

LEG. FINANCE - BILLS 1979 - 1980 1145

HB 653 cont., thru HB 660 1145

1 Sec. 45.87.030. GRANT TERMS FOR BULK FUEL STORAGE FACILITIES. A
2 grant made under this chapter for the acquisition and installation of
3 a bulk fuel storage facility may not exceed \$25,000 per community or
4 25 per cent of the total cost of the bulk fuel storage facility,
5 whichever is less. No community is eligible for more than one grant
6 under AS 45.87.010.

7 Sec. 45.87.040. LOCAL PARTICIPATION. To be eligible for a loan
8 or grant under this chapter for the acquisition and installation of a
9 bulk fuel storage facility, a community must participate in financing
10 the project.

11 ARTICLE 2. BULK FUEL.

12 Sec. 45.87.060. LOAN FUND ESTABLISHED; BASIC ELIGIBILITY. There
13 is established in the Department of Commerce and Economic Development
14 the Bulk Fuel Revolving Loan Fund to assist communities in purchasing
15 large yearly supplies of fuel at one time. A community, or a private
16 individual who has written endorsement from the governing body of the
17 community, is eligible for a loan for a bulk fuel purchase.

18 Sec. 45.87.070. LOAN TERMS FOR BULK FUEL PURCHASES. (a) A loan
19 made under this chapter for supplies of fuel may not exceed \$50,000.

20 (b) The period for repayment of the loan may not exceed one
21 year.

22 (c) The loan must be secured by collateral which the commissioner
23 determines is acceptable.

24 (d) The amount of the loan may not exceed 90 per cent of the
25 wholesale price of the product.

26 (e) All payments of principal and interest must be paid into the
27 Bulk Fuel Revolving Loan Fund.

28 ARTICLE 3. GENERAL PROVISIONS.

29 Sec. 45.87.900. POWERS AND DUTIES OF THE DEPARTMENT. The depart-

1 ment may adopt regulations necessary to implement this chapter, includ-
2 ing eligibility standards for loans and grants made under this chapter
3 and guidelines for the determination of loan terms and grant terms.
4 It may also hold hearings and may subpoena witnesses and documents and
5 administer oaths in connection with hearings.

6 Sec. 45.87.910. DEFINITIONS. In this chapter

7 (1) "bulk fuel storage facility" means a storage tank
8 capable of holding at least 10,000 gallons of petroleum fuels;

9 (2) "commissioner" means the commissioner of commerce and
10 economic development;

11 (3) "community" means home rule cities and boroughs, cities
12 and boroughs of any class, and unincorporated villages which are
13 social units, but does not include any first class city of over 2,000
14 population;

15 (4) "department" means the Department of Commerce and
16 Economic Development.

17 * Sec. 6. This Act takes effect immediately in accordance with AS 01.-
18 10.070(c).

Introduced: 1/31/80
Referred: Resources and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 653

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to bulk fuel; and providing for an
7 effective date."

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

9 * Section 1. AS 44 is amended by adding a new article to read:

10 ARTICLE 3B. COMMUNITY FUEL EMERGENCY FUND.

11 Sec. 44.19.179. COMMUNITY FUEL EMERGENCY FUND. There is estab-
12 lished in the Office of the Governor the Community Fuel Emergency
13 Fund. Grants from this fund may be made to communities, as defined in
14 AS 44.47.170, when the governor determines that the fuel emergency is
15 sufficiently severe to justify state action.

16 * Sec. 2. AS 44.47.130 is amended by adding a new paragraph to read:

17 (7) make grants to communities for bulk fuel storage facili-
18 ty feasibility studies.

19 * Sec. 3. AS 44.47.140 is amended to read:

20 Sec. 44.47.140. LIMITATIONS. The programs of the department are
21 subject to the following limitations:

22 (1) no program for any one community may exceed \$40,000 in
23 cost a year, except that an additional maximum grant of \$5,000 may be
24 made under AS 44.47.145 for a bulk fuel storage facility feasibility
25 study; and

26 (2) no first class city of over 2,000 population is eligible
27 for assistance.

28 * Sec. 4. AS 44.47 is amended by adding a new section to read:

29 Sec. 44.47.145. BULK FUEL STUDY GRANT FUND. (a) There is

1 established in the Department of Community and Regional Affairs the
2 Bulk Fuel Study Grant Fund. Grants may be made to communities from
3 this fund for bulk fuel storage facility feasibility studies.

4 (b) A grant made under this section may not exceed \$5,000. No
5 community may receive more than one grant under this section.

6 * Sec. 5. AS 45 is amended by adding a new chapter to read:

7 CHAPTER 87. BULK FUEL REVOLVING FUNDS.

8 ARTICLE 1. STORAGE FACILITIES.

9 Sec. 45.87.010. LOAN AND GRANT FUND ESTABLISHED; BASIC ELIGI-
10 BILITY. There is established in the Department of Commerce and Eco-
11 nomic Development the Bulk Fuel Storage Facilities Revolving Loan and
12 Grant Fund. Loans and grants may be made from this fund to acquire
13 and install community bulk storage facilities. A community, as defined
14 in AS 45.87.910, is eligible for a loan and grant for a bulk fuel
15 storage facility.

16 Sec. 45.87.020. LOAN TERMS FOR BULK FUEL STORAGE FACILITIES.

17 (a) A loan made under this chapter for the acquisition and installa-
18 tion of a community bulk fuel storage facility may not exceed \$50,000
19 per community, or 50 per cent of the total cost of the bulk fuel
20 storage facility, whichever is less. No community is eligible for a
21 second loan for a bulk fuel storage facility until the balance of the
22 first loan for a bulk fuel facility has been paid in full.

23 (b) The period for repayment of the loan may not exceed 15 years.

24 (c) The loan must be secured by collateral which the commissioner
25 determines is acceptable.

26 (d) The rate of interest may not exceed nine and one half per
27 cent a year on the unpaid balance of the loan.

28 (e) All payments of principal and interest must be paid into the
29 Bulk Fuel Storage Facilities Revolving Loan and Grant Fund.

1 Sec. 45.87.030. GRANT TERMS FOR BULK FUEL STORAGE FACILITIES. A
2 grant made under this chapter for the acquisition and installation of
3 a bulk fuel storage facility may not exceed \$25,000 per community or
4 25 per cent of the total cost of the bulk fuel storage facility,
5 whichever is less. No community is eligible for more than one grant
6 under AS 45.87.010.

7 Sec. 45.87.040. LOCAL PARTICIPATION. To be eligible for a loan
8 or grant under this chapter for the acquisition and installation of a
9 bulk fuel storage facility, a community must participate in financing
10 the project.

11 ARTICLE 2. BULK FUEL.

12 Sec. 45.87.060. LOAN FUND ESTABLISHED; BASIC ELIGIBILITY. There
13 is established in the Department of Commerce and Economic Development
14 the Bulk Fuel Revolving Loan Fund to assist communities in purchasing
15 large yearly supplies of fuel at one time. A community, or a private
16 individual who has written endorsement from the governing body of the
17 community, is eligible for a loan for a bulk fuel purchase.

18 Sec. 45.87.070. LOAN TERMS FOR BULK FUEL PURCHASES. (a) A loan
19 made under this chapter for supplies of fuel may not exceed \$50,000.

20 (b) The period for repayment of the loan may not exceed one
21 year.

22 (c) The loan must be secured by collateral which the commissioner
23 determines is acceptable.

24 (d) The amount of the loan may not exceed 90 per cent of the
25 wholesale price of the product.

26 (e) All payments of principal and interest must be paid into the
27 Bulk Fuel Revolving Loan Fund.

28 ARTICLE 3. GENERAL PROVISIONS.

29 Sec. 45.87.900. POWERS AND DUTIES OF THE DEPARTMENT. The depart-

1 ment may adopt regulations necessary to implement this chapter, includ-
2 ing eligibility standards for loans and grants made under this chapter
3 and guidelines for the determination of loan terms and grant terms.
4 It may also hold hearings and may subpoena witnesses and documents and
5 administer oaths in connection with hearings.

6 Sec. 45.87.910. DEFINITIONS. In this chapter

7 (1) "bulk fuel storage facility" means a storage tank
8 capable of holding at least 10,000 gallons of petroleum fuels;

9 (2) "commissioner" means the commissioner of commerce and
10 economic development;

11 (3) "community" means home rule cities and boroughs, cities
12 and boroughs of any class, and unincorporated villages which are
13 social units, but does not include any first class city of over 2,000
14 population;

15 (4) "department" means the Department of Commerce and
16 Economic Development.

17 * Sec. 6. This Act takes effect immediately in accordance with AS 01.-
18 10.070(c).

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

HB 653

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HR 653
Title An Act relating to bulk fuel; and providing for an effective date
Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Department of Commerce and Economic Development
Program Category Affected Development
BRU, Program, or Subprogram(s) Affected Division of Business Loans
(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)

	^{3 mos.} FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	20.3	81.3	87.0	93.1	99.6	106.6
200 TRAVEL	2.8	11.0	11.8	12.6	13.5	14.4
300 CONTRACTUAL	3.1	12.4	13.3	14.2	15.2	16.3
400 COMMODITIES	.1	.5	.5	.6	.6	.6
500 EQUIPMENT	6.3	-	-	-	-	-
600 LAND & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC.	-	-	-	-	-	-
TOTAL	32.6	105.2	112.6	120.5	128.9	137.9

FUNDING (Thousands of Dollars)

GENERAL FUND	32.6	105.2	112.6	120.5	128.9	137.9
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	3	3	3	3	3	3
PART TIME						
TEMPORARY						

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

To increase staff to handle processing, closing and accounting for bulk fuel revolving loan fund.

See attached breakdown of fiscal note figures.

IV. DATE Jan. 29, 1980

PREPARED BY Sharon R. Traylor, Director
AGENCY Div. of Business Loans, Dept. Com. & Eco. Dev.
PHONE 465-2510

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

Breakdown of Fiscal Note Figures:

	12 mos.	
100. 1 Loan Examiner III @2355/mo.	<u>\$28.3</u>	
1 Documents Processing Clerk III @1254/mo.	15.0	
1 Accounting Technician II @1629/mo.	19.6	
Sub-total	<u>\$62.9</u>	
Standard Benefits (62.9 X .1529)	9.6	
Supplemental Benefits (62.9 X .0665)	4.2	
Health Insurance (36 man mos. X 127)	<u>4.6</u>	\$81.3
200. Travel to villages:		
20 trips @430	\$ 8.6	
40 days per diem @60	<u>2.4</u>	11.0
300. Telephone, postage, printing, advertising	\$10.0	
Additional office space @200/mo.	<u>2.4</u>	12.4
400. Office Supplies		.5
500. 3 Desks @333	\$ 1.0	
2 Credenzas @390	.8	
1 Typist extension @350	.4	
2 Secretarial chairs @137	.3	
1 Executive chair @180	.2	
2 Side chairs @125	.3	
4 File cabinets @247	.9	
2 Typewriters @810	1.6	
3 Calculators @225	.7	
3 Wastebaskets @10, 1 Coat Rack @60	<u>.1</u>	<u>6.3</u>
		\$111.5

7% Inflation for succeeding years.

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

AMENDED
FISCAL NOTE

CSHB 653

I. REQUEST

Bill/Resolution No. CSHB 653

Title An Act Establishing a Fuel Emergency Fund & a Bulk Fuel Distribution & Storage Program

Requested by Mary Halloran, House Resources Committee

Date 4-21-80

II. FISCAL DETAIL

Agency Affected Department of Commerce and Economic Development

Program Category Affected Development

BRU, Program, or Subprogram(s) Affected Division of Business Loans

(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-					
300 CONTRACTUAL	-0-					
400 COMMODITIES	-0-					
500 EQUIPMENT	-0-					
600 LAND & STRUCTURES	-0-					
700 GRANTS, CLAIMS, ETC.	1,500.0					
CAPITALIZE LOAN FUND	1,500.0					
TOTAL	3,000.0	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND	3,000.0	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

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

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

This fiscal note is amended to reflect the addition of Sec. 45.87.050 which states that the department shall contract for the administration of the grant and loan programs. It assumes the person or agency who administers the programs will take the contract costs out of the grant or loan appropriation.

If contract costs must be defined and appropriated separately, a new fiscal note will be submitted.

IV. DATE Amended 4-21-80

PREPARED BY Sharon R. Traylor, Director

AGENCY Div. of Business Loans, Dept. of Commerce & Eco. Dev.

PHONE 465-2510

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

Sharon R. Traylor

CATEGORY: DEVELOPMENT

AGENCY: COMMERCE AND ECONOMIC DEVELOPMENT

PROGRAM: ECONOMIC DEVELOPMENT

BRU (S): BUSINESS LOANS

The Business Loans BRU provides Alaskan businesses and residents with long term, low interest financing which is usually not available from private lending institutions. Specific loan programs include:

Small Business Loans These loans are generally too risky or too small to interest private lending institutions.

Commercial Fishing Loans provide commercial fishermen with capital for purchase or upgrade of vessels needed to remain competitive. Due to high risk and unpredictable fish seasons, local banks have been reluctant to make these loans.

Tourism Loans provide capital for the expansion of tourist facilities.

Fisheries Enhancement Loans provide long-term, low interest loans for hatchery planning and construction, in support of private ownership of hatcheries by qualified nonprofit corporations.

Child Care Facilities Loans provide financing for the development of licensed child care facilities which helps stabilize that portion of the work force dependent on these services.

Water Resources Loans provide funds for hydroelectric and water supply projects. With the exception of certain previously conceived projects, this program has been replaced by the Power Project Loan Fund.

Historical Districts The intent of these loans is to foster an awareness of the need to preserve our historical past.

Residential Care Facilities provides residential care facilities with financing needed for renovation or equipment needed to comply with licensing standards. Loans are often not available from private lending institutions.

Alternative Technology and Power Resource Loans This loan fund assists in the development of energy production utilizing sources other than fossil fuel.

The Division has decentralized it's operations with the opening of offices in Anchorage and Fairbanks. As a result, the number of applicants has doubled. This outreach effort will continue in FY 81.

COMPONENT DESCRIPTION	79 AUTH	79 FINAL	79 ACT	80 AUTH	80 SUPL	80 RP	GOVERNOR
LOAN FUND ADM	882.6	916.8	836.6	860.4			916.5
** TOTAL	882.6	916.8	836.6	860.4			916.5
** CHANGE VERSUS 80 AUTH							6.5%
OBJECT DESCRIPTION							
PERS. SERV.	646.9	675.2	652.9	675.7			712.8
TRAVEL	121.0	121.0	42.5	90.8			70.9
CONTRACTUAL	71.0	76.9	90.7	60.4			90.7
COMMODITIES	7.0	7.0	6.9	6.0			7.5
EQUIPMENT	13.3	13.3	10.2				
LANDS/BLDG	23.4	23.4	33.4	27.5			34.6
FUNDING SOURCE							
GENERAL FUND	882.6	916.8	836.6	860.4			916.5
** GENERAL FUND CHANGE VS. 80 AUTH							6.5%
POSITIONS							
FULL-TIME	23.0	23.0	23.0	23.0			23.0
STAFF MONTHS	276.0	276.0	276.0	276.0			276.0

HR 653

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HR 653
Title An Act relating to bulk fuel; and providing for an effective date
Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Department of Commerce and Economic Development
Program Category Affected Development
BRU, Program, or Subprogram(s) Affected Division of Business Loans
(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)

	3 mos.					
	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	20.3	81.3	87.0	93.1	99.6	106.6
200 TRAVEL	2.8	11.0	11.8	12.6	13.5	14.4
300 CONTRACTUAL	3.1	12.4	13.3	14.2	15.2	16.3
400 COMMODITIES	.1	.5	.5	.6	.6	.6
500 EQUIPMENT	6.3	-	-	-	-	-
600 LAND & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC.	-	-	-	-	-	-
TOTAL	32.6	105.2	112.6	120.5	128.9	137.9

FUNDING (Thousands of Dollars)

	32.6	105.2	112.6	120.5	128.9	137.9
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	3	3	3	3	3	3
PART TIME						
TEMPORARY						

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

To increase staff to handle processing, closing and accounting for bulk fuel revolving loan fund.

See attached breakdown of fiscal note figures.

IV. DATE Jan. 29, 1980

PREPARED BY Sharon R. Traylor, Director
AGENCY Div. of Business Loans, Dept. Comm. & Econ. Dev.
PHONE 465-2510

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

Breakdown of Fiscal Note Figures:

		12 mos.	
100.	1 Loan Examiner III @2355/mo.	\$28.3	
	1 Documents Processing Clerk III @1254/mo.	15.0	
	1 Accounting Technician II @1629/mo.	19.6	
	Sub-total	\$62.9	
	Standard Benefits (62.9 X .1529)	9.6	
	Supplemental Benefits (62.9 X .0665)	4.2	
	Health Insurance (36 man mos. X 127)	4.6	\$81.3
200.	Travel to villages:		
	20 trips @430	\$ 8.6	
	40 days per diem @60	2.4	11.0
300.	Telephone, postage, printing, advertising	\$10.0	
	Additional office space @200/mo.	2.4	12.4
400.	Office Supplies		.5
500.	3 Desks @333	\$ 1.0	
	2 Credenzas @390	.8	
	1 Typist extension @350	.4	
	2 Secretarial chairs @137	.3	
	1 Executive chair @180	.2	
	2 Side chairs @125	.3	
	4 File cabinets @247	.9	
	2 Typewriters @810	1.6	
	3 Calculators @225	.7	
	3 Wastebaskets @10, 1 Coat Rack @60	.1	6.3
			\$111.5

7% Inflation for succeeding years.

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 653
 Title An Act making appropriations to the Department of Commerce & Economic Dev.
 Requested by _____ Date _____

Title: the Department of Community & Regional Affairs, and the Office of the Governor, for bulk fuel matters; and providing for an effective date.

II. FISCAL DETAIL

Agency Affected Department of Community and Regional Affairs
 Program Category Affected Community Development
 BRU, Program, or Subprogram(s) Affected Local Government Assistance

(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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES	40.7	43.9	47.5	51.3	55.4	59.8
200 TRAVEL	10.6	19.1	31.5	35.2	41.0	45.6
300 CONTRACTUAL	1.8	1.9	2.0	2.2	2.3	2.6
400 COMMODITIES						
500 EQUIPMENT	.7	0	0	0	0	0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	53.8	64.9	81.0	88.7	98.7	108.0

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND	53.8	64.9	81.0	88.7	98.7	108.0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME	1	1	1	1	1	1
PART TIME						
TEMPORARY						

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

Personal Services: LGS IV (range 19) with special emphasis on business & loan skills. (See Comments for fuller detail)

Travel: FY '81 assumes 15 grants at 1.5 trips per grant; 3 days per diem
 FY '82 assumes 15 grants at 1.5 trips per grant; 2 days per diem
 15 business setups & loan preparation at 15 trips
 3 days per diem

FY '83 assumes 15 grants at 1.5 trips per grant; 2 days per diem
 15 business setups & loan preparation at 15 trips
 3 days per diem
 15 monitor/update at 15 trips per; 1-1/2 days per diem

FY '84 same assumption as FY '83 with inflation

FY '85 same assumption as FY '83, with inflation

Contractual: Primarily telephone tolls and cost of advertising for bids.

Equipment: Desk, chair, bookcase, calculator, desk equipment. One time cost

IV. DATE 3/7/80 PREPARED BY Ms. Lare
 AGENCY Community & Regional Affairs

Original: Legislative Finance PHONE (Anchorage) 276-1721 (Juneau) 465-4735
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

REVISED
FISCAL NOTE

46-653

I. REQUEST

Bill/Resolution No. HB 653

Title An Act relating to bulk fuel; and providing for an effective date

Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Department of Commerce and Economic Development

Program Category Affected Development

BRU, Program, or Subprogram(s) Affected Division of Business Loans

(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)

	3 Mos. FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	22.9	91.5	100.7	110.8	121.9	134.1
200 TRAVEL	2.9	11.3	12.4	13.6	15.0	16.5
300 CONTRACTUAL	3.1	12.4	13.6	15.0	16.5	18.1
400 COMMODITIES	.1	.5	.6	.7		.9
500 EQUIPMENT	6.3	-	-	-	-	-
600 LAND & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC.	-	-	-	-	-	-
TOTAL	35.3	115.7	127.3	140.1	154.2	169.6

FUNDING (Thousands of Dollars)

	35.3	115.7	127.3	140.1	154.2	169.6
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	3	3	3	3	3	3
FULL TIME						
PART TIME						
TEMPORARY						

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

To increase staff to handle processing, closing and accounting for bulk fuel revolving loan fund.

See attached breakdown of fiscal note figures.

The figures have been revised to reflect the increases in wages and per diem.

Sharon R. Traylor

IV. DATE Revised 3-28-80

PREPARED BY Sharon R. Traylor, Director

AGENCY Div. of Business Loans, Dept. Comm. & Eco. Dev.

PHONE 465-2510

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

Breakdown of Fiscal Note Figures for HB 653:

	<u>3 Months</u>	<u>12 Months</u>	
100. 1 Loan Examiner III @ \$2,652/mo.	8.0		31.8
1 Documents Processing Clerk III @ \$1,440/mo.	4.3		17.3
1 Accounting Technician II @ \$1,850/mo.	<u>5.6</u>		<u>22.2</u>
Sub-Total	17.9		71.3
Standard Benefits (Wages x .1529)	2.7		10.9
Supplemental Benefits (Wages x .0665)	1.2		4.7
Health Insurance (Man Mos. x 127)	<u>1.1</u>	22.9	<u>4.6</u> 91.5
200. Travel to Villages:			
20 Trips @ \$430	2.2		8.6
40 Days Per Diem @ \$67	<u>.7</u>	2.9	<u>2.7</u> 11.3
300. Telephone, Postage, Printing, Advertising	2.5		10.0
Additional Office Space @ \$200/Mo.	<u>.6</u>	3.1	<u>2.4</u> 12.4
400. Office Supplies		<u>.1</u>	<u>.5</u>
Total Operating Expenses		29.0	115.7
500. 3 Desks @ \$333	\$ 1.0		
2 Credenzas @ \$390	.8		
1 Typist Extension @ \$350	.4		
2 Secretarial Chairs @ \$137	.3		
1 Executive Chair @ \$180	.2		
2 Side Chairs @ \$125	.3		
4 File Cabinets @ \$247	.9		
2 Typewriters @ \$810	1.6		
3 Calculators @ \$225	.7		
3 Wastebaskets @ \$10, 1 Coat Rack @ \$60	<u>.1</u>	<u>6.3</u>	
TOTAL		35.3	

10% Inflation for Succeeding Years

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. CSHB 653/654
 Title An act relating to bulk fuel storage and establishing a fuel emergency fund.
 Requested by Rules/ Governor Date 5.12.80

II. FISCAL DETAIL
 Agency Affected Community and Regional Affairs
 Program Category Affected Development
 BRU, Program, or Subprogram(s) Affected Local Government Assistance
 (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		90.3	97.5	105.3	113.8	122.9
200 TRAVEL		21.0	22.7	24.5	26.5	28.6
300 CONTRACTUAL		58.0	62.6	67.7	73.1	78.9
400 COMMODITIES		.4	.4	.5	.5	.5
500 EQUIPMENT		3.3	0	0	0	0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	173.0	183.2	198.0	213.9	230.9

FUNDING (Thousands of Dollars)

GENERAL FUND		173.0	183.2	198.0	213.9	230.9
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME		3	3	3	3	3
PART TIME						
TEMPORARY						

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

Sections 2 and 3 of CSHB 653 amends the Rural Development Assistance Program to allow for grants to construct bulk fuel storage facilities. Based on funding in CSHB 654 it is assumed that approximately 20 grants could be made per year based on an average grant of \$50,000. The program will require a great deal of interaction with numerous Federal and State agencies. The cost for administering this program are as follows:

Personal Service: 1 Local Government Specialist IV,
 1 Local Government Specialist I-III
 1 Clerk Typist III 90.3

IV. DATE 5-12-80 PREPARED BY Doug Griffin
 AGENCY Community & Regional Affairs
 Original: Legislative Finance PHONE 465-4736
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

CATEGORY: DEVELOPMENT

AGENCY: COMMUNITY AND REGIONAL AFFAIRS

PROGRAM: COMMUNITY DEVELOPMENT

BRU(S): LOCAL GOVERNMENT ASSISTANCE

The Local Government Assistance BRU assists communities in attaining or sustaining viable units of local government according to established criteria. Particular emphasis is given to communities having local governments that are organized under state law with population less than 2,000. Components include Training and Development, State Assessor, Local Boundary Commission (Administration), Revenue Sharing (Administration) and Coastal Energy Impact Program.

The Training and Development Component provides local government officials with an opportunity to learn or improve skills needed to administer local government. Offices in Juneau, Anchorage, Homer and Bethel provide individual technical assistance for specific needs. Included in this program is the administration of Rural Development Assistance grants which, in FY 80, was in the Community and Rural Development BRU.

The State Assessor assists local government with procedures for determining local property taxes based on full and true value. This component also administers property relief programs, and researches economic data relating to property tax assessments and municipal financing.

The Local Boundary Commission component reviews and makes recommendations on requests for changes to or establishment of municipal boundaries. The intent is to ensure that the proposed changes will facilitate improvements in municipal services. This program also administers a grant program which makes grants of up to \$25,000 for newly incorporated municipalities or those assuming special new powers such as police and fire protection.

The Community Legal Assistance Component provides grants to local governments for the purpose of bolstering their legal capabilities by enabling them to purchase appropriate resources to resolve legal issues. These grants may not exceed \$20,000.

The Revenue Sharing Administration Component provides the personnel and expertise required to determine eligibility of municipalities to receive revenue sharing grants as well as determine their program allocation.

The Coastal Energy Impact Program is designed to assist those coastal communities, through federal grants from the U.S. Department of Commerce, who expect to be impacted by off-shore energy projects. Two positions will be federally funded in FY 81 to monitor existing grants and bond guarantees and to make future determinations on awarding bond guarantees from CIP funds obligated to the Alaska Municipal Bond Bank.

COMPONENT DESCRIPTION	79 AUTH	79 FINAL	79 ACT	80 AUTH	80 SUPL	80 RP	GOVERNOR
TRAINING, DEVELOP, & RDA	473.4	515.3	471.6	488.9			740.9
STATE ASSESSOR	247.7	258.9	210.1	235.9			283.8
LOCAL BOUND. COMM-ADMIN	87.2	91.2	84.9	86.0			91.7
REVENUE SHARING ADMINISTRATION	85.4	89.9	77.8	72.5			73.7
COAST ENERGY IMPACT PROGRAM	364.7	886.4	585.2	376.9			585.2
ADMINISTRATION	592.9	625.2	578.5	598.5			
** TOTAL	1851.3	2466.9	2208.1	1858.7			1775.3
** CHANGE VERSUS 80 AUTH							-4.4%
OBJECT DESCRIPTION							
PERS. SERV.	1144.1	1184.9	1105.6	1179.8			952.9
TRAVEL	210.4	214.4	170.5	180.9			120.3
CONTRACTUAL	191.6	216.2	188.8	182.3			157.3
COMMODITIES	17.7	16.2	10.9	14.9			12.5
EQUIPMENT	6.5	8.5	8.4	2.1			29.1
LANDS/BLDGS	3.0	3.0	2.9	4.0			3.2
GRANTS, CLMS	278.0	823.7	521.0	294.7			500.0
FUNDING SOURCE							
FED. RECEIPT	648.7	1226.4	856.9	660.9			585.2
G. F. MATCH	71.0	77.3	67.9	71.0			
GENERAL FUND	1131.6	1163.2	1083.3	1126.8			1190.1
** GENERAL FUND CHANGE VS. 80 AUTH							-0.6%
POSITIONS							
FULL-TIME	34.0	34.0	34.0	34.0			25.0
PART-TIME	7.0	7.0	7.0	7.0			9.6
STAFF MONTHS	450.0	450.0	450.0	450.0			357.6

FISCAL NOTE - Continued CSHB 653/654

Travel	1.5 trips per grant @ 20 grants per year equals 30 trips @ \$700 per trip	21.0
Contractual		58.0
	Communications, printing and advertising, office space, mag card typewriter rental	11.8
	RSA with Commerce and Economic Development, Division of Energy and Power Development for the following:	
	Rural Education Specialist (Range 18) plus benefits	39.2
	Travel	4.5
	Contractual and Equipment	2.5
Commodities:	Office Supplies	.4
Equipment (one-time purchase):	Desk, chairs, bookcases filing cabinets, calculator	3.3

REVISED
FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 653

Title An Act relating to bulk fuel; and providing for an effective date

Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Department of Commerce and Economic Development

Program Category Affected Development

BRU, Program, or Subprogram(s) Affected Division of Business Loans

(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)

	3 Mos. FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	22.9	91.5	100.7	110.8	121.0	134.1
200 TRAVEL	2.9	11.3	12.4	13.6	15.0	16.5
300 CONTRACTUAL	3.1	12.4	13.6	15.0	16.5	18.1
400 COMMODITIES	.1	.5	.6	.7	.8	.9
500 EQUIPMENT	6.3	-	-	-	-	-
600 LAND & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC.	-	-	-	-	-	-
TOTAL	35.3	115.7	127.3	140.1	154.2	169.6

FUNDING (Thousands of Dollars)

GENERAL FUND	35.3	115.7	127.3	140.1	154.2	169.6
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	3	3	3	3	3	3
PART TIME						
TEMPORARY						

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

To increase staff to handle processing, closing and accounting for bulk fuel revolving loan fund.

See attached breakdown of fiscal note figures.

The figures have been revised to reflect the increases in wages and per diem.

Sharon R. Traylor

IV. DATE Revised 3-28-80

PREPARED BY Sharon R. Traylor, Director

AGENCY Div. of Business Loans, Dept. Comm. & Eco. Dev.

PHONE 465-2510

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

Breakdown of Fiscal Note Figures for HB 653:

	<u>3 Months</u>	<u>12 Months</u>	
100. 1 Loan Examiner III @ \$2,652/mo.	8.0		31.8
1 Documents Processing Clerk III @ \$1,440/mo.	4.3		17.3
1 Accounting Technician II @ \$1,850/mo.	<u>5.6</u>		<u>22.2</u>
Sub-Total	17.9		71.3
Standard Benefits (Wages x .1529)	2.7		10.9
Supplemental Benefits (Wages x .0665)	1.2		4.7
Health Insurance (Man Mos. x 127)	<u>1.1</u>	22.9	<u>4.6</u> 91.5
200. Travel to Villages:			
20 Trips @ \$430	2.2		8.6
40 Days Per Diem @ \$67	<u>.7</u>	2.9	<u>2.7</u> 11.3
300. Telephone, Postage, Printing, Advertising	2.5		10.0
Additional Office Space @ \$200/Mo.	<u>.6</u>	3.1	<u>2.4</u> 12.4
400. Office Supplies		<u>.1</u>	<u>.5</u>
Total Operating Expenses		29.0	115.7
500. 3 Desks @ \$333	\$ 1.0		
2 Credenzas @ \$390	.8		
1 Typist Extension @ \$350	.4		
2 Secretarial Chairs @ \$137	.3		
1 Executive Chair @ \$180	.2		
2 Side Chairs @ \$125	.3		
4 File Cabinets @ \$247	.9		
2 Typewriters @ \$810	1.6		
3 Calculators @ \$225	.7		
3 Wastebaskets @ \$10, 1 Coat Rack @ \$60	<u>.1</u>	<u>6.3</u>	
TOTAL		35.3	

10% Inflation for Succeeding Years

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS HB653
 Title An Act relating to bulk fuel
 Requested by Mary Halloran Date 4/18/80

II. FISCAL DETAIL

Agency Affected Office of the Governor
 Program Category Affected Executive Operations
 BRU, Program, or Subprogram(s) Affected Contingency Fund

(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				
200 TRAVEL	0	0				
300 CONTRACTUAL	0	0				
400 COMMODITIES	0	0				
500 EQUIPMENT	0	0				
600 LAND & STRUCTURES	0	0				
700 GRANTS, CLAIMS, ETC.	0	0				

TOTAL

FUNDING (Thousands of Dollars)

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

POSITIONS

FULL TIME	0	0				
PART TIME	0	0				
TEMPORARY	0	0				

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

All costs for administering the fuel emergency fund will be absorbed in current administrative expense.

IV. DATE 4/18/80 PREPARED BY Rod Mourant
 AGENCY Office of the Governor
 PHONE 465-3544

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

I. REQUEST

Bill/Resolution No. HB 653
 Title An Act making appropriations to the Department of Commerce & Economic Dev.
 Requested by _____ Date _____

Title: the Department of Community & Regional Affairs, and the Office of the Governor, for bulk fuel matters; and providing for an effective date.

II. FISCAL DETAIL

Agency Affected: Department of Community and Regional Affairs

Program Category Affected Community Development

BRU, Program, or Subprogram(s) Affected Local Government Assistance

(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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES	40.7	43.9	47.5	51.3	55.4	59.8
200 TRAVEL	10.6	19.1	31.5	35.2	41.0	45.6
300 CONTRACTUAL	1.8	1.9	2.0	2.2	2.3	2.6
400 COMMODITIES						
500 EQUIPMENT	.7	0	0	0	0	0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	53.8	64.9	81.0	88.7	98.7	108.0

FUNDING (Thousands of Dollars)

	53.8	64.9	81.0	88.7	98.7	108.0
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	1	1	1	1	1	1
FULL TIME						
PART TIME						
TEMPORARY						

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

Personal Services: LGS IV (range 19) with special emphasis on business & loan skills. (See Comments for fuller detail)

Travel: FY '81 assumes 15 grants at 1.5 trips per grant; 3 days per diem

FY '82 assumes 15 grants at 1.5 trips per grant; 2 days per diem

15 business setups & loan preparation at 15 trips

3 days per diem

FY '83 assumes 15 grants at 1.5 trips per grant; 2 days per diem

15 business setups & loan preparation at 15 trips

3 days per diem

15 monitor/update at 15 trips per; 1/2 days per diem

FY '84 same assumption as FY '83 with inflation

FY '85 same assumption as FY '83, with inflation

Contractual: Primarily telephone tolls and cost of advertising for bids.

Equipment: Desk, chair, bookcase, calculator, desk equipment. One time cost

IV. DATE 3/7/80 PREPARED BY Ms. Lare

AGENCY Community & Regional Affairs

Original: Legislative Finance PHONE (Anchorage) 276-1721 (Juneau) 465-4735

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

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE BILLS NO. 653 & 654
 Title An Act relating to bulk fuel; and providing for an effective date
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Department of Commerce and Economic Development
 Program Category Affected Development
 BRU, Program, or Subprogram(s) Affected Division of Business Loans
 (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)

	^{3 mos.} FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	20.3	81.3	87.0	93.1	99.6	106.6
200 TRAVEL	2.8	11.0	11.8	12.6	13.5	14.4
300 CONTRACTUAL	3.1	12.4	13.3	14.2	15.2	16.3
400 COMMODITIES	.1	.5	.5	.6	.6	.6
500 EQUIPMENT	6.3	-	-	-	-	-
600 LAND & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC.	-	-	-	-	-	-
TOTAL	32.6	105.2	112.6	120.5	128.9	137.9

FUNDING (Thousands of Dollars)

GENERAL FUND	32.6	105.2	112.6	120.5	128.9	137.9
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

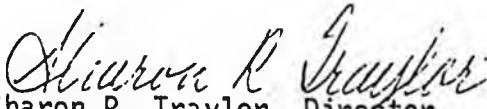
FULL TIME	3	3	3	3	3	3
PART TIME						
TEMPORARY						

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

To increase staff to handle processing, closing and accounting for bulk fuel revolving loan fund.

See attached breakdown of fiscal note figures.

IV. DATE Jan. 29, 1980


 PREPARED BY Sharon R. Traylor, Director
 AGENCY Div. of Business Loans, Dept. Comm. # Eco. Dev.
 PHONE 465-2510

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

Breakdown of Fiscal Note Figures:

		<u>12 mos.</u>	
100.	1 Loan Examiner III @2355/mo.	\$28.3	
	1 Documents Processing Clerk III @1254/mo.	15.0	
	1 Accounting Technician II @1629/mo.	19.6	
	Sub-total	<u>\$62.9</u>	
	Standard Benefits (62.9 X .1529)	9.6	
	Supplemental Benefits (62.9 X .0665)	4.2	
	Health Insurance (36 man mos. X 127)	<u>4.6</u>	\$81.3
200.	Travel to villages:		
	20 trips @430	\$ 8.6	
	40 days per diem @60	<u>2.4</u>	11.0
300.	Telephone, postage, printing, advertising	\$10.0	
	Additional office space @200/mo.	<u>2.4</u>	12.4
400.	Office Supplies		.5
500.	3 Desks @333	\$ 1.0	
	2 Credenzas @390	.8	
	1 Typist extension @350	.4	
	2 Secretarial chairs @137	.3	
	1 Executive chair @180	.2	
	2 Side chairs @125	.3	
	4 File cabinets @247	.9	
	2 Typewriters @810	1.6	
	3 Calculators @225	.7	
	3 Wastebaskets @10, 1 Coat Rack @60	<u>.1</u>	<u>6.3</u>
			\$111.5

7% Inflation for succeeding years.

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HR 653 #-3
 Title An Act making appropriations to the Department of Commerce & Economic Dev.
 Requested by _____ Date _____

Title: the Department of Community & Regional Affairs, and the Office of the Governor, for bulk fuel matters; and providing for an effective date.

II. FISCAL DETAIL

Agency Affected Department of Community and Regional Affairs
 Program Category Affected Community Development
 BRU, Program, or Subprogram(s) Affected Local Government Assistance
 (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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES	40.7	43.9	47.5	51.3	55.4	59.8
200 TRAVEL	10.6	19.1	31.5	35.2	41.0	45.6
300 CONTRACTUAL	1.8	1.9	2.0	2.2	2.3	2.6
400 COMMODITIES						
500 EQUIPMENT	.7	0	0	0	0	0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	53.8	64.9	81.0	88.7	98.7	108.0

FUNDING (Thousands of Dollars)

GENERAL FUND	53.8	64.9	81.0	88.7	98.7	108.0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	1	1	1	1	1	1
PART TIME						
TEMPORARY						

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

Personal Services: LGS IV (range 19) with special emphasis on business & loan skills. (See Comments for fuller detail)
 Travel: FY '81 assumes 15 grants at 1.5 trips per grant; 3 days per diem
 FY '82 assumes 15 grants at 1.5 trips per grant; 2 days per diem
 15 business setups & loan preparation at 15 trips
 3 days per diem
 FY '83 assumes 15 grants at 1.5 trips per grant; 2 days per diem.
 15 business setups & loan preparation at 15 trips
 3 days per diem
 15 monitor/update at 15 trips per; 1/2 days per diem
 FY '84 same assumption as FY '83 with inflation
 FY '85 same assumption as FY '83, with inflation
 Contractual: Primarily telephone tolls and cost of advertising for bids.
 Equipment: Desk, chair, bookcase, calculator, desk equipment., One time cost

IV. DATE 3/7/80 PREPARED BY Ms. Lare
 AGENCY Community & Regional Affairs
 PHONE (Anchorage) 276-1721 (Juneau) 465-4735
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

AMENDED
FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHB 653 #1
Title An Act Establishing a Fuel Emergency Fund & a Bulk Fuel Distribution & Storage Program
Requested by Mary Malloran, House Resources Committee Date 4-21-80

II. FISCAL DETAIL

Agency Affected Department of Commerce and Economic Development

Program Category Affected Development

BRU, Program, or Subprogram(s) Affected Division of Business Loans

(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-					
300 CONTRACTUAL	-0-					
400 COMMODITIES	-0-					
500 EQUIPMENT	-0-					
600 LAND & STRUCTURES	-0-					
700 GRANTS, CLAIMS, ETC.	1,500.0					
CAPITALIZE LOAN FUND	1,500.0					
TOTAL	3,000.0	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND	3,000.0	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

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

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

This fiscal note is amended to reflect the addition of Sec. 45.87.050 which states that the department shall contract for the administration of the grant and loan programs. It assumes the person or agency who administers the programs will take the contract costs out of the grant or loan appropriation.

If contract costs must be defined and appropriated separately, a new fiscal note will be submitted.

IV. DATE Amended 4-21-80

PREPARED BY Sharon R. Traylor, Director
AGENCY Div. of Business Loans, Dept. of Commerce & Eco.
PHONE 465-2510

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

653
+
654

January 31, 1980

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

Dear Mr. Speaker:

Under the authority of art. III, sec. 18 of the Alaska Constitution, I am transmitting a bill which establishes four funds pertaining to bulk fuel and a bill appropriating money to these funds.

The bill establishes the bulk fuel storage facility revolving loan and grant fund in the Department of Commerce and Economic Development. The department would be authorized to make loans and grants in specified amounts to communities to assist them in acquiring and installing bulk fuel storage facilities.

The second fund created by this bill is a short-term bulk fuel revolving loan fund in order to enable communities and, in limited circumstances, private individuals to purchase large supplies of fuel at one time. The Department of Commerce and Economic Development would be responsible for administering this fund too.

The third fund created by this bill is the bulk fuel study grant fund in the Department of Community and Regional Affairs. That department would be authorized to make grants of up to \$5,000 for bulk fuel storage facility feasibility studies.

Lastly, in order to avoid emergency fuel shortages, the bill establishes a Community Fuel Emergency Fund in the Office of the Governor.

These funds are intended to be widely dispersed. Therefore, no community is eligible for more than one grant for a bulk fuel storage facility feasibility study or for more than one loan and

grant for a bulk fuel storage facility. Both long-term and short-term loans under this bill must be secured by collateral which the commissioner finds acceptable. This bulk fuel loan and grant program is primarily being established to ensure adequate fuel supplies in rural communities in order to avoid emergency situations such as have arisen this year. Both bills have immediate effective dates so that funds will be available for fuel purchases required this spring. The definition of "community" which would be applicable to the storage facility fund and the bulk fuel fund is based on existing AS 44.47.170.

Sincerely,

s/ JSH

Jay S. Hammond
Governor

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

REVISED
FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHB 653 # 4 (Page 1 of 2)

Title An Act relating to fuel and fuel shortages; establishing a fuel emergency fund and
Requested by Marv Halloran, House Resources Committee Date 4-18-80

a bulk fuel acquisition and storage program; and providing for
an effective date.

II. FISCAL DETAIL

Agency Affected Department of Commerce and Economic Development

Program Category Affected Development

BRU, Program, or Subprogram(s) Affected Division of Business Loans

(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)

	3 Mos. FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	22.9	91.5	100.7	110.8	121.9	134.1
200 TRAVEL	2.9	11.3	12.4	13.6	15.0	16.5
300 CONTRACTUAL	3.1	12.4	13.6	15.0	16.5	18.1
400 COMMODITIES	.1	.5	.6	.7	.8	.9
500 EQUIPMENT	6.3	-	-	-	-	-
600 LAND & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC.	1,500.0	-	-	-	-	-
Capitalize Loan Fund	1,500.0	-	-	-	-	-
TOTAL	3,035.3	115.7	127.3	140.1	154.2	169.6

FUNDING (Thousands of Dollars)

GENERAL FUND	3,035.3	115.7	127.3	140.1	154.2	169.6
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	3	3	3	3	3	3
PART TIME						
TEMPORARY						

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

To increase staff to handle processing, closing and accounting for
bulk fuel revolving loan fund and for bulk fuel storage facilities grant fund.

See attached breakdown of fiscal note figures.

The figures have been revised to reflect the increases in wages and
per diem.

This fiscal note assumes grants totaling \$1.5 million and loans totaling
\$1.5 million in the first year.

Sharon R. Traylor

IV. DATE Revised 4-18-80

PREPARED BY Sharon R. Traylor, Director

AGENCY Div. of Business Loans, Dept. Comm. & Eco. Dev.

PHONE 465-2510

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

CS
Breakdown of Fiscal Note Figures for HB 653:

Page 2 of 2

	<u>3 Months</u>		<u>12 Months</u>	
100. 1 Loan Examiner III @ \$2,652/mo.	8.0		31.8	
1 Documents Processing Clerk III @ \$1,440/mo.	4.3		17.3	
1 Accounting Technician II @ \$1,850/mo.	<u>5.6</u>		<u>22.2</u>	
Sub-Total	17.9		71.3	
Standard Benefits (Wages x .1529)	2.7		10.9	
Supplemental Benefits (Wages x .0665)	1.2		4.7	
Health Insurance (Man Mos. x 127)	<u>1.1</u>	22.9	<u>4.6</u>	91.5
200. Travel to Villages:				
20 Trips @ \$430	2.2		8.6	
40 Days Per Diem @ \$67	<u>.7</u>	2.9	<u>2.7</u>	11.3
300. Telephone, Postage, Printing, Advertising	2.5		10.0	
Additional Office Space @ \$200/Mo.	<u>.6</u>	3.1	<u>2.4</u>	12.4
400. Office Supplies			<u>.1</u>	<u>.5</u>
Total Operating Expenses		29.0		115.7
500. 3 Desks @ \$333	\$ 1.0			
2 Credenzas @ \$390	.8			
1 Typist Extension @ \$350	.4			
2 Secretarial Chairs @ \$137	.3			
1 Executive Chair @ \$180	.2			
2 Side Chairs @ \$125	.3			
4 File Cabinets @ \$247	.9			
2 Typewriters @ \$810	1.6			
3 Calculators @ \$225	.7			
3 Wastebaskets @ \$10, 1 Coat Rack @ \$60	<u>.1</u>		<u>6.3</u>	
TOTAL			35.3	

10% Inflation for Succeeding Years

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

AMENDED
FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHB 653

Title An Act Establishing a Fuel Emergency Fund & a Bulk Fuel Distribution & Storage Program

Requested by Mary Halloran, House Resources Committee

Date 4-21-80

II. FISCAL DETAIL

Agency Affected Department of Commerce and Economic Development

Program Category Affected Development

BRU, Program, or Subprogram(s) Affected Division of Business Loans

(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-					
300 CONTRACTUAL	-0-					
400 COMMODITIES	-0-					
500 EQUIPMENT	-0-					
600 LAND & STRUCTURES	-0-					
700 GRANTS, CLAIMS, ETC.	1,500.0					
CAPITALIZE LOAN FUND	1,500.0					
TOTAL	3,000.0	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND	3,000.0	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

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

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

This fiscal note is amended to reflect the addition of Sec. 45.87.050 which states that the department shall contract for the administration of the grant and loan programs. It assumes the person or agency who administers the programs will take the contract costs out of the grant or loan appropriation.

If contract costs must be defined and appropriated separately, a new fiscal note will be submitted.

IV. DATE Amended 4-21-80

PREPARED BY Sharon R. Traylor, Director

AGENCY Div. of Business Loans, Dept. of Commerce & Eco.De

PHONE 465-2510

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS HB653
 Title An Act relating to bulk fuel
 Requested by Mary Halloran Date 4/18/80

II. FISCAL DETAIL

Agency Affected Office of the Governor
 Program Category Affected Executive Operations
 BRU, Program, or Subprogram(s) Affected Contingency Fund
 (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				
200 TRAVEL	0	0				
300 CONTRACTUAL	0	0				
400 COMMODITIES	0	0				
500 EQUIPMENT	0	0				
600 LAND & STRUCTURES	0	0				
700 GRANTS, CLAIMS, ETC.	0	0				

TOTAL

FUNDING (Thousands of Dollars)

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

POSITIONS

FULL TIME	0	0				
PART TIME	0	0				
TEMPORARY	0	0				

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

All costs for administering the fuel emergency fund will be absorbed in current administrative expense.

IV. DATE 4/18/80 PREPARED BY Rod Mourant
 AGENCY Office of the Governor
 PHONE 465-3544

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

CS HB 653



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

3/20/90
Date

HB 660

An Act making a supplemental appropriation to the Department of Commerce & Economic Development, Alaska Pipeline Commission; effective date.

Inc. in

CSHB 60 - Sec. 80

IN: 2/12/80

(11)

COMMITTEE REPORT

HOUSE

2/12/80

FURTHER:

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HB 660

"An Act making a supplemental appropriation to the Department of Commerce and Economic Development, Alaska Pipeline Commission; and providing for an effective 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

*letter
fiscal backup memo*

Funding Information:
General Fund: \$101,500
Other Funds: -0-
\$101,500

Introduced: 2/1/80
Referred: Resources and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 660

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Commerce and Economic Development,
8 Alaska Pipeline Commission; 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 \$101,500 is appropriated from the general fund
12 to the Department of Commerce and Economic Development to provide funds for
13 the legal defense of the Alaska Pipeline Commission's regulatory authority
14 over the Trans-Alaska Pipeline System.

15 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
16 10.070(c).

29 COMMITTEE COPY

14B660

February 1, 1980

The Honorable Terry Gardiner
Speaker of the House
Alaska State Legislature
Pouch V
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 of \$101,500 to the Department of Commerce and Economic Development to provide funds for the legal defense of the Alaska Pipeline Commission's regulatory authority over the Trans-Alaska Pipeline System (TAPS).

When the commission prepared its FY 80 budget request, it was not known if the carriers in the TAPS tariff rate case would challenge the commission's authority to regulate and set rates for intrastate shipments of oil through the Trans-Alaska Pipeline System. That authority is currently being challenged by the TAPS carrier companies before the Federal Energy Commission in two separate actions.

Sincerely,

S/JS H

Jay S. Hammond
Governor

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

DATE: November 1, 1979

FILE NO:

TELEPHONE NO:

FROM: Cheri Jacobus, Chairman
Alaska Pipeline Commission

SUBJECT: HB 660
FY 80 Supplemental Budget
Request

Attached are revised program summary forms requesting a \$101,500 supplement to the Alaska Pipeline Commission FY 80 budget. The Legislature reduced the Commission's budget to 15% below its continuation level. This has resulted in a shortage of funds for essential contractual services, necessitating this request for supplemental funds. The supplemental of \$100,000 for legal services and \$1,500 for printing costs is necessary to successfully defend Commission authority over the TAPS and to continue mandated work through FY 80.

The Commission's authority to regulate and set rates for intrastate shipments of oil through the Trans-Alaska Pipeline System is being challenged by TAPS carrier companies before the Federal Energy Regulatory Commission in two separate actions. Other TAPS carriers are appealing two Commission decisions in the courts. If the Commission loses its authority to protect Alaskan interests in pipeline transportation systems, the Alaskan consumer will be the ultimate loser. The State must maintain authority to regulate oil and gas transportation systems to ensure Alaskans access to their natural resources for development and in-state utilization purposes. The federal government has demonstrated that it is not concerned about these Alaskan needs, and no other state agency has the necessary authority for such regulation. Funds for continued legal services are necessary to successfully meet these court challenges and administrative attacks on state regulatory authority. TAPS carriers allege that the Commission merely represents the State's financial interest because the Staff was formerly represented by the Attorney General's Office in the TAPS case. This potential conflict necessitated employing outside counsel. The Staff cannot complete its presentation of the TAPS case or its investigation of the TAPS carriers without additional funds.

Pursuant to statute, the Commission has recently designed a uniform system of accounts for the carriers to use that will identify specific intrastate operations, properties, costs, and revenues necessary for Commission use in determining just and reasonable intrastate tariff rates. Carrier reports to the federal agency combine intrastate data with interstate data, and the Commission cannot segregate the data as needed. Numerous forms and instructions must be printed. Funds are therefore necessary for printing these forms and instructions. The printing will be done by the State's printing office.

This supplement is necessary for the Commission to continue to maintain its authority and to meet its legislative mandate.

Attachment

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

FY 80 SUPPLEMENTAL
BUDGET REQUEST

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	Public Protection
COVER PROGRAM	Consumer Protection
AGENCY	Alaska Pipeline Commission
DIVISION	Alaska Pipeline Commission
BUDGET REQUEST UNIT	Alaska Pipeline Commission
BUDGET COMPONENT	Alaska Pipeline Commission
APPROPRIATION	
ALLOCATION	

		INITIAL AUTHORIZATION	RP	RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES	334.9								334.9
02	TRAVEL	23.0								23.0
03	CONTRACTUAL	155.6	101.5							257.1
04	COMMODITIES	2.8								2.8
05	EQUIPMENT									
06	LANDS, BUILDINGS									
07	GRANTS, CLAIMS									
08	MISCELLANEOUS									
		516.3	101.5							617.8
1002	FEDERAL RECEIPTS									
1004	G/F MATCH									
1004	GENERAL FUND	516.3	101.5							
1005	I/A RECEIPTS									
1028	PROGRAM RECEIPTS									
15	FULL TIME	9								9
16	PART TIME									
17	TEMPORARY									
18	MAN-MONTHS	108								108

DEC 19 REC'D
B&M

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

DATE: December 17, 1979

FILE NO:

TELEPHONE NO:

FROM: James A. Williams *JW*
Executive Director
Alaska Pipeline Commission

SUBJECT: FY 80 Supplemental Requests
Information Requirements

This responds to your memo of December 5 on the subject received here December 13. The requested executed "FY 80 Supplemental Request Analysis" form is attached. We are informed by Lynn Wright of your office that Ms. Jacobus' memos to you of November 1 and November 30 are sufficient and no further memo is required to be submitted with the attached form.

Attachment

MEMORANDUM

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

DATE: December 10, 1979

FILE NO:

TELEPHONE NO:

FROM: Lynn Wright, Budget Analyst
Division of Budget & Management
Office of the Governor

SUBJECT: Alaska Pipeline Commission FY 80
Supplemental Budget Request

The Commission's latest correspondence, dated November 30, adds little substantive data to their original request.

It seems evident that APC's work on TAPS is likely to decrease without these supplemental funds for FY 80.

However, based on the information provided by the AG's office, which is summarized in my December 3, 1979 memo, I must hold to my original recommendation that this supplemental not be funded.

*write letter re commanding
supplemental.*

Ron

TO:

DATE: November 30, 1979

Ron Lehr
Director
Office of the Governor
Division of Budget & Management TELEPHONE NO:

FILE NO:

FROM:

Cheri C. Jacobus *C*
Chairman
Alaska Pipeline Commission

SUBJECT: FY'80 Supplemental Budget
Request

Attached are revised program summary forms requesting a \$101,500 supplement to the Alaska Pipeline Commission FY'80 budget. A supplemental including \$100,000 for legal services and \$1,500 for printing expenses is necessary to successfully defend Commission authority for regulating the Trans-Alaska Pipeline System and to continue mandated work through FY'80.

When the Commission prepared its FY'80 budget request, it was not known if the carriers in the TAPS tariff rate case would challenge the Commission's authority to regulate and set rates for intrastate shipments of oil through the Trans-Alaska Pipeline System. The need for these funds was contingent on the carriers challenging the Commission's authority during FY'80. After discussions with the budget analyst assigned to the Alaska Pipeline Commission and the Director of Administrative Services for the Department of Commerce and Economic Development, Lois Cook, it was decided that the Commission would not request funds at that time to cover this contingency. The Commission was told that the appropriate funding procedure was to submit a supplemental request when the challenges were actually filed.

The Commission's authority is currently being challenged by the TAPS carrier companies before the Federal Energy Regulatory Commission in two separate actions. It is imperative that the Commission be funded to meet these challenges. If the Commission loses its authority to protect Alaskan interests in pipeline transportation systems, the Alaskan consumer will be the ultimate loser. The State must maintain authority to regulate oil and gas transportation systems to insure Alaskans access to their natural resources for development and in-state utilization purposes. The federal government has demonstrated on a number of occasions that it is not concerned about these Alaskan needs. No other state agency has the authority necessary for such regulation. TAPS carriers allege that the Commission merely represents the State's financial interest and should, therefore, be stripped of its authority.

In these cases, the State is a party, represented by the Attorney General's Office. Normally, the Commission Staff also is represented by the Attorney General's Office. This potential conflict has necessitated employing outside counsel to represent the Staff's position. The Staff cannot complete its presentation of the TAPS case or its investigation of the TAPS carriers without additional funds. The two challenges to Commission authority have already depleted the funds approved in the FY'80 budget.

Handwritten notes:
H.S.S.
11/30/79
V.M.H.

Ron Lehr, Director

November 30, 1979

Page 2 of 2

The Commission Staff has also been providing information obtained during its investigation to the State of Alaska and the Attorney General's Office for use in the State's presentation before the Federal Energy Regulatory Commission. The Pipeline Commission Staff is the only entity that has been able to obtain information in a timely and orderly fashion. Failure to continue funding will severely cripple the State's ability to complete its case before the Federal Energy Regulatory Commission.

This important and necessary supplemental was considered during the budget process for the FY'80 budget. The Commission and the Department of Commerce, however, determined that supplemental funding was more appropriate to funding these legal services because it could not be determined at that time when challenges to the Commission's authority would be filed.

In addition, the Commission requires \$1,500 for printing costs. Pursuant to statute, the Commission has recently designed a Uniform System of Accounts for the carriers to use that will identify specific intrastate operations, properties, costs, and revenues necessary for Commission use in determining just and reasonable intrastate tariff rates. Carrier reports to the federal agency combine intrastate data with interstate data, and the Commission cannot segregate the data as needed. Numerous forms and instructions must be printed. Funds are therefore necessary for printing these forms and instructions. The printing will be done by the State's printing office.

The supplement of \$101,500 is necessary for the Commission to continue to maintain its authority and to meet its legislative mandate.

attachment

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

FY 80 SUPPLEMENTAL
BUDGET REQUEST

REVISED PROGRAM SUMMARY

CATEGORY	Public Protection
COVER PROGRAM	Consumer Protection
AGENCY	Alaska Pipeline Commission
DIVISION	Alaska Pipeline Commission
BUDGET REQUEST UNIT	Alaska Pipeline Commission
APPROPRIATION	
ALLOCATION	

BRU COMPONENTS	INITIAL AUTHORIZATION	RP	RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
Alaska Pipeline Commission	516.3	101.5							617.8
TOTAL	516.3	101.5							617.8
FEDERAL RECEIPTS G/F MATCH									
GENERAL FUND	516.3	101.5							617.8
I/A RECEIPTS PROGRAM RECEIPTS									
FULL TIME	9								9
PART TIME									
TEMPORARY MAN - MONTHS	108								108

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

FY 80 SUPPLEMENTAL
BUDGET REQUEST

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	Public Protection
COVER PROGRAM	Consumer Protection
AGENCY	Alaska Pipeline Commission
DIVISION	Alaska Pipeline Commission
BUDGET REQUEST UNIT	Alaska Pipeline Commission
BUDGET COMPONENT	Alaska Pipeline Commission
APPROPRIATION	
ALLOCATION	

	INITIAL AUTHORIZATION	RP	RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01 PERSONAL SERVICES	334.9								334.9
02 TRAVEL	23.0								23.0
03 CONTRACTUAL	155.6	101.5							257.1
04 COMMODITIES	2.8								2.8
05 EQUIPMENT									
06 LANDS, BUILDINGS									
07 GRANTS, CLAIMS									
08 MISCELLANEOUS									
	516.3	101.5							617.8
1002 FEDERAL RECEIPTS									
1003 G/F MATCH									
1004 GENERAL FUND	516.3	101.5							
1005 I/A RECEIPTS									
1006 PROGRAM RECEIPTS									
15 FULL TIME	9								9
16 PART TIME									
17 TEMPORARY									
18 MAN-MONTHS	108								108

Ron Lehr, Director
Division of Budget & Management
Office of the Governor

December 10, 1979

hw
Lynn Wright, Budget Analyst
Division of Budget & Management
Office of the Governor

Alaska Pipeline Commission FY 80
Supplemental Budget Request

The Commission's latest correspondence, dated November 30, adds little substantive data to their original request.

It seems evident that APC's work on TAPS is likely to decrease without these supplemental funds for FY 80.

However, based on the information provided by the AG's office, which is summarized in my December 3, 1979 memo, I must hold to my original recommendation that this supplemental not be funded.

LH/wh

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

DATE: December 3, 1979

FILE NO:

TELEPHONE NO:

FROM: *lw*
Lynn Wright, Budget Analyst
Division of Budget & Management
Office of the Governor

SUBJECT: APC FY80 Supplemental Budget
Request

Alaska Pipeline Commission has requested a \$101,500 supplement to their FY 80 budget due to a shortage of funds for contractual services. Based on a review of the agency's FY 80 appropriation I do not feel that the supplemental request has been adequately justified.

The Legislature did reduce the Commission's budget to 12% below continuation level, for a reduction of \$68,900. Contractual services were reduced to 9% below continuation level, for a reduction of \$15,400.

The supplemental request, however, represents full funding of continuation level plus a 17% increase. The \$101,500 supplemental request represents a 79% increase over FY 80 continuation level in contractual services.

The Commission contends that their contractual services monies have been fully expended, and that unless they receive this supplemental all work on the TAPS case will be discontinued.

The Attorney General's Office advises, however, that the TAPS case is not likely to be jeopardized by the nonfunding of this supplemental. They have informed me, for example, that the Attorney General's Office is spending \$3 million on legal counsel to represent the State of Alaska in the TAPS case in Washington, D.C. Their opinion is that this legal representation is adequate and that the State's interest in the case will not suffer if the legal counsel currently employed by the Commission is discontinued.

As the Attorney General's Office is the legal counsel for the State of Alaska, my inclination is to accept their judgement in this matter. You may decide to discuss this with Avrum Gross, if you feel a more authoritative response is needed from the Department of Law.

Based on the above information, I recommend that the Commission's supplemental request not be funded.

FY 80 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 78 ACTUAL	FY 79 FINAL AUTH.	FY 79 ACTUAL	FY 80 GOV. BUDGET	FY 80 INITIAL AUTH.	FY 80 CURRENT AUTH.	FY 80 EXPENDITURES + ENCUMBRANCES 7/1/-11/30	FY 80 OTHER OBLIGATIONS 7/1/-11/30	FY 80 PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 80 (DEFICIT) OR EXCESS	FY 81 CONTINUAT
PERSONAL SERVICES	254.8	342.1	285.0	357.7	334.9	328.5	118.8	.	204.7	5.0	327.2
TRAVEL	30.0	29.0	18.0	31.7	23.0	18.0	2.4	.	15.6	0.0	19.3
CONTRACTUAL SERVICES	332.3	189.3	184.1	171.0	155.6	167.0	129.9	1.1	142.5	(106.5)	178.7
COMMODITIES	3.3	2.6	2.0	3.5	2.8	2.8	0.9	.	1.9	0.0	3.0
EQUIPMENT	0.6	1.5	1.0	1.5	-	-	-
LANDS, BLDG. ...											
GRANTS, CLAIMS, ...											
MISCELLANEOUS											
TOTAL	621.0	564.5	490.1	565.4	516.3	516.3	252.0	1.1	364.7	(101.5)	528.2
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND											
INTER-AGENCY RECEIPTS											

AGENCY: Alaska Pipeline Commission BRU: Alaska Pipeline Commission COMPONENT: Alaska Pipeline Commission REVISED: _____

ALASKA STATE LEGISLATURE

ELEVENTH Legislature SECOND Session

HOUSEBILL..... NO. 660...

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

"An Act making a supplemental appropriation to the Department of Commerce and Economic Development, Alaska Pipeline Commission; and providing for an effective date."

Supp appro Alaska Pipeline Commission

Introduced in the House . 2/1....., 19. 80

HISTORY IN THE HOUSE

19 80	Read first time and referred to Committee on																												
Feb. 1	Resources 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																												
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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																												
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PASS	Effective Date																												
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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: \$101,500
Other Funds: -0-
\$101,500

Introduced: 2/1/80
Referred: Resources and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 660

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Commerce and Economic Development,
8 Alaska Pipeline Commission; 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 \$101,500 is appropriated from the general fund
12 to the Department of Commerce and Economic Development to provide funds for
13 the legal defense of the Alaska Pipeline Commission's regulatory authority
14 over the Trans-Alaska Pipeline System.

15 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
16 10.070(c).

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HB 660

February 1, 1980

The Honorable Terry Gardiner
Speaker of the House
Alaska State Legislature
Pouch V
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 of \$101,500 to the Department of Commerce and Economic Development to provide funds for the legal defense of the Alaska Pipeline Commission's regulatory authority over the Trans-Alaska Pipeline System (TAPS).

When the commission prepared its FY 80 budget request, it was not known if the carriers in the TAPS tariff rate case would challenge the commission's authority to regulate and set rates for intrastate shipments of oil through the Trans-Alaska Pipeline System. That authority is currently being challenged by the TAPS carrier companies before the Federal Energy Commission in two separate actions.

Sincerely,

S/JS H

Jay S. Hammond
Governor

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

DATE: November 1, 1979

FILE NO:

TELEPHONE NO:

HB 660

FROM:

SUBJECT:

Cheri Jacobus, Chairman
Alaska Pipeline Commission

FY 80 Supplemental Budget
Request

Attached are revised program summary forms requesting a \$101,500 supplement to the Alaska Pipeline Commission FY 80 budget. The Legislature reduced the Commission's budget to 15% below its continuation level. This has resulted in a shortage of funds for essential contractual services, necessitating this request for supplemental funds. The supplemental of \$100,000 for legal services and \$1,500 for printing costs is necessary to successfully defend Commission authority over the TAPS and to continue mandated work through FY 80.

The Commission's authority to regulate and set rates for intrastate shipments of oil through the Trans-Alaska Pipeline System is being challenged by TAPS carrier companies before the Federal Energy Regulatory Commission in two separate actions. Other TAPS carriers are appealing two Commission decisions in the courts. If the Commission loses its authority to protect Alaskan interests in pipeline transportation systems, the Alaskan consumer will be the ultimate loser. The State must maintain authority to regulate oil and gas transportation systems to ensure Alaskans access to their natural resources for development and in-state utilization purposes. The federal government has demonstrated that it is not concerned about these Alaskan needs, and no other state agency has the necessary authority for such regulation. Funds for continued legal services are necessary to successfully meet these court challenges and administrative attacks on state regulatory authority. TAPS carriers allege that the Commission merely represents the State's financial interest because the Staff was formerly represented by the Attorney General's Office in the TAPS case. This potential conflict necessitated employing outside counsel. The Staff cannot complete its presentation of the TAPS case or its investigation of the TAPS carriers without additional funds.

Pursuant to statute, the Commission has recently designed a uniform system of accounts for the carriers to use that will identify specific intrastate operations, properties, costs, and revenues necessary for Commission use in determining just and reasonable intrastate tariff rates. Carrier reports to the federal agency combine intrastate data with interstate data, and the Commission cannot segregate the data as needed. Numerous forms and instructions must be printed. Funds are therefore necessary for printing these forms and instructions. The printing will be done by the State's printing office.

This supplement is necessary for the Commission to continue to maintain its authority and to meet its legislative mandate.

Attachment

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

FY 80 SUPPLEMENTAL
BUDGET REQUEST

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	Public Protection
COVER PROGRAM	Consumer Protection
AGENCY	Alaska Pipeline Commission
DIVISION	Alaska Pipeline Commission
BUDGET REQUEST UNIT	Alaska Pipeline Commission
BUDGET COMPONENT	Alaska Pipeline Commission
APPROPRIATION	
ALLOCATION	

	INITIAL AUTHORIZATION	RP	RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES	334.9							334.9
02	TRAVEL	23.0							23.0
03	CONTRACTUAL	155.6	101.5						257.1
04	COMMODITIES	2.8							2.8
05	EQUIPMENT								
06	LANDS, BUILDINGS								
07	GRANTS, CLAIMS								
08	MISCELLANEOUS								
		516.3	101.5						617.8
1002	FEDERAL RECEIPTS								
1003	G/F MATCH								
1004	GENERAL FUND	516.3	101.5						
1005	I/A RECEIPTS								
1028	PROGRAM RECEIPTS								
15	FULL TIME	9							9
16	PART TIME								
17	TEMPORARY								
18	MAN-MONTHS	108							108

DEC 19 REC'D
B&M

TO: [Ron Lehr, Director
Division of Budget & Management
Office of the Governor

DATE: December 17, 1979

FILE NO:

TELEPHONE NO:

FROM: James A. Williams *JW*
Executive Director
Alaska Pipeline Commission

SUBJECT: FY 80 Supplemental Requests
Information Requirements

This responds to your memo of December 5 on the subject received here December 13. The requested executed "FY 80 Supplemental Request Analysis" form is attached. We are informed by Lynn Wright of your office that Ms. Jacobus' memos to you of November 1 and November 30 are sufficient and no further memo is required to be submitted with the attached form.

Attachment

TO: [Ron Lehr, Director
Division of Budget & Management
Office of the Governor

DATE: December 10, 1979

FILE NO:

TELEPHONE NO:

FROM: Lynn Wright, Budget Analyst
Division of Budget & Management
Office of the Governor

SUBJECT: Alaska Pipeline Commission FY 80
Supplemental Budget Request

The Commission's latest correspondence, dated November 30, adds little substantive data to their original request.

It seems evident that APC's work on TAPS is likely to decrease without these supplemental funds for FY 80.

However, based on the information provided by the AG's office, which is summarized in my December 3, 1979 memo, I must hold to my original recommendation that this supplemental not be funded.

Write letter recommending supplemental.

Ron

TO:

DATE: November 30, 1979

Ron Lehr
Director
Office of the Governor
Division of Budget & Management

FILE NO:

TELEPHONE NO:

FROM:

Cheri C. Jacobus *CJ*
Chairman
Alaska Pipeline Commission

SUBJECT: FY'80 Supplemental Budget Request

Attached are revised program summary forms requesting a \$101,500 supplement to the Alaska Pipeline Commission FY'80 budget. A supplemental including \$100,000 for legal services and \$1,500 for printing expenses is necessary to successfully defend Commission authority for regulating the Trans-Alaska Pipeline System and to continue mandated work through FY'80.

When the Commission prepared its FY'80 budget request, it was not known if the carriers in the TAPS tariff rate case would challenge the Commission's authority to regulate and set rates for intrastate shipments of oil through the Trans-Alaska Pipeline System. The need for these funds was contingent on the carriers challenging the Commission's authority during FY'80. After discussions with the budget analyst assigned to the Alaska Pipeline Commission and the Director of Administrative Services for the Department of Commerce and Economic Development, Lois Cook, it was decided that the Commission would not request funds at that time to cover this contingency. The Commission was told that the appropriate funding procedure was to submit a supplemental request when the challenges were actually filed.

The Commission's authority is currently being challenged by the TAPS carrier companies before the Federal Energy Regulatory Commission in two separate actions. It is imperative that the Commission be funded to meet these challenges. If the Commission loses its authority to protect Alaskan interests in pipeline transportation systems, the Alaskan consumer will be the ultimate loser. The State must maintain authority to regulate oil and gas transportation systems to insure Alaskans access to their natural resources for development and in-state utilization purposes. The federal government has demonstrated on a number of occasions that it is not concerned about these Alaskan needs. No other state agency has the authority necessary for such regulation. TAPS carriers allege that the Commission merely represents the State's financial interest and should, therefore, be stripped of its authority.

In these cases, the State is a party, represented by the Attorney General's Office. Normally, the Commission Staff also is represented by the Attorney General's Office. This potential conflict has necessitated employing outside counsel to represent the Staff's position. The Staff cannot complete its presentation of the TAPS case or its investigation of the TAPS carriers without additional funds. The two challenges to Commission authority have already depleted the funds approved in the FY'80 budget.

Ron Lehr, Director

November 30, 1979

Page 2 of 2

The Commission Staff has also been providing information obtained during its investigation to the State of Alaska and the Attorney General's Office for use in the State's presentation before the Federal Energy Regulatory Commission. The Pipeline Commission Staff is the only entity that has been able to obtain information in a timely and orderly fashion. Failure to continue funding will severely cripple the State's ability to complete its case before the Federal Energy Regulatory Commission.

This important and necessary supplemental was considered during the budget process for the FY'80 budget. The Commission and the Department of Commerce, however, determined that supplemental funding was more appropriate to funding these legal services because it could not be determined at that time when challenges to the Commission's authority would be filed.

In addition, the Commission requires \$1,500 for printing costs. Pursuant to statute, the Commission has recently designed a Uniform System of Accounts for the carriers to use that will identify specific intrastate operations, properties, costs, and revenues necessary for Commission use in determining just and reasonable intrastate tariff rates. Carrier reports to the federal agency combine intrastate data with interstate data, and the Commission cannot segregate the data as needed. Numerous forms and instructions must be printed. Funds are therefore necessary for printing these forms and instructions. The printing will be done by the State's printing office.

The supplement of \$101,500 is necessary for the Commission to continue to maintain its authority and to meet its legislative mandate.

attachment

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

FY 80 SUPPLEMENTAL
BUDGET REQUEST

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

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COVER PROGRAM	Consumer Protection
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DIVISION	Alaska Pipeline Commission
BUDGET REQUEST UNIT	Alaska Pipeline Commission
BUDGET COMPONENT	Alaska Pipeline Commission
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		INITIAL AUTHORIZATION	RP	RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
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06	LANDS, BUILDINGS									
07	GRANTS, CLAIMS									
08	MISCELLANEOUS									
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15	FULL TIME	9								9
16	PART TIME									
17	TEMPORARY									
18	MAX MONTHS	108								108

Ron Lehr, Director
Division of Budget & Management
Office of the Governor

December 10, 1979

hw
Lynn Wright, Budget Analyst
Division of Budget & Management
Office of the Governor

Alaska Pipeline Commission FY 80
Supplemental Budget Request

The Commission's latest correspondence, dated November 30, adds little substantive data to their original request.

It seems evident that APC's work on TAPS is likely to decrease without these supplemental funds for FY 80.

However, based on the information provided by the AG's office, which is summarized in my December 3, 1979 memo, I must hold to my original recommendation that this supplemental not be funded.

RL/wh

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

DATE: December 3, 1979

FILE NO:

TELEPHONE NO:

lw
FROM: Lynn Wright, Budget Analyst
Division of Budget & Management
Office of the Governor

SUBJECT: APC FY80 Supplemental Budget
Request

Alaska Pipeline Commission has requested a \$101,500 supplement to their FY 80 budget due to a shortage of funds for contractual services. Based on a review of the agency's FY 80 appropriation I do not feel that the supplemental request has been adequately justified.

The Legislature did reduce the Commission's budget to 12% below continuation level, for a reduction of \$68,900. Contractual services were reduced to 9% below continuation level, for a reduction of \$15,400.

The supplemental request, however, represents full funding of continuation level plus a 17% increase. The \$101,500 supplemental request represents a 79% increase over FY 80 continuation level in contractual services.

The Commission contends that their contractual services monies have been fully expended, and that unless they receive this supplemental all work on the TAPS case will be discontinued.

The Attorney General's Office advises, however, that the TAPS case is not likely to be jeopardized by the nonfunding of this supplemental. They have informed me, for example, that the Attorney General's Office is spending \$3 million on legal counsel to represent the State of Alaska in the TAPS case in Washington, D.C. Their opinion is that this legal representation is adequate and that the State's interest in the case will not suffer if the legal counsel currently employed by the Commission is discontinued.

As the Attorney General's Office is the legal counsel for the State of Alaska, my inclination is to accept their judgement in this matter. You may decide to discuss this with Avrum Gross, if you feel a more authoritative response is needed from the Department of Law.

Based on the above information, I recommend that the Commission's supplemental request not be funded.

FY 80 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 78 ACTUAL	FY 79 FINAL AUTH.	FY 79 ACTUAL	FY 80 GOV. BUDGET	FY 80 INITIAL AUTH.	FY 80 CURRENT AUTH.	FY 80 EXPENDITURES + ENCUMBRANCES 7/1/-11/30	FY 80 OTHER OBLIGATIONS 7/1/-11/30	FY 80 PROJECTED EXPENDI- TURES + ENCUMBRANCES 12/1-6/30	FY 80 (DEFICIT) OR EXCESS	FY 81 CONTINUA
PERSONAL SERVICES	254.8	342.1	285.0	357.7	334.9	328.5	118.8	.	204.7	5.0	327.2
TRAVEL	30.0	29.0	18.0	31.7	23.0	18.0	2.4	.	15.6	0.0	19.3
CONTRACTUAL SERVICES	332.3	189.3	184.1	171.0	155.6	167.0	129.9	1.1	142.5	(106.5)	178.7
COMMODITIES	3.3	2.6	2.0	3.5	2.8	2.8	0.9	.	1.9	0.0	3.0
EQUIPMENT	0.6	1.5	1.0	1.5	-	-	-
LANDS, BLDG. ...											
GRANTS, CLAIMS, ...											
MISCELLANEOUS											
TOTAL	621.0	564.5	490.1	565.4	516.3	516.3	252.0	.	364.7	(101.5)	528.2
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND											
INTER-AGENCY RECEIPTS											

AGENCY: Alaska Pipeline Commission BRU: Alaska Pipeline Commission COMPONENT: Alaska Pipeline Commi REVISED: _____