre/auditorium, office and exhibition center. Since this building is owned by the U.S. Department of Interior National Park Service, a cooperative joint effort with the city was attempted. However, because of this building's historical significance, the necessary remodeling could not be accomplished given the guidelines defined by the National Historical Preservation Act.

At the present time the Skagway cultural facility plan has been updated and revised to create a new multi-purpose cultural building. The updated plans include theatre, museum, archives court space and offices. The building will provide a civic center for a growing population and for the 100,000+ tourists who visit Skagway each year. For this new facility the projected cost is 4.7 million.



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

3/8/90
Date

COMMITTEE REPORT

HOUSE

FURTHER: _____

Date: 3/16/79

Mr. Speaker:

SUBMITS A CORRECTED COMMITTEE REPORT ON

The Committee on FINANCE ~~has had~~ HB 187

"An Act making technical amendments relating to oil and gas taxes; effective date."

~~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 HB 187

and 2/attached amendments () 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:

Meekins

Riggins

Moore - No Rec

Shelton - No Rec

Montgomery - No Rec

Friedman - No Rec

Meekins

Chairman

AMENDMENT

OFFERED IN THE HOUSE:

By: HOUSE FINANCE

To: CS HOUSE BILL No. 187

SENATE BILL No. _____

PAGE: _____

LINE: _____

DELETE SEC. 2 (page 1, lines 15 through 29, and page 2,
lines 1 through 8).

DELETE SEC. 3 (Page 2, line 9).

RENUMBER FOLLOWING SECTIONS ACCORDINGLY.

COMMITTEE REPORT HOUSE

FURTHER:

March 14, 1979

Date: 3/15/79

Mr. Speaker:

The Committee on FINANCE has had HB 187

"An Act making technical amendments relating to oil and gas taxes; eff. date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s) same title
- replace with CS for _____ new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

McKinnis

Rogers Do pass original bill

McKinnis

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

McKinnis No Rec

Montgomery Do not Pass

Hahnemann No Rec Pass

Shelley No Rec

Boyer No Rec

McKinnis
CHAIRMAN

AMENDMENT

OFFERED IN THE HOUSE:

By: HOUSE FINANCE

To: CSHB HOUSE BILL No. 187

SENATE BILL No. _____

PAGE: 2

LINE: 9

Delete Section 3; renumber following sections accordingly.

*Incorrect
Amendment
Sec. 2 also deleted
Per McKinnon's motion
at meeting.*

Original sponsor: Rules/Governor

Offered: 3/14/79
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 187

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making technical amendments relating to oil and
7 gas taxes; and providing for an effective date."

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

9 * Section 1. AS 43.55.020(a) is amended to read:

10 (a) The gross production tax on oil or gas shall be paid monthly.
11 The tax is due on the last [20th] day of each calendar month on oil or
12 gas produced from each lease or property during the preceding month. If
13 the tax is not paid by the [BEFORE THE END OF THE MONTH IN WHICH IT
14 BECOMES] due date, the tax becomes delinquent.

15 * Sec. 2. AS 43.55.150 is amended to read:

16 Sec. 43.55.150. DETERMINATION OF GROSS VALUE. (a) For the
17 purposes of this chapter, the gross value shall be calculated using the
18 reasonable costs of transportation of the oil or gas. The reasonable
19 costs of transportation shall be the actual costs, except when one of
20 the following conditions exist:

21 (1) [WHEN THE PARTIES TO THE TRANSPORTATION OF OIL OR GAS ARE
22 AFFILIATED;]

23 (2) [WHEN] the contract for the transportation of oil or gas
24 is not an arm's length transaction or is not representative of the
25 market value of that transportation; or

26 (3) [WHEN] the method of transportation of oil or gas or the
27 choice of a particular person, entity, or facility, or vessel used for
28 transportation is not reasonable in view of existing alternatives
29 [ALTERNATIVE METHODS OF TRANSPORTATION].

1 (b) If the department finds that the conditions in (a)(2) or (3)
2 [(a)(1), (2), AND (3)] of this section are present, the department shall
3 determine the reasonable costs of transportation, using the fair market
4 value of like transportation, the fair market value of equally efficient
5 and available alternative modes of transportation, or other reasonable
6 methods. Transportation costs fixed by tariff rates properly on file
7 with the Alaska Pipeline Commission or other regulatory agency shall be
8 considered prima facie reasonable.

9 * ~~Sec. 3. AS 43.55.030(d) and 43.55.060 are repealed.~~

10 * Sec. 4. This Act is retroactive to January 1, 1979.

11 * Sec. 5. This Act takes effect immediately in accordance with AS 01.-
12 10.070(c).

Introduced: 2/13/79
Referred: Resources and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 187

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making technical amendments relating to oil
7 and gas taxes; and providing for an effective date."

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

9 * Section 1. AS 43.55.020 (a) is amended to read:

10 (a) The gross production tax on oil or gas shall be paid monthly.
11 The tax is due on the last [20th] day of each calendar month on oil or
12 gas produced from each lease or property during the preceding month.
13 If the tax is not paid by the [BEFORE THE END OF THE MONTH IN WHICH IT
14 BECOMES] due date, the tax becomes delinquent.

15 * Sec. 2. AS 43.55.150 is amended to read:

16 Sec. 43.55.150. DETERMINATION OF GROSS VALUE. (a) For the
17 purposes of this chapter, the gross value shall be calculated using
18 the reasonable costs of transportation of the oil or gas. The reason-
19 able costs of transportation shall be the actual costs, except when
20 one of the following conditions exist:

21 (1) [WHEN] the parties to the transportation of oil or gas
22 are affiliated;

23 (2) [WHEN] the contract for the transportation of oil or
24 gas is not an arm's length transaction or is not representative of the
25 market value of that transportation; or

26 (3) [WHEN] the method of transportation of oil or gas
27 or the choice of a particular person, entity, or facility, or vessel
28 used for transportation is not reasonable in view of existing alterna-
29 tives [ALTERNATIVE METHODS OF TRANSPORTATION].

1 (b) If the department finds that the conditions in (a)(1), (2),
2 or [AND] (3) of this section are present, the department shall deter-
3 mine the reasonable costs of transportation, using the fair market
4 value of like transportation, the fair market value of equally effi-
5 cient and available alternative modes of transportation, or other
6 reasonable methods. Transportation costs fixed by tariff rates pro-
7 perly on file with the Alaska Pipeline Commission or other regulatory
8 agency shall be considered prima facie reasonable.

9 * Sec. 3. AS 43.55.030(d) and 43.55.060 are repealed.

10 * Sec. 4. This Act is retroactive to January 1, 1979.

11 * Sec. 5. This Act takes effect immediately in accordance with AS 01.-
12 10.070(c).

hb-187

February 12, 1979

The Honorable Terry Gardiner
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18 of the Alaska Constitution, I am transmitting a bill to make technical amendments concerning oil and gas taxes.

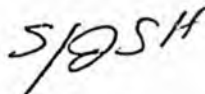
This bill would amend the present provisions of the oil and gas production tax to allow the Department of Revenue to determine reasonable costs of transportation in calculating gross value of oil or gas when there is reason to believe that the actual costs incurred are not reasonable. This amendment is necessary to conform to the apparent intent of the legislature when it initially passed the present AS 43.55.150. The letter of intent for the present statute stated that the provision was to "allow the Department of Revenue to compute reasonable transportation costs where a taxpayer's actual transportation costs are not the result of a good faith commercial transaction. . . . [its] purpose. . . is to prevent the practice commonly known as transfer pricing, in which one company charges an affiliated company an amount which is in excess of the market price for transportation, for the purpose of reducing the affiliated company's tax burden. The profit center is merely shifted to the transporting company and state taxation is avoided." 1976 House Journal, pp. 556-557; emphasis added.

The wording of the present statute, however, sets forth three conditions, all of which must be satisfied before the department may disallow actual costs of transportation. The existence of all three circumstances occurring in one transaction would rarely, if ever, occur. The amendment would allow the department to use reasonable costs of transportation if any one of the three conditions existed which is consistent with the original intent.

In addition, the bill also repeals the interest and penalty provisions of AS 43.55.060 and 43.55.030(d),

which would then be covered by the uniform penalty and interest provisions of AS 43.05.220 (penalty) and AS 43.05.225 (interest). It would also amend AS 43.55.020(a) to eliminate a conflict between the date taxes are due (the 20th day of each month) and the date taxes become delinquent (the last day of the month).

Sincerely,

Handwritten signature of Jay S. Hammond in cursive script.

Jay S. Hammond
Governor

ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST HOUSE BILL NO. 187
 Bill/Resolution No. _____
 Title Technical amendments relating to oil and gas taxes
 Requested by _____ Date _____

II. FISCAL DETAIL
 Agency Affected Revenue
 Program Category Affected Revenue Collection and Management
 Budget Request Unit(s) Affected Petroleum Revenue

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						
	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE 2/12/79 PREPARED BY John R. Messenger
 AGENCY Department of Revenue
 PHONE 465-2300
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Original sponsor: Rules/Governor

Offered: 3/14/79
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 187

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making technical amendments relating to oil and
7 gas taxes; and providing for an effective date."

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

9 * Section 1. AS 43.55.020(a) is amended to read:

10 (a) The gross production tax on oil or gas shall be paid monthly.
11 The tax is due on the last [20th] day of each calendar month on oil or
12 gas produced from each lease or property during the preceding month. If
13 the tax is not paid by the [BEFORE THE END OF THE MONTH IN WHICH IT
14 BECOMES] due date, the tax becomes delinquent.

15 * Sec. 2. AS 43.55.150 is amended to read:

16 Sec. 43.55.150. DETERMINATION OF GROSS VALUE. (a) For the
17 purposes of this chapter, the gross value shall be calculated using the
18 reasonable costs of transportation of the oil or gas. The reasonable
19 costs of transportation shall be the actual costs, except when one of
20 the following conditions exist:

21 (1) [WHEN THE PARTIES TO THE TRANSPORTATION OF OIL OR GAS ARE
22 AFFILIATED;]

23 (2) [WHEN] the contract for the transportation of oil or gas
24 is not an arm's length transaction or is not representative of the
25 market value of that transportation; or

26 (3) [WHEN] the method of transportation of oil or gas or the
27 choice of a particular person, entity, or facility, or vessel used for
28 transportation is not reasonable in view of existing alternatives
29 [ALTERNATIVE METHODS OF TRANSPORTATION].

1 (b) If the department finds that the conditions in (a)(2) or (3)
2 [(a)(1), (2), AND (3)] of this section are present, the department shall
3 determine the reasonable costs of transportation, using the fair market
4 value of like transportation, the fair market value of equally efficient
5 and available alternative modes of transportation, or other reasonable
6 methods. Transportation costs fixed by tariff rates properly on file
7 with the Alaska Pipeline Commission or other regulatory agency shall be
8 considered prima facie reasonable.

9 * Sec. 3. AS 43.55.030(d) and 43.55.060 are repealed.

10 * Sec. 4. This Act is retroactive to January 1, 1979.

11 * Sec. 5. This Act takes effect immediately in accordance with AS 01.-
12 10.070(c).

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee Substitute for House Bill 187
 Title Technical Amendments Relating to Oil and Gas Taxes
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Department of Revenue
 Program Category Affected General Government
 BRU, Program, or Subprogram(s) Affected Petroleum Revenue
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (Specify Fund Source)	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS

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


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

No additional funding necessary.

The amendment to AS 43.55.150(a) will alter transportation costs reported by taxpayers. However, that alteration will be on a transaction-by-transaction basis and it is not possible to forecast whether the net effect on revenue will be positive or negative inasmuch as the result will depend upon the taxpayer's situation. In addition, there would be an impact on the reporting of certain forms if the penalty provisions of AS 43.55.030(d) are repealed by this bill or by SB 502.

IV. DATE 1/18/80

PREPARED BY _____
 AGENCY _____
 PHONE _____


 Robert M. Johnson
 Department of Revenue
 276-1363

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

Original sponsor: Rules/Governor

Offered: 3/14/79
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 187

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making technical amendments relating to oil and
7 gas taxes; and providing for an effective date."

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

9 * Section 1. AS 43.55.020(a) is amended to read:

10 (a) The gross production tax on oil or gas shall be paid monthly.
11 The tax is due on the last [20th] day of each calendar month on oil or
12 gas produced from each lease or property during the preceding month. If
13 the tax is not paid by the [BEFORE THE END OF THE MONTH IN WHICH IT
14 BECOMES] due date, the tax becomes delinquent.

15 * Sec. 2. AS 43.55.150 is amended to read:

16 Sec. 43.55.150. DETERMINATION OF GROSS VALUE. (a) For the
17 purposes of this chapter, the gross value shall be calculated using the
18 reasonable costs of transportation of the oil or gas. The reasonable
19 costs of transportation shall be the actual costs, except when one of
20 the following conditions exist:

21 (1) [WHEN THE PARTIES TO THE TRANSPORTATION OF OIL OR GAS ARE
22 AFFILIATED;]

23 (2) [WHEN] the contract for the transportation of oil or gas
24 is not an arm's length transaction or is not representative of the
25 market value of that transportation; or

26 (3) [WHEN] the method of transportation of oil or gas or the
27 choice of a particular person, entity, or facility, or vessel used for
28 transportation is not reasonable in view of existing alternatives
29 [ALTERNATIVE METHODS OF TRANSPORTATION].

1 (b) If the department finds that the conditions in (a)(2) or (3)
2 [(a)(1), (2), AND (3)] of this section are present, the department shall
3 determine the reasonable costs of transportation, using the fair market
4 value of like transportation, the fair market value of equally efficient
5 and available alternative modes of transportation, or other reasonable
6 methods. Transportation costs fixed by tariff rates properly on file
7 with the Alaska Pipeline Commission or other regulatory agency shall be
8 considered prima facie reasonable.

9 * Sec. 3. AS 43.55.030(d) and 43.55.060 are repealed.

10 * Sec. 4. This Act is retroactive to January 1, 1979.

11 * Sec. 5. This Act takes effect immediately in accordance with AS 01.-
12 10.070(c).

Mr. Urion brought up the subject of a retroactive clause, and Chairman Meekins indicated there is a committee substitute being considered that includes a retroactive provision. Mr. Urion distributed to the Committee a sheet containing two suggested amendments (see Attachment 1) and explained the first would bring Wein Air Alaska under this exemption; the second, is a housekeeping measure designed to include aircraft as an exemption. Discussion followed.

[Tape HFC 80-27, Side 1, #428]

Vice President Bob Heath of Alaska International Air made his presentation at this time. He advised the Committee that AIA as well as Wein has not yet been taxed but are currently under investigation by the Department of Revenue. He provided background information and discussed Revenue's interpretation of those subject to taxes under the 1973 provision. Until last September, he commented, AIA never considered they were anywhere near the realm of being taxed, and now they are under investigation. Questioned by Chairman Meekins, Mr. Heath advised Revenue is saying AIA would owe the full value of each of their aircraft or any aircraft used more than 50% on oil and gas and that the cost would be from \$400.0-\$500.0 per year.

HEATH
TESTIMONY

[Tape HFC 80-27, Side 1, #442]

Chairman Meekins advised he has been requested to read into the record letters from members of the FCC, First Special Session of the 1973 Legislature, and other members of the Legislature at that time (see Attachment 2).

[Representative Rogers arrived at this time.]

[Tape HFC 80-27, Side 1, #630]

Attorney Steve Williams, representing Alaska International Air, testified that, in his review of the existing laws, the taxation to properties, determined by the Department of Revenue, was not contemplated by the original act.

WILLIAMS
TESTIMONY

[Representative McKinnon arrived at this time.]

Mr. Williams discussed air property as it relates to the pipeline corridor that was expanded by Revenue. He advised he feels the taxes should be rationally rated to the services. He urged passage of SB 313 am. Commenting briefly on Urion's proposed amendment, he suggested further language be added that "property owned by and used in the pursuit of regulatory businesses". Discussion followed.

[Tape HFC 80-27, Side 1, #746]

Mr. Lipton advised world oil prices will go up even if the demand goes down and explained why. He predicted prices will be going up from \$32 per barrel to \$50 plus. He discussed the term, "random shock", which relates to world crises, such as the Iranian situation. Because of these he stated, the prices could be \$50 in 1983 and \$70 by 1985, but also it could work the other way; for example if enough things go wrong simultaneously. He listed factors that could affect oil prices such as disposal of income.

[Tape HFC 80-27, Side 1, #210]

[The meeting recessed at 2:14 p.m. and reconvened at 2:32 p.m. Committee members present: Meekins, Freeman, Moss, Smith, Guy, Montgomery, Haugen.]

RECESS

Chairman Meekins brought SB 313 am up for consideration:

SB 313 am - "An Act exempting property of air and motor freight carriers regulated by the Alaska Transportation Commission from the oil and gas exploration, production and pipeline transportation property tax; and providing for an effective date."

SB 313 am

[Tape HFC 80-27, Side 1, #257]

Representing Wein Air Alaska, Rick Urion testified in favor of SB 313 am. Providing background information, he noted he was among the legislators who served in the Special Session of the 1973 Legislature. He stated it is his belief it was never the intent of that Legislature to tax aircraft under the provisions of the tax bill that passed at that time. The intent, he stated, was to tax oil and gas related properties, which has now been extended, by the Department of Revenue, to include aircraft that services the oil companies. He advised Wein Air Alaska has not been taxed under the provisions of the law yet, but he is here with a look to that possibility to the future.

URION
TESTIMONY

[Representative Schaeffer arrived at this time.]

Chairman Meekins summarized that what this bill does essentially is try to overturn the interpretation or position of the Department of Revenue, which is to include, in the tax act of 1973, aircraft equipment and airlines that service or fly into oil fields. He stated he believes all members who served on the Free Conference Committee on that bill --House: Freeman, chairman, Bud Sailors, Andy Warwick; Senate: Bill Ray, John Butrovich, Cliff Groh--agree that it was not the original intent of the Legislature to include that. The Department of Revenue has interpreted the intent to say it would include certain air carriers, he said.

Mr. Donohue stated Revenue recommends this bill not pass because it would make distinction between those aircraft carriers making a living and those owned by the company. Representative McKinnon commented he would just as soon turn the whole thing over to the local governments. Chairman Meekins and Representative Schaeffer echoed those sentiments. Mr. Donohue argued there are all kinds of properties besides aircraft that are owned by oil companies; the point being, the Legislature is creating a special exception in exempting aircraft under contract. Further discussion followed.

Representative Rogers moved new Section 2: "This Act takes effect immediately and is retroactive to January 1980." Representative Freeman objected, stating Revenue did go beyond its bounds in assessing the tax; and if taxes were collected, everyone should be treated equally and a rebate made. Representative Rogers indicated his concern was with reporting out an unknown fiscal note because of current litigation.

AMENDMENT
NOT APPROVED

Chairman Meekins moved the addition of new Sections 2, 3 and 4 (see Attachment 1). The question was called for, and the motion carried (5 in favor; 3 opposed--Rogers, McKinnon, Montgomery).

AMENDMENT
APPROVED

Representative Smith requested the Department of Revenue provide a new fiscal note reflecting the amendments. Representatives Rogers and Montgomery concurred. Chairman Meekins requested staff prepare a House Finance Committee Substitute incorporating the above amendments and that HCS for SB 313 am be held over pending receipt of a new fiscal note.

HCS FOR SB 313
HELD OVER

The meeting adjourned at 4:00 p.m.

ADJOURN

Tape HFC 80-26 Side 2 #592 - End
 80-27 Side 1 #001 - End
 Side 2 #001 - End
 80-28 Side 1 #001 - #142

During further discussion, Chairman Meekins indicated his feeling is the Department of Revenue imposed the tax the Legislature did not contemplate, and he is opposed to this.

Chairman Meekins moved the amendments proposed by Mr. Urion. AMENDMENTS
During brief discussion, Mr. Urion restated his position on APPROVED
the second amendment that "vehicular" might be interpreted by Revenue to mean that it does not include aircraft in the exception. Representative McKinnon stated he feels Mr. Urion's choice of "transportation" is too broad and proposed to insert the words "aircraft or" before the word "vehicular" (see Attachment 1). There being no objection, the amendment to the amendment was approved.

[Tape HFC 80-27, Side 2, #233]

Chairman Meekins' proposed retroactive clause, to be added in a new Section 2 (see Attachment 1), was discussed. Mike Doogan indicated he doesn't think this involves anyone but it would catch whoever may have already paid this tax. Joe Donohue advised some money has been collected. The Department of Revenue's impact is \$100.0, and the range is about \$100.0-\$200.0. He added there should be a retroactive provision if the Finance Committee decides to exempt aircraft.

DONOHUE
TESTIMONY

[Tape HFC 80-27, Side 2, #244]

Mr. Donohue discussed Revenue's position on this question and advised they do take issue with this. He said they feel the definition of taxable property--airstrips, docks and roads--does include aircraft. He advised of two litigations currently pending in court on the question of whether aircraft is taxable property. He did agree, however, with Chairman Meekins that it is the Legislature who makes the determination on what is taxable property.

During discussion, Representative Rogers commented he is uncomfortable with a retroactive clause. Representative Freeman stated he feels it is necessary if they are going to treat everyone equally. Questioned about fiscal note cost if the retroactive clause is included, Mr. Donohue stated the impact would be \$200.0 for the fiscal note rebate. He recapped they have collected approximately \$100.0, and as a result of audits, would probably collect another \$100.0.

Representative Montgomery asked if this would have any effect on municipalities. Mr. Donohue indicated yes, but that it hasn't been a problem yet because it hasn't been litigated until now. He added this property, if exempted under No. 4356, would become subject to tax by municipalities. Discussion followed, with Mr. Williams indicating it is his understanding the municipalities have been allowed to tax and are subject to the tax at the same rate as other property within their boundaries.



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

3/8/90
Date

COMMITTEE REPORT HOUSE

FURTHER:

April 5, 1979

Date: 4-21-79

Mr. Speaker:

The Committee on FINANCE has had HB 183

"An Act making a supplemental appropriation to the Department of Health and Social Services, office of alcoholism and drug abuse; eff. date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s) same title
- replace with CS for _____ new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

COMMITTEE REPORT HOUSE

FURTHER: FINANCE

February 13, 1979

Date: April 4, 1979

Mr. Speaker:

The Committee on HESS has had HB 188

"An Act making a supplemental appropriation to the Department of Health and Social Services, Office of Alcoholism and Drug Abuse; eff. date."

under consideration and (a majority of the committee) (the committee) reports ~~it back with the following recommendations:~~ *it do*

- do pass do not pass
- do pass with attached amendments(s)
- replaced with CS for HB-188 same title
 new title
- and recommends it do pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

Don Anstetter
Cliff Hatterman
T Buchholdt
Steve ...

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Boyle - Do Not Pass unless Amended
Geneva Barnes Do Not Pass unless Amended

T Buchholdt
CHAIRMAN

Original sponsor: Rules/Governor

Offered: 4/5/79
Referred: Finance

Funding Information

General Fund	\$362,518
Other Funds	-0-
	<u>\$362,518</u>

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 CS FOR HOUSE BILL NO. 188

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Health and Social Services, office of
8 alcoholism and drug abuse; and providing for an
9 effective date."

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

11 * Section 1. The sum of \$362,518 is appropriated from the general fund to
12 the Department of Health and Social Services, office of alcoholism and drug
13 abuse for the fiscal year ending June 30, 1979, to be allocated as follows:

14 Grants for alcohol treatment programs	\$350,759
15 Travel costs of the Advisory Board on Alcoholism	
16 and the Drug Abuse Advisory Board	8,900
17 Unalaska alcoholism program - for unpaid bill	2,859

18 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
19 070(c).

Letter + memo

Introduced: 2/13/79
Referred: Health, Education &
Social Services and Finance

Funding Information:
General Fund: \$350,759
Other Funds: -0-
\$350,759

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 188

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Health and Social Services, Office of
8 Alcoholism and Drug Abuse; and providing for an
9 effective date."

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

11 * Section 1. The sum of \$350,759 is appropriated from the general fund
12 to the Department of Health and Social Services, Office of Alcoholism and
13 Drug Abuse, for the purpose of awarding grants for alcohol treatment pro-
14 grams.

15 * Sec. 2. The unexpended and unobligated portion of the appropriation
16 made in sec. 1 of this Act lapses June 30, 1979.

17 * Sec. 3. This Act takes effect immediately in accordance with AS 01.-
18 10.070(c).

19
20
21
22
23
24
25
26
27
28
29

20-188

February 12, 1979

The Honorable Terry Gardiner
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18 of the Alaska Constitution, I am transmitting a bill making a supplemental appropriation to the Department of Health and Social Services, Office of Alcoholism and Drug Abuse.

This request stems from an error in the fiscal system which allowed a delay in computer processing of grant payments labeled "current year" (meaning FY 78) to be processed during the next fiscal year (FY 79). The erroneous payments were not discovered in time to correct before closing out the FY 78 books and those funds lapsed to the state treasury. A project ledger payment and accounting system is now in the planning stage which will eliminate this sort of problem.

Sincerely,

S/JS

Jay S. Hammond
Governor

MEMORANDUM

RECEIVED
JAN 22 1979

Budget And Management

TO: Ron Lind, Director
Division of Budget and Management
Office of the Governor

DATE: January 22, 1979

FROM: *Constance M. Lloyd*
Helen D. Beirne
Commissioner
Department of Health and Social Services

B. B. Allen
B. B. Allen
Commissioner
Department of Administration

SUBJECT: Supplemental Request

A Supplemental Appropriation is needed for Fiscal Year 1979 in the amount of \$350,759 for the Office of Alcoholism and Drug Abuse.

This request stems from the inadvertent failure of the fiscal system to pay grants of \$343,000 to the Municipality of Anchorage and \$7,759 to the City of Billingsham from FY78 funds. FY79 funds were used instead, and the error will result in a \$350,759 shortfall in the FY79 grants budget.

The error was caused by a loophole in the system which allowed a delay in computer processing of the payments labeled "Current Year" (meaning FY78) to be processed during the next fiscal year (FY79). Due to the volume of business, the erroneous payments were not discovered in time to correct before closing out the FY78 books and these FY78 funds lapsed to the State Treasury.

A project ledger payment and accounting system is now in the planning stage which will eliminate this sort of problem.

Granting of this Supplemental Request will have the effect of replacing the FY79 funds which were improperly used to pay for FY78 alcoholism grants.

Failure to approve this Supplemental Request would have disastrous results in that alcohol treatment programs would have to be drastically cut back during the last few months of the fiscal year due to lack of funds.

REVISED: _____

PROJECTED EXPENDITURES + RECURRING 2/1-6/79	FY 79 (DEFICIT) OR EXCESS	FY 80 CONTINUATION
1122.1	(353.7)	2619.3
		200.0
		2414.3

FY 79 SUPPLEMENTAL REQUEST ANALYSIS

	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 CURRENT AUTH.	EXPENDITURES + ENCUMBRANCES 7/1/-11/30	OTHER OBLIGATIONS 7/1/-11/30	PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 79 (DEFICIT) OR EXCESS sup	FY 80 CONTINUATI
PERSONAL SERVICES											
TRAVEL											
CONTRACTUAL SERVICES											
COMMODITIES											
EQUIPMENT											
REPAIRS, BLDG. ...											
RENTS, CLAIMS	2922.1	2614.0	2308.8	2471.0	2471.0	2486.0	1313.9	353.7	1172.1	(353.7)	2619.3
MISCELLANEOUS											
TOTAL	2922.1	2614.0	2308.8	2471.0	2471.0	2486.0	1313.9	353.7	1172.1	(353.7)	2619.3
FEDERAL RECEIPTS	987.7	703.8	535.5	200.0	200.0	215.0					200.0
REQUIRED OF MATCHING		1710.2									
FROM GENERAL FUND	2014.4		1223.8	227.0	227.0	227.0					2419.3
GRANT RECEIPTS											

Health & Social Services

DRU: Alcoholism & Drug Abuse

COMPONENT: Alcohol Abuse Grants

REVISED: _____

STATE
of ALASKA

MEMORANDUM

RECEIVED

DEC 20 1978

F. B. I. ALASKA OFFICE

TO: Ron Lind
Director
Division of Budget & Management
Office of the Governor

FROM: *Helen D. Beirne*
Helen D. Beirne
Commissioner
Department of Health & Social Services

DATE:

FILE NO:

TELEPHONE NO:

SUBJECT: FY 79 Supplemental Appropriations,
Office of Alcoholism & Drug Abuse

The attached supplemental requests for the Office of Alcoholism and Drug Abuse are for three separate items:

1. Travel shortfall	--	\$14.5 8.9
2. Rent shortfall	--	29.4
3. Audited indebtedness	--	2.9
Total		\$46.8

Full explanation of each supplemental need follows.

Travel Shortfall

The First Session of the Tenth Alaska State Legislature expressed intent that administration for alcoholism and drug abuse be combined. Therefore, the Budget for FY 79 was prepared with the assumption that legislation would be passed combining the Board on Alcoholism with the Board on Drug Abuse. This legislation would have decreased the number of Board members from 21 to 9. In addition one person sits on both boards, which makes travel money necessary for 22 persons. Based on 4 meetings per year at 3 days per meeting, at \$54 per client and \$230 air travel, the needs are as follows:

$$\frac{22 \times 4 \times 3 \times \$54}{\text{Per Diem}} + \frac{22 \times 4 \times 230}{\text{Travel}} = 34.5 - 20.0 \text{ (budgeted)} = 14.5 \text{ shortfall}$$

The consequences of not funding this supplemental are that there will not be enough funds to pay for the full contingent of Board meetings as required by law.

Rent Shortfall

Due to an error in the original FY 79 budget submission, only \$6,900 was budgeted for Central Office rent for the Office of Alcoholism and Drug Abuse.

This office has, for several years, been located in substandard space in the Anderson-Wilson Building (210 Ferry Way). The building owners were reluctant to upgrade the facilities to acceptable office standards. Therefore, we decided to allow the lease to expire on its normal expiration date of August 31, 1978, and find other suitable quarters.

At the same time we found other offices in the Alaska Office Building overcrowded, and in mid-September numerous changes were made to reorganize and combine offices in order to make our overall operation more efficient. Office space could not be found for the Office of Alcoholism and Drug Abuse within the Alaska Office Building because of the already crowded conditions.

Space for the Office of Alcoholism and Drug Abuse was advertised in accordance with AS 37.05.280, with no bids received. Invitations to bid were again let, and the low responsible bidder's offer was accepted for a two year lease. As you know, rental costs have increased considerably in the last few years. There was no way to know, prior to bid opening, the amount of money required to pay the rent increase.

Putting a different office in the Office of Alcoholism and Drug Abuse newly leased space in an effort to save a Supplemental Request, would only result in a supplemental request for that office, since there are no other rental funds available which are excess to our needs.

We feel that we have taken the best managerial choices available, and that no other viable alternatives exist. The Office of Alcoholism and Drug Abuse performs a vital function, and must have suitable office space.

Rental for July and August amounted to \$5,183. The Office will occupy 2,205 square feet (about 300 square feet less than at the previous location) at \$1.20 per square foot, plus \$3,423 for janitorial services for the balance of FY 79. Actual moving expense (cartage) was \$1,185. This amounts to \$31,068 in expense related to space occupancy for the last 10 months of FY 79.

Therefore, total expense related to leased space is \$36,251 for FY 79, less \$6,900 leaves a shortfall of \$29,400.

If the supplemental is not passed an overexpenditure pattern will exist. Unfortunately the budget is too tight to enable line item transfers to cover this need.

Audited Indebtedness

A recent fiscal audit report made by the Office of Internal Review has disclosed that the Office of Alcoholism and Drug Abuse owes \$2,859.00 to the Unalaska Alcoholism Program for fiscal year 1976 and 1977. Encumbrances for these years have lapsed, so the funds are no longer available.

There will not be enough funds available to pay this legal obligation if a Supplemental is not granted.

	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 CURRENT AUTH.	EXPENDITURES + ENCUMBRANCES 7/1/-11/30	OTHER OBLIGATIONS 7/1/-11/30	PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 79 (DEFICIT) OR EXCESS	FY 80 CONTINUATIC:
PERSONAL SERVICES	513.6	390.6	370.2	392.2	392.2	461.9	158.2		303.7		485.9
TRAVEL	97.1	61.0	60.0	58.4	58.4	79.9	21.4		73.0	(14.5)	64.8
CONTRACTUAL SERVICES	158.7	251.6	225.9	247.9	247.9	162.7	82.1		110.0	(29.4)	230.0
COMMODITIES	19.1	10.0	5.1	9.6	9.6	10.1	1.6		8.5		10.2
EQUIPMENT	1.8		1.5			2.2	1.3		.9		
LANDS, BLDG. ...											
GRANTS, CLAIMS				18.9							
MISCELLANEOUS											
TOTAL	790.3	713.2	662.7	727.0	708.1	716.8	264.6		496.1	(43.9)	790.9
FEDERAL RECEIPTS	232.7			301.6	301.6	310.3					300.6
REQUIRED GF MATCHING											3.4
OTHER GENERAL FUND	557.6			425.4	406.5	406.5				(43.9)	486.9
INTER-AGENCY RECEIPTS											

AGENCY: Health & Social Services BRU: Alcoholism & Drug Abuse COMPONENT: Administration REVISED: 12/18/78

FY 79 SUPPLEMENTAL REQUEST ANALYSIS

	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 CURRENT AUTH.	EXPENDITURES + ENCUMBRANCES 7/1/-11/30	OTHER OBLIGATIONS 7/1/-11/30	PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 79 (DEFICIT) OR EXCESS	FY 80 CONTINUATION
PERSONAL SERVICES											
TRAVEL											
CONTRACTUAL SERVICES											
COMMODITIES											
EQUIPMENT											
LANDS, BLDG. ...											
GRANTS, CLAIMS	2,922.1	2,667.5	2,308.8	2,471.0	2,471.0	2,486.0	1,313.9	2.9	1,172.1	(2.9)	2,619.3
MISCELLANEOUS											
TOTAL	2,922.1	2,667.5	2,308.8	2,471.0	2,471.0	2,486.0	1,313.9	2.9	1,172.1	(2.9)	2,619.3
FEDERAL RECEIPTS	907.7			200.0	200.0	215.0					200.0
REQUIRED OF MATCHING											
OTHER GENERAL FUND	2,014.4			2,271.0	2,271.0	2,271.0				(2.9)	2,419.3
INTER-AGENCY RECEIPTS											

AGENCY: Health & Social Services BRU: Alcoholism & Drug Abuse COMPONENT: Alcohol Abuse Control REVISED: 12/18/78

ALASKA STATE LEGISLATURE

ELEVENTH Legislature FIRST Session

HOUSE BILL NO. 188...

By THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

"An Act making a supplemental appropriation to the Department of Health and Social Services, Office of Alcoholism and Drug Abuse; and providing for an effective date."

Appropriation for Office of Alcoholism and Drug Abuse

Introduced in the House 2-13, 19.79

HISTORY IN THE HOUSE

1979	Read first time and referred to Committee on																												
Feb. 13	HESS and Finance																												
	Reported back with recommendation that																												
	Read second time and																												
	Read third time and																												
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td colspan="2">Reconsideration</td> </tr> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td colspan="2">Reported correctly engrossed</td> </tr> <tr> <td colspan="2">Signed by Speaker</td> </tr> <tr> <td colspan="2">Sent to Senate</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused	Reconsideration		PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused	Reported correctly engrossed		Signed by Speaker		Sent to Senate	
PASS	Effective Date																												
Yeas	Yeas																												
Nays	Nays																												
Absent	Absent																												
Excused	Excused																												
Reconsideration																													
PASS	Effective Date																												
Yeas	Yeas																												
Nays	Nays																												
Absent	Absent																												
Excused	Excused																												
Reported correctly engrossed																													
Signed by Speaker																													
Sent to Senate																													
CHIEF CLERK OF THE HOUSE																													

HISTORY IN THE SENATE

19	Read first time and referred to Committee on																												
	Reported back with recommendation that																												
	Read second time and																												
	Read third time and																												
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td colspan="2">Reconsideration</td> </tr> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td colspan="2">Reported correctly engrossed</td> </tr> <tr> <td colspan="2">Signed by President</td> </tr> <tr> <td colspan="2">Returned to House</td> </tr> </table>	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	
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: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling Reported correctly enrolled Sent to Governor by Governor
	Filed with Lt. Governor
	Chapter No.

Funding Information:
General Fund: \$350,759
Other Funds: -0-
\$350,759

Introduced: 2/13/79
Referred: Health, Education &
Social Services and Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 188

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Health and Social Services, Office of
8 Alcoholism and Drug Abuse; and providing for an
9 effective date."

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

11 * Section 1. The sum of \$350,759 is appropriated from the general fund
12 to the Department of Health and Social Services, Office of Alcoholism and
13 Drug Abuse, for the purpose of awarding grants for alcohol treatment pro-
14 grams.

15 * Sec. 2. The unexpended and unobligated portion of the appropriation
16 made in sec. 1 of this Act lapses June 30, 1979.

17 * Sec. 3. This Act takes effect immediately in accordance with AS 01.-
18 10.070(c).

19

20

21

22

23

24

25

26

27

28

29

Original sponsor: Rules/Governor

Offered: 4/5/79
Referred: Finance

Funding Information

General Fund \$362,518
Other Funds -0-
\$362,518

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 188

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Health and Social Services, office of
8 alcoholism and drug abuse; and providing for an
9 effective date."

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

11 * Section 1. The sum of \$362,518 is appropriated from the general fund to
12 the Department of Health and Social Services, office of alcoholism and drug
13 abuse for the fiscal year ending June 30, 1979, to be allocated as follows:

14 Grants for alcohol treatment programs \$350,759

15 Travel costs of the Advisory Board on Alcoholism

16 and the Drug Abuse Advisory Board \$,900

17 Unalaska alcoholism program - for unpaid bill 2,859

18 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
19 070(c).

20

21

22

23

24

25

26

27

28

29

22-188

February 12, 1979

The Honorable Terry Gardiner
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18 of the Alaska Constitution, I am transmitting a bill making a supplemental appropriation to the Department of Health and Social Services, Office of Alcoholism and Drug Abuse.

This request stems from an error in the fiscal system which allowed a delay in computer processing of grant payments labeled "current year" (meaning FY 78) to be processed during the next fiscal year (FY 79). The erroneous payments were not discovered in time to correct before closing out the FY 78 books and those funds lapsed to the state treasury. A project ledger payment and accounting system is now in the planning stage which will eliminate this sort of problem.

Sincerely,

S/JSH

Jay S. Hammond
Governor

MEMORANDUM

RECEIVED
JAN 22 1979

Budget And Management

TO: Ron Lind, Director
Division of Budget and Management
Office of the Governor

DATE: January 22, 1979

FILE NO:

TELEPHONE NO:

SUBJECT: Supplemental Request

FROM: *Helen D. Beirne*
Helen D. Beirne
Commissioner
Department of Health and Social Services
B. B. Allen
B. B. Allen
Commissioner
Department of Administration

A Supplemental Appropriation is needed for Fiscal Year 1979 in the amount of \$350,759 for the Office of Alcoholism and Drug Abuse.

This request stems from the inadvertent failure of the fiscal system to pay grants of \$343,000 to the Municipality of Anchorage and \$7,759 to the City of Billingsham from FY78 funds. FY79 funds were used instead, and this error will result in a \$350,759 shortfall in the FY79 grants.

The error was caused by a loophole in the system which allowed a delay in computer processing of the payments labeled "Current Year" (meaning FY78) to be processed during the next fiscal year (FY79). Due to the nature of business, the erroneous payments were not discovered in time to correct before closing out the FY78 books and these FY78 funds lapsed to the State Treasury.

A project ledger payment and accounting system is now in the planning stage which will eliminate this sort of problem.

Granting of this Supplemental Request will have the effect of replacing the FY79 funds which were improperly used to pay for FY78 alcoholism grants.

Failure to approve this Supplemental Request would have disastrous results in that alcohol treatment programs would have to be drastically cut back during the last few months of the fiscal year due to lack of funds.

REVISED:

PROJECTED EXPENDITURES + ALLOCATIONS 2/1-6/79	FY 79 (DEFICIT) OR EXCESS	FY 80 CONTINUATION
11221	(3537)	26193
		2000
		24193

FY 79 SUPPLEMENTAL REQUEST ANALYSIS

	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 CURRENT AUTH.	EXPENDITURES + ENCUMBRANCES 7/1/-11/30	OTHER OBLIGATION 7/1/-11/30	PROJECTED EXPENDI- TURES + ENCUMBRANCE 12/1-6/30	FY 79 (DEFICIT) OR EXCESS Sup	FY 80 CONTINUATI
PERSONAL SERVICES											
TRAVEL											
CONTRACTUAL SERVICES											
COMMODITIES											
EQUIPMENT											
INT. BLDG. ...											
RENTS CLAIMS	2922.1	2614.0	2308.8	2471.0	2471.0	2486.0	1313.9	353.7	1172.1	(353.7)	2619.3
MISCELLANEOUS											
TOTAL	2922.1	2614.0	2308.8	2471.0	2471.0	2486.0	1313.9	353.7	1172.1	(353.7)	2619.3
FEDERAL RECEIPTS	907.7	703.8	535.5	200.0	200.0	215.0					200.0
REQUIRED OF MATCHING		1910.2									
FR. GENERAL FUND	2014.4		2233.3	2271.0	2271.0	2271.0					2414.3
GRANT RECEIPTS											

Health & Social Services DRU: Mendocino & Perry House COMPONENT: Abuse Abuse Grants REVISED: _____

STATE
of ALASKA

MEMORANDUM

RECEIVED

DEC 20 1978

F. L. ...

TO: Ron Lind
Director
Division of Budget & Management
Office of the Governor

FROM: *Helen D. Beirne*
Helen D. Beirne
Commissioner
Department of Health & Social Services

DATE:

FILE NO:

TELEPHONE NO:

SUBJECT: FY 79 Supplemental Appropriations,
Office of Alcoholism & Drug Abuse

The attached supplemental requests for the Office of Alcoholism and Drug Abuse are for three separate items:

1. Travel shortfall	--	\$14.5 8.9
2. Rent shortfall	--	29.4
3. Audited indebtedness	--	2.9
Total		\$46.8

Full explanation of each supplemental need follows.

Travel Shortfall

The First Session of the Tenth Alaska State Legislature expressed intent that administration for alcoholism and drug abuse be combined. Therefore, the Budget for FY 79 was prepared with the assumption that legislation would be passed combining the Board on Alcoholism with the Board on Drug Abuse. This legislation would have decreased the number of Board members from 21 to 9. In addition one person sits on both boards, which makes travel money necessary for 22 persons. Based on 4 meetings per year at 3 days per meeting, at \$54 per client and \$230 air travel, the needs are as follows:

$$\frac{22 \times 4 \times 3 \times \$54}{\text{Per Diem}} + \frac{22 \times 4 \times 230}{\text{Travel}} = 34.5 - 20.0 \text{ (budgeted)} = 14.5 \text{ shortfall}$$

The consequences of not funding this supplemental are that there will not be enough funds to pay for the full contingent of Board meetings as required by law.

Rent Shortfall

Due to an error in the original FY 79 budget submission, only \$6,900 was budgeted for Central Office rent for the Office of Alcoholism and Drug Abuse.

This office has, for several years, been located in substandard space in the Anderson-Wilson Building (210 Ferry Way). The building owners were reluctant to upgrade the facilities to acceptable office standards. Therefore, we decided to allow the lease to expire on its normal expiration date of August 31, 1978, and find other suitable quarters.

At the same time we found other offices in the Alaska Office Building overcrowded, and in mid-September numerous changes were made to reorganize and combine offices in order to make our overall operation more efficient. Office space could not be found for the Office of Alcoholism and Drug Abuse within the Alaska Office Building because of the already crowded conditions.

Space for the Office of Alcoholism and Drug Abuse was advertised in accordance with AS 37.05.280, with no bids received. Invitations to bid were again let, and the low responsible bidder's offer was accepted for a two year lease. As you know, rental costs have increased considerably in the last few years. There was no way to know, prior to bid opening, the amount of money required to pay the rent increase.

Putting a different office in the Office of Alcoholism and Drug Abuse newly leased space in an effort to save a Supplemental Request, would only result in a supplemental request for that office, since there are no other rental funds available which are excess to our needs.

We feel that we have taken the best managerial choices available, and that no other viable alternatives exist. The Office of Alcoholism and Drug Abuse performs a vital function, and must have suitable office space.

Rental for July and August amounted to \$5,183. The Office will occupy 2,205 square feet (about 300 square feet less than at the previous location) at \$1.20 per square foot, plus \$3,423 for janitorial services for the balance of FY 79. Actual moving expense (cartage) was \$1,185. This amounts to \$31,068 in expense related to space occupancy for the last 10 months of FY 79.

Therefore, total expense related to leased space is \$36,251 for FY 79, less \$6,900 leaves a shortfall of \$29,400.

If the supplemental is not passed an overexpenditure pattern will exist. Unfortunately the budget is too tight to enable line item transfers to cover this need.

Audited Indebtedness

A recent fiscal audit report made by the Office of Internal Review has disclosed that the Office of Alcoholism and Drug Abuse owes \$2,859.00 to the Unalaska Alcoholism Program for fiscal year 1976 and 1977. Encumbrances for these years have lapsed, so the funds are no longer available.

There will not be enough funds available to pay this legal obligation if a Supplemental is not granted.

	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 CURRENT AUTH.	EXPENDITURES + ENCUMBRANCES 7/1/-11/30	OTHER OBLIGATIONS 7/1/-11/30	PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 79 (DEFICIT) OR EXCESS	FY 80 CONTINUING
PERSONAL SERVICES	513.6	390.6	370.2	392.2	392.2	461.9	158.2		303.7		485.9
TRAVEL	97.1	61.0	60.0	58.4	58.4	79.9	21.4		73.0	(14.5)	64.8
CONTRACTUAL SERVICES	158.7	251.6	225.9	247.9	247.9	162.7	82.1		110.0	(29.4)	230.0
COMMODITIES	19.1	10.0	5.1	9.6	9.6	10.1	1.6		8.5		10.2
EQUIPMENT	1.8		1.5			2.2	1.3		.9		
LANDS, BLDG., ...											
GRANTS, CLAIMS				18.9							
MISCELLANEOUS											
TOTAL	790.3	713.2	662.7	727.0	708.1	716.8	264.6		496.1	(43.9)	790.9
FEDERAL RECEIPTS	232.7			391.6	391.6	310.3					300.6
REQUIRED OF MATCHING											3.4
OTHER GENERAL FUND	557.6			425.4	406.5	406.5				(43.9)	486.9
INTER-AGENCY RECEIPTS											

AGENCY: Health & Social Services

BRU: Alcoholism & Drug Abuse

COMPONENT: Administration

REVISED: 12/18/78

FY 79 SUPPLEMENTAL REQUEST ANALYSIS

	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 CURRENT AUTH.	EXPENDITURES + ENCUMBRANCES 7/1/-11/30	OTHER OBLIGATIONS 7/1/-11/30	PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 79 (DEFICIT) OR EXCESS	FY 80 CONTINGENT
PERSONAL SERVICES											
TRAVEL											
CONTRACTUAL SERVICES											
COMMODITIES											
EQUIPMENT											
LANDS, BLDG. ...											
GRANTS, CLAIMS, ...	2,922.1	2,667.5	2,308.8	2,471.0	2,471.0	2,486.0	1,313.9	2.9	1,172.1	(2.9)	2,619.3
MISCELLANEOUS											
TOTAL	2,922.1	2,667.5	2,308.8	2,471.0	2,471.0	2,486.0	1,313.9	2.9	1,172.1	(2.9)	2,619.3
FEDERAL RECEIPTS	907.7			200.0	200.0	215.0					200.0
REQUIRED GF MATCHING											
OTHER GENERAL FUND	2,014.4			2,271.0	2,271.0	2,271.0				(2.9)	2,419.3
INTER-AGENCY RECEIPTS											

AGENCY: Health & Social Services DRU: Alcoholism & Drug Abuse COMPONENT: Alcohol Abuse Control REVISED: 12/18/78



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

3/8/90
Date

2

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB190

Title An act making a special appropriation to the City of Nome

Requested by Fuller

Date 2/13/79

II. FISCAL DETAIL

Agency Affected None

Program Category Affected N/A

BRU, Program, or Subprogram(s) Affected N/A

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	350,000	-0-	-0-	-0-	-0-	-0-
TOTAL	350,000	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND	350,000					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-					
PART TIME						
TEMPORARY						

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

See attached

IV. DATE 2/21/79

PREPARED BY *Tim J. Richards*
AGENCY Military Affairs
PHONE 465-4600

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

The following is a list of funds which have previously been disbursed to the City of Nome for expenses incurred during the Bering Sea Disaster of 1974:

1. \$1,392,239.00 - provided 100 percent Federal Disaster Assistance Administration for damages to public and nonprofit facilities.
2. \$380,000 - provided 100 percent by the State under CSSB265 for the replacement of a generator.
3. \$717,904.00 - provided 100 percent by the State under Chapters 157 and 158, Temporary and Special Acts, Alaska Statutes to meet extra-ordinary expenditures of public and nonprofit facilities not funded by the Federal Disaster Assistance Administration.

COMMITTEE REPORT

HOUSE

FURTHER:

February 20, 1979

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HB 190

"An Act making a special appropriation to the City of Nome; eff. date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

6391
varear

Fund	Information
General Fund	\$350,000
Other Funds	-0-
	<u>\$350,000</u>

Introduced: 2/13/79
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY FULLER

2 HOUSE BILL NO. 190

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the City of
7 Nome; and providing for an effective date."

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

9 * Section 1. The sum of \$350,000 is appropriated from the general fund to
10 the City of Nome for costs incurred by the city in replacing or restoring
11 power utilities damaged as a result of floods and storms in the 1974 natural
12 disaster.

13 * Sec. 2. The unexpended and unobligated portion of the appropriation
14 lapses into the general fund June 30, 1980.

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

ALASKA STATE LEGISLATURE

LEVENTH Legislature FIRST... Session

HOUSE ... BILL NO. ... 190.

By FULLER

'An Act making a special appropriation to the City of Nome; and providing for an effective date.'

Special appropriation to the City of Nome

Introduced in the House ... 2-13 ..., 1979.

HISTORY IN THE HOUSE

19 79	Read first time and referred to Committee on State Affairs and Finance																												
Feb. 13	Reported back with recommendation that																												
	Read second time and																												
	Read third time and																												
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td colspan="2">Reconsideration</td> </tr> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td colspan="2">Reported correctly engrossed</td> </tr> <tr> <td colspan="2">Signed by Speaker</td> </tr> <tr> <td colspan="2">Sent to Senate</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused	Reconsideration		PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused	Reported correctly engrossed		Signed by Speaker		Sent to Senate	
PASS	Effective Date																												
Yeas	Yeas																												
Nays	Nays																												
Absent	Absent																												
Excused	Excused																												
Reconsideration																													
PASS	Effective Date																												
Yeas	Yeas																												
Nays	Nays																												
Absent	Absent																												
Excused	Excused																												
Reported correctly engrossed																													
Signed by Speaker																													
Sent to Senate																													
CHIEF CLERK OF THE HOUSE																													

HISTORY IN THE SENATE

19	Read first time and referred to Committee on																												
	Reported back with recommendation that																												
	Read second time and																												
	Read third time and																												
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td colspan="2">Reconsideration</td> </tr> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td colspan="2">Reported correctly engrossed</td> </tr> <tr> <td colspan="2">Signed by President</td> </tr> <tr> <td colspan="2">Returned to House</td> </tr> </table>	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	
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: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling
	Reported correctly enrolled
	Sent to Governor
 by Governor
	Filed with Lt. Governor
	Chapter No.

Funding Information
General Fund \$350,000
Other Funds -0-
\$350,000

Introduced: 2/13/79
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY FULLER

2 HOUSE BILL NO. 190

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the City of
7 Nome; and providing for an effective date."

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

9 * Section 1. The sum of \$350,000 is appropriated from the general fund to
10 the City of Nome for costs incurred by the city in replacing or restoring
11 power utilities damaged as a result of floods and storms in the 1974 natural
12 disaster.

13 * Sec. 2. The unexpended and unobligated portion of the appropriation
14 lapses into the general fund June 30, 1980.

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

17

18

19

20

21

22

23

24

25

26

27

28

29

Additional Facts for Fiscal Note on HB190

FACTS BEARING ON THE MATTER

- a. The Nome main electrical power plant is located near the beach in a designated coastal flood hazard zone.
- b. Following the 1974 Bering Sea Storm which damaged the facility, the Joint Utility approved a plan to locate a peaking and emergency power facility outside the flood hazard zone. Such a facility would assure minimum power to operate essential utilities in event the main facility became inoperative due to flood damage, and thus, prevent freezeup of water and sewer systems valued in excess of \$25 million.
- c. To that end the 1975 Legislature authorized a grant of \$380 Thousand to the City in support of the project. The grant was administered by the Division of Emergency Services. CY 75

FISCAL DETAIL

As documented by the Nome Joint Utility costs they are attempting to recover as follows:

- | | |
|---|--------------|
| 1. Nome Utility Costs not reimbursed from Other Sources: | \$340,980.40 |
| 2. Remote Control Device at Main Power Plant: | \$ 87,920.00 |
| 3. GE Technical Services for Repair Work on Generators at Main Power Plant: | \$ 15,673.08 |

2

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB190

Title An act making a special appropriation to the City of Nome

Requested by Fuller Date 2/13/79

II. FISCAL DETAIL

Agency Affected None

Program Category Affected N/A

BRU, Program, or Subprogram(s) Affected N/A

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	350,000	-0-	-0-	-0-	-0-	-0-
TOTAL	350,000	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND	350,000					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-					
PART TIME						
TEMPORARY						

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

See attached

IV. DATE 2/21/79

PREPARED BY *Tim T. Richardson*

AGENCY Military Affairs

PHONE 465-4600

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

The following is a list of funds which have previously been disbursed to the City of Nome for expenses incurred during the Bering Sea Disaster of 1974:

1. \$1,392,239.00 - provided 100 percent Federal Disaster Assistance Administration for damages to public and nonprofit facilities.
2. \$380,000 - provided 100 percent by the State under CSSB265 for the replacement of a generator.
3. \$717,904.00 - provided 100 percent by the State under Chapters 157 and 158, Temporary and Special Acts, Alaska Statutes to meet extra-ordinary expenditures of public and nonprofit facilities not funded by the Federal Disaster Assistance Administration.