

LEG. FINANCE - BILLS 1979 - 1980 1222

HCR 33 cont. thru HCR56 1700



WO 7645  
Chenoweth

Original sponsors: Meekins, Barnes,  
Beirne, et al

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE CONCURRENT RESOLUTION NO. 33

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

ELFVENTH LEGISLATURE - SECOND SESSION

5 Requesting the Governor to direct  
6 action relating to the investment of  
7 the state general fund surplus and to  
8 the participation of financial insti-  
9 tutions with the division of business  
10 loans in loan programs of benefit to  
11 the state's economy.

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

13 WHEREAS the state's economy, like that of the nation, is sluggish, with  
14 business and private investment at levels which are well below investment  
15 rates that characterized the second half of the 1970's; and

16 WHEREAS Congressional deliberation on the continued use of tax-exempt  
17 state and local government revenue bonds has halted issuance of bonds for  
18 purposes of financing housing construction and purchase; and

19 WHEREAS, while the Second Session of the Eleventh Legislature considers  
20 alternatives by which state government investment may overcome the economic  
21 slack and assist in making additional money for mortgages available at  
22 reasonable interest rates, an interim response to current conditions should  
23 be formulated and placed in operation;

24 BE IT RESOLVED by the Alaska State Legislature that the Governor is  
25 respectfully requested to direct the commissioner of revenue and the commis-  
26 sioner of commerce and economic development to take action that will, until  
27 the legislature completes action on a comprehensive economic assistance  
28 program during the Second Session of the Eleventh Legislature or until  
29 June 30, 1980, whichever is later,

1 (1) require that in accordance with authority granted by AS 37.-  
2 10.070(a)(10) and (11), the state purchase not more than \$35,000,000 of resi-  
3 dential mortgages each month beginning with the month during which this  
4 resolution is adopted, subject to the following conditions:

5 (A) mortgage purchases should be made only from the state  
6 general fund;

7 (B) only mortgages on Alaska residences may be purchased;

8 (C) mortgage purchases should include only loans entered into  
9 between a financial institution and a borrower after the date of adoption of  
10 this resolution;

11 (D) a mortgage loan may not be purchased if it was accepted  
12 by the financial institution on a basis other than the order in which loan  
13 applications were submitted; and

14 (E) mortgage purchases should be made on terms so that net  
15 mortgage cost to the borrower may not exceed 9.5 percent annual interest;

16 (2) require that in accordance with AS 37.10.075, the state place  
17 on deposit or invest in federal credit unions doing business in Alaska not  
18 less than \$35,000,000 from the state general fund on rates and terms compar-  
19 able to the placement of surplus state funds on November 15, 1979; and

20 (3) waive the current loan policy of the Department of Commerce  
21 and Economic Development, division of business loans, by which financial  
22 institutions must participate with the division in the provision of loans of  
23 more than \$50,000.

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23 more than \$50,000.

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# 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

no refinancing. L

(2)

Pg 2 - ~~bill~~ -

but not civil laws  
for prep. of ref  
existing laws.

---

(3). New Sec (6)



Gas prod. tax

From The

**SENATE  
FINANCE COMMITTEE**

Essex. } 2 in count.  
ATT.

specifically....

Contract to support oil & gas  
activities.....

①. Letter, intent - New  
looks & not ~~not~~ referring

②. AAFC. - make same rate.

③. Intent rate

④. delete see (3). now 10%

⑤. delete - can't mechanically.

⑥. delete - change law.  
Can leave in at 8.5% -  
law says up to 9.5%

memo:

Letter to Williams when  
not possible

SLA 1978 \* 168 =  
Public Works

Final inst. Commenting.

8% }  
7% }  

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What will admin do? Ignore?

2/7/80  
10:20am

Committee Substitute - Please return to  
Kathy or Diana  
Senate Finance  
Capitol Bldg. Rm 512

Original sponsors: Meekins, Barnes,  
Beirne, et al

Offered: 1/23/80  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 *Senate Finance* CS FOR HOUSE CONCURRENT RESOLUTION NO. 33 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

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5 (A) mortgage purchases should be made only from the state  
6 general fund;

7 (B) only mortgages on Alaska residences may be purchased;

8 (C) mortgage purchases <sup>shall</sup> ~~should~~ include only loans entered into  
9 between a financial institution and a borrower after the date of adoption of  
10 this resolution; *but not including loans for purposes of refinancing*  
11 *existing loans*

12 (D) a mortgage loan may not be purchased from a financial  
13 institution on a basis other than the order in which loan applications were  
14 submitted to the state; and

15 (E) mortgage purchases should be made on terms so that net  
16 mortgage cost to the borrower may not exceed <sup>8.0</sup> ~~9.5~~ percent annual interest;

17 (2) require that in accordance with AS 37.10.075, the state im-  
18 mediately place on deposit or invest in federal credit unions doing business  
19 in Alaska not less than \$35,000,000 from the state general fund at the rates  
20 and terms which were applied to the placement of surplus state funds on  
21 November 15, 1979;

22 (3) waive the current loan policy of the Department of Commerce  
23 and Economic Development, division of business loans, by which financial  
24 institutions must participate with the division in the provision of loans;

25 (4) reopen as soon as possible regional offices of the division of  
26 veterans' affairs in Anchorage and Fairbanks to receive and process veterans'  
27 loans; and

28 (5) mortgage loans purchased by the Department of Revenue from the  
29 division of veterans' affairs should be made on terms so that net mortgage  
costs to the borrower do not exceed <sup>7.0</sup> ~~8.5~~ annual interest.

INSERT NEW SECTION 6

(6) Provide for loans by the state to all Alaskan Federally Insured Financial Institutions in the amount not to exceed \$10,000,000 for each such institution, provided that each such institution agrees in writing to reinvest at least 50% of the amount derived from the loan into home, business and consumer loans to eligible Alaskans. The rate of interest of said state loans shall be 10%.

COMMITTEE REPORT  
SENATE

FURTHER: None

1/25/80

Date: February 7, 1980

Mr. President:

The Committee on FINANCE has had CSHCR 33 am requesting Governor to direct action relating to the investment of the state general fund surplus

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 <sup>Finance</sup>CS for CSHCR 33 am  same title  
 new title
- and recommends Investment of State General Fund Surplus
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

\_\_\_\_\_

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MEMBERS HAVING  
OTHER RECOMMENDATIONS:

[Signature]

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

[Signature]

CHAIRMAN

*Have CS drafted incorporating all amendments*

Original sponsors: Meekins, Barnes,  
Beirne, et al

Offered: 1/23/80  
Referred: Rules

1 IN THE HOUSE

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8 (C) mortgage purchases ~~should~~ <sup>shall</sup> include only loans entered into  
9 between a financial institution and a borrower after the date of adoption of  
10 this resolution; ~~of refinancing existing loans.~~ <sup>but not including loans for purposes</sup>

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12 institution on a basis other than the order in which loan applications were  
13 submitted to the state; and

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29 costs to the borrower do not exceed ~~8.5~~ <sup>7.0</sup> percent annual interest.

~~LONG TERM LOANS BY THE STATE TO~~  
Provide for ~~purchasing existing single family or duplex~~

~~loans held by~~ all Alaskan Federally Insured Financial Institutions  
in the amount not to exceed \$10,000,000 for each such institution,  
provided that each such institution agrees in writing to reinvest  
at least 50% of the amount derived from the ~~purchase~~ <sup>LOAN</sup> into home,  
business and consumer loans to eligible Alaskans. THE RATE  
OF INTEREST OF SAID LOANS SHALL BE 10%.  
STATE

NATIONAL BANKS

Ketchikan

N.B.A.

First National-Anchorage

Alaska National Bank

First of Fairbanks

Security National

STATEBANKS

Peoples

Alaska Bank of Commerce

United Bank

Alaska State Bank

Alaska Pacific

Behrends

MUTUAL

Mt. McKinley

Alaska Mutual

FEDERAL SAVINGS  
AND LOAN

Home Federal

First Federal

Arctic First Federal

Alaska Federal

STATE SAVINGS  
AND LOAN

Kenai

CREDIT  
UNION

STATE OF ALASKA  
THE LEGISLATURE

POUCHY - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800


LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 7, 1980

SUBJECT: SCS CSHCR 33 (relating to investment and  
loan of the general fund surplus)

TO: Senator John Sackett, Chairman  
Senate Finance Committee

FROM: John B. Chenoweth  
Legislative Counsel 

I find no authority in AS 37.15 (or elsewhere) for the state to loan money to financial institutions for purposes of their reloaning it to private parties. The resolution, including this change which the committee is suggesting, cannot substitute for an amendment to the permanent law which would authorize use of surplus funds for that purpose.

We had earlier advised the sponsor that another provision of the resolution was legally insufficient to authorize the commissioner of commerce and economic development to waive the statutory participation requirements with respect to the business loan programs managed by his department.

JBC:ljb

Enclosure

*Loans*

Provide for purchasing existing single family or duplex loans held by all Alaskan Federally Insured Financial Institutions in the amount not to exceed \$10,000,000 for each such institution, provided that each such institution agrees in writing to reinvest at least 50% of the amount derived from the purchase into home, business and consumer loans to eligible Alaskans. *10%*

NATIONAL BANKS

Ketchikan

N.B.A.

First National-Anchorage

Alaska National Bank

First of Fairbanks

Security National

STATEBANKS

Peoples

Alaska Bank of Commerce

United Bank

Alaska State Bank

Alaska Pacific

Behrends

MUTUAL

Mt. McKinley

Alaska Mutual

FEDERAL SAVINGS  
AND LOAN

Home Federal

First Federal

Arctic First Federal

Alaska Federal

STATE SAVINGS  
AND LOAN

Kenai

CREDIT  
UNION

- ①. *Liquidity Problem.*
- ②. *Refinance.*

11-33

# Loans by the State to

Provide for ~~purchasing existing single family or duplex~~

loans held by all Alaskan Federally Insured Financial Institutions in the amount not to exceed \$10,000,000 for each such institution, provided that each such institution agrees in writing to reinvest at least 50% of the amount derived from the <sup>Loan</sup> purchase into home, business and consumer loans to eligible Alaskans.

*The rate of interest on said loans shall be 10%.*  
*State*

NATIONAL BANKS

Ketchikan  
N.B.A.  
First National-Anchorage  
Alaska National Bank  
First of Fairbanks  
Security National

STATEBANKS

Peoples  
Alaska Bank of Commerce  
United Bank  
Alaska State Bank  
Alaska Pacific  
Behrends

MUTUAL

Mt. McKinley  
Alaska Mutual

FEDERAL SAVINGS AND LOAN

Home Federal  
First Federal  
Arctic First Federal  
Alaska Federal

STATE SAVINGS AND LOAN

Kenai

CREDIT UNION

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH 5 - JUNEAU 99811

February 6, 1980

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

*↑ interest rate  
protects the consumer*

Dear Senator Sackett:

In response to your letter of two days ago, I would recommend to the Finance Committee that it not adopt Senator Hohman's amendments to HCR 33 pertaining to interest rates. I do so for two reasons.

*paternalistic  
competition &  
market forces*

First, lowered interest rates on mortgage money will not necessarily make a greater number of people able to afford to own their own house. Instead, those who can afford to make the bigger payments associated with a higher interest rate will be able to bid the price for housing up to the point that their payments will not be changed even though the interest rate is lower. For example, suppose a person is willing and able to buy an \$80,000 house by putting \$8000 down and financing the mortgage at 9.5% over 30 years. The monthly payment at that rate is \$605.42. If the rate is lowered to 8%, that same mortgage would have monthly payments of only \$528.31. Theoretically, someone with a lower income could now afford to buy this house. However, the original would-be purchaser can still afford the \$605.42 payments. At the lower rate of 8%, a payment of \$605.42 per month will now correspond to a mortgage of \$82,508.75 over 30 years. Thus, with the same \$8000 downpayment and the same monthly payment of \$605.42, the original purchaser can afford to pay up to \$90,500 for the house when interest is 8%, whereas he could only afford to pay \$30,000 for it at 9.5% interest. Many believe that this phenomenon has been a primary cause for the extremely rapid rise in housing prices in recent years.

]

Senator John C. Sackett  
February 6, 1980  
Page 2

*- the interest  
- the cost of living  
- locks people out  
- bank savings*

My second reason for recommending against adoption of Senator Hohman's amendments to HCR 33 is the considerable amount of income that is foregone. In its present form, HCR 33 already affords Alaskans a tremendous savings in interest costs by pegging the rate at 9.5%. Mortgage rates today are over 13%. The interest saving that results from the 9.5% rate equals the difference in monthly payments over the 30-year life of the mortgage. On a \$100,000 mortgage, the payment is \$1103.07 at 13% and \$840.86 at 9.5%, a difference per month of \$262.21. Over 30 years, this comes to \$94,395.60 -- over 94% of the original amount of the mortgage. Lowering the interest rate to 8% (\$733.77 per month) would result in an additional interest reduction of \$38,552.40 over the term of the mortgage -- another 38.5% of the original amount of the mortgage. I would suggest that a subsidy nearly equal to the amount borrowed is enough and that an additional 38% is too much of a good thing. After all, inflation is running at well over 9.5% and probably will remain above that level for some time to come. Thus, even though we get 9.5% more dollars each year under the present version of HCR 33, the buying power that is represented is actually diminished; lowering the rates another 1.5% will make the effects of inflation that much worse.

You also requested in your letter that I present the position of the Administration on HCR 33. I believe Governor Hammond will be responding to that shortly, so let me say only that I concur with the expressed need to get some temporary mortgage program going as soon as possible. I believe \$35,000,000 a month is an appropriate figure to start such a program off with, and I agree with the recommendation of Legislative Budget and Audit that the program should be one using commitments to provide financing, rather than advancing money "up front."

Finally, you asked about the status of the implementation of Chapter 168, SLA 1978. Pursuant to that Act, the Capital Outlay Account has been established as a sub-account within the general fund. As of January 31, 1980, \$224,757,365.50 is carried in that sub-account. This figure comprises part of the balance reported for the general fund.

Sincerely,

*Thomas K. Williams*

Thomas K. Williams  
Commissioner

TKW

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH 5 - JUNEAU 99811

February 6, 1980

Senator George Hohman  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Dear Senator Hohman:

Enclosed for your information is a copy of the Bill that the Governor will introduce later today to amend the investment act for general fund surplus (AS 37.10.070) so as to permit the State to finance new Alaskan mortgages that have suitable mortgage insurance. The present law requires that the financial institution originating the mortgage retain at least 25% of it, regardless of whether or not there is adequate mortgage insurance.

The purpose of the amendment is to allow the prompt implementation of an interim program to alleviate the depressed housing market in Alaska. The present requirement of 25% participation by the originating financial institution prevents any major mortgage purchase program from being begun at this time because many Alaskan financial institutions are cash-short due to sharply reduced levels in passbook savings. This cash shortage impaired participation in the business loan program of the Department of Commerce and Economic Development to such an extent that the level of required participation was cut last month from 25 to 10 percent. And that was for an \$8,000,000-a-month program. There is no way to get a program going for home mortgages at anything close to \$35,000,000 a month if 25% participation is required.

The amendment confers on the general fund the same investment authority that was adopted in 1977 for the two pension funds (AS 14.25.180(b)(11) and AS 39.35.110(a)(11)).

Sincerely,

*Thomas K. Williams*

Thomas K. Williams  
Commissioner

Enclosure  
TKW

IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

SENATE BILL NO. .

IN THE LEGISLATURE OF THE STATE OF ALASKA

ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act to allow certain investments of the general fund in insured mortgages; and providing for an effective date."

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

\* Section 1. AS 37.10.070(a) is amended by adding a new paragraph to read:

(14) notes secured by mortgages of commercial or residential real estate or other security if the mortgages are insured by a private mortgage insurance corporation which is authorized to do business in Alaska and has combined capital, surplus, and reserves aggregating at least \$20,000,000; however, (A) no mortgage insurance is necessary for commercial loans having loan-to-value ratios of less than 50 percent and the minimum required coverage of other commercial loans is 10 percent of those having a loan-to-value ratio of 50-60 percent and is 15 percent for those having a loan-to-value ratio greater than 60 percent but no more than 75 percent, and (B) no mortgage insurance is necessary for residential loans having a loan-to-value ratio of less than 70 percent and the minimum required coverage of other residential loans is 10 percent for those having a loan-to-value ratio greater than 70 percent but less than 90 percent and is 20 percent for those having a loan-to-value ratio of 90 percent.

\* Sec. 2. This Act is retroactive to November 1, 1979.

\* Sec. 3. This Act takes effective immediately in accordance with AS 01.-10.070(c).

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH 5 - JUNEAU 99811

February 1, 1980

The Honorable John Sackett  
Chairman  
Senate Finance Committee  
Room 522 - Capitol Building  
Juneau, Alaska 99811

Dear Senator Sackett:

Re: CS for House Concurrent Resolution No. 33 am

CS for House Concurrent Resolution No. 33 am, requesting the Governor to direct action relating to the investment of the state general fund surplus and to the participation of financial institutions with the division of business loans in loan programs of benefit to the state's economy, was introduced in the Senate on January 25, 1980 and was referred to the Senate Finance Committee.

For the consideration of the Senate Finance Committee, I am enclosing a copy of a Fiscal Note prepared by Anselm Staack, Comptroller, Treasury Division, Department of Revenue concerning the proposed resolution.

Sincerely,



R. D. Stevenson  
Special Assistant

cc: Joseph K. Donohue  
Deputy Commissioner  
Department of Revenue

Peter Bushre  
Deputy Commissioner  
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS FOR HOUSE CONCURRENT RESOLUTION NO. 33am  
 Title Requesting the Governor to direct action relating to the investment of state  
~~REVENUE~~ General Fund surplus (loan programs) Date Janauary 23, 1980  
 Requested by House Finance Committee

II. FISCAL DETAIL

Agency Affected Department of Revenue  
 Program Category Affected Revenue Collection and Management  
 BRU, Program, or Subprogram(s) Affected Treasury Management  
 (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	1.5	1.6	1.7	1.8	2.0	2.1
300 CONTRACTUAL						
400 COMMODITIES	.5	.5	.6	.6	.7	.7
500 EQUIPMENT	1.5					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>3.5</b>	<b>2.1</b>	<b>2.3</b>	<b>2.4</b>	<b>2.7</b>	<b>2.8</b>

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND	3.5	2.1	2.3	2.4	2.7	2.8
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Assumptions: That effectively 900-1,000 new loans will be purchased by Treasury directly. Other loans through Veterans Affairs and other loan programs will also be purchased by Treasury; the bulk of the processing done by those organizations.

Additional costs related to loan programs administered by the Department of Commerce and Economic Development are not included in this fiscal note.

Due to the increased loan documentation and transactions the travel funds provide for administrative travel to the various servicing institutions. Commodities to process and maintain loan folders and monthly processing of payments and receipts. The equipment is to provide file cabinets and a lateral unit to house all loan documents and servicing payment advices.

IV. DATE Janauary 30, 1980 PREPARED BY Anselm C. Staack, Treasury Comptroller  
 AGENCY Department of Revenue/Treasury  
 PHONE 465-2351  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS FOR HOUSE CONCURRENT RESOLUTION NO. 33am  
 Title Requesting the Governor to direct action relating to the investment of state  
~~REVENUE~~ General Fund surplus (loan programs) Date Janauary 23, 1980  
 Requested by House Finance Committee

II. FISCAL DETAIL

Agency Affected Department of Revenue  
 Program Category Affected Revenue Collection and Management  
 BRU, Program, or Subprogram(s) Affected Treasury Management  
 (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	1.5	1.6	1.7	1.8	2.0	2.1
300 CONTRACTUAL						
400 COMMODITIES	.5	.5	.6	.6	.7	.7
500 EQUIPMENT	1.5					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>3.5</b>	<b>2.1</b>	<b>2.3</b>	<b>2.4</b>	<b>2.7</b>	<b>2.8</b>

FUNDING (Thousands of Dollars)

	3.5	2.1	2.3	2.4	2.7	2.8
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specifv Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Assumptions: That effectively 900-1,000 new loans will be purchased by Treasury directly. Other loans through Veterans Affairs and other loan programs will also be purchased by Treasury; the bulk of the processing done by those organizations.

Additional costs related to loan programs administered by the Department of Commerce and Economic Development are not included in this fiscal note.

Due to the increased loan documentation and transactions the travel funds provide for administrative travel to the various servicing institutions. Commodities to process and maintain loan folders and monthly processing of payments and receipts. The equipment is to provide file cabinets and a lateral unit to house all loan documents and servicing payment advices.

IV. DATE Janauary 30, 1980 PREPARED BY Anselm C. Staack, Treasury Comptroller  
 AGENCY Department of Revenue/Treasury  
 Original: Legislative Finance PHONE 465-2351  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

**CATEGORY:** GENERAL GOVERNMENT

**AGENCY:** REVENUE

**PROGRAM:** REVENUE COLLECTION AND MANAGEMENT

**BRU (s):** AUDIT; PETROLEUM REVENUE; ENFORCEMENT; TREASURY MANAGEMENT; ADMINISTRATION AND SUPPORT

All Department of Revenue BRU's in the Revenue Collection and Management cover program are included herein. A major emphasis on identifying the "invisible taxpayer" is planned in the FY 81 budget, primarily in the BRUs of Audit, Enforcement, and Administration and Support.

The goals of the Audit BRU are to achieve effective compliance by taxpayers with the tax laws of Alaska, and to raise revenues through an effective audit program. The Revenue Audit staff concentrates on corporate and individual income tax, estate taxes, excise taxes, business license tax, fisheries tax, mining license tax, and the issuance of permits for games or skill or chance.

The goals of the Petroleum Revenue BRU are to administer state taxes on oil and gas production, which includes the State oil and gas property tax, oil and gas production tax and the oil and gas corporate income tax, and also to coordinate with local governments also taxing that property. The Division of Petroleum Revenue also generates revenue estimates for the State of projected oil and gas related revenues.

The goal of the Enforcement BRU is to enforce the collection of taxes from all taxpayers in a fair and equitable manner. The Division is responsible for billing and collecting all delinquent tax accounts.

The goals of the Treasury Management BRU are to manage available funds for a maximum return consistent with statutory limitations; to place general bonded debt as needed for capital projects at minimum cost to the State; and to report the management of funds in accordance with current reporting standards. The Treasury Management Division works closely with the State Bond Committee in performing these functions. Fund management is centralized for the Public Employees Retirement Fund, the Teachers Retirement Fund, and the General Fund, as well as other special funds.

COMPONENT DESCRIPTION	79 AUTH	79 FINAL	79 ACT	80 AUTH	80 SUPL	80 RP	GOVERNOR
AUDIT	2461.5	2530.6	2513.1	2691.6			3223.6
PETROLEUM REVENUE	1279.6	1240.1	1187.3	1435.0			1447.2
ENFORCEMENT	1196.5	1335.4	1324.7	1217.0			1366.3
TREASURY MANAGEMENT	1232.3	1227.9	1120.3	1357.1			1436.9
OFFICE OF THE COMMISSIONER	877.3	1077.4	1054.4	757.6			964.5
ADMINISTRATIVE SERVICES	1630.0	1783.7	1746.5	1773.6			2361.4
FISH AND GAME LICENSING	572.1	580.6	531.6	259.0			298.0
** TOTAL	9249.3	9775.7	9477.9	9490.9			11097.9
** CHANGE VERSUS 80 AUTH							16.9%
OBJECT DESCRIPTION							
PERS. SERV.	6294.0	6685.5	6654.2	6784.4			7519.5
TRAVEL	336.8	333.8	316.3	315.7			419.6
CONTRACTUAL	2218.2	2320.1	2075.1	2031.5			2728.1
COMMODITIES	68.5	69.3	59.0	58.2			80.9
EQUIPMENT	23.5	58.7	65.3				37.0
LANDS/BLDGS	308.3	308.3	308.0	301.1			312.8
FUNDING SOURCE							
GENERAL FUND	8446.3	9040.7	8835.4	8956.9			10520.7
PGM RECEIPTS	308.0	240.0	217.5				
OTHER FUNDS	495.0	495.0	425.0	534.0			577.2
** GENERAL FUND CHANGE VS. 80 AUTH							17.4%
POSITIONS							
FULL-TIME	220.0	220.0	220.0	224.0			237.0
PART-TIME	8.0	8.0	8.0	8.0			21.0
TEMPORARY	14.0	14.0	14.0	13.0			
STAFF MONTHS	2715.1	2715.1	2715.1	2784.0			2944.2

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHCR 33 am  
 Title Requesting the Governor to direct action relating to the investment of the state general fund surplus and to the participation of financial institutions with the Division of Business Loans in loan programs of benefit to the state's economy.

Requested By Meekins, Barnes, Beirne, et al Date 1-23-80

II. FISCAL DETAIL

Agency Affected Department of Commerce and Economic Development

Program Category Affected Economic Development

BRU, Program, or Subprogram(s) Affected Veterans Loan Fund

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

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	196.9	590.8	649.9	714.9	786.4	865.0
200 TRAVEL	6.5	19.4	21.3	23.5	25.8	28.4
300 CONTRACTUAL	25.7	77.4	85.1	93.7	103.0	113.3
400 COMMODITIES	2.0	6.0	6.6	7.3	8.0	8.8
500 EQUIPMENT	31.0	2.0	2.2	2.4	2.7	2.9
600 LAND & STRUCTURES	2.4	7.1	7.8	8.6	9.5	10.4
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>264.5</b>	<b>702.7</b>	<b>772.9</b>	<b>850.4</b>	<b>935.4</b>	<b>1028.8</b>

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						
<u>Veterans Loan Fund</u>	<u>264.5</u>	<u>702.7</u>	<u>772.9</u>	<u>850.4</u>	<u>935.4</u>	<u>1028.8</u>

POSITIONS

	23	23	23	23	23	23
FULL TIME						
PART TIME						
TEMPORARY						

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

This fiscal note is based on the following assumptions:

1. The level of capitalization for loans is at a level of \$10 to \$12 million per month
2. Branch office staffing requirements would be the same as FY 1979 plus inflation factor of 10%.

IV. DATE 1-26-80

PREPARED BY Don Hostak, Director  
 AGENCY Div of Veterans Affairs, Dept of Commerce & Economic Development  
 PHONE 465-2553

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

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHCR 33 am

Title Requesting the Governor to direct action relating to the investment of the state general fund surplus and to the participation of financial institutions with the Division of Business Loans in loan programs of benefit to the state's economy.

Requested By Meekins, Barnes, Beirne, et al

Date 1-23-80

II. FISCAL DETAIL

Agency Affected Department of Commerce and Economic Development

Program Category Affected Economic Development

BRU, Program, or Subprogram(s) Affected Veterans Loan Fund

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

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	196.9	590.8	649.9	714.9	786.4	865.0
200 TRAVEL	6.5	19.4	21.3	23.5	25.8	28.4
300 CONTRACTUAL	25.7	77.4	85.1	93.7	103.0	113.3
400 COMMODITIES	2.0	6.0	6.6	7.3	8.0	8.8
500 EQUIPMENT	31.0	2.0	2.2	2.4	2.7	2.9
600 LAND & STRUCTURES	2.4	7.1	7.8	8.6	9.5	10.4
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>264.5</b>	<b>702.7</b>	<b>772.9</b>	<b>850.4</b>	<b>935.4</b>	<b>1028.8</b>

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						
Veterans Loan Fund	264.5	702.7	772.9	850.4	935.4	1028.8

POSITIONS

FULL TIME	23	23	23	23	23	23
PART TIME						
TEMPORARY						

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

This fiscal note is based on the following assumptions:

1. The level of capitalization for loans is at a level of \$10 to \$12 million per month
2. Branch office staffing requirements would be the same as FY 1979 plus inflation factor of 10%.

IV. DATE 1-26-80

PREPARED BY Don Hostak, Director

AGENCY Div of Veterans Affairs, Dept of Commerce &

PHONE 465-2553 Economic Development

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

CATEGORY: DEVELOPMENT

PROGRAM: ECONOMIC DEVELOPMENT

AGENCY: COMMERCE AND ECONOMIC DEVELOPMENT

BRU (s): VETERAN'S LOAN FUND

The goal of the Veteran's Loan Fund BRU is to reward Alaskan veterans and guardsmen for their contributions in maintaining the security of the Nation and the State of Alaska. This is accomplished through the provision of short and long term low interest rate loans to eligible veterans and guardsmen. These loans may be used to purchase, refinance, build and remodel homes, farms, businesses, and multiple dwelling units. Additionally, qualified veterans may be granted State loans for education, fishing, mining, or for personal use.

Prior to December 31, 1978, the Department of Revenue purchased the majority of loans approved and closed by the Division of Veteran's Affairs. Applications for new loans were not accepted after that date due to the drain on the General Fund. Consequently, the short-term objective for the current year and FY 81 are limited to maintenance of loans which have been previously made.

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COMPONENT DESCRIPTION	79 AUTH	79 FINAL	79 ACT	80 AUTH	80 SUPL	80 RP	GOVERNOR
VET LOAN FUND	1479.5	1521.9	1484.9	908.5			936.2
** TOTAL	1479.5	1521.9	1484.9	908.5			936.2
** CHANGE VERSUS 80 AUTH							3.0%
OBJECT DESCRIPTION							
PERS. SERV.	1133.4	1168.7	1151.6	675.7			650.6
TRAVEL	40.3	38.3	27.2	15.0			18.8
CONTRACTUAL	252.8	259.9	245.5	180.8			223.6
COMMODITIES	10.0	10.0	9.3	7.0			7.5
EQUIPMENT	3.0	5.0	5.2				3.0
LANDS/BLDGS	40.0	40.0	39.9	30.0			32.7
MISC.			6.2				
FUNDING SOURCE							
OTHER FUNDS	1479.5	1521.9	1484.9	908.5			936.2
POSITIONS							
FULL-TIME	47.0	47.0	47.0	23.0			23.0
STAFF MONTHS	564.0	564.0	564.0	276.0			276.0

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Detailed Analysis of Fiscal Note for CSHCR 33 am

Object  
Code

Reopening of Division of Veterans Affairs Anchorage and Fairbanks Offices

	Description	ANC	FAI	4 months	12 months
100	2 Regional Managers, 1 Anchorage, 1 Fairbanks	\$ 2411	\$ 2794	\$ 20,820	\$ 62,460
	1 Loan Examiner III, Anchorage	2355	----	9,420	28,260
	4 Loan Examiner II, 3 Anchorage, 1 Fairbanks	2031	2355	33,952	101,856
	4 Loan Examiner I, Anchorage	1888	----	30,208	90,624
	3 Loan Closer I, 2 Anchorage, 1 Fairbanks	1254	1426	15,736	47,208
	3 Clerk Typist III, 1 Anchorage, 2 Fairbanks	1108	1254	14,464	43,392
	3 Clerk Typist II, Anchorage	1045	----	12,540	37,620
	3 Clerk IV, 2 Anchorage, 1 Fairbanks	1178	1339	14,780	44,340
	Total wages, 23 positions			\$151,920	\$455,760
	Standard Benefits (total wages x .1529)			23,228	69,686
	Supplemental benefits costs (total wages x .0665)			10,103	30,308
	Health insurance costs (man months x \$127)			11,684	35,052
	Total Personnel costs			\$196,935	\$590,806
200	Trips to inspect collateral, close loans and explain loan programs:				
	Annually: 30 trips @ \$267 per trip		\$ 8000		
	20 trips to outlying areas @ \$90 per day		9000		
	10 trips @ \$60 per day		1800		
	Other costs @ \$20 per trip		600		
	Estimated annual travel costs		\$19400	\$ 6,500	\$ 19,400
300	Telephones and postage			6,500	19,500
	Rents and Leases, Anchorage			9,600	28,900
	Repair & Maintenance on office equipment			300	1,200
	Printing, Advertising and copying			2,600	7,800
	Vehicle Rental, Anchorage			1,300	3,900
	Data Processing			400	1,200
	Electricity, Anchorage			300	900
	Credit reports, 450 Anchorage, 110 Fairbanks annually			4,700	14,000
	Total Contractual Costs			\$ 25,700	\$77,400
400	Set up costs @ \$30 per person		\$ 700		
	Normal operating costs per annum		5,300		
			\$6,000	\$ 2,000	\$ 6,000
500	Equipment to set up office for 23 people (Fairbanks price 10% higher)				
		Anchorage	Fairbanks		
	Desks - Executive @ \$347	1 \$ 347	1 \$ 382		
	Regular	278 10 2,780	2 612		
	Secretarial	342 6 2,052	3 1,129		
	Chairs-Executive	173 11 1,903	3 571		
	Secretarial	131 6 786	3 393		
	Side w/o arms	61 10 610	2 134		
	Side with arms	66 2 132	2 145		
	Utility tables	120 9 1,188	3 396		
	Cabinets - 5 drawer	203 5 1,015	2 447		
	2 drawer	124 4 496	2 273		
	Typewriters	810 6 4,860	3 2,673		
	Calculators	188 12 2,256	4 827		
	Costumer - 6 hanger	49 1 49	1 54		
	12 hanger	78 1 78	- --		
	Bookcase	85 1 85	1 94		
	Storage Cabinet	140 1 140	1 154		
	Camera, SX-70	175 1 175	1 193		
	Microfishe Viewer/Printer 1,800	1 1,800	1 1,800		
	Total Equipment	\$20,752	\$10,276	\$31,028	\$ 2,000

Detailed Analysis of Fiscal Note for CSHCR 33 am (continued)

Reopening of Division of Veterans Affairs Anchorage and Fairbanks Offices

<u>Object Code</u>	<u>Description</u>	<u>4 months</u>	<u>12 months</u>
600	ASHA payment for Fairbanks Regional Office Building (if available, otherwise this will be a rental under contractual services)	\$ 2,400	\$ 7,100
TOTAL ESTIMATED COSTS FOR OPENING REGIONAL OFFICES		\$264,563	\$ 702,706

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Concurrent Resolution No. 33  
Title Investment of surplus state funds and the participation of State agencies and corporations in loan programs of benefit to the State's economy  
Requested By \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development

Program Category Affected Development

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

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

EXPENDITURES (Thousands of Dollars)

	4 mos.						
	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85	
100 PERSONAL SERVICES	137.6	412.9	441.8	472.7	505.8	541.2	
200 TRAVEL	16.5	49.5	53.0	56.7	60.7	64.9	
300 CONTRACTUAL	21.0	63.0	67.4	72.1	77.1	82.5	
400 COMMODITIES	1.3	4.0	4.3	4.6	4.9	5.2	
500 EQUIPMENT	22.9	-0-	-0-	-0-	-0-	-0-	
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-	
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-	
<b>TOTAL</b>	<b>199.3</b>	<b>529.4</b>	<b>566.5</b>	<b>606.1</b>	<b>648.5</b>	<b>693.8</b>	

FUNDING (Thousands of Dollars)

GENERAL FUND	199.3	529.4	566.5	606.1	648.5	693.8
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	14	14	14	14	14	14
PART TIME						
TEMPORARY						

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

To increase staff to handle very substantial increase in loan activity caused by elimination of the requirement for bank participation. This fiscal note assumes an increase in dollar volume of loans from \$90 million to \$150 million per year, and, therefore, assumes an appropriation would be made for loan capitalization or that the Department of Revenue would be able to dedicate additional money from the General Fund surplus to the loan programs.

The staff necessary to process loans in a reasonable time frame (4 to 6 weeks) is directly proportional to the dollar volume of loans, so the level of staffing must be tied to the dollars available. If the participation requirement is removed and additional loan funds are not available, no increase in staff would be required. The increase in the number of applications would, in that case, result in a backlog of an estimated five to six months in processing time. See attached analysis of fiscal note figures.

IV. DATE 1-21-80

PREPARED BY Sharon R. Traylor, Director

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

PHONE 465-2510

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Concurrent Resolution No. 33  
 Title Investment of surplus State funds and the participation of State agencies and corporations in loan programs of benefit to the State's economy  
 Requested By \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development

Program Category Affected Development

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

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

EXPENDITURES (Thousands of Dollars).

	4 mos.					
	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	137.6	412.9	441.8	472.7	505.8	541.2
200 TRAVEL	16.5	49.5	53.0	56.7	60.7	64.9
300 CONTRACTUAL	21.0	63.0	67.4	72.1	77.1	82.5
400 COMMODITIES	1.3	4.0	4.3	4.6	4.9	5.2
500 EQUIPMENT	22.9	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	<b>199.3</b>	<b>529.4</b>	<b>566.5</b>	<b>606.1</b>	<b>648.5</b>	<b>693.8</b>

FUNDING (Thousands of Dollars)

GENERAL FUND	199.3	529.4	566.5	606.1	648.5	693.8
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	14	14	14	14	14	14
PART TIME						
TEMPORARY						

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

To increase staff to handle very substantial increase in loan activity caused by elimination of the requirement for bank participation. This fiscal note assumes an increase in dollar volume of loans from \$90 million to \$150 million per year, and, therefore, assumes an appropriation would be made for loan capitalization or that the Department of Revenue would be able to dedicate additional money from the General Fund surplus to the loan programs.

The staff necessary to process loans in a reasonable time frame (4 to 6 weeks) is directly proportional to the dollar volume of loans, so the level of staffing must be tied to the dollars available. If the participation requirement is removed and additional loan funds are not available, no increase in staff would be required. The increase in the number of applications would, in that case, result in a backlog of an estimated five to six months in processing time. See attached analysis of fiscal note figures.

IV. DATE 1-21-80

PREPARED BY Sharon R. Traylor, Director

AGENCY Div. of Business Loans, Dept. Comm. & Econ. D

PHONE 465-2510

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

**CATEGORY:** DEVELOPMENT  
**PROGRAM:** ECONOMIC DEVELOPMENT

**AGENCY:** COMMERCE AND ECONOMIC DEVELOPMENT  
**BRU (s):** BUSINESS LOANS

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

Small Business Loans These loans are generally too risky or too small to interest private lending institutions.  
Commercial Fishing Loans provide commercial fishermen with capital for purchase or upgrade of vessels needed to remain competitive. Due to high risk and unpredictable fish seasons, local banks have been reluctant to make these loans.  
Tourism Loans provide capital for the expansion of tourist facilities.  
Fisheries Enhancement Loans provide long-term, low interest loans for hatchery planning and construction, in support of private ownership of hatcheries by qualified nonprofit corporations.  
Child Care Facilities Loans provide financing for the development of licensed child care facilities which helps stabilize that portion of the work force dependent on these services.  
Water Resources Loans provide funds for hydroelectric and water supply projects. With the exception of certain previously conceived projects, this program has been replaced by the Power Project Loan Fund.  
Historical Districts The intent of these loans is to foster an awareness of the need to preserve our historical past.  
Residential Care Facilities provides residential care facilities with financing needed for renovation or equipment needed to comply with licensing standards. Loans are often not available from private lending institutions.  
Alternative Technology and Power Resource Loans This loan fund assists in the development of energy production utilizing sources other than fossil fuel.

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

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

Detailed Analysis of Fiscal Note:


		<u>12 Months</u>
100.	Additional positions:	
	4 Loan Examiner III's, 3 Anchorage, 1 Juneau (one with emphasis on collections) @ 2,355/mo. each	\$113.0
	2 Loan Examiner I/II's (flex), 1 Anchorage, 1 Juneau, @ 2,031/mo. each	48.7
	1 Regional Loan Manager, Fairbanks, @ 2,934/mo.	35.2
	1 Documents Processing Clerk III, Anch., @ 1,254/mo.	15.1
	2 Loan Closer II's, 1 Anchorage, 1 Fairbanks, 1 @ 1,426/mo. and 1 @ 1,629/mo.	36.7
	2 Clerk Typist III's, 1 Anchorage, 1 Juneau @ 1,108/mo. each	26.6
	1 Accounting Supervisor III, Juneau, @ 2,186/mo.	26.6
	1 Accounting Technician II, Juneau, @ 1,629/mo.	19.6
	Total Wages, 14 positions	<u>\$321.1</u>
	Standard benefits (321.1 x .1529)	49.1
	Supplemental benefits costs (321.1 x .0665)	21.4
	Health insurance costs (168 man mos. x 127)	21.3
	Total Personnel Costs	<u>\$412.9</u>
200.	Trips to inspect collateral, close loans and explain loan programs:	
	90 trips @ 430	\$38.7
	180 days per diem @ 60	<u>10.8</u>
		\$ 49.5
300.	Additional telephone and postage costs	\$40.0
	Printing of applications and advertising	4.0
	Additional office space, Anchorage, @ 1,500/mo.	18.0
	Office machine maintenance	<u>1.0</u>
		63.0
400.	Office supplies	<u>4.0</u>
	12 months operation costs	529.4
500.	14 Desks (5 @ 333, 9 @ 278)	4.2
	5 Typist extensions (4 @ 350, 1 @ 409)	1.8
	9 Credenzas (4 @ 390, 5 @ 308)	3.1
	7 Secretarial chairs (3 @ 137, 4 @ 130)	.7
	7 Executive chairs (2 @ 180, 5 @ 172)	1.4
	12 Side chairs @ 125	1.5
	10 File cabinets (4 @ 247, 6 @ 202)	2.2
	12 Calculators @ 225	2.7
	6 Typewriters @ 810	4.9
	14 Wastebaskets @ 10	.1
	14 Desk Organizers @ 5	.1
	3 Coat racks (2 @ 60, 1 @ 50)	<u>.2</u>
		22.9
600.	Assume additional space available in State Office Building, Juneau. If Veterans' Affairs expands into available space, then rent would be necessary for outside space.	
	Total	<u>-0-</u> <u>\$552.3</u>

7% Inflation for succeeding years.

BILL ANALYSIS

ASSIGNMENT DATE \_\_\_\_\_

UNASSIGNED \_\_\_\_\_

DEPARTMENT Commerce & Economic Development	SPONSOR (PRINCIPAL) Meekins	BILL NO. House Concurrent Resolution #33
DEPARTMENT POSITION Opposed		
DIVISION DIRECTOR Sharon R. Traylor	DATE 1-21-80	COMMISSIONER Charles R. Webber
GOVERNOR'S OFFICE USE <input type="checkbox"/> POSITION NOTED <input type="checkbox"/> POSITION APPROVED <input type="checkbox"/> POSITION DISAPPROVED BY: _____ DATE: _____		
SUMMARY (1) RELATED BILLS (SIMILAR OR CONFLICTING) (2) OTHER AGENCIES AFFECTED BY BILL		
(2) a. ORGANIZATIONAL SUPPORT FOR BILL		(2) b. ORGANIZATIONAL OPPOSITION TO BILL
(3) PROGRAM EFFECTS OF BILL Very substantial increase in volume of loans to be processed by division.		
(4) FISCAL IMPACT: <input type="checkbox"/> NONE <input type="checkbox"/> FISCAL ANALYSIS ATTACHED		
(5) AMENDMENTS PROPOSED:		

(6) COMMENTS:  
 Opposed to ending cooperative venture between banks and State which restrains growth of division by utilizing bank staff for screening and partial processing of loan applications, and which avails the State of the bankers' knowledge of local conditions.



# RECORDS CERTIFICATION



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James O Smith  
Signature of Camera Operator

3/20/90  
Date

COMMITTEE REPORT  
HOUSE

(11)

3/4/80

FURTHER:

Date: 3-29-80

Mr. Speaker:

The Committee on FINANCE has had SSHCR 45  
"Relating to the senior citizen tax exemption."

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 67.0
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

Freeman

Wright

Smith

Rosen

Hamm

D. [unclear]

\_\_\_\_\_

\_\_\_\_\_

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Freeman  
Vice CHAIRMAN

Introduced: 2/14/80  
Referred: Community & Regional  
Affairs

1 IN THE HOUSE

BY MALONE, BEIRNE, CHATTERTON,  
MONTGOMERY, MUNSON AND PHILLIPS

2

SPONSOR SUBSTITUTE FOR HOUSE CONCURRENT RESOLUTION NO. 45

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - SECOND SESSION

5

Relating to the senior citizen tax

6

exemption.

7

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

8

WHEREAS in 1972 the legislature enacted AS 29.53.020(e), making any real

9

property owned and occupied as a permanent place of abode by a qualifying

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resident 65 years of age or over exempt from municipal property tax; and

11

WHEREAS the legislature intended that the entire parcel of land owned by

12

a resident 65 years of age or over be exempted from municipal property tax-

13

ation, regardless of size;

14

BE IT RESOLVED by the Alaska State Legislature that real property owned

15

and occupied as a permanent place of abode by a qualifying resident 65 years

16

of age or over shall be exempt from municipal property tax in its entirety

17

regardless of size.

18

COPIES of this resolution shall be sent to the Governor, the commis-

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sioner of community and regional affairs, and each municipality in Alaska.

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FISCAL NOTE

I. REQUEST

Bill/Resolution No. SS HCR 45

Title Relating to senior citizen tax exemption

Requested by Malone, et al

Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs

Program Category Affected Social Services

Budget Request Unit(s) Affected Senior Citizen Tax Relief

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		67.0	75.0	84.0	94.0	105.0
TOTAL		67.0	75.0	84.0	94.0	105.0

FUNDING (Thousands of Dollars)

GENERAL FUND		67.0	75.0	84.0	94.0	105.0
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

No fiscal impact to administration. Assume the grant requirement will increase about 12% per year.

Grant requirement largely based on estimates from local municipalities.

IV. DATE 2/6/80

PREPARED BY LaDonna Brown

AGENCY Local Government Assistance

PHONE 465-4739

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

Introduced: 2/14/80  
Referred: Community & Regional  
Affairs

1 IN THE HOUSE

BY MALONE, BEIRNE, CHATTERTON,  
MONTGOMERY, MUNSON AND PHILLIPS

2 SPONSOR SUBSTITUTE FOR HOUSE CONCURRENT RESOLUTION NO. 45

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Relating to the senior citizen tax  
6 exemption.

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

8 WHEREAS in 1972 the legislature enacted AS 29.53.020(e), making any real  
9 property owned and occupied as a permanent place of abode by a qualifying  
10 resident 65 years of age or over exempt from municipal property tax; and

11 WHEREAS the legislature intended that the entire parcel of land owned by  
12 a resident 65 years of age or over be exempted from municipal property tax-  
13 ation, regardless of size;

14 BE IT RESOLVED by the Alaska State Legislature that real property owned  
15 and occupied as a permanent place of abode by a qualifying resident 65 years  
16 of age or over shall be exempt from municipal property tax in its entirety  
17 regardless of size.

18 COPIES of this resolution shall be sent to the Governor, the commis-  
19 sioner of community and regional affairs, and each municipality in Alaska.

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Original

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SSHCR 45  
Title Relating to the senior citizen property tax exemption  
Requested by House Finance Committee Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs  
Program Category Affected Social Services (grant) Development (administration)  
BRU, Program, or Subprogram(s) Affected Senior Citizen Tax Relief (grant) State Assessor (admin)  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.) Local Government Assistance

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES		13.5				
200 TRAVEL		1.7				
300 CONTRACTUAL		.2				
400 COMMODITIES		0				
500 EQUIPMENT		0				
600 LAND & STRUCTURES		0				
700 GRANTS, CLAIMS, ETC.	67.0	525.0	84.0	94.0	105.0	
<b>TOTAL</b>	<b>67.0</b>	<b>540.4</b>	<b>84.0</b>	<b>94.0</b>	<b>105.0</b>	

FUNDING (Thousands of Dollars)

	67.0	540.4	84.0	94.0	105.0
GENERAL FUND					
FEDERAL FUNDS					
OTHER (Specify Fund Source)					

POSITIONS

FULL TIME	0	0	0	0	0
PART TIME					
TEMPORARY		6 months			

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

Grant requirements are budgeted to program category, Social Services in the Senior Citizen Tax relief Budget Request Unit.

One-time administrative costs in FY 81 are budgeted to Program Category, Community Development in the Local Government Assistance, State Assessor Budget Request Unit.

Payment to seniors in excess of 5 acres will require \$75.00 in FY 81. The remaining \$450.0 is to reimburse municipalities for refunds to seniors for taxes paid for 1973 through 1979 on acreages over 5 acres. This is required by legislative intent expressed in the committee report in the House Journal March 4, 1980, page 519 (copy attached).

Personal Services is based on temporary Range 12 positions working two at a time for three months for a total of 6 man months. Juneau staff will travel to several of the larger cities to train locally hired temporaries.

IV. DATE \_\_\_\_\_ PREPARED BY LaDonna Brown  
AGENCY Community & Regional Affairs  
PHONE 465-4739

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

Introduced: 2/1/80  
Referred: Community & Regional  
Affairs

1 IN THE HOUSE

BY MALONE, BEIRNE, CHATTERTON,  
MONTGOMERY, MUNSON AND PHILLIPS

2 HOUSE CONCURRENT RESOLUTION NO. 45

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Relating to the senior citizen tax  
6 exemption.

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

8 WHEREAS in 1972 the legislature enacted AS 29.53.020(e), making any real  
9 property owned and occupied as a permanent place of abode by a qualifying  
10 resident 65 years of age or over exempt from municipal property tax; and

11 WHEREAS the legislature intended that the entire parcel of land owned by  
12 a resident 65 year of age or over be exempted from municipal property tax-  
13 ation, regardless of size, so long as the land is contiguous and the perma-  
14 nent place of abode of the resident;

15 BE IT RESOLVED by the Alaska State Legislature that municipal tax as-  
16 sessors exempt from municipal property tax any parcel of contiguous land  
17 owned and occupied as a permanent place of abode by a resident 65 years of  
18 age or over, in its entirety and regardless of size.

19 COPIES of this resolution shall be sent to the Governor, the commis-  
20 sioner of community and regional affairs, and each municipality in Alaska.

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Official Business

# Alaska State Legislature

## House of Representatives

### Committee on Community & Regional Affairs

Pouch V  
State Capitol  
Juneau, Alaska 99811

#### COMMITTEE REPORT

The House Community & Regional Affairs Committee recommends that SSHCR 45 relating to the senior citizen tax exemption have a further referral to the House Finance Committee. Further, it is the intent of the House Community and Regional Affairs Committee that qualifying residents 65 years of age or over who because of administrative interpretation and guidelines did not receive full exemption from municipal property tax for real property owned and occupied receive payment, retroactive to January 1, 1973, for such taxes. Reimbursement for such retroactive payments should be as provided for as in AS 29.53.020 (g).

A handwritten signature in cursive script that reads "Bill Parker".

Representative Bill Parker  
Chairman, Community & Regional  
Affairs Committee



# RECORDS CERTIFICATION



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

James O Smith  
Signature of Camera Operator

3/20/90  
Date

COMMITTEE REPORT  
SENATE

FURTHER: None

5/2/80

Date: June 4, 1980

Mr. President:

The Committee on FINANCE has had SSHCR 45

senior citizen tax exemption

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
- and recommends \_\_\_\_\_  new title
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

*[Handwritten signatures]*

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MEMBERS HAVING  
OTHER RECOMMENDATIONS:

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*[Handwritten signature]*  
\_\_\_\_\_  
CHAIRMAN  
*[Handwritten signature]*



Introduced: 2/14/80  
Referred: Community & Regional  
Affairs

1 IN THE HOUSE

BY MALONE, BEIRNE, CHATTERTON,  
MONTGOMERY, MUNSON AND PHILLIPS

2 SPONSOR SUBSTITUTE FOR HOUSE CONCURRENT RESOLUTION NO. 45

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Relating to the senior citizen tax  
6 exemption.

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

8 WHEREAS in 1972 the legislature enacted AS 29.53.020(e), making any real  
9 property owned and occupied as a permanent place of abode by a qualifying  
10 resident 65 years of age or over exempt from municipal property tax; and

11 WHEREAS the legislature intended that the entire parcel of land owned by  
12 a resident 65 years of age or over be exempted from municipal property tax-  
13 ation, regardless of size;

14 BE IT RESOLVED by the Alaska State Legislature that real property owned  
15 and occupied as a permanent place of abode by a qualifying resident 65 years  
16 of age or over shall be exempt from municipal property tax in its entirety  
17 regardless of size.

18 COPIES of this resolution shall be sent to the Governor, the commis-  
19 sioner of community and regional affairs, and each municipality in Alaska.

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HCR 45 5/6/80

Note:

This fiscal note  
applies only if the legislative  
intent requiring reimbursement  
back to 1973 is  
approved.

HMP



Official Business

# Alaska State Legislature

SSHCR.45

## House of Representatives

### Committee on Community & Regional Affairs

Pouch V  
State Capitol  
Juneau, Alaska 99811

#### COMMITTEE REPORT

The House Community & Regional Affairs Committee recommends that SSHCR 45 relating to the senior citizen tax exemption have a further referral to the House Finance Committee. Further, it is the intent of the House Community and Regional Affairs Committee that qualifying residents 65 years of age or over who because of administrative interpretation and guidelines did not receive full exemption from municipal property tax for real property owned and occupied receive payment; retroactive to January 1, 1973, for such taxes. Reimbursement for such retroactive payments should be as provided for as in AS 29.53.020 (g).

*Bill Parker*

Representative Bill Parker  
Chairman, Community & Regional  
Affairs Committee

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SSHCR 45  
 Title Relating to the senior citizen property tax exemption  
 Requested by House Finance Committee Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs  
 Program Category/Affected Social Services (grant) Development (administration)  
 BRU, Program, or Subprogram(s) Affected Senior Citizen Tax Relief (grant) State Assessor(admin  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each  
 component in the analysis section.) Local Government Assistance

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES		13.5				
200 TRAVEL		1.7				
300 CONTRACTUAL		2				
400 COMMODITIES		0				
500 EQUIPMENT		0				
600 LAND & STRUCTURES		0				
700 GRANTS, CLAIMS, ETC.	67.0	525.0	84.0	94.0	105.0	
<b>TOTAL</b>	<b>67.0</b>	<b>540.4</b>	<b>84.0</b>	<b>94.0</b>	<b>105.0</b>	

FUNDING (Thousands of Dollars)

GENERAL FUND	67.0	540.4	84.0	94.0	105.0	
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0	0	0	0	0	
PART TIME						
TEMPORARY		6 months				

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

Grant requirements are budgeted to program category, Social Services in the Senior Citizen Tax relief Budget Request Unit.

One-time administrative costs in FY 81 are budgeted to Program Category, Community Development in the Local Government Assistance, State Assessor Budget Request Unit.

Payment to seniors in excess of 5 acres will require \$75.00 in FY 81. The remaining \$450.0 is to reimburse municipalities for refunds to seniors for taxes paid for 1973 through 1979 on acreages over 5 acres. This is required by legislative intent expressed in the committee report in the House Journal March 4, 1980, page 519 (copy attached).

Personal Services is based on temporary Range 12 positions working two at a time for three months for a total of 6 man months. Juneau staff will travel to several of the larger cities to train locally hired temporaries.

IV. DATE \_\_\_\_\_ PREPARED BY LaDonna Brown  
 AGENCY Community & Regional Affairs  
 PHONE 465-4739  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

**CATEGORY:** SOCIAL SERVICES  
**PROGRAM:** SOCIAL AND ECONOMIC ASSISTANCE FOR THE AGED

**AGENCY:** DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS  
**BRU (S):** SENIOR CITIZENS' TAX RELIEF

The purpose of the Senior Citizens' Tax Relief program is to reduce the pressure upon Alaskan senior citizens to relocate their residences due to property taxation.

There are four services for senior citizens in this BRU: real property tax exemptions, special water and sewer assessment exemptions, housing rental tax equivalency payments, and motor vehicle tax exemptions.

Senior citizens apply to their local municipal governments for property tax exemptions and deferment of special assessments. The municipality verifies qualifying criteria, computes the amount of exempt tax and/or deferment, and submits the applications as a reimbursement request to the State Assessor's Office. The applications are audited, processed, and approved for reimbursement by the State Assessor's Office.

Tax equivalency payments for renters are determined through a formula applying the local millage rate to the annual rent paid. Senior citizens apply directly to the State Assessor's Office where the forms are audited, applicant data verified, payment amounts computed, and applications approved for reimbursement. The equivalency payment granted to senior citizens is limited by law to \$375 per year.

The property tax exemption and renters equivalency payments are totally forgiven, while a special assessment deferment becomes a lien on the property which is due and payable when the property comes into the ownership of an ineligible taxpayer.

Enacted by the Tenth Legislature, the motor vehicle tax exemption reimburses a city or borough for the amount of each exemption granted eligible resident (age 65 or over) for motor vehicles subject to state registration with a limit of one such exempted vehicle per eligible resident.

STATE OF ALASKA -- BUDGET UNIT SUMMARY

CATEGORY: SOCIAL SERVICES  
 AGENCY: DEPARTMENT OF COMMUNITY & REGIONAL AFFAIRS  
 PROGRAM: SENIOR CITIZENS TAX RELIEF

COMPONENT DESCRIPTION	79 AUTH	79 FINAL	79 ACT	80 AUTH	80 SUPL	80 RP	GOVERNOR
HOMEOWNERS' PROPERTY TAX EXEMP	2196.7	2196.7	1760.3	2535.0			2787.0
RENTERS' EQUIVALENCY, REDATE	314.2	314.2	94.9	200.1			158.0
WATER & SEWER ASSES. DEFER	201.6	201.6	33.2	256.5			46.6
MOTOR VEHICLE EXEMPTION	150.0	150.0	55.4	150.0			150.0
XX TOTAL	2862.5	2862.5	1943.8	3141.6			3141.6
XX CHANGE VERSUS 80 AUTH							
OBJECT DESCRIPTION							
GRANTS, CLMS	2862.5	2862.5	1943.8	3141.6			3141.6
FUNDING SOURCE							
GENERAL FUND	2862.5	2862.5	1943.8	3141.6			3141.6
XX GENERAL FUND CHANGE VS. 80 AUTH							
POSITIONS							

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SS HCR 45

Title Relating to senior citizen tax exemption

Requested by Malone, et al

Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs

Program Category Affected Social Services

Budget Request Unit(s) Affected Senior Citizen Tax Relief

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		67.0	75.0	84.0	94.0	105.0
TOTAL		67.0	75.0	84.0	94.0	105.0

FUNDING (Thousands of Dollars)

GENERAL FUND		67.0	75.0	84.0	94.0	105.0
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

No fiscal impact to administration. Assume the grant requirement will increase about 12% per year.

Grant requirement largely based on estimates from local municipalities.

IV. DATE 2/6/80

PREPARED BY LaDonna Brown

AGENCY Local Government Assistance

PHONE 465-4739

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)



# 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

Introduced: 2/26/80  
Referred: Finance

BY THE RULES COMMITTEE BY  
REQUEST OF THE LEGISLATIVE  
COUNCIL (for the Blue  
Ribbon Commission on the  
State Personnel Act)

1 IN THE HOUSE

2 HOUSE CONCURRENT RESOLUTION NO. 56

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Extending the life of the Blue Ribbon  
6 Commission on the State Personnel  
7 Act.

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

9 WHEREAS in 1978 the legislature through Legislative Resolve No. 27  
10 authorized the Legislative Council, in cooperation with the director of  
11 personnel, to form a "blue ribbon" commission to study the State Personnel  
12 Act; and

13 WHEREAS the commission was formed as authorized by the resolution, made  
14 its report to the First Session of the Eleventh Legislature, and, in response  
15 to the commission's request for additional time to study problems it had  
16 identified, was funded by the legislature for a second year; and

17 WHEREAS additional time is needed to study the complex, interrelated  
18 problems which the commission has identified;

19 BE IT RESOLVED by the Alaska State Legislature that the Blue Ribbon  
20 Commission on the State Personnel Act is authorized to continue to perform  
21 the assignments made to it by 1978 Legislative Resolve No. 27 through June 30,  
22 1981.

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THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE CONCURRENT RESOLUTION NO. 56  
 Title Extending Life of Blue Ribbon Commission on State Personnel Act  
 Requested by Legislative Finance Date 2-28-80

II. FISCAL DETAIL

Agency Affected Legislative Affairs  
 Program Category Affected General Government  
 BRU, Program, or Subprogram(s) Affected Legislative Council  
 (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
100 PERSONAL SERVICES		72.2			
200 TRAVEL		25.7			
300 CONTRACTUAL		6.7			
400 COMMODITIES		1.1			
500 EQUIPMENT					
600 LAND & STRUCTURES					
700 GRANTS, CLAIMS, ETC.					
<b>TOTAL</b>		<b>105.7</b>			

FUNDING (Thousands of Dollars)

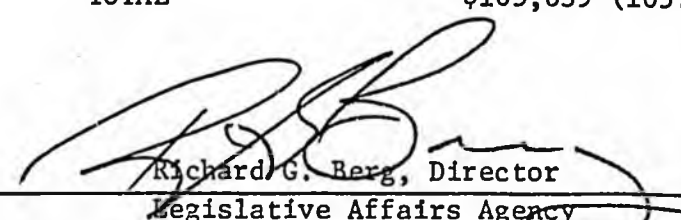
GENERAL FUND		105.7			
FEDERAL FUNDS					
OTHER (Specify Fund Source)					

POSITIONS

FULL TIME		2			
PART TIME					
TEMPORARY					

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

Continuation of present staff and activity:	One Admin Asst full-time	\$46,984
	One Secretary full-time w/benefits	25,215
		<u>72,199</u>
	Travel - Staff and Commission	25,740
	Contractual	6,700
	Commodities	1,100
	<b>TOTAL</b>	<u>\$105,639 (105.7)</u>

IV. DATE 3/4/80 PREPARED BY  Richard G. Berg, Director  
 AGENCY Legislative Affairs Agency  
 PHONE 465-3850  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

original

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE CONCURRENT RESOLUTION NO. 56  
Title Extending Life of Blue Ribbon Commission on State Personnel Act  
Requested by Legislative Finance Date 2-28-80

II. FISCAL DETAIL

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

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# **CORRECTION**

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

THE LEGISLATURE OF THE STATE OF ALASKA  
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## AGENCY: LEGISLATURE

Operations of the Legislature and its staff are budgeted in two budget request units: Legislative Council; and Legislative Budget and Audit Committee. The Ombudsman BRU is also included in the Legislative and Elective Operations program.

The Legislative Council is the governing body appointed by the Legislature from its membership to oversee the activities of the Legislative Affairs Agency. The Legislative Affairs Agency provides all services essential to the Legislative branch and to the Legislative process except for the specialized functions which are assigned to the Legislative Budget and Audit Committee. The agency conducts examination and analysis of major subjects of Legislative concern, reviews regulations promulgated under the Administrative Procedure Act by administrative agencies to see if the legislative intent is being carried out, and provides the administrative services necessary to the operation of the Legislature. Operations of the Legislature itself are also budgeted in the BRU.

The Legislative Budget and Audit Committee is assigned the fiscal responsibility for the Legislature. The staffs of the Legislative Audit and Legislative Finance report to L B & A Committee. This Committee is a permanent interim Committee of the Legislature which has the responsibility for providing full-time technical assistance in accomplishing the fiscal analyses, budget review, and post-audit functions. It serves to provide legislative presence and involvement in State fiscal operations between legislative sessions.

The Office of the Ombudsman was established in 1975 to investigate citizen complaints pertaining to State agencies. The Ombudsman has authority to investigate administrative acts of agencies which he has reason to believe might be: 1) contrary to law; 2) unreasonable, unfair, oppressive, arbitrary, capricious, an abuse of discretion, or unnecessarily discriminatory even though in accordance with the law; 3) based on a mistake of fact; 4) based on improper or irrelevant grounds; 5) unsupported by an adequate statement of reasons; 6) performed in an inefficient or discourteous manner; or 7) otherwise erroneous. Efforts aimed at achieving these goals are directed through the institution of an informal and expeditious investigation process in which complaints are received from the public, quickly and thoroughly researched and investigated, determined justified or unjustified and the findings and recommendations reported to the agency and citizen involved. The Ombudsman may also report his findings and recommendations to the Governor, Legislature, a grand jury, and the public.

The Legislative Budgets were not made available for review by the Governor. The figures included as Governor's budget figures should not be considered recommended by the Governor. They are included for informational purposes.

COMPONENT DESCRIPTION	79 AUTH	79 FINAL	79 ACT	80 AUTH	80 SUPL	80 RP	GOVERNOR	----
LEGISLATIVE AUDIT	1583.6	1667.2	1578.2	1947.6			2064.3	
LEGISLATIVE FINANCE	743.3	1313.4	1133.5	1250.0			1430.8	
COMMITTEE EXPENSES	182.5	242.5	239.2	575.0			575.0	
SALARIES & ALLOWANCES	1169.7	1193.8	1169.2	1216.0			13750.0	
LEADERSHIP	350.4	183.3	183.1	474.9				
LAA EXECUTIVE ADMINISTRATION	166.1	198.8	198.4	142.5				
LAA ADMINISTRATIVE SERVICES	1155.1	1318.2	1276.6	2415.1				
LAA RESEARCH SERVICES	1120.6	1311.7	1214.0	671.4				
LAA LEGAL SERVICES	724.7	774.9	825.7	850.1				
SESSION EXPENSES	1818.8	2185.3	2189.0	2139.0				
COUNCIL & SUBCOMMITTEES	656.5	4515.6	748.7	2719.1				
OFFICE SPACE RENTAL	323.0	277.6	277.6	325.0				
EQUIPMENT ACCOUNT	113.0	882.0	872.6	146.0				
OMBUDSMAN	640.5	679.6	671.8	935.4			991.8	
<b>MX TOTAL</b>	<b>10747.8</b>	<b>16743.9</b>	<b>12577.6</b>	<b>15837.1</b>			<b>18811.9</b>	
<b>MX CHANGE VERSUS 80 AUTH</b>							<b>18.7%</b>	
<b>OBJECT DESCRIPTION</b>								
PERS. SERV.	6580.2	7543.0	7448.0	8191.2			3413.9	
TRAVEL	703.4	836.1	795.9	869.5			206.0	
CONTRACTUAL	2836.3	7045.6	3082.2	6153.5			1315.5	
COMMODITIES	274.6	218.3	173.1	287.1			35.1	
EQUIPMENT	129.5	947.9	942.8	170.1			9.4	
LANDS/BLDGS	135.8	135.8	135.6	135.7			52.0	
GRANTS, CLMS	.5						13750.0	
MISC.	87.5	17.2		30.0			30.0	
<b>FUNDING SOURCE</b>								
GENERAL FUND	10697.8	16693.9	12527.6	15763.3			18811.9	
OTHER FUNDS	50.0	50.0	50.0	73.8				
<b>MX GENERAL FUND CHANGE VS. 80 AUTH</b>							<b>19.3%</b>	
<b>POSITIONS</b>								
FULL-TIME	189.0	189.0	189.0	203.0			211.0	
PART-TIME	7.0	7.0	7.0	16.0			16.0	
TEMPORARY	152.0	152.0	152.0	183.0			182.0	
STAFF MONTHS	2955.5	2955.5	2955.5	3173.0			3266.0	

original

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
Bill/Resolution No. HOUSE CONCURRENT RESOLUTION NO. 56  
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<b>TOTAL</b>		<b>105.7</b>			

FUNDING (Thousands of Dollars)

GENERAL FUND		105.7			
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POSITIONS

FULL TIME		2			
PART TIME					
TEMPORARY					

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

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IV. DATE 3/4/80 PREPARED BY Richard G. Berg, Director  
AGENCY Legislative Affairs Agency  
PHONE 465-3850  
Original: Legislative Finance  
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Prime Sponsor (First Legislator Named)

(11)

# COMMITTEE REPORT HOUSE

2/26/80

FURTHER:

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

Mr. Speaker:

The Committee on FINANCE has had HCR 56

Extending the life of the Blue Ribbon Commission on the State Personnel Act.

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

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

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

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\_\_\_\_\_  
CHAIRMAN

Introduced: 2/26/80  
Referred: Finance

8194  
Berner

BY THE RULES COMMITTEE BY  
REQUEST OF THE LEGISLATIVE  
COUNCIL (for the Blue  
Ribbon Commission on the  
State Personnel Act)

1 IN THE HOUSE

2 HOUSE CONCURRENT RESOLUTION NO. 56

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Extending the life of the Blue Ribbon  
6 Commission on the State Personnel  
7 Act.

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

9 WHEREAS in 1978 the legislature through Legislative Resolve No. 27  
10 authorized the Legislative Council, in cooperation with the director of  
11 personnel, to form a "blue ribbon" commission to study the State Personnel  
12 Act; and

13 WHEREAS the commission was formed as authorized by the resolution, made  
14 its report to the First Session of the Eleventh Legislature, and, in response  
15 to the commission's request for additional time to study problems it had  
16 identified, was funded by the legislature for a second year; and

17 WHEREAS additional time is needed to study the complex, interrelated  
18 problems which the commission has identified;

19 BE IT RESOLVED by the Alaska State Legislature that the Blue Ribbon  
20 Commission on the State Personnel Act is authorized to continue to perform  
21 the assignments made to it by 1978 Legislative Resolve No. 27 through June 30,  
22 1981.

**ALASKA STATE LEGISLATURE**

**ELEVENTH** Legislature      **SECOND** Session

**HOUSE CONCURRENT RES NO. 56**

By THE RULES COMMITTEE BY  
REQUEST OF THE LEGISLATIVE COUNCIL (for the Blue Ribbon  
Commission on the State Personnel Act)

Extending the life of the Blue  
Ribbon Commission on the State  
Personnel Act.

Blue Ribbon Commission, extending

Introduced in the House ... 2/26/.. 1980.

**HISTORY IN THE HOUSE**

1980	Read first time and referred to Committee on Finance																												
Feb 26	Reported back with recommendation that																												
	Read second time and																												
	Read third time and																												
	<table border="0"> <tr> <td style="text-align: center;">PASS</td> <td style="text-align: center;">Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td colspan="2" style="text-align: center;">Reconsideration</td> </tr> <tr> <td style="text-align: center;">PASS</td> <td style="text-align: center;">Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td colspan="2">Reported correctly engrossed</td> </tr> <tr> <td colspan="2">Signed by Speaker</td> </tr> <tr> <td colspan="2">Sent to Senate</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused	Reconsideration		PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused	Reported correctly engrossed		Signed by Speaker		Sent to Senate	
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CHIEF CLERK OF THE HOUSE																													

**HISTORY IN THE SENATE**

19	Read first time and referred to Committee on																												
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**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. ....