

LEG. FINANCE - BILLS 1979 - 1980 1186

HB 901 cont., thru HB 904 1186



CHEVRON U.S.A. INC.  
 P.O. BOX R  
 CONCORD, CA 94524  
 DUNS: 00-914-0559

INVOICE  
 NORMAL  
 INVOICE NO. 343895  
 DATE 06/15/79  
 ACCOUNT NO. 1226579

SHIP TO: M/V LE CONTE & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

DLVRED FROM SKAGWAY C/A-1001461  
 FOB ORIGIN FREIGHT COLLECT  
 CSTMR BULK TRANSPORT  
 VIA CUSTOMER'S EQUIPMENT  
 PURCHASE ORDER NO.  
 CONTRACT NO.

CHARGE TO: M/V LE CONTE & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

06-1001461-405472-062879-3-X-4012053401556

No.	Package Kind	Product Description	Tax Rates Included in Price			Sls. Tax SL 10 00	Quantity	Price	Amount
			Federal	State	Local				
2	RUD	CHEVRON DELU 6000 OIL 40	EXEMPT			X	110	2.39	262.90
1	RUD	CHEVRON DELU 300 MO 30	EXEMPT			X	55	2.30	126.50
INVOICE TOTAL									389.40

DEL. INTO MARINE VESSEL

Please identify your payment by account number, invoice number and date. Send to:

CHEVRON U.S.A. INC.

P.O. BOX R  
 CONCORD, CA 94524

MAKE CHECK PAYABLE TO:  
 CHEVRON



CHEVRON U.S.A. INC.  
 P.O. BOX 11  
 CONCORD, CA 94524  
 DUNS: 00-914-0559

EXEMPT INVOICE  
 EXEMPT SALE - NORMAL  
 INVOICE NO. 343694  
 DATE 06/15/79  
 ACCOUNT NO. 1226578

SHIP TO: M/V LA CONTE & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

DLVRED FROM SKAGWAY FERRY TERM-1001462  
 FOB DESTINATION FREIGHT PREPAID  
 AGENT BULK TRANSPORT  
 VIA COMMISSION AGENT'S EQUIPM

CHARGE TO: M/V LA CONTE & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH  
 JUNEAU, AK 99801

06-1001462-439358-062879-S-X-4012053403557

Package No.	Kind	Product Description	Tax Rates Included in Price			Sls. Tax 10 %	Quantity	Price	Amount
			Federal	State	Local				
BULK		CHEVRON DIESEL FUEL 2	EXEMPT	EXEMPT		X	19282	.582	11222.12
INVOICE TOTAL									11222.12
DEL. INTO MARINE VESSEL									

Please identify your payment by account number, invoice number and date. Send to:

CHEVRON U.S.A. INC.

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 CONCORD, CA 94524

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 CHEVRON



CHEVRON U.S.A. INC.  
 P.O. BOX R  
 CONCORD, CA 94524  
 DUNS: 00-914-0559

INVOICE  
 NORMAL  
 INVOICE NO. 343085  
 DATE 06/13/79  
 ACCOUNT NO. 1226592

SHIP TO: N/V MALASPINA & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

DLVRED FROM SKAGWAY FERRY TERM-1001462  
 FGB DESTINATION FREIGHT-PREPAID  
 AGENT BULK TRANSPORT  
 VIA COMMISSION AGENT'S EQUIPM

CHARGE TO: N/V MALASPINA & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

06-1001462-439353-062879-3-X-4212054602537

No.	Package Kind	Product Description	Tax Rates Included in Price			Sls. Tax Loc	Quantity	Price	Amount
			Federal	State	Local				
	BULK	CHEVRON DIESEL FUEL 2	EXEMPT	EXEMPT		X	22331	.552	12326.71
INVOICE TOTAL									12326.71
DEL. INTO MARINE VESSEL									

Please identify your payment by account number, invoice number and date. Send to:

CHEVRON U.S.A. INC.  
 P.O. BOX R  
 CONCORD, CA 94524

MAKE CHECK PAYABLE TO:  
 CHEVRON



CHEVRON U.S.A. INC.  
 P.O. BOX 8  
 CONCORD, CA 94524  
 CUNS: 00-914-0559

INVOICE  
 CHEVRONE SALES - NORMAL  
 INVOICE NO. 048714  
 DATE 06/19/79  
 ACCOUNT NO. 1226502

SHIP TO:

M/V MALASPINA & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

DLVRED FROM SKAGWAY FERRY TERM-1001462  
 FOB DESTINATION FREIGHT PREPAID  
 AGENT BULK TRANSPORT  
 VIA COMMISSION AGENT'S EQUIPH

CHARGE TO:

M/V MALASPINA & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

05-1001462-439355-062879-\*\*-X-4012054603557

Package No.	Kind	Product Description	Tax Rates Included in Price			Sls. Tax Rate	Quantity	Price	Amount
			Federal	State	Local				
	BULK	CHEVRON DIESEL FUEL 2	EXEMPT	EXEMPT		X	17466	.582	10165.21
INVOICE TOTAL									10165.21

DEL. INTO MARINE VESSEL

Please identify your payment by account number, invoice number and date. Send to:

CHEVRON U.S.A. INC.

P.O. BOX 8  
 CONCORD, CA 94524

MAKE CHECK PAYABLE TO:  
 CHEVRON



CHEVRON U.S.A. INC.  
 P.O. BOX R  
 CONCORD, CA 94524  
 DUNS: US-914-0559

INVOICE  
 RETAIL SALE - NORMAL  
 INVOICE NO. 348715  
 DATE 06/19/79  
 ACCOUNT NO. 1226574

SHIP TO: M/V MALASPINA & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

DLVRED FROM SKAGWAY C/A-1001461  
 FOB DESTINATION FREIGHT PREPAID  
 AGENT BULK TRANSPORT  
 VIA COMMISSION AGENT'S EQUIPH

CHARGE TO: M/V MALASPINA & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

06-1001461-405472-062879-\*X-4012054603556

Package No.	Kind	Product Description	Tax Rates Included in Price			Sls. Tax 1/2	Quantity	Price	Amount
			Federal	State	Local				
10	HUD	CHEVRON DELO 2000 MAR 40	EXEMPT			X	550	2.45	1347.50
INVOICE TOTAL									1347.50
DEL. INTO MARINE VESSEL									

Please identify your payment by account number, invoice number and date. Send to:

CHEVRON U.S.A. INC. | P.O. BOX R  
 CONCORD, CA 94524

MAKE CHECK PAYABLE TO:  
 CHEVRON



CHEVRON U.S.A. INC.  
 P.O. BOX R  
 CONCORD, CA. 94524  
 DUNS: 00-914-0559

INVOICE  
 SALE - NORMAL  
 INVOICE NO. 343699  
 DATE 06/16/79  
 ACCOUNT NO. 1225530

SHIP TO: M/V KATANUSKA & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

DLVRED FROM SKAGWAY FERRY TERM-1001452  
 FOB DESTINATION FREIGHT PREPAID  
 AGENT BULK TRANSPORT  
 VIA COMMISSION AGENT'S EQUIPM

CHARGE TO: M/V KATANUSKA & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

06-1001452-439358-062379-x-x-4012054403557

No.	Package		Product Description	Tax Rates Included in Price			Sls. Tax S L O A E	Quantity	Price	Amount
	Kind			Federal	State	Local				
	BULK		CHEVRON DIESEL FUEL 2	EXEMPT	EXEMPT		X	21390	.532	12448.98

INVOICE TOTAL

12448.98

DEL. INTO MARINE VESSEL

Please identify your payment by account number, invoice number and date. Send to:

CHEVRON U.S.A. INC.  
 P.O. BOX R  
 CONCORD, CA 94524

MAKE CHECK PAYABLE TO:  
 CHEVRON



CHEVRON U.S.A. INC.  
 P.O. BOX R  
 CONCORD, CA 94524  
 DUNS: 00-914-0559

INVOICE  
 CHARGE SALE - NORMAL  
 INVOICE NO. 348859  
 DATE 05/08/79  
 ACCOUNT NO. 1226573

SHIP TO: M/V LA CONTE & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

DLVRED FROM SKAGWAY FERRY TERM-1001462  
 FOB DESTINATION FREIGHT PREPAID  
 AGENT BULK TRANSPORT  
 VIA COMMISSION AGENT'S EQUIPM

CHARGE TO: M/V LA CONTE & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

06-1001462-439357-062279-\*X-4012053403557

No.	Package Kind	Product Description	Tax Rates Included in Price			Sls. Tax S L o c a l	Quantity	Price	Amount
			Federal	State	Local				
	BULK	CHEVRON DIESEL FUEL 2	EXEMPT	EXEMPT		19410	.552	10714.32	
INVOICE TOTAL								10714.32	
DEL. INTO MARINE VESSEL									

Please identify your payment by invoice number and date as shown and send to:  
 CHEVRON U.S.A. INC.

P.O. BOX R  
 CONCORD, CA 94524

MAKE CHECK PAYABLE TO:  
 CHEVRON



CHEVRON U.S.A. INC.  
 P.O. BOX R  
 CONCORD, CA 94524  
 DUNS: 00-914-0559

INVOICE  
 CHARGE SALE - NORMAL  
 INVOICE NO. 348664  
 DATE 06/07/79  
 ACCOUNT NO. 1226530

SHIP TO: M/V HATANUSKA & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

DLVRED FROM SKAGWAY FERRY TERM-1001462  
 FOB DESTINATION FREIGHT PREPAID  
 AGENT BULK TRANSPORT  
 VIA COMMISSION AGENT'S EQUIPM

CHARGE TO: M/V HATANUSKA & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

06-1001462-439357-062279-\*X-4012054403557

Package No.	Kind	Product Description	Tax Rates Included in Price			Sls. Tax to be paid	Quantity	Price	Amount
			Federal	State	Local				
	BULK	CHEVRON DIESEL FUEL 2	EXEMPT	EXEMPT		X	23246	.552	12831.79
INVOICE TOTAL									12831.79

DEL. INTO MARINE VESSEL

Please identify your payment by invoice number and date as shown and send to:  
 CHEVRON U.S.A. INC.

P.O. BOX R  
 CONCORD, CA 94524

MAKE CHECK PAYABLE TO:  
 CHEVRON



CHEVRON U.S.A. INC.  
 P.O. BOX R  
 CONCORD, CA 94524  
 DURS: 00-914-0559

INVOICE  
 NORMAL SALE - NORMAL  
 INVOICE NO. 348666  
 DATE 06/10/79  
 ACCOUNT NO. 1226573

SHIP TO:  
 M/V TAKU & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

DLVRED FROM SKAGWAY C/A-1001461  
 FOB DESTINATION FREIGHT PREPAID  
 AGENT BULK TRANSPORT  
 VIA COMMISSION AGENT'S EQUIPM  
 PURCHASE ORDER NO.  
 CONTRACT NO:

CHARGE TO:  
 M/V TAKU & OWNERS  
 DIV OF MARINE HIGHWAYS  
 POUCH R  
 JUNEAU, AK 99801

06-1001461-405471-032279-X-X-4012054503556

No.	Package Kind	Product Description	Tax Rates Included in Price			Sls. Tax S L C	Quantity	Price	Amount
			Federal	State	Local				
11	HUD	CHEVRON DELD 2000 MAR 40	EXEMPT			X	605	2.39	1445.55
1	HUD	CHEVRON DELD 300 MO 40	EXEMPT			X	55	2.24	123.20
INVOICE TOTAL									1569.15

DEL. INTO MARINE VESSEL

Please identify your payment by account number, invoice number and date. Send to:

CHEVRON U.S.A. INC.  
 P.O. BOX R  
 CONCORD, CA 94524

MAKE CHECK PAYABLE TO:  
 CHEVRON



# 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

Funding Information:  
General Fund: \$ 71,600  
Other Funds: 47,600  
\$119,200

Introduced: 2/22/80  
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 302

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 Fish and Game, Division of Game; and  
8 providing for an effective date."

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

10 \* Section 1. The sum of \$119,200 is appropriated to the Department of  
11 Fish and Game, Division of Game, for the purpose of funding FY 79 overexpen-  
12 ditures and payroll expenses, from the following sources:

13	General Fund	\$ 71,600
14	Fish and Game Fund	47,600

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

JAY S. HAMMOND  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

HB902

February 22, 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 to the Department of Fish and Game, Division of Game.

This request is made due to FY 79 overexpenditures and payroll expenses in the division, and is the only way to make money available and prevent audit non-compliance since some vendors have not been paid. Disciplinary action has been taken against the regional supervisors responsible for the overexpenditures.

Sincerely,



Jay S. Hammond  
Governor




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

DATE:

FILE NO:

TELEPHONE NO:

113902

FROM:  Carl L. Rosier  
Deputy Commissioner  
Program Management  
Department of Fish and Game

SUBJECT: Request for Supplemental Appropriation,  
FY 79 Overexpenditure

The Department of Fish and Game, Division of Game, requests a supplemental appropriation of \$119,200 for the Division's FY 79 Investigations allocation.

The request is composed of two parts, an overexpenditure of \$47,600, and \$71,600 of payroll expenses held in a suspense account which could not be charged directly to the FY 79 appropriation. A severe impact on the Division's current programs would result if we charged the \$71,600 against the FY 80 appropriation.

The following explains why the \$71,600 was not charged to FY 79 prior to the year end closing:

1. Near the end of the fiscal year overexpenditures in other appropriations caused many payment documents to be rejected and then reprocessed again. This situation was further complicated by the impact of Item 2.

2. The Department of Administration paid retroactive salary increases from the 15th through the 23rd of August prior to the salary supplemental appropriations being placed on the books. This resulted in several appropriations zeroing out and dozens of pay documents being rejected again. The retroactive pay increases exceeded our Department's salary supplemental allocation by more than \$100,000. Additional complications were caused by the supplemental payroll being charged entirely to an individual's current account code and not to other accounts under which the individual worked. Bill payments had to be stopped and recapped manually, including all previously rejected documents, in order to determine where allocation surpluses existed. The automated accounting system placed several payroll charges in a suspense account in the Department of Administration when zero authorization balances existed.

3. All documents were submitted for payment by the year end closing and those documents rejected on the final day of closing were reviewed and corrected prior to final closing. At the same time, the Department of Administration had documents in process that we were not given the chance to review. These documents processed after the closing and were charged to FY 80. Mistakes by our Department as a result of the confusion caused by all of the preceding and the actions of the Department of Administration resulted in FY 79 charges being paid out of FY 80's appropriation and payroll charges left in a suspense account.

The overexpenditure of \$47,600 is accounted for by the following:

A combination of two factors: 1) severely restricted budgets in FY 79 and FY 80 and 2) unprecedented (and unpredictable) declines in available Federal P-R dollars, resulted in these overexpenditures of allocated funds during FY 1979. In view of a severely restricted FY 80 budget allocation, attempts were made at the end of FY 1979 to expend essentially 100% of allocated funds. In spite of a Divisional accounting system complementing the State's accounting system these attempts to "prepare" for the lean FY 1980 resulted in an overexpenditure of \$10,300. Similarly, attempts to release the maximum amount of P-R dollars so these funds would be available for the "T" quarter of FY 1980 resulted in a shortfall of \$37,300 in P-R dollars during FY 1979.

Improved and more regular comparisons of the State Accounting system printouts with the results of inhouse accounting should alleviate future overexpenditures. As a result of self-imposed restrictions of P-R funding during FY 1979 (\$550.0) and the last minute attempts to release the P-R monies to insure their availability for "T" quarter FY 1980, the P-R carryover is presently "comfortable." If this situation is maintained, last minute amendments to unencumber funds will be unnecessary in the future. Regional Supervisors, who are responsible for field funding allocations, have been reprimanded and strongly directed to maintain better control of these funds.

We have enclosed the required supplemental request analysis forms.

Enclosures

cc: Director, Division of Game  
Director, Division of Administration

FY 79 SUPPLEMENTAL REQUEST ANALYSIS

Use of Nov. 30

	1	2	3	4	5	6	7	8	9	10	11
	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 FINAL AUTH.	FY 79 EXPENDITURES PLUS ENCUMBRANCES	FY 79 OTHER OBLIGATIONS PAYROLL SUSPENSE	FY 79 OBLIGATIONS PAID OUT OF FY 80 AUTH. (LAPSE ADJ.)	FY 79 (DEFICIT) OR EXCESS	FY 79 INITIAL AUTH.
INVESTIGATIONS	3,680.5	4,255.5	4,174.6	5,005.7	5,054.4	4,796.0	4,754.4	119.2	13.1	(90.7)	4,539.2
MANAGEMENT	387.4	446.9	444.0	512.9	552.9	561.3	551.1	.	2.0	8.2	513.0
WATER SAFETY	97.1	126.2	96.4	126.3	126.1	126.1	93.4		.1	32.6	99.0
ADMINISTRATION AND SUPPORT	299.0	341.6	340.9	387.1	387.1	387.1	384.8			2.3	399.0
TOTAL	4,464.0	5,170.2	5,055.9	6,032.5	6,120.5	5,870.5	5,783.7	119.2	15.2	(47.6)	5,552.0
GENERAL RECEIPTS	2,825.6	3,201.5	3,406.9	3,876.7	3,876.7	3,289.3	3,264.3			25.0	3,315.0
EXPENSES OF HATCHING											
GENERAL FUND	163.9	20.0	17.0			37.9	37.9				
AGENCY RECEIPTS											
WATER AND GAME FUND	1,474.5	1,948.7	1,632.0	2,155.8	2,243.8	2,543.3	2,481.5	119.2	15.2	(72.6)	2,237.0

Fish and Game

BRU: Game

COMPONENT:

REVISED:

FY 79 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 FINAL AUTH.	FY 79 EXPENDITURES PLUS ENCUMBRANCES	FY 79 OTHER OBLIGATIONS PAYROLL SUSPENSE	FY 79 OBLIGATIONS PAID OUT OF FY 80 AUTH. (LAPSE ADJ.)	FY 79 (DEFICIT) OR EXCESS	FY 79 INITIAL AUTH.
GENERAL SERVICES	2,476.1	2,828.4	2,747.8	3,373.5	3,373.5	3,292.6	3,213.2	119.2		(39.8)	3,411.8
SALE	211.9	261.8	289.8	268.0	268.0	231.0	249.3		1.9	(20.2)	268.0
INDIRECT SERVICES	772.9	940.8	902.9	1,073.7	1,122.4	1,024.9	970.5		9.5	44.9	772.9
UTILITIES	168.3	173.3	180.4	209.0	209.0	188.3	236.2		1.6	(49.5)	168.3
TRAVEL	48.2	51.2	53.7	81.5	81.5	59.2	85.2		.1	(26.1)	48.2
REG. BUDG. ...	2.0										
MIS. FEES	1.1										
VARIOUS											
TOTAL	3,680.5	4,255.5	4,174.6	5,005.7	5,054.4	4,796.0	4,754.4	119.2	13.1	(90.7)	4,539.3
GENERAL RECEIPTS	2,528.6	2,888.1	3,096.9	3,503.0	3,503.0	2,915.6	2,915.6				2,915.6
TRIPD GR MATCHING											
FR GENERAL FUND	163.9					37.0	37.0				
FR AGENCY RECEIPTS											
FR FISH AND GAME FUND	988.0	1,367.4	1,077.7	1,502.7	1,551.4	1,843.4	1,801.8	119.2	13.1	(90.7)	1,593.3

1979 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 FINAL AUTH.	FY 79 EXPENDITURES PLUS ENCUMBRANCES	FY 79 OTHER OBLIGATIONS PAYROLL SUSPENSE	FY 79 OBLIGATIONS PAID OUT OF FY 80 AUTH. (LAPSE ADJ.)	FY 79 (DEFICIT) OR EXCESS	FY 80 INITI. AUTH.
PERSONAL SERVICES	194.2	248.7	246.8	238.5	238.5	246.9	269.7			(22.8)	232.6
TRAVEL	26.0	40.2	33.1	65.0	55.0	55.0	51.2			3.8	41.3
CONTRACTUAL SERVICES	145.7	141.9	150.6	194.6	244.6	244.6	209.4		1.4	33.8	223.9
COMMODITIES	14.2	15.1	12.7	14.8	14.8	14.8	15.0		.6	(.8)	15.7
EQUIPMENT	2.7	1.0	.8				5.8			(5.8)	
LANDS, BLDG. ...	4.6										
GRANTS, CLERKS											
MISCELLANEOUS											
TOTAL	387.4	446.9	444.0	512.9	552.9	561.3	551.1		2.0	8.2	513.5
FEDERAL RECEIPTS											
REQUIRED OF HATCHING											
OTHER FEDERAL FUND		20.0	17.0			.9	.9				
INTER-AGENCY RECEIPTS											
FISH AND GAME FUND	387.4	426.9	427.0	512.9	552.9	560.4	550.2		2.0	8.2	513.5

AGENCY: Fish and Game      BRD: Game      COMPONENT: Management      REVISED: \_\_\_\_\_

FY 79 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 FINAL AUTH.	FY 79 EXPENDITURES PLUS ENCUMBRANCES	FY 79 OTHER OBLIGATIONS PAYROLL SUSPENSE	FY 79 OBLIGATIONS PAID OUT OF FY 80 AUTH. (LAPSE ADJ.)	FY 79 (DEFICIT) OR EXCESS	FY 80 INITIAL AUTH.
PERSONAL SERVICES	59.9	62.3	59.2	50.1	50.1	60.1	62.0			(1.9)	56.0
TRAVEL	6.9	11.0	4.2	11.6	11.6	11.6	7.8		.1	3.7	8.7
CONTRACTUAL SERVICES	17.1	14.8	11.1	15.9	15.9	15.9	14.3			1.6	11.4
COPYDUES	11.2	36.3	21.0	47.2	47.2	37.2	8.5			28.7	22.8
EQUIPMENT	2.0	1.8	.9	2.0	1.3	1.3	.8			.5	
LAND, BLDG. ...											
GRANTS, CLAIM											
MISCELLANEOUS											
TOTAL	97.1	126.2	96.4	126.8	126.1	126.1	93.4		.1	32.6	99.1
FEDERAL RECEIPTS	72.8	70.9	54.3	95.1	95.1	95.1	70.1			25.0	68.1
REVENUE OF MATCHING											
OTHER GENERAL FUND											
INTER-AGENCY RECEIPTS											
FISH AND GAME FUND	24.3	55.3	42.1	31.7	31.0	31.0	23.3		.1	7.6	30.0

AGENCY: Fish and Game

BRU: Game

COMPONENT: Hunter Safety

REVISED:

1979 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	
	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 FINAL AUTH.	FY 79 EXPENDITURES PLUS ENCUMBRANCES	FY 79 OTHER OBLIGATIONS PAYROLL SUSPENSE	FY 79 OBLIGATIONS PAID OUT OF FY 80 AUTH. (LAPSE ADJ.)	FY 79 (DEFICIT) OR EXCESS	FY INITIAL AUTH.
PERSONAL SERVICES	299.0	341.6	340.9	387.1	387.1	387.1	384.8			2.3	399.
TRAVEL											
CONTRACTUAL SERVICES											
UTILITIES											
FOODSERVICE											
TRNG, BLDG. ...											
GRANTS, CLAIMS											
RECURRING											
TOTAL	299.0	341.6	340.9	387.1	387.1	387.1	384.8			2.3	399.
GENERAL RECEIPTS	224.2	242.5	255.7	278.6	278.6	278.6	278.6				299.
REQUIRED MATCHING											
OTHER GENERAL FUND											
INTER-AGENCY RECEIPTS											
FISH AND GAME FUND	74.8	99.1	85.2	108.5	108.5	108.5	106.2			2.3	99.

AGENCY: Fish and Game      BRU: Game      COMPONENT: Administration & Support      REVISED: \_\_\_\_\_



*letter  
memo*

Funding Information:  
General Fund: \$ 71,600  
Other Funds: 47,600  
\$119,200

Introduced: 2/22/80  
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 902

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 Fish and Game, Division of Game; and  
8 providing for an effective date."

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

10 \* Section 1. The sum of \$119,200 is appropriated to the Department of  
11 Fish and Game, Division of Game, for the purpose of funding FY 79 overexpen-  
12 ditures and payroll expenses, from the following sources:

13 General Fund \$ 71,600

14 Fish and Game Fund 47,600

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

29 COMMITTEE COPY

JAY S. HAMMOND  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

HB902

February 22, 1980

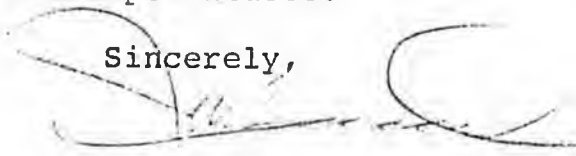
The Honorable Terry Gardiner  
Speaker of the House  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill making a supplemental appropriation to the Department of Fish and Game, Division of Game.

This request is made due to FY 79 overexpenditures and payroll expenses in the division, and is the only way to make money available and prevent audit non-compliance since some vendors have not been paid. Disciplinary action has been taken against the regional supervisors responsible for the overexpenditures.

Sincerely,



Jay S. Hammond  
Governor

STATE  
OF ALASKA

## MEMORANDUM

FEB 4 REC'D  
~~FEB 4 11:00 D~~  
BYMTO: Ron Lehr, Director  
Division of Budget and Management  
Office of the Governor

DATE:

FILE NO:

TELEPHONE NO:

FROM:

*DLR*  
Carl L. Rosier  
Deputy Commissioner  
Program Management  
Department of Fish and GameSUBJECT: Request for Supplemental Appropriation,  
FY 79 OverexpenditureNB902<sup>2</sup>

The Department of Fish and Game, Division of Game, requests a supplemental appropriation of \$119,200 for the Division's FY 79 Investigations allocation.

The request is composed of two parts, an overexpenditure of \$47,600, and \$71,600 of payroll expenses held in a suspense account which could not be charged directly to the FY 79 appropriation. A severe impact on the Division's current programs would result if we charged the \$71,600 against the FY 80 appropriation.

The following explains why the \$71,600 was not changed to FY 79 prior to the year end closing:

1. Near the end of the fiscal year overexpenditures in other appropriations caused many payment documents to be rejected and then reprocessed again. This situation was further complicated by the impact of Item 2.

2. The Department of Administration paid retroactive salary increases from the 15th through the 23rd of August prior to the salary supplemental appropriations being placed on the books. This resulted in several appropriations zeroing out and dozens of pay documents being rejected again. The retroactive pay increases exceeded our Department's salary supplemental allocation by more than \$100,000. Additional complications were caused by the supplemental payroll being charged entirely to an individual's current account code and not to other accounts under which the individual worked. Bill payments had to be stopped and recapped manually, including all previously rejected documents, in order to determine where allocation surpluses existed. —The automated accounting system placed several payroll charges in a suspense account in the Department of Administration when zero authorization balances existed.—

3. All documents were submitted for payment by the year end closing and those documents rejected on the final day of closing were reviewed and corrected prior to final closing. At the same time, the Department of Administration had documents in process that we were not given the chance to review. These documents processed after the closing and were charged to FY 80. Mistakes by our Department as a result of the confusion caused by all of the preceding and the actions of the Department of Administration resulted in FY 79 charges being paid out of FY 80's appropriation and payroll charges left in a suspense account.

The overexpenditure of \$47,600 is accounted for by the following:

A combination of two factors: 1) severely restricted budgets in FY 79 and FY 80 and 2) unprecedented (and unpredictable) declines in available Federal P-R dollars, resulted in these overexpenditures of allocated funds during FY 1979. In view of a severely restricted FY 80 budget allocation, attempts were made at the end of FY 1979 to expend essentially 100% of allocated funds. In spite of a Divisional accounting system complementing the State's accounting system these attempts to "prepare" for the lean FY 1980 resulted in an overexpenditure of \$10,300. Similarly, attempts to release the maximum amount of P-R dollars so these funds would be available for the "T" quarter of FY 1980 resulted in a shortfall of \$37,300 in P-R dollars during FY 1979.

Improved and more regular comparisons of the State Accounting system printouts with the results of inhouse accounting should alleviate future overexpenditures. As a result of self-imposed restrictions of P-R funding during FY 1979 (\$550.0) and the last minute attempts to release the P-R monies to insure their availability for "T" quarter FY 1980, the P-R carryover is presently "comfortable." If this situation is maintained, last minute amendments to unencumber funds will be unnecessary in the future. Regional Supervisors, who are responsible for field funding allocations, have been reprimanded and strongly directed to maintain better control of these funds.

We have enclosed the required supplemental request analysis forms.

Enclosures

cc: Director, Division of Game  
Director, Division of Administration

FY 79 SUPPLEMENTAL REQUEST ANALYSIS

as of Nov. 30

	1	2	3	4	5	6	7	8	9	10	11
	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 FINAL AUTH.	FY 79 EXPENDITURES PLUS ENCUMBRANCES	FY 79 OTHER OBLIGATIONS, PAYROLL SUSPENSE	FY 79 OBLIGATIONS PAID OUT OF FY 80 AUTH. (LAPSE ADJ.)	FY 79 (DEFICIT) OR EXCESS	FY 79 INIT AUTH.
INVESTIGATIONS	3,680.5	4,255.5	4,174.6	5,005.7	5,054.4	4,796.0	4,754.4	119.2	13.1	(90.7)	4,539.2
MANAGEMENT	387.4	446.9	444.0	512.9	552.9	561.3	551.1		2.0	8.2	513.1
WATER SAFETY	97.1	126.2	96.4	126.8	126.1	126.1	93.4		.1	32.6	99.2
ADMINISTRATION AND SUPPORT	299.0	341.6	340.9	387.1	387.1	387.1	384.8			2.3	399.2
TOTAL	4,464.0	5,170.2	5,055.9	6,032.5	6,120.5	5,870.5	5,783.7	119.2	15.2	(47.6)	5,552.7
GENERAL RECEIPTS	2,825.6	3,201.5	3,406.9	3,876.7	3,876.7	3,289.3	3,264.3			25.0	3,315.7
UNIFIED OF MATCHING											
GENERAL FUND	163.9	20.0	17.0			37.9	37.9				
AGENCY RECEIPTS AND GAME FUND	1,474.5	1,948.7	1,632.0	2,155.8	2,243.8	2,543.3	2,481.5	119.2	15.2	(72.6)	2,237.2

Fish and Game

BRU: Game

COMPONENT:

REVISED:

1979 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 FINAL AUTH.	FY 79 EXPENDITURES PLUS ENCUMBRANCES	FY 79 OTHER OBLIGATIONS PAYROLL SUSPENSE	FY 79 OBLIGATIONS PAID OUT OF FY 80 AUTH. (LAPSE ADJ.)	FY 79 (DEFICIT) OR EXCESS	FY 79 INITIAL AUTH.
PERSONAL SERVICES	2,476.1	2,828.4	2,747.8	3,373.5	3,373.5	3,292.6	3,213.2	119.2		(39.8)	3,411.8
TRAVEL	211.9	261.8	289.8	268.0	268.0	231.0	249.3		1.9	(20.2)	208.8
INDIRECT SERVICES	772.9	940.8	902.9	1,073.7	1,122.4	1,024.9	970.5		9.5	44.9	727.4
COMMODITIES	168.3	173.3	180.4	209.0	209.0	188.3	236.2		1.6	(49.5)	168.8
EQUIPMENT	48.2	51.2	53.7	81.5	81.5	59.2	85.2		.1	(26.1)	48.6
RENT, REPR. ...	2.0										
RENTS, CLAIMS	1.1										
miscellaneous											
TOTAL	3,680.5	4,255.5	4,174.6	5,005.7	5,054.4	4,796.0	4,754.4	119.2	13.1	(90.7)	4,539.3
GENERAL RECEIPTS	2,528.6	2,888.1	3,096.9	3,503.0	3,503.0	2,911.6	2,915.6				2,946.6
SALE OF HATCHERY											
FROM GENERAL FUND	163.9					37.0	37.0				
INTER-AGENCY RECEIPTS											
WILDLIFE AND GAME FUND	988.0	1,367.4	1,077.7	1,502.7	1,551.4	1,843.4	1,801.8	119.2	13.1	(90.7)	1,593.3

FUND: Fish and Game

BRN: Game

COMPONENT: Investigations

REVISED:

1979 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 FINAL AUTH.	FY 79 EXPENDITURES PLUS ENCUMBRANCES	FY 79 OTHER OBLIGATIONS PAYROLL SUSPENSE	FY 79 OBLIGATIONS PAID OUT OF FY 80 AUTH. (LAPSE ADJ.)	FY 79 (DEFICIT) OR EXCESS	FY 80 INITI. AUTH.
PERSONAL SERVICES	194.2	248.7	246.8	238.5	238.5	246.9	269.7			(22.8)	232.6
TRAVEL	26.0	40.2	33.1	65.0	55.0	55.0	51.2			3.8	41.3
CONTRACTUAL SERVICES	145.7	141.9	150.6	194.6	244.6	244.6	209.4		1.4	33.8	223.9
COMMODITIES	14.2	15.1	12.7	14.8	14.8	14.8	15.0		.6	(.8)	15.7
EQUIPMENT	2.7	1.0	.8				5.8			(5.8)	
LANDS, BLDG. ...	4.6										
GRANTS, CLAIMS											
MISCELLANEOUS											
TOTAL	387.4	446.9	444.0	512.9	552.9	561.3	551.1		2.0	8.2	513.5
FEDERAL RECEIPTS											
REQUIRED OF MATCHING											
OTHER FEDERAL FUND		20.0	17.0			.9	.9				
INTER-AGENCY RECEIPTS											
FISH AND GAME FUND	387.4	426.9	427.0	512.9	552.9	560.4	550.2		2.0	8.2	513.5

AGENCY: Fish and Game

BRU: Game

COMPONENT: Management

REVISED: \_\_\_\_\_

4  
 1979 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 FINAL AUTH.	FY 79 EXPENDITURES PLUS ENCUMBRANCES	FY 79 OTHER OBLIGATIONS, PAYROLL SUSPENSE	FY 79 OBLIGATIONS PAID OUT OF FY 80 AUTH. (LAPSE ADJ.)	FY 79 (DEFICIT) OR EXCESS	FY 80 INITIAL AUTH.
PERSONAL SERVICES	59.9	62.3	59.2	50.1	50.1	60.1	62.0			(1.9)	56.6
TRAVEL	6.9	11.0	4.2	11.6	11.6	11.6	7.8		.1	3.7	8.7
CONTRACTUAL SERVICES	17.1	14.8	11.1	15.9	15.9	15.9	14.3			1.6	11.4
COMMODITIES	11.2	36.3	21.0	47.2	47.2	37.2	8.5			28.7	22.8
EQUIPMENT	2.0	1.8	.9	2.0	1.3	1.3	.8			.5	
FARE, BULK, ...											
GRANTS, CLERKS											
MISCELLANEOUS											
TOTAL	97.1	126.2	96.4	126.8	126.1	126.1	93.4		.1	32.6	99.5
FEDERAL RECEIPTS	72.8	70.9	54.3	95.1	95.1	95.1	70.1			25.0	68.9
RECEIVED BY MATCHING											
OTHER GENERAL FUND											
INTER-AGENCY RECEIPTS											
FISH AND GAME FUND	24.3	55.3	42.1	31.7	31.0	31.0	23.3		.1	7.6	30.6

ACTIVITY: Fish and Game      BRU: Game      COMPONENT: Hunter Safety      REVISED: \_\_\_\_\_

FY 79 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	
	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 FINAL AUTH.	FY 79 EXPENDITURES PLUS ENCUMBRANCES	FY 79 OTHER OBLIGATIONS PAYROLL SUSPENSE	FY 79 OBLIGATIONS PAID OUT OF FY 80 AUTH. (LAPSE ADJ.)	FY 79 (DEFICIT) OR EXCESS	FY . INI. AUTH.
PERSONAL SERVICES	299.0	341.6	340.9	387.1	387.1	387.1	384.8			2.3	399.
TRAVEL											
CONTRACTUAL SERVICES											
COMMODITIES											
EQUIPMENT											
LANDS, BLDG. ...											
GRANTS, CLAIMS											
MISCELLANEOUS											
TOTAL	299.0	341.6	340.9	387.1	387.1	387.1	384.8			2.3	399.
GENERAL RECEIPTS	224.2	242.5	255.7	278.5	278.6	278.6	278.6				299.
FOUNDED BY MATCHING											
OTHER GENERAL FUND											
OTHER AGENCY RECEIPTS											
FISH AND GAME FUND	74.8	99.1	85.2	108.5	108.5	108.5	106.2			2.3	99.8

AGENCY: Fish and Game BRU: Game COMPONENT: Administration & Support REVISED: \_\_\_\_\_

ALASKA STATE LEGISLATURE

ELEVENTH Legislature SECOND Session

HOUSE BILL NO. 902...

BY REQUEST OF THE GOVERNOR

"An Act making a supplemental appropriation to the Department of Fish and Game, Division of Game; and providing for an effective date."

Supp appro, Division of Game

Introduced in the House 2/22, 1980.

HISTORY IN THE HOUSE

1980	Read first time and referred to Committee on												
Feb. 22	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> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	<table border="0"> <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> </table>	Reconsideration		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> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	<table border="0"> <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> </table>	Reconsideration		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. ....



# 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

COMMITTEE REPORT  
SENATE

4/28/80

FURTHER: None

Date: 5-24-80

Mr. President:

The Committee on FINANCE has had HB 904  
auditing of oil and gas royalty and net profits payments and reports

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

\_\_\_\_\_

\_\_\_\_\_

Gene Anderson

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

Hobson

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Chairman  
CHAIRMAN

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 904 (Revised)

Title Relating to auditing of oil & gas royalty & net profits payments & reports.

Requested by Governor

Date 5/8/80

II. FISCAL DETAIL

Agency Affected \_\_\_\_\_

Program Category Affected \_\_\_\_\_

BRU, Program, or Subprogram(s) Affected \_\_\_\_\_

(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						
200 TRAVEL	-0-	17.4	18.0	18.0	18.0	18.0
300 CONTRACTUAL						
400 COMMODITIES		.6				
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>-0-</b>	<b>18.0</b>	<b>18.0</b>	<b>18.0</b>	<b>18.0</b>	<b>18.0</b>

FUNDING (Thousands of Dollars)

GENERAL FUND		18.0	18.0	18.0	18.0	18.0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III) In the interest of getting the royalty-audit function transferred to the Department of Revenue, we have revised our original fiscal note and dropped the request for two positions for the first start-up year of operation. We intend to document this first year's experience and, if we continue to feel that the positions requested are justified, we will present the request as a component of next year's operating budget. It should be pointed out that the added royalty-audit function will result in a decrease in the total number of income and production tax audits performed by the same number of auditors.

There is, however, a substantial need to allocate at least \$18.0 thousand for the first year to cover additional travel and commodity expenses arising from the added royalty-audit function. That amount consists of: (1) \$12.6 thousand to cover per diem and expenses incurred when outside audit trips are lengthened through additional royalty audit duties; (2) \$4.8 thousand to cover an estimated four additional outside trips not linked directly to a tax audit; and (3) \$600 in commodities.

IV. DATE 5/8/80

PREPARED BY Joseph K. Donohue

AGENCY Revenue

PHONE 465-2300

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)



HOUSE BILLS IN THIRD READING

- SCS CSHB 192 (Fin) Programs of state aid to municipalities and other recipients: providing for equalization of the tax resources of municipalities, continuing a portion of the program of state aid for municipal purposes, providing for minimum payments, and directing state agencies to examine and recommend changes in programs of state assistance; amending the program of fisheries tax refunds to municipalities  
 \_\_\_\_\_ eff date  
 (On reconsideration, held from 5/28)
- CSHB 830 (Fin) Alcohol and drug abuse; changing the responsibility of  
 am S the office of alcoholism; amending the alcoholism grant-in-aid  
 \_\_\_\_\_ eff date  
 (Held from 5/27, 5/28)

CONSENT CITATION CALENDAR

- Honoring Kay Linton, International Board of Directors of the General Federation of Women's Clubs, by Senator Colletta
- Honoring Participants in the 22nd Alaska Spelling Bee (Eleanor Fye and Andy Preston), by Senators Colletta and Hohman
- In Memoriam - Bronwen Jones,  
 by Senator Kerttula and Representative Carney
- Honoring Roger Painter, Editor Alaska Fisherman, by All Members of the House
- In Memoriam Nettie Jones Ellison  
 by Representatives Gardiner and Freeman and Senator Ziegler
- Honoring Juneau's Indian Dancers  
 by Representatives Duncan and Miller and Senator Ray
- Honoring the Kodiak Girls Basketball Team  
 by Representative Zharoff
- Honoring Margaret McVey (retirement)  
 by Representative Eliason and Senators Meland and Stimson
- In Memoriam Joseph Wilhour, by All Members of the House
- In Memoriam Jack R. Atwater, by Representatives Halford, Cotten, Martin and Phillips

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 557

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 scheduling oil and gas lease sales;  
7 and providing for an effective date."

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

9 \* Section 1. AS 38.05.180(b) is amended to read:

10 (b) The commissioner shall annually prepare and submit to the  
11 legislature, between the first and the fifteenth day of each regular  
12 legislative session, a five-year proposed oil and gas leasing program  
13 consisting of a schedule of proposed lease sales and specifying as  
14 precisely as practicable the location of tracts proposed to be offered  
15 for oil and gas leasing during the [THIRD AND FOURTH CALENDAR YEARS  
16 FOLLOWING THE] calendar year in which the proposed program is submitted  
17 to the legislature and the following four calendar years.

18 \* Sec. 2. AS 38.05.180(c) is amended to read:

19 (c) Except as provided in (d) and (v) of this section, an [NO] oil  
20 and gas lease sale may not be held [ISSUED BY THE COMMISSIONER SHALL BE  
21 VALID] unless it was included in the [A] proposed leasing programs  
22 [PROGRAM] submitted to the legislature during the two [THIRD AND FOURTH]  
23 calendar years preceding the year in which the sale [LEASE] is held  
24 [ISSUED, EXCEPT THAT AN AREA PROPOSED FOR LEASING IN THE FOURTH CALENDAR  
25 YEAR AFTER THE YEAR IN WHICH THE PROGRAM IS SUBMITTED TO THE LEGISLATURE  
26 MAY BE LEASED IF THE COMMISSIONER RESUBMITS THE AREA TO THE FOLLOWING  
27 REGULAR LEGISLATIVE SESSION]. A lease sale shall be held during the  
28 calendar quarter for which it is scheduled in the proposed oil and gas  
29 leasing program but may be delayed by the commissioner for not more than

1 90 days after the last day of the calendar quarter for which it was  
2 scheduled if the commissioner determines that a delay is in the best  
3 interest of the state. A lease sale which is not held during the cal-  
4 endar quarter for which it was scheduled in the oil and gas leasing pro-  
5 gram, or in the following 90-day period authorized by this subsection,  
6 may be held only if rescheduled as provided in (b) of this section. A  
7 lease sale may not be held before the date it is scheduled in the pro-  
8 posed oil and gas leasing program.

9 \* Sec. 3. AS 38.05.180(d) is amended to read:

10 (d) The commissioner may issue oil and gas leases in an area that  
11 has not been included in a leasing program submitted, in accordance with  
12 (b) of this section, to the legislature if

13 (1) the land to be leased was previously subject to a valid  
14 state or federal oil and gas lease; or

15 (2) the land to be leased is contiguous to land already under  
16 state, federal or private lease and the commissioner makes a written  
17 finding, after hearing, that leasing of the land would result in a  
18 substantial probability of early evaluation and development of the land  
19 to be leased; or

20 (3) the land to be leased is adjacent to land owned or con-  
21 trolled by another party on which a discovery of commercial quantities  
22 of oil or gas has been made, and where the commissioner finds, after  
23 hearing, that there is a reasonable probability that the land to be  
24 leased contains oil or gas in communication with the oil or gas dis-  
25 covered on the land of the other party; or

26 (4) the land to be leased is adjacent to land included in  
27 the federal five-year Outer Continental Shelf leasing program under 43  
28 U.S.C. sec. 1344, and the commissioner makes a written finding, after  
29 hearing, that coordinated or simultaneous leasing with the federal

1 government is in the public interest.

2 \* Sec. 4. AS 38.05.180(e)(2) is amended to read:

3 (2) if determined, a description of the bidding methods to  
4 be used for all lease sales to be held during the current and next two  
5 succeeding calendar years [AND, IF DETERMINED, THE BIDDING METHODS TO BE  
6 USED];

7 \* Sec. 5. AS 38.05.180(w) is amended to read:

8 (w) Notwithstanding any other provision of this section, land  
9 which has been offered for lease within the previous five years and  
10 which received no bids at competitive sale or for which no bid was  
11 accepted may be, at the discretion of the commissioner, immediately  
12 offered for lease, under regulations adopted by him, upon terms appear-  
13 ing most advantageous to the state; however, non-competitive leasing is  
14 prohibited. The commissioner shall establish a royalty as he determines  
15 to be in the public interest but not less than 12-1/2 percent. A lease  
16 must provide for payment to the state or rental but need not adhere to  
17 the rental schedule in (n) of this section nor to the 5,760-acres-per-  
18 lease limitation in (m) of this section. The lease term may not exceed  
19 five years except as provided in (m) and (o) of this section.

20 \* Sec. 6. Section 7, ch. 155 SLA 1978, as amended by sec. 2, ch. 65 SLA  
21 1979, is amended to read:

22 Sec. 7. TRANSITIONAL PROVISIONS. By the 20th day of the First  
23 Session of the Eleventh legislature the commissioner of natural re-  
24 sources shall submit a proposed oil and gas leasing program to the  
25 legislature in accordance with AS 38.05.180(b), except that the proposed  
26 program shall cover all areas to be leased in 1979 through 1983. No  
27 lease, except as authorized under AS 38.05.180(d) or 38.05.180(w), shall  
28 be issued during 1979, 1980, [OR] 1981, or 1982 unless the land to be  
29 leased was included in this proposed leasing program.

1 \* Sec. 7. TRANSITIONAL PROVISIONS. (a) By the 30th day following the  
2 effective date of this section, the commissioner of natural resources shall  
3 revise the five-year oil and gas leasing program which was submitted on  
4 January 23, 1980, to the Second Session of the Eleventh Legislature. The  
5 commissioner of natural resources shall make the necessary revisions of the  
6 five-year oil and gas leasing program under this subsection and conduct lease  
7 sales in accordance with the revised five-year oil and gas leasing program as  
8 if the revised program had been submitted by the 15th day of the Second  
9 Session of the Eleventh Legislature.

10 (b) To provide maximum opportunity for participation in state oil and  
11 gas leasing programs by individual bidders who do not possess the financial  
12 resources of major companies, the commissioner of natural resources shall  
13 investigate methods by which those individual bidders, and the citizens of  
14 the state generally, may participate in the development of oil and gas  
15 resources and report to the legislature his recommendations concerning  
16 implementation of those methods. The commissioner's recommendations under  
17 this subsection shall be submitted in a report transmitted to the legislature  
18 not later than the 10th day of the First Session of the Twelfth Legislature.

19 \* Sec. 8. Sections 1 - 5 of this Act are retroactive to January 14, 1980.

20 \* Sec. 9. Section 6 of this Act is retroactive to January 1, 1979.

21 \* Sec. 10. This Act takes effect immediately in accordance with AS 01.-  
22 10.070(c).

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Original sponsor: Rules/Governor

Offered: 5/2/80  
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 557

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 scheduling oil and gas lease sales;  
7 and providing for an effective date."

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

9 \* Section 1. AS 38.05.180(b) is amended to read:

10 (b) The commissioner shall annually prepare and submit to the  
11 legislature, between the first and the fifteenth day of each regular  
12 legislative session, a five-year proposed oil and gas leasing program  
13 consisting of a schedule of proposed lease sales and specifying as  
14 precisely as practicable the location of tracts proposed to be offered  
15 for oil and gas leasing during the [THIRD AND FOURTH CALENDAR YEARS  
16 FOLLOWING THE] calendar year in which the proposed program is submitted  
17 to the legislature and the following four calendar years.

18 \* Sec. 2. AS 38.05.180(c) is amended to read:

19 (c) Except as provided in (d) and (w) of this section, an [NO] oil  
20 and gas lease sale may not be held [ISSUED BY THE COMMISSIONER SHALL BE  
21 VALID] unless it was included in the [A] proposed leasing programs  
22 [PROGRAM] submitted to the legislature during the two [THIRD AND FOURTH]  
23 calendar years preceding the year in which the sale [LEASE] is held  
24 [ISSUED, EXCEPT THAT AN AREA PROPOSED FOR LEASING IN THE FOURTH CALENDAR  
25 YEAR AFTER THE YEAR IN WHICH THE PROGRAM IS SUBMITTED TO THE LEGISLATURE  
26 MAY BE LEASED IF THE COMMISSIONER RESUBMITS THE AREA TO THE FOLLOWING  
27 REGULAR LEGISLATIVE SESSION]. A lease sale shall be held on the date  
28 for which it is scheduled in the proposed oil and gas leasing program  
29 but may be delayed by the commissioner to a date which is not later than

1 60 days after the date the sale is scheduled if the commissioner deter-  
2 mines that a delay is in the best interest of the state. A lease sale  
3 which is scheduled and not held on the date scheduled in the oil and  
4 gas leasing program, or in the following 60-day period for a delay  
5 authorized by this subsection, may be held only if scheduled as provided  
6 in (b) of this section. A lease sale may not be held before the date it  
7 is scheduled in the proposed oil and gas leasing program.

8 \* Sec. 3. AS 38.05.180(e)(2) is amended to read:

9 (2) if determined, a description of the bidding methods to  
10 be used for all lease sales to be held during the current and next two  
11 succeeding calendar years [AND, IF DETERMINED, THE BIDDING METHODS TO BE  
12 USED];

13 \* Sec. 4. AS 38.05.180(w) is amended to read:

14 (w) Notwithstanding any other provision of this section, land  
15 which has been offered for lease within the previous five years and  
16 which received no bids at competitive sale or for which no bid was  
17 accepted may be, at the discretion of the commissioner, immediately  
18 offered for lease, under regulations adopted by him, upon terms appear-  
19 ing most advantageous to the state; however, non-competitive leasing is  
20 prohibited. The commissioner shall establish a royalty as he determines  
21 to be in the public interest but not less than 12 1/2 percent. A lease  
22 must provide for payment to the state or rental but need not adhere to  
23 the rental schedule in (n) of this section nor to the 5,760-acres-per-  
24 lease limitation in (m) of this section. The lease term may not exceed  
25 five years except as provided in (m) and (o) of this section.

26 \* Sec. 5. Section 7, ch. 155 SLA 1978, as amended by sec. 2, ch. 65 SLA  
27 1979, is amended to read:

28 Sec. 7. TRANSITIONAL PROVISIONS. By the 20th day of the First  
29 Session of the Eleventh Legislature the commissioner of natural re-

1 sources shall submit a proposed oil and gas leasing program to the  
2 legislature in accordance with AS 38.05.180(b), except that the proposed  
3 program shall cover all areas to be leased in 1979 through 1983. No  
4 lease, except as authorized under AS 38.05.180(d) or 38.05.180(v), shall  
5 be issued during 1979, 1980, [OR] 1981, or 1982 unless the land to be  
6 leased was included in this proposed leasing program.

7 \* Sec. 6. TRANSITIONAL PROVISIONS. (a) By the 30th day following the  
8 effective date of this Act, the commissioner of natural resources shall  
9 revise the five-year oil and gas leasing program which was submitted on  
10 January 23, 1980 to the Second Session of the Eleventh Legislature. The  
11 revised five-year oil and gas leasing program shall be based on the current  
12 ability of the Department of Natural Resources to finish geologic and geo-  
13 physical evaluations of individual tracts for lease sales during 1980 and  
14 1981.

15 (b) The commissioner of natural resources shall make the necessary  
16 revisions of the five-year oil and gas leasing program under (a) of this  
17 section and conduct lease sales in accordance with the revised five-year oil  
18 and gas leasing program as if the revised program had been submitted by the  
19 fifteenth day of the Second Session of the Eleventh Legislature.

20 \* Sec. 7. Sections 1 - 4 of this Act are retroactive to January 14, 1980.

21 \* Sec. 8. Section 5 of this Act is retroactive to January 1, 1979.

22 \* Sec. 9. This Act takes effect immediately in accordance with AS 01.  
23 10.070(c).

Introduced: 2/22/80  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 904

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 the auditing of oil and gas  
7 royalty and net profits payments and reports; and  
8 providing for an effective date."

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

10 \* Section 1. AS 38.05.035(a)(9)(D) is amended to read:

11 (D) except as provided in AS 38.05.036, cost data and  
12 financial information submitted in support of applications,  
13 bonds, leases and similar items;

14 \* Sec. 2. AS 38.05 is amended by adding a new section to read:

15 Sec. 38.05.036. AUDIT OF ROYALTY AND NET PROFIT PAYMENTS. (a)

16 The Department of Revenue shall audit reports, payments, and payments  
17 due relating to royalty and net profits under oil and gas contracts,  
18 agreements, or leases under this chapter.

19 (b) The Department of Revenue may inspect all reports and other  
20 information filed in support of or relating to royalty and net profits  
21 payments, whether or not that information is confidential, and shall  
22 hold that information confidential to the extent required under oil and  
23 gas agreements, contracts, or leases, or by this chapter or AS 43.05.-  
24 230.

25 (c) All information obtained by the Department of Revenue relating  
26 to royalty and net profits payments, including information obtained  
27 under AS 43, may be made available to the department, in the form of  
28 summaries and, when in furtherance of the department's royalty and net  
29 profits functions, relevant portions of the audits. Information made

1 available to the department that was obtained under AS 43 is confiden-  
2 tial and subject to the provisions of AS 43.05.230.

3 (d) The Department of Revenue may conduct audits under this  
4 section concurrently with audits or investigations under AS 43, and may  
5 use information obtained from the department in tax audits, investiga-  
6 tions, or proceedings under AS 43.

7 (e) In this section, "audit" means the process of obtaining suf-  
8 ficient competent evidentiary matter through inspection, observation,  
9 inquiry, and confirmation to afford a reasonable basis for ascertaining  
10 the compliance by the subject of the audit with the applicable law,  
11 regulation, lease, agreement, and contract terms; it does not include  
12 any other actions necessary to administer AS 38.05 pertaining to oil  
13 and gas royalty and net profits payments, including daily accounting  
14 functions, certification procedures associated with those accounting  
15 functions, and enforcement of payments of royalties and net profits.

16 \* Sec. 3. AS 43.05.010 is amended by adding a new paragraph to read:

17 (16) audit reports, payments, and payments due relating to  
18 royalty and net profits under oil and gas contracts, agreements, or  
19 leases under AS 38.05.

20 \* Sec. 4. AS 43.05.040(a) is amended to read:

21 (a) The department may examine the books, papers, records, or  
22 memoranda of any person to ascertain the correctness of a return filed  
23 or to determine whether a tax or a payment for oil or gas royalty or  
24 net profits shares under a contract, agreement, or lease under AS  
25 38.05 is due, or in an investigation or inspection in connection with  
26 tax matters or matters relating to oil and gas royalty or net profits  
27 under contracts, agreements, or leases under AS 38.05. The records  
28 and the premises where a business is conducted shall be open at all  
29 reasonable times for official inspection, and the department may

1           summon any person to appear and produce books, records, papers, or  
2           memoranda bearing upon tax matters or matters relating to oil and gas  
3           royalty or net profits under contracts, agreements, or leases under AS  
4           38.05, and to give testimony or answer interrogatories under oath  
5           respecting tax matters or matters related to oil and gas royalty or  
6           net profits under contracts, agreements, or leases under AS 38.05, and  
7           the department may administer oaths to persons who are so summoned.

8 \* Sec. 5. AS 43.05.230(a) is repealed and re-enacted to read:

9           (a) It is unlawful for an officer, employee, or agent of the  
10          state to divulge the amount of income or the particulars set out or  
11          disclosed in a report or return made under this title, except

12                 (1) in connection with official investigations or proceed-  
13          ings of the department, whether judicial or administrative, involving  
14          taxes due under this title;

15                 (2) in connection with official investigations or proceed-  
16          ings of the child support enforcement agency, whether judicial or  
17          administrative, involving child support obligations imposed or impos-  
18          able under AS 25 or AS 47;

19                 (3) as provided in AS 38.05.036 pertaining to audit func-  
20          tions; and

21                 (4) as otherwise provided in this section.

22 \* Sec. 6. This Act takes effect immediately in accordance with AS  
23 01.10.070(c).  
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Original sponsor: Rules/Legislative Budget  
and Audit Committee

Offered: 5/22/80  
Referred: Finance

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL  
AFFAIRS COMMITTEE

2

SENATE CS FOR CS FOR HOUSE BILL NO. 932

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act creating the Rural Development Council; and  
7 providing for an effective date."

8

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

9

\* Section 1. FINDINGS; POLICY, PURPOSE. (a) The legislature finds that  
10 there is a public interest in the development of a healthy private economic  
11 base in rural Alaska, that the rural areas of the state and the many small  
12 communities of the state have been in economic crisis for decades, and that  
13 in many rural communities a private economic base has ceased to exist which  
14 conditions endanger the economic, social, and cultural well-being of the  
15 state's rural citizens and the healthy growth and balance of the state's  
16 entire economy. The legislature further finds that while many opportunities  
17 for economic growth may be available to rural areas, the problems of the  
18 state's rural areas are many and complex, spreading beyond the confines or  
19 authority of any one program, any one government, or any one policymaker and  
20 therefore requiring a special initiative on the part of all concerned par-  
21 ties.

22

(b) It is the policy of the legislature that

23

(1) villages and small communities should have access to economic  
24 development opportunities;

25

(2) there is a special commitment to the development of a private  
26 economic base for villages and small communities;

27

(3) the state should use its resources and financial strength to  
28 encourage the development of a healthy, self-sustaining rural economy;

29

(4) the state has the primary policy responsibility to act and to

29

1 catalyze commitment among many interests, including the state, federal govern-  
2 ment, local governments, and the private sector to promote a private economy  
3 in rural areas;

4 (5) the advocacy of a private economy compatible with preservation  
5 of the subsistence economy should be one of the highest priorities of state  
6 policy.

7 (c) It is the purpose of this Act to create a governmental structure  
8 that will function as an advocate of rural areas and small communities pre-  
9 senting development issues before state, federal, and local governments, and  
10 in the private sectors, and which will assist rural people and institutions  
11 in laying the foundations of a healthy rural private economic base.

12 \* Sec. 2. AS 44.19 is amended by adding new sections to read:

13 ARTICLE 30. RURAL DEVELOPMENT COUNCIL.

14 Sec. 44.19.191. COUNCIL ESTABLISHED. (a) There is established in  
15 the Office of the Governor the Rural Development Council. The council  
16 consists of

17 (1) a person appointed by the governor and designated as  
18 chairman of the council;

19 (2) a member of each house of the legislature appointed by  
20 the presiding officer of that house;

21 (3) the commissioners of the departments of transportation  
22 and public facilities, commerce and economic development, and community  
23 and regional affairs, and the director of the division of policy de-  
24 velopment and planning;

25 (4) six representatives of the private sector appointed by  
26 the governor who are residents of the rural area or small communities;

27 (5) the Alaska state director of the Farmers Home Administra-  
28 tion of the United States Department of Agriculture, the Special Assis-  
29 tant to the Secretary of the United States Department of the Interior in

1 Alaska, and a designated representative of the Region X Rural Develop-  
2 ment Task Force, who are ex officio members of the council and may  
3 attend and participate in all meetings of the council but may not vote.

4 (b) The members of the council appointed by the governor serve at  
5 the pleasure of the governor.

6 (c) The council may invite representatives from state and federal  
7 agencies, local governments, or other groups and interested individuals  
8 to participate as nonvoting participants as the council considers appro-  
9 priate.

10 (d) The chairman of the council is the person designated by the  
11 governor as chairman. The chairman may appoint a vice-chairman.

12 (e) Members of the council serve without compensation but are  
13 entitled to per diem and travel expenses provided by law for members of  
14 boards and commissions.

15 Sec. 44.19.201. EXECUTIVE DIRECTOR. An employee of the Office of  
16 the Governor designated by the governor is executive director of the  
17 council.

18 Sec. 44.19.211. POLICY AND COORDINATION. The council shall pro-  
19 vide policy recommendations to the legislature and to the governor. The  
20 chairman of the council shall assist the director in coordinating the  
21 economic development activities of all departments and agencies of  
22 government so that the need for those activities and the impact of those  
23 activities on small communities and rural areas is considered and assist  
24 in coordinating the activities of departments and agencies of government  
25 which have field responsibilities in the rural areas to the extent that  
26 those activities relate to economic development. The council shall also  
27 assist the governor in his advocacy function.

28 Sec. 44.19.216. MEETINGS. The council shall meet at the call of  
29 the governor or the chairman or at the request of a majority of the

1 members. The council shall meet at least four times a year at a regu-  
2 larly scheduled time as determined by the members. The council may  
3 convene meetings of heads of agencies or departments which are concerned  
4 with rural matters or economic development if the council determines a  
5 meeting to be useful.

6 Sec. 44.19.221. POWERS AND DUTIES OF THE COUNCIL. The council  
7 shall

8 (1) investigate and assess rural conditions;

9 (2) act as advocate for the development of an economic base  
10 which is compatible with preservation of the subsistence economy in  
11 rural Alaska, for community development and for public services which  
12 will enhance the opportunity for growth of an economic base in small  
13 communities and rural Alaska, and for other matters and programs useful  
14 to development of the private economy in rural Alaska;

15 (3) develop and recommend to the governor and the legislature  
16 rural development goals and policies;

17 (4) recommend to the governor and the legislature activities,  
18 programs, projects, or strategies which will stimulate rural development  
19 in Alaska in accordance with adopted state rural development policies;

20 (5) recommend to the governor and the legislature the most  
21 effective uses of available federal money to implement the priorities  
22 itemized in (4) of this section;

23 (6) assist in the interagency and intergovernmental coordina-  
24 tion of economic development issues, activities, and projects in Alaska;

25 (7) submit to the governor, within one year of the effective  
26 date of this Act and on a yearly basis thereafter, a report containing  
27 a summary of the council's activities regarding the duties under (1),  
28 (3), (4), (11), and (12) of this section and making recommendations as  
29 to future rural development activities;

1 (8) act as advocate for rural development programs which are  
2 not within the jurisdiction of a specific department or agency;

3 (9) act as advocate for appropriate technology development  
4 and the advancement of entrepreneurial opportunities;

5 (10) encourage and assist in the creation and use of regional  
6 development enterprises;

7 (11) identify opportunities for joint investment strategies;

8 (12) facilitate rural development efforts approved by the  
9 governor by

10 (A) identifying interagency or intergovernmental pro-  
11 cedural obstacles and providing assistance to these efforts in  
12 meeting legal requirements;

13 (B) coordinating technical and financial assistance  
14 efforts;

15 (C) offering its services as a mediator on specific  
16 conflicts arising in rural development issues.

17 Sec. 44.19.226. REPORTS. Before January 15 of each year the  
18 council shall submit to the legislature a comprehensive report de-  
19 scribing the activities of the council for the preceding year.

20 Sec. 44.19.231. DEFINITIONS. In AS 44.19.191 - 44.19.231

21 (1) "council" means the Rural Development Council;

22 (2) "director" means the executive director of the Rural De-  
23 velopment Council.

24 \* Sec. 3. AS 44.66.010(a) is amended by adding a new paragraph to read:

25 (8) Rural Development Council (AS 44.19.191 - 44.19.231) --

26 June 30, 1987.

27 \* Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-  
28 070(c).

Original sponsor: Rules/Legislative Budget  
and Audit Committee

Offered: 4/17/80  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

CS FOR HOUSE BILL NO. 932 (Finance)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An act creating the office of rural development, and  
7 the Rural Development Council; and providing for an  
8 effective date."

9

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

10

\* Section 1. FINDINGS; POLICY, PURPOSE. (a) The legislature finds that

11

there is a public interest in the development of a healthy private economic  
12 base in rural Alaska, that the rural areas of the state and the many small  
13 communities of the state have been in economic crisis for decades, and that  
14 in many rural communities a private economic base has ceased to exist which  
15 conditions endanger the economic, social, and cultural well-being of the  
16 state's rural citizens and the healthy growth and balance of the state's  
17 entire economy. The legislature further finds that while many opportunities  
18 for economic growth may be available to rural areas, the problems of the  
19 state's rural areas are many and complex, spreading beyond the confines or  
20 authority of any one program, any one government, or any one policymaker and  
21 therefore requiring a special initiative on the part of all concerned par-  
22 ties.

23

(b) It is the policy of the legislature that

24

(1) villages and small communities should have access to economic  
25 development opportunities;

26

(2) there is a special commitment to the development of a private  
27 economic base for villages and small communities;

28

(3) the state should use its resources and financial strength to  
29 encourage the development of a healthy, self-sustaining rural economy;

1 (4) the state has the primary policy responsibility to act and to  
2 catalyze commitment among many interests, including the state, federal govern-  
3 ment, local governments, and the private sector to promote a private economy  
4 in rural areas;

5 (5) the advocacy of a private economy compatible with preservation  
6 of the subsistence economy should be the highest priority of state policy.

7 (c) It is the purpose of this Act to create a governmental structure  
8 that will function as an advocate of rural areas and small communities pre-  
9 senting development issues before state, federal, and local governments, and  
10 in the private sectors, and which will assist rural people and institutions  
11 in laying the foundations of a healthy rural private economic base.

12 \* Sec. 2. AS 44.19 is amended by adding new sections to read:

13 ARTICLE 3C. OFFICE OF RURAL DEVELOPMENT.

14 Sec. 44.19.191. OFFICE OF RURAL DEVELOPMENT. There is established  
15 in the Office of the Governor the office of rural development. The  
16 director of the office is appointed by the governor and serves at his  
17 pleasure. The governor may consult with the council concerning the  
18 appointment or discharge of the director.

19 Sec. 44.19.201. COUNCIL ESTABLISHED. (a) There is established  
20 the Rural Development Council as the policy council for the office of  
21 rural development. The council consists of

22 (1) the lieutenant governor;

23 (2) a member of each house of the legislature appointed by  
24 the presiding officer of that house;

25 (3) the commissioners of the departments of transportation  
26 and public facilities, commerce and economic development, and community  
27 and regional affairs, and the director of the division of policy de-  
28 velopment and planning;

29 (4) six representatives of the private sector appointed by

1 the governor who are residents of the rural area or small communities;

2 (5) the Alaska state director of the Farmers Home Administra-  
3 tion of the United States Department of Agriculture and a designated  
4 representative of the Region X Rural Development Task Force who are ex  
5 officio members of the council and may attend and participate in all  
6 meetings of the council but may not vote.

7 (b) The members of the council appointed by the governor serve at  
8 the pleasure of the governor.

9 (c) The lieutenant governor is chairman of the council and one of  
10 the legislative members shall be elected by the council as legislative  
11 co-chairman.

12 (d) Members of the council serve without compensation but are  
13 entitled to per diem and travel expenses provided by law for members of  
14 boards and commissions.

15 Sec. 44.19.211. PURPOSE OF THE COUNCIL. The purpose of the coun-  
16 cil is to provide policy direction to the office and to assist the  
17 office in the performance of the duties of the office. The council  
18 shall assist in coordinating the economic development activities of all  
19 departments and agencies of government so that the need for those acti-  
20 vities and the impact of those activities on small communities and rural  
21 areas is considered and assist in coordinating the activities of depart-  
22 ments and agencies of government which have field responsibilities in  
23 the rural areas to the extent that those activities relate to economic  
24 development. The council shall also assist the office in its advocacy  
25 function.

26 Sec. 44.19.216. MEETINGS. The council shall meet at the call of  
27 the chairman or legislative co-chairman, at the request of a majority of  
28 the members, and at least four times a year at a regularly scheduled  
29 time as determined by the members. The council may convene meetings of

1 heads of agencies or departments which are concerned with rural matters  
2 or economic development if the council determines a meeting to be use-  
3 ful.

4 Sec. 44.19.221. POWERS AND DUTIES OF THE OFFICE. The office shall

5 (1) act as advocate for the development of an economic base  
6 which is compatible with preservation of the subsistence economy in  
7 rural Alaska, for community development and for public services which  
8 will enhance the opportunity for growth of an economic base in rural  
9 Alaska, and for other matters and programs useful to development of the  
10 private economy in rural Alaska;

11 (2) coordinate projects relating to economic development  
12 among departments and agencies;

13 (3) act as advocate for rural development programs which are  
14 not within the jurisdiction of a specific department or agency;

15 (4) act as advocate for appropriate technology development  
16 and the advancement of entrepreneurial opportunities;

17 (5) encourage and assist in the creation and use of regional  
18 development enterprises.

19 Sec. 44.19.226. STAFF. Within budget and appropriation limits,  
20 the director may hire staff and determine their compensation. Except  
21 for making inquiries, neither the council nor an individual member of  
22 the council may give orders to the staff on administrative matters.

23 Sec. 44.19.231. REPORTS. Before January 15 of each year the  
24 office shall submit to the legislature a comprehensive report describing  
25 the activities of the council and the office for the preceding year.

26 Sec. 44.19.236. DEFINITIONS. In AS 44.19.191 - 44.19.236

27 (1) "council" means the Rural Development Council;

28 (2) "director" means the director of the office of rural de-  
29 velopment;

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(3) "office" means the office of rural development.

\* Sec. 3. AS 44.66.010(a) is amended by adding a new paragraph to read:

(8) office of rural development and Rural Development Council  
(AS 44.19.191 - 44.19.236) -- June 30, 1987.

\* Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-  
070(c).

Introduced: 3/7/80  
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 945

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 interest rates on general obliga-  
7 tion bonds; and providing for an effective date."

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

9 \* Section 1. AS 37.15.030 is amended to read:

10 Sec. 37.15.030. INTEREST RATE AND MATURITY. Each issue or  
11 series of bonds shall bear interest at an effective rate over the life  
12 of the bonds not to exceed ten [EIGHT] percent a year. The bonds  
13 shall mature in not more than 30 years from date of issue, unless a  
14 longer period is specifically authorized by statute.

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

Original sponsor: Rules Committee

Offered: 4/30/80

Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 969 (Finance) am  
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 salmon fisheries enhancement; and  
7 providing for an effective date."

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

9 \* Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that

10 (1) regional aquaculture associations qualified under AS 16.10.380  
11 have been organized in many areas of the state and have initiated salmon  
12 enhancement programs which will result in a general benefit to the state and  
13 a direct benefit to the commercial, subsistence, and sport fisheries;

14 (2) commercial salmon harvesters in most regions where the regional  
15 aquaculture associations are established have initiated self-imposed systems  
16 of harvest assessments to provide financing of efficient regional salmon  
17 enhancement programs;

18 (3) harvest assessments initiated in the regions are either volun-  
19 tary or mandatory, depending on the choice of the commercial salmon harvesters  
20 of each region;

21 (4) the mandatory assessment method initiated by many of the  
22 regional aquaculture associations under the authorization of state law is  
23 currently involved in protracted litigation;

24 (5) in order to ensure the uninterrupted continuation of the  
25 current salmon enhancement programs, it is essential that a revenue source  
26 for regional aquaculture associations be developed before a final judicial  
27 determination of the constitutionality of the mandatory assessments;

28 (6) while future legislatures cannot be legally bound to return  
29 revenues to each region based on the harvest assessments initiated in the

1 regions, this legislature clearly recognizes this duty.

2 (b) It is the purpose of this Act to provide a means for continuing a  
3 mandatory method of revenue collection from commercial harvesters of salmon,  
4 and to continue revenue distribution to those regional aquaculture associa-  
5 tions which desire to use this means of ensuring that efficient salmon en-  
6 hancement programs have the necessary financial resources to continue.

7 (c) It is also the purpose of this Act to establish as a legislative  
8 policy the policy of making appropriations to the Department of Commerce and  
9 Economic Development to provide financing for qualified regional associa-  
10 tions, and to base those appropriations on the revenue received from the  
11 collection of the salmon enhancement tax. The legislature may base an appro-  
12 priation for a region on the value of fisheries resources caught in the  
13 region rather than the value of the fisheries resources sold in the region  
14 when those values differ. This section does not constitute a limitation on  
15 the use which the legislature may make of the proceeds of the salmon enhance-  
16 ment tax collected under this chapter.

17 \* Sec. 2. AS 43 is amended by adding a new chapter to read:

18 CHAPTER 76. SALMON ENHANCEMENT TAX.

19 Sec. 43.76.010. THREE PERCENT SALMON ENHANCEMENT TAX. (a) A  
20 person holding a limited entry permit under AS 16.43.010 - 16.43.380  
21 shall pay a salmon enhancement tax at the rate of three percent of the  
22 value of salmon, as defined in AS 43.75.140(7), that the person sells to  
23 a processor licensed under AS 43.75.011. The processor shall collect  
24 the salmon enhancement tax at the time of the sale.

25 (b) A three percent salmon enhancement tax may only be levied or  
26 collected under (a) of this section

27 (1) in a region designated by the commissioner of fish and  
28 game for the purpose of salmon production under AS 16.10.375;

29 (2) if there exists in that region an association determined

1 by the commissioner of fish and game to be a qualified regional associa-  
2 tion under AS 16.10.380; and

3 (3) if the qualified regional association approves the three  
4 percent salmon enhancement tax under AS 43.76.015.

5 Sec. 43.76.011. TWO PERCENT SALMON ENHANCEMENT TAX. (a) A person  
6 holding a limited entry permit under AS 16.43.010 - 16.43.38 shall pay  
7 a salmon enhancement tax at the rate of two percent of the value of  
8 salmon, as defined in AS 43.75.140(7), that the person sells to a pro-  
9 cessor licensed under AS 43.75.011. The processor shall collect the  
10 salmon enhancement tax at the time of the sale.

11 (b) A two percent salmon enhancement tax may only be levied or  
12 collected under (a) of this section

13 (1) in a region designated by the commissioner of fish and  
14 game for the purpose of salmon production under AS 16.10.375;

15 (2) if there exists in that region an association determined  
16 by the commissioner of fish and game to be a qualified regional associa-  
17 tion under AS 16.10.380; and

18 (3) if the qualified regional association approves the two  
19 percent salmon enhancement tax under AS 43.76.015.

20 Sec. 43.76.015. ELECTION TO APPROVE OR TERMINATE SALMON ENHANCE-  
21 MENT TAX. (a) A qualified regional association may conduct an election  
22 under this section after the commissioner of commerce and economic  
23 development approves

24 (1) the form of the notice to be published by the qualified  
25 regional association,

26 (2) the form of the ballot to be used in the election; and

27 (3) the registration and voting procedure for the approval or  
28 termination of the salmon enhancement tax.

29 (b) The salmon enhancement tax is levied under AS 43.76.010 or

1 43.76.011 in a region on the effective date stated on the ballot if

2 (1) it is approved by a majority vote of the eligible interim-  
3 use permit and entry permit holders voting in an election held under  
4 this section in the region; and

5 (2) the election results are certified by the commissioner of  
6 commerce and economic development.

7 (c) In conducting an election under this section, a qualified  
8 regional association shall adopt the following procedures:

9 (1) The qualified regional association for the region shall  
10 hold at least one public meeting not less than 30 days before the date  
11 on which ballots must be postmarked to be counted in the election to  
12 explain the reason for the proposed salmon enhancement tax and to ex-  
13 plain the registration and voting procedure to be used in the election.  
14 The qualified regional association shall provide notice of the meeting  
15 by

16 (A) mailing the notice to each eligible interim-use  
17 permit and entry permit holder;

18 (B) posting the notice in at least three public places  
19 in the region; and

20 (C) publishing the notice in at least one newspaper of  
21 general circulation in the region at least once a week for two  
22 consecutive weeks before the meeting.

23 (2) The qualified regional association shall mail two ballots  
24 to each eligible interim-use permit and entry permit holder. The first  
25 ballot shall be mailed no more than 45 days before the date ballots must  
26 be postmarked to be counted in the election. The second ballot shall be  
27 mailed no less than 15 days before the date ballots must be postmarked  
28 to be counted in the election. The qualified regional association shall  
29 adopt procedures to insure that only one ballot from each eligible

1 interim-use permit and entry permit holder is counted in the election.

2 (3) The ballot shall

3 (A) indicate whether the election relates to a salmon  
4 enhancement tax under AS 43.76.010 or to a salmon enhancement tax  
5 under AS 43.76.011;

6 (B) ask the question whether the salmon enhancement tax  
7 shall be levied;

8 (C) indicate the boundaries of the region in which the  
9 salmon enhancement tax will be levied;

10 (D) provide an effective date for the levy of the salmon  
11 enhancement tax; and

12 (E) indicate the date on which returned ballots must be  
13 postmarked in order to be counted.

14 (4) The ballots shall be returned by mail and shall be  
15 counted by the commissioner of commerce and economic development or by a  
16 person approved by the commissioner of commerce and economic develop-  
17 ment.

18 (d) The commissioner of commerce and economic development shall  
19 certify the results of an election under this section if he determines  
20 that the requirements of (a) and (c) of this section have been satisfied.

21 (e) Except as provided in AS 43.76.020(b)(2), an election to  
22 terminate a salmon enhancement tax shall be conducted under the same  
23 procedures established under (a) and (c) - (d) of this section for an  
24 election to approve a salmon enhancement tax.

25 (f) In this section, "eligible interim-use permit and entry permit  
26 holder" means an individual who, 90 days before the date ballots must be  
27 postmarked to be counted in an election under this section, is listed in  
28 the records of the Alaska Commercial Fisheries Entry Commission as the  
29 legal owner of an interim-use permit or an entry permit which authorizes

1 him to fish commercially in an administrative area, established by the  
2 Alaska Commercial Fisheries Entry Commission under AS 16.43.200, which  
3 is included, in whole or in part, in the region in which the election is  
4 held.

5 Sec. 43.76.020. TERMINATION OF SALMON ENHANCEMENT TAX. (a) The  
6 salmon enhancement tax levied under AS 43.76.010 may be terminated by  
7 the commissioner of revenue upon majority vote at an election held under  
8 AS 43.76.015 in the region in which the salmon enhancement tax is  
9 levied.

10 (b) A salmon enhancement tax shall be terminated by the commis-  
11 sioner of revenue under (a) of this section following an election in a  
12 region if

13 (1) a petition is presented to the commissioner of commerce  
14 and economic development requesting termination of the salmon enhance-  
15 ment tax which is signed by at least 25 percent of the number of persons  
16 who voted under AS 43.76.015 in the election approving the salmon enhance-  
17 ment tax in the region;

18 (2) an election is held in accordance with AS 43.76.015; the  
19 ballot shall ask the question whether the salmon enhancement tax for the  
20 region shall be terminated; the ballot shall be worded so that a "yes"  
21 vote is for continuation of the salmon enhancement tax and a "no" vote  
22 is for termination of the salmon enhancement tax;

23 (3) a majority of the eligible interim-use permit and entry  
24 permit holders who vote in the election cast a ballot for the termina-  
25 tion of the salmon enhancement tax;

26 (4) the qualified regional association provides notice of the  
27 election in accordance with AS 43.76.015 within two months after re-  
28 ceiving notice from the commissioner of commerce and economic develop-  
29 ment that a valid petition under (1) of this subsection has been re-

1 received.

2 Sec. 43.76.025. COLLECTION OF TAX AND DISPOSITION OF PROCEEDS.

3 (a) A processor who buys fisheries resources which are subject to the  
4 salmon enhancement tax imposed by AS 43.76.010 or 43.76.011 shall col-  
5 lect the salmon enhancement tax at the time of purchase, and shall remit  
6 the total salmon enhancement tax collected during each month to the  
7 Department of Revenue by the last day of the next month.

8 (b) A processor who collects the salmon enhancement tax shall

9 (1) maintain records reflecting the region designated under  
10 AS 16.10.375 in which the fishery resource was caught; and

11 (2) report to the Department of Revenue by March 1 of each  
12 year the total value, as defined in AS 43.75.140(7), of the salmon  
13 caught in each region designated under AS 16.10.375 which the processor  
14 has purchased during the preceding year.

15 (c) The salmon enhancement tax collected under this chapter shall  
16 be deposited in the general fund. The legislature may make appropria-  
17 tions based on this revenue to the Department of Commerce and Economic  
18 Development for the purpose of providing financing for qualified re-  
19 gional associations. The legislature may base an appropriation for a  
20 qualified regional association operating within a region designated  
21 under AS 16.10.375 on the value of the fisheries resources caught in  
22 that region rather than the value of the fisheries resources sold in  
23 that region if those values differ.

24 \* Sec. 3. AS 16.10 is amended by adding a new section to read:

25 Sec. 16.10.385. ACCOUNTING OF FINANCING RECEIVED AS A RESULT OF  
26 THE SALMON ENHANCEMENT TAX. A qualified regional association requesting  
27 state financial assistance in accordance with AS 43.76.025(c) shall  
28 submit an annual financial report to the Department of Commerce and  
29 Economic Development on a form provided by the Department of Commerce

1 and Economic Development. The Department of Commerce and Economic  
2 Development may, by regulation, require that a qualified regional asso-  
3 ciation use a uniform system of accounting. A qualified regional asso-  
4 ciation requesting state assistance shall submit an annual budget to the  
5 Department of Commerce and Economic Development on or before a date  
6 specified by the Department of Commerce and Economic Development.

7 \* Sec. 4. The commissioner of commerce and economic development shall  
8 direct that no further royalty assessments be collected under AS 16.10.530 on  
9 or after the effective date of an election in the region of a qualified  
10 regional associator that approves a salmon enhancement tax in accordance  
11 with AS 43.76.010 - 43.76.015.

12 \* Sec. 5. The approval of a salmon enhancement tax in accordance with  
13 AS 43.76.010 - 43.76.015 constitutes compliance with the requirements of  
14 AS 16.10.530 for the imposition of a mandatory assessment on the sale of  
15 salmon under AS 16.10.530.

16 \* Sec. 6. Sections 1 and 4 of this Act, AS 43.76, and AS 16.10.385 are  
17 repealed.

18 \* Sec. 7. Sections 1 - 4 and 7 of this Act take effect immediately in  
19 accordance with AS 01.10.070(c).

20 \* Sec. 8. Sections 5, 6 and 8 of this Act take effect on the publication  
21 date of a decision by the Alaska Supreme Court in the appeal of State of  
22 Alaska v. Wayne Alex, et al (Supreme Court File No. 5065), if the decision  
23 holds that AS 16.10.530 does not violate the Constitution of the State of  
24 Alaska.

Original sponsors: Carney, Malone  
and Rogers

Offered: 4/16/80  
Referred: Rules

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 416

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act limiting the application of regulations  
7 relating to milk to that sold in the state and allowing  
8 the sale of unpasteurized milk."

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

10 \* Section 1. AS 03.05.020(5)(A) is amended to read:

11 (A) the labeling and grading of milk and milk products  
12 and standards of cleanliness and sanitation, to at least the mini-  
13 mum of current recommendations of the United States Public Health  
14 Service, for the operation of dairies selling, or offering for  
15 sale, milk or milk products sold in the state, except that un-  
16 pasteurized milk may be sold under regulations establishing a defini-  
17 tion and standards of identity and quality for unpasteurized milk;

18 \* Sec. 2. AS 03.17 is amended by adding a new section to read:

19 Sec. 03.17.097. CERTIFICATION OF PRODUCERS OF UNPASTEURIZED MILK.

20 (a) A dairy may not sell or offer for sale in the state unpasteurized  
21 milk or milk products unless the dairy is certified to sell unpasteurized  
22 milk or milk products by the division of agriculture.

23 (b) The division of agriculture shall certify a dairy to offer to  
24 sell or to sell unpasteurized milk and milk products if the director  
25 finds that the producing milk stock of the dairy meets standards of the  
26 division relating to the absence of brucellosis and tuberculosis and  
27 that the milk and milk products of the dairy meet standards of the  
28 division relating to the absence of salmonella and to the maximum counts  
29 of sediment, leukocyte, and bacteria allowable.

1 (c) The producing milk stock of a dairy certified under this  
2 section shall be tested every 60 days for brucellosis and tuberculosis.  
3 The presence or absence of salmonella, and the sediment, leukocyte and  
4 bacteria count of milk and milk products of a dairy certified under this  
5 section must be ascertained every 30 days. If the producing milk stock  
6 or milk and milk products of a dairy certified under this section fail  
7 to meet the standards of the division of agriculture, the director shall  
8 revoke the certification of the dairy.

9 (d) A dairy certified under this section shall affix over the  
10 opening of each container containing unpasteurized milk or milk products  
11 sold to consumers a sticker supplied by the division of agriculture  
12 indicating that the product is raw milk, that raw milk is potentially  
13 hazardous to children under two years of age, and that the tests re-  
14 quired under this section have been administered to the producing stock  
15 and the milk or milk product.

Introduced: 1/24/80  
Referred: Health, Education & Social  
Services and Finance

BY THE RULES COMMITTEE BY REQUEST  
OF THE LEGISLATIVE COUNCIL (for the  
Interim Committee on Services for  
the Elderly)

1 IN THE HOUSE

2 HOUSE BILL NO. 615

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 an exemption from municipal pro-  
7 perty taxation; and providing for an effective date."

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

9 \* Section 1. AS 29.53.020(h) is amended to read:

10 (h) Except as provided in (g) of this section, nothing in (e) -  
11 (1) [(1)] of this section affects similar exemptions from property taxes  
12 granted by municipalities on September 10, 1972 or prevents munici-  
13 palities from granting similar exemptions by ordinance as provided in AS  
14 29.53.025.

15 \* Sec. 2. AS 29.53.020 is amended by adding new subsections to read:

16 (j) One motor vehicle owned by a resident 65 years of age or older  
17 on January 1 of the assessment year is exempt either from taxation on  
18 its assessed value or from the registration tax established under  
19 AS 28.10.431(b).

20 (k) The state shall reimburse a borough or city for tax revenues  
21 lost to it under (j) of this section.

22 (l) The Department of Community and Regional Affairs shall adopt  
23 regulations to implement the provisions of (g), (j), and (k) of this  
24 section.

25 \* Sec. 3. AS 28.10.411(d) is repealed.

26 \* Sec. 4. This Act is retroactive to January 1, 1980.

27 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-  
28 070(c).

29

Original sponsors: Gardiner, Anderson  
and Miller

Offered: 5/27/80  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 192 (Finance)

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 programs of state aid to municipali-  
7 ties and other recipients: providing for equalization  
8 of the tax resources of municipalities, continuing a  
9 portion of the program of state aid for municipal  
10 purposes, providing for minimum payments, and directing  
11 state agencies to examine and recommend changes in  
12 programs of state assistance; amending the program of  
13 fisheries tax refunds to municipalities; and providing  
14 for an effective date."

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

16 \* Section 1. PURPOSE. It is the purpose of sec. 2 of this Act to

17 (1) improve the revenue raising and distribution system for the  
18 benefit of residents of home rule and general law municipalities by providing  
19 for more equitable allocation of financial resources among municipalities to  
20 improve their fiscal capacities; and

21 (2) assure that no municipality suffers impoverishment of neces-  
22 sary public services, relative to other municipalities, because of the chance  
23 location of taxable wealth in the state.

24 \* Sec. 2. AS 29 is amended by adding a new chapter to read:

25 CHAPTER 38. MUNICIPAL TAX RESOURCE EQUALIZATION.

26 Sec. 29.88.010. STATE EQUALIZATION OF TAX RESOURCES FOR LOCAL  
27 GOVERNMENT SERVICES. (a) During each fiscal year the department shall  
28 compute an equalization entitlement for local government services pro-  
29 vided by a taxing unit.

1 (b) The equalization entitlement computed for a taxing unit is  
2 based on the population, relative ability to generate revenue, and local  
3 tax burden of the taxing unit and is determined by the application of  
4 the formula

5 Entitlement = P x R

6 where P = population, and

7 R = millage rate equivalent, determined by dividing the  
8 sum of the locally generated revenue of the taxing unit by one-tenth  
9 of one percent (0.1) of the full and true value of assessed property  
10 of the taxing unit determined under AS 29.88.020(d); however, the pro-  
11 perty value used under this subsection may not be less than 15 percent  
12 of the statewide average per capita full and true assessed property  
13 value.

14 (c) For purposes of this section, locally generated revenue

15 (1) includes

16 (A) the actual revenue derived from the levy and collec-  
17 tion of local taxes in the taxing unit for local government ser-  
18 vices during the preceding fiscal year of the taxing unit;

19 (B) motor vehicle payments received by the municipality  
20 during the preceding fiscal year under AS 28.10.431;

21 (C) revenue from fees, rentals, leases, penalties,  
22 licenses or permits received during the preceding fiscal year by  
23 the municipality for a function or service over which it has con-  
24 trol, including revenues derived from parks and recreation ser-  
25 vices, mass transit, offstreet parking, and garbage and solid waste  
26 disposal services;

27 (D) special assessments received during the preceding  
28 fiscal year; and

29 (E) payments received by a municipality from a utility

1 which are in place of taxes levied and collected by the municipali-  
2 ty;

3 (2) excludes

4 (A) revenue derived from the levy and collection of  
5 municipal taxes and appropriated for the operating expenses and  
6 debt service of utilities;

7 (B) revenue from interest earned on investments and from  
8 the sale and lease of land or equipment; and

9 (C) all other revenue from whatever service derived.

10 Sec. 29.88.015. DETERMINATION OF POPULATION. (a) For purposes of  
11 this chapter, the population of a taxing unit shall be determined annu-  
12 ally by the latest figures of the United States Bureau of the Census or  
13 other population data which, in the judgment of the department, is  
14 reliable.

15 (b) The population of the taxing unit includes the population of  
16 any military reservation which is a part of the taxing unit.

17 Sec. 29.88.020. DETERMINATION OF MILLAGE RATE EQUIVALENT. (a)  
18 The department may require a municipality to return a certification,  
19 signed by the municipal treasurer or manager and the mayor, which pro-  
20 vides an estimate of the locally generated revenue received by the  
21 municipality during the preceding fiscal year.

22 (b) By October 15 of each year, the department shall make an  
23 initial determination of the millage rate equivalent of each taxing unit  
24 to be used for computing and distributing equalization entitlements for  
25 the current fiscal year under this chapter. The department shall base  
26 the initial determination on the estimates in the certification returned  
27 by a municipality under (a) of this section.

28 (c) As early as possible, but not later than December 15 of each  
29 year, the department shall make a final determination of the millage

1 rate equivalent of each taxing unit to use to compute and distribute  
2 equalization entitlements under this chapter. The department shall base  
3 the determination on audits, financial statements and other financial  
4 reports prepared and submitted by a municipality. The department shall  
5 adjust the locally generated revenue reported by a municipality to  
6 exclude the municipal revenue claimed by the municipality which does not  
7 qualify for inclusion in or recognition as locally generated revenue for  
8 local government purposes under AS 29.88.010(c)(1). The adjustment  
9 shall be made by deducting from total revenue claimed by the municipali-  
10 ty the amount of the department's estimate of revenue which is not  
11 recognized for local government purposes.

12 (d) The full and true assessed property value shall be determined  
13 by the department in the manner provided for the computation of state  
14 aid to education under AS 14.17.140. When the determination of locally  
15 generated revenue includes revenue of a utility received under AS 29.-  
16 88.010(c)(1)(E), the full and true assessed property value shall include  
17 the computed assessed value of the utility, determined by dividing the  
18 amount of the payment in place of taxes made by the utility by the  
19 millage rate which would apply to the utility if the utility were sub-  
20 ject to levy and collection of taxes under AS 29.53.

21 (e) In addition to the computation for municipalities which levy  
22 and collect a property tax, the department shall determine an estimated  
23 full and true assessed property value under (d) of this section for

24 (1) each municipality which is a school district and which  
25 does not levy and collect a property tax;

26 (2) each second class city with a population of 750 or more  
27 persons; however, a computation is not required under this paragraph  
28 more often than once during a period of three successive calendar years;  
29 and

1 (3) all other second class cities, by determining the average  
2 per capita full and true assessed property value of all cities having a  
3 population of less than 750 persons in which an assessment has been  
4 completed by a municipality or for which a determination is not made  
5 under (1) or (2) of this subsection.

6 (f) The department shall annually compute a statewide average per  
7 capita full and true assessed property value.

8 Sec. 29.88.025. REPORTS. A payment of an equalization entitlement  
9 may not be made to a municipality under AS 29.88 until the municipality  
10 has submitted its certificate of estimated revenue and its financial  
11 report to the department for the fiscal year preceding the year for  
12 which the equalization entitlement is sought, together with a budget for  
13 the municipality's current fiscal year. The financial report shall  
14 include a listing of general revenue collected from taxes levied and  
15 assessed by the municipality and any other revenue which, in the opinion  
16 of the municipal officials, is eligible for inclusion in computations of  
17 the locally-generated revenue of the taxing unit.

18 Sec. 29.88.030. LIMITATION ON COMPUTATION AND USE OF PAYMENTS.

19 (a) An equalization entitlement generated by the general tax levy of a  
20 taxing unit may be used only for authorized expenditures of that taxing  
21 unit, but up to 15 percent of the payment of an equalization entitlement  
22 generated by areawide revenue of a municipality may be used by the  
23 municipality for areawide or nonareawide purposes at the discretion of  
24 its assembly or council.

25 (b) An equalization entitlement determined with reference to  
26 revenue other than revenue obtained from the levy and collection of  
27 taxes may be used for areawide or nonareawide purposes, at the discre-  
28 tion of the assembly or council.

29 Sec. 29.88.035. TAX EQUALIZATION ACCOUNT. The tax equalization

1 account is established. Money to carry out the provisions of this  
2 chapter shall be allocated by the department to the account. The amount  
3 allocated to the account shall be fully distributed by the department as  
4 payments to municipalities to fulfill each municipality's share author-  
5 ized under AS 29.88.010. The amount allocated to the account shall be  
6 distributed by the department pro rata among eligible municipalities.

7 Sec. 29.88.040. ADMINISTRATION. (a) The department may adopt  
8 regulations necessary to implement this chapter. The regulations shall  
9 include, among other provisions,

10 (1) procedures and filing dates for submitting certification  
11 and financial reports;

12 (2) procedures for obtaining information required to compute  
13 and determine the municipality's millage rate equivalent; and

14 (3) procedures by which the department shall notify a munici-  
15 pality in writing of the reasons for a proposed disallowance or adjust-  
16 ment of any factor bearing upon the determination of the municipality's  
17 entitlement and by which the municipality will be provided reasonable  
18 time in which to respond or to challenge the department's determination.

19 (b) The department shall make reasonable efforts to advise and  
20 assist municipalities in collecting information and completing reports  
21 necessary for the determination of entitlements under this chapter.

22 (c) The department shall, by regulation, classify for inclusion or  
23 exclusion as a component of a municipality's millage rate equivalent  
24 under AS 29.88.010 any tax revenue appropriated for a utility not in-  
25 cluded in the definition set out in AS 29.88.045(4).

26 Sec. 29.88.045. DEFINITIONS. In this chapter

27 (1) "department" means the Department of Community and Re-  
28 gional Affairs;

29 (2) "municipality" means a city, borough or unified munici-

1 pality incorporated under the laws of the state;

2 (3) "taxing unit" means a municipality and

3 (A) in a borough or unified municipality, a service area  
4 or the entire area outside cities;

5 (B) in a city, a differential tax zone;

6 (4) "utilities" means electricity, water, sewer, gas, heat,  
7 or telephone services, and refuse and garbage collection services.

8 \* Sec. 3. AS 29 is amended by adding a new chapter to read:

9 CHAPTER 89. STATE AID FOR MISCELLANEOUS

10 MUNICIPAL PURPOSES.

11 Sec. 29.89.010. REVENUE SHARING PAYABLE. In addition to the  
12 equalization entitlements paid under AS 29.88, during each fiscal year  
13 the department shall pay aid

14 (1) to a municipality or other eligible recipient which has  
15 the power to provide the services described in AS 29.88.020 - 29.88.040  
16 and exercises the power in the manner required by this chapter;

17 (2) to a Native village government under AS 29.89.050.

18 Sec. 29.89.020. STATE AID TO MUNICIPALITIES FOR ROADS. (a) The  
19 department shall pay to a municipality which has power to provide for  
20 road maintenance and exercises that power, \$2,500 a mile for each mile  
21 of road, street or highway maintained by the local government, excluding  
22 (1) the official state highway system, (2) roads, streets or highways  
23 not dedicated to public use, (3) roads, streets or highways maintained  
24 under the local service road program (AS 19.30.111 - 19.30.251), and (4)  
25 alleyways, in accordance with regulations adopted by the Department of  
26 Transportation and Public Facilities. A payment may not be made under  
27 this subsection for maintenance of a road which is not used by automo-  
28 tive equipment.

29 (b) A frozen waterway and a connection from an inhabited area to a