

LEG. FINANCE - BILLS 1979 - 1980 1376

SB 509 cont., 1376

1 ical equipment, aircraft, and vessels, except vessels and aircraft used
2 by the Department of Fish and Game or the Department of Public Safety;
3 [AND]

4 (12) supervise aeronautics [AND COMMUNICATIONS] inside the
5 state, under AS 02.10; and [.]

6 (13) complete and maintain a current inventory of public
7 facilities, including a projection of the serviceability of the facili-
8 ties and projections of replacements and additions to facilities needed
9 to provide the level of services programmed by the various user
10 agencies, for municipalities with populations of less than 12,000 and
11 for unincorporated communities, and perform those duties on a coopera-
12 tive basis with larger municipalities.

13 (b) The department may

14 (1) engage in experimental projects relating to available or
15 future modes of transportation and any means of improving existing
16 transportation facilities and service [AND COMMUNICATION];

17 (2) exercise the power of eminent domain, including the
18 declaration of taking as provided in AS 09.55.

19 * Sec. 7. AS 44.42.055(b)(3)(F) is amended to read:

20 (F) [COMMUNICATIONS FACILITIES AND] transportation
21 facilities;

22 * Sec. 8. All references to the Department of Commerce and Economic
23 Development and to the commissioner of commerce and economic development in
24 the Alaska Statutes shall be read as the Department of Commerce, Economic
25 Development, and Telecommunications and the commissioner of commerce, eco-
26 nomic development, and telecommunications, respectively, in order to carry
27 out the intent and purpose of this Act.

28 * Sec. 9. The balance of the appropriation to the Department of Trans-
29 portation and Public Facilities found in sec. 23, page 48, lines 15 - 37, and

1 sec. 25, page 79, lines 31 - 36, and page 80, lines 1 - 22, ch. 80, SLA 1979,
2 are transferred to the Department of Commerce, Economic Development, and
3 Telecommunications.

4 * Sec. 10. The balance of the appropriation to the Alaska Public Broad-
5 casting Commission found in sec. 23, page 9, line 23, ch. 80, SLA 1979, is
6 transferred to the Department of Commerce, Economic Development, and Telecom-
7 munications.

8 * Sec. 11. The balances of the appropriations for capital projects made
9 to the Alaska Public Broadcasting Commission in sec. 25, page 55, lines 28 -
10 36, and page 56, lines 4 - 12, ch. 80, SLA 1979, are transferred to the
11 Department of Commerce, Economic Development, and Telecommunications.

12 * Sec. 12. The unexpended balances of any other appropriations for capi-
13 tal projects made to the Alaska Public Broadcasting Commission and the De-
14 partment of Transportation and Public Facilities, division of communications,
15 are transferred to the Department of Commerce, Economic Development, and
16 Telecommunications.

17 * Sec. 13. AS 14.58 is repealed.

18 * Sec. 14. This Act takes effect July 1, 1981.

Original sponsor: Finance Committee

Offered: 4/1/80

1 IN THE SENATE

BY THE RULES COMMITTEE

2 CS FOR SENATE BILL NO. 509 (Rules)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing telecommunications divisions in
7 the Department of Commerce and Economic Development;
8 transferring telecommunications functions to those
9 divisions; and changing the name of the department to
10 the Department of Commerce, Economic Development, and
11 Telecommunications; and providing for an effective
12 date."

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

14 * Section 1. INTENT AND PURPOSE. The legislature finds and declares that

15 (1) adequate telecommunications facilities and services available
16 at reasonable and affordable rates are essential to the conduct of govern-
17 ment, commerce and private life and that these facilities and services should
18 be available, to the extent possible, to all agencies and citizens of the
19 state regardless of location;

20 (2) the generation, processing, exchange and use of information
21 have become increasingly vital elements of social, economic, political and
22 government processes, and constitute both an integral part of and an essen-
23 tial element in support of those processes;

24 (3) telecommunications may often offer the only effective alter-
25 native to time-consuming and increasingly expensive transportation of persons
26 and the information they possess;

27 (4) current and projected public, business and government needs
28 for additional and enhanced telecommunications and information transfer
29 services and equipment are highly diverse, reflecting the increasingly com-

1 plex and interactive character of the social and economic systems and in-
2 stitutions of the state, and the increasingly important and diversified role
3 f information in these systems and institutions;

4 (5) the future development of the state's public and private
5 sectors will depend greatly on the innovative use of new telecommunications
6 services and techniques now becoming available;

7 (6) telecommunications can help reduce the isolation of Alaskans
8 within the state and from the remainder of the states of the United States
9 and the countries of the world;

10 (7) the existing locally controlled and operated public noncommer-
11 cial radio and television system must continue to be encouraged and supported
12 by the state, and, in order to provide this service to all of Alaska's citi-
13 zens, planned growth of the system must be supervised and coordinated by the
14 state;

15 (8) improved and more widely available educational oportunities
16 for all Alaskans can be greatly facilitated by exploiting the ability of
17 telecommunications technologies to make available the highest quality edu-
18 cation and instruction in all parts of the state;

19 (9) it is in the interest of all citizens of the state for the
20 state to facilitate the development of both basic and advanced telecommuni-
21 cations services and facilities to be available to all its citizens for their
22 individual and mutual benefit; and

23 (10) these goals can be best accomplished by coordinating all of
24 the state telecommunications activities through one department, to assure
25 increased efficiency in providing the public benefits of

26 (A) comprehensive telecommunications planning for the state;

27 (B) increased accountability for adequate, reliable, and
28 cost-effective telecommunications system development;

29 (C) increased effectiveness in coordinating and assisting

1 public service telecommunications users;

2 (D) the establishment of consistent public policy for the
3 state related to telecommunications systems and services, and better public
4 understanding of the state's policies and programs.

5 * Sec. 2. AS 44.33 is amended by adding new sections to read:

6 ARTICLE 11. TELECOMMUNICATIONS.

7 Sec. 44.33.501. TELECOMMUNICATIONS DIVISIONS. There is estab-
8 lished in the department

9 (1) a division of public telecommunications services; and

10 (2) a division of telecommunications systems.

11 Sec. 44.33.503. DEPUTY COMMISSIONER. (a) The telecommunications
12 divisions shall be administered by a deputy commissioner of the depart-
13 ment appointed by the governor.

14 (b) The deputy commissioner shall

15 (1) provide executive direction for the activities of the
16 telecommunications divisions;

17 (2) perform other departmental duties as may be assigned by
18 the commissioner.

19 Sec. 44.33.507. POWERS AND DUTIES OF THE TELECOMMUNICATIONS DIVI-
20 SIONS. (a) The telecommunications divisions shall

21 (1) advise the governor on matters of policy and comprehen-
22 sive state planning for telecommunications services;

23 (2) make an annual report to the governor and to the legis-
24 lature on the activities of the telecommunications divisions;

25 (3) provide for representation of the public interest in
26 matters pertaining to the availability, adequacy, cost and design of
27 telecommunications services and facilities before state and federal
28 legal and regulatory forums;

29 (4) coordinate, manage, and supervise existing state programs

1 in telecommunications, including the management of those telecommuni-
2 cation services for the state obtained from common carriers and from the
3 communications industry;

4 (5) when requested provide technical and consulting assist-
5 ance to the executive, judicial, and legislative branches of state
6 government, to the University of Alaska, and to private noncommercial
7 agencies which request such assistance in facility procurement and
8 leasing and in identifying long-range goals and objectives for the state
9 and its political subdivisions in all aspects of telecommunications,
10 including public, educational, and instructional telecommunications;

11 (6) prepare and maintain a state comprehensive telecommuni-
12 cations development plan to further state telecommunications developement
13 and to meet state telecommunications needs and prepare and maintain a
14 comprehensive inventory of all state communications facilities;

15 (7) procure services from private enterprise whenever feas-
16 ible; contract for the construction, management, operation and main-
17 tenance of telecommunications systems and develop a procurement policy
18 under AS 37.05; the procurement policy will account for all factors when
19 deciding the method of procurement, including lease, purchase, rental,
20 or combinations of lease, purchase and rental; the factors include but
21 are not limited to life cycle costing, direct or secondary impacts which
22 may reasonably be expected in long distance or local telephone rates,
23 and realizeable improvements and cost factors in both state government
24 and the affected portions of the communications industry;

25 (8) provide information and assistance to state agencies to
26 promote governmental coordination and unity in the preparation of agency
27 plans and programs involving the use of telecommunications;

28 (9) apply for and accept federal and private money, property,
29 or assistance, that may be appropriated, granted or otherwise made

1 available to the telecommunications divisions and use and disperse money
2 and property for purposes consistent with the terms of AS 44.33.501 -
3 44.33.517 subject to reasonable limitations imposed by the grantor;

4 (10) participate with other countries, provinces, states or
5 governmental units in international or interstate planning, and assist
6 Alaska's local governments, governmental conferences and councils, in
7 planning and coordinating their activities relating to telecommuni-
8 cations;

9 (11) provide for the orderly transition to new telecommuni-
10 cations services and systems by state agencies;

11 (12) serve as a clearinghouse for information, data, and other
12 materials which may be necessary or helpful to federal, state or local
13 governmental agencies in the development of telecommunication systems;
14 and

15 (13) coordinate their services and activities with those of
16 other state departments and agencies to the fullest extent possible to
17 avoid unnecessary duplication.

18 (b) The telecommunications divisions may

19 (1) coordinate their functions with local, regional, state
20 and federal officials, private groups and individuals, and with offi-
21 cials, of other countries, provinces and states;

22 (2) enter into contracts and subcontracts on behalf of the
23 state to carry out the provisions of AS 44.33.501 - 44.33.517;

24 (3) act for the state in the initiation, investigation,
25 evaluation of or participation in programs related to the purposes of
26 the telecommunications divisions which involve more than one government
27 or governmental unit;

28 (4) on behalf of the state, apply for, accept and expend
29 gifts or grants made to the state if the gifts or grants are for the

1 purposes of furthering the objectives of the telecommunications divi-
2 sions;

3 (5) hold public hearings to obtain information for the pur-
4 pose of carrying out the provisions of AS 44.33.501 - 44.33.517.

5 (c) In proceedings before the Alaska Public Utilities Commission
6 the department shall reimburse the Alaska Public Utilities Commission
7 for the reasonable costs of obtaining outside counsel under AS 42.05.-
8 111(b) if the attorney general elects to represent the telecommuni-
9 cations divisions.

10 Sec. 44.33.509. DIVISION OF PUBLIC TELECOMMUNICATIONS SERVICES.

11 (a) The division of public telecommunications services shall be ad-
12 ministered by a director appointed by the commissioner.

13 (b) The division of public telecommunications services shall pro-
14 vide technical consultation and grants to educational and public tele-
15 communications users in order to assist in the comprehensive development
16 of telecommunications services for all specialized public purposes. The
17 division shall provide

18 (1) coordination and support to telecommunications services
19 for instruction, including technical assistance and assistance in pre-
20 paration of applications for grants related to program development as
21 may be requested by

22 (A) public school districts and the Department of Edu-
23 cation;

24 (B) the University of Alaska; and

25 (C) other state agencies as approved by the deputy
26 commissioner;

27 (2) coordination and support for all public broadcasting
28 functions in the state as follows:

29 (A) the division shall encourage responsible local

1 control of all public broadcast entities in the state;

2 (B) the division may contract with competent stations or
3 production centers for services;

4 (C) the division shall receive and review requests for
5 operating and capital support from public broadcasting entities,
6 and may award grants to those entities;

7 (D) the division shall pursue the development of public
8 broadcast services to all residents of the state;

9 (E) the division may not control or be responsible for
10 the program content or policy of public broadcasters except that
11 grants or technical assistance may not be given to a broadcaster
12 who is in violation of federal or state laws or regulations;

13 (3) coordination and support for health and safety-related
14 functions, including the administrative and client services provided by

15 (A) state agencies,

16 (B) federal agencies,

17 (C) private agencies;

18 (4) coordination and support to telecommunications services
19 for public participation in state-financed services, as may be statu-
20 torily required or otherwise appropriate;

21 (5) assistance to the regionalization of instructional tele-
22 communications services by local school districts or other local and
23 regional education agencies, through design, development, and promotion
24 by the division of public telecommunications services;

25 (6) establishment of operational policies by the division of
26 public telecommunications services; for public service telecommunica-
27 tions uses, after consideration of the recommendations of the Public
28 Telecommunications Advisory Board;

29 (7) assistance to advisory councils representative of the

1 specialized instructional, public broadcasting, health or safety-related,
2 public participation, or regional interests described in this section,
3 as necessary to perform assigned division functions.

4 (c) The division of public telecommunications services may not
5 own, operate, or be the licensee of a public noncommercial broadcast
6 station or production center.

7 (d) Nothing in this section is intended to imply division re-
8 sponsibility for programming content. Program design, production, and
9 use remain the responsibility of the program-sponsoring agency, not the
10 division.

11 Sec. 44.33.511. PUBLIC TELECOMMUNICATIONS ADVISORY BOARD. (a)
12 There is the Public Telecommunications Advisory Board in the department.
13 The board shall advise the division of public telecommunications ser-
14 vices with regard to the policies and regulations of the division.

15 (b) The board consists of 10 members appointed as follows:

16 (1) two members appointed by the state Board of Education
17 (AS 14.07.080), one of whom shall also be a member of a local school
18 board;

19 (2) one member of the house of representatives appointed by
20 the speaker of the house;

21 (3) one member of the senate appointed by the president of
22 the senate;

23 (4) one member of the judicial system appointed by the chief
24 justice of the supreme court;

25 (5) two members appointed by the commissioner of the Depart-
26 ment of Health and Social Services, including one member from the Ad-
27 visory Council on Emergency Medical Services (AS 18.08.020) from a list
28 of nominees provided by the Advisory Council on Emergency Medical Ser-
29 vices; and

1 (6) three members who are employees, officers, or directors
2 of public nonprofit broadcasting stations, appointed by vote of the
3 public broadcast licensees; the election shall be conducted by the
4 division of public telecommunications services.

5 (c) Members of the board shall be appointed to overlapping terms
6 of four years. Three of the first appointments to the board shall be
7 for two-year terms, three for three-year terms and three for four-year
8 terms. Terms of office expire on June 30. Before the expiration of the
9 term of a member, the appointing authority shall appoint a successor to
10 succeed the member whose term is expiring. A successor shall assume
11 board member duties on July 1 following the appointment. A person
12 appointed to the board may not serve more than two consecutive terms, or
13 a maximum of eight years. Unless a vacancy is caused by the normal
14 expiration of a member's term, the appointing authority shall make an
15 appointment to become immediately effective for the duration of the
16 unexpired term.

17 (d) The board shall meet in public session quarterly and may hold
18 public hearings and other meetings as necessary throughout the state.
19 The board shall determine an appropriate quorum for conducting business.

20 (e) Members of the board serve without compensation, but are
21 entitled to per diem and travel expenses authorized under AS 39.20.180.

22 Sec. 44.33.513. DIVISION OF TELECOMMUNICATIONS SYSTEMS. (a) The
23 division of telecommunications systems shall be administered by a direc-
24 tor appointed by the commissioner.

25 (b) Except as provided in (c) of this section, the division of
26 telecommunications systems shall

27 (1) plan, design, construct, manage and operate all tele-
28 communications systems owned or leased by state executive agencies;

29 (2) manage centrex and other telephone-related services of

1 the state;

2 (3) be responsible for state telecommunications systems and
3 design generally; and

4 (4) coordinate with executive agencies in performing their
5 data and word processing tasks.

6 (c) Nothing in AS 44.33.501 - 44.33.517 prohibits a state agency
7 from developing telecommunications systems within its own agency if the
8 commissioner gives written authorization for the agency to engage in its
9 own design, development, management, or operation. The commissioner may
10 authorize independent development only upon a showing of necessity.

11 (d) An agency authorized to develop an internal telecommunications
12 system shall, to the maximum feasible extent, coordinate its design,
13 development, management, and operation with the division of telecommuni-
14 cations systems.

15 Sec. 44.33.517. DEFINITIONS. In AS 44.33.501 - 44.33.517,

16 (1) "board" means the Public Telecommunications Advisory
17 Board;

18 (2) "commissioner" means the commissioner of the Department
19 of Commerce, Economic Development, and Telecommunications;

20 (3) "department" means the Department of Commerce, Economic
21 Development, and Telecommunications;

22 (4) "deputy commissioner" means the deputy commissioner of
23 telecommunications in the department who administers the telecommuni-
24 cations divisions;

25 (5) "executive agencies" means all departments, divisions and
26 offices in the executive branch of state government but does not mean
27 the University of Alaska;

28 (6) "public broadcasting" means the delivery of radio or
29 television noncommercial programming intended for the general public by

1 any method of telecommunications;

2 (7) "public service telecommunications" means telecommuni-
3 cations which serve public broadcasting, general educational, instruc-
4 tional, medical, safety, emergency, or public participation functions;

5 (8) "telecommunications" means the transmission and reception
6 of messages, impressions, pictures and signals by means of electro-
7 magnetic transmission with or without benefit of a closed transmission
8 medium including all instrumentalities, facilities, apparatus, and
9 services, whether conveyed by cable, wire, radiated through space, or
10 transmitted through other media within a specified area or between
11 designated points;

12 (9) "telecommunications systems" means those systems in which
13 the principal service and functions are telecommunications;

14 (10) "telecommunications divisions" means the division of
15 public telecommunications services and the division of telecommuni-
16 cations systems.

17 * Sec. 3. AS 44.15.010(8) is amended to read:

18 (8) Department of Commerce, [AND] Economic Development,
19 and Telecommunications

20 *Sec. 4. AS 44.21.160 is amended by adding a new subsection to read:

21 (f) The department and its division of data processing shall
22 coordinate with the divisions of telecommunications of the Department of
23 Commerce, Economic Development, and Telecommunications in providing for
24 the effective transfer of information by telecommunications through the
25 establishment of compatible systems and common standards.

26 * Sec. 5. AS 44.33.020 is amended by adding a new paragraph to read:

27 (24) study, design, implement, and manage the telecommunica-
28 tions systems and services of the state under AS 44.33.501 - 44.33.517.

29 * Sec. 6. AS 44.42.020 is amended to read:

1 Sec. 44.42.020. POWERS AND DUTIES. (a) The department shall

2 (1) plan, design, construct and maintain all state modes of
3 transportation and transportation facilities [, COMMUNICATION FACILI-
4 TIES,] and all docks, floats, breakwaters, buildings and similar faci-
5 lities;

6 (2) study existing transportation modes and facilities [AND
7 COMMUNICATION FACILITIES] in the state to determine how they might be
8 improved or whether they should continue to be maintained;

9 (3) study alternative means of improving transportation [AND
10 COMMUNICATION] in the state with regard to the economic costs of each
11 alternative and its environmental and social effects;

12 (4) develop a comprehensive, long-range intermodal trans-
13 portation plan for the state;

14 (5) study alternatives to existing modes of transportation in
15 urban areas and develop plans to improve urban transportation;

16 (6) cooperate and coordinate with and enter into agreements
17 with federal, state and local government agencies and private organiza-
18 tions and persons in exercising its powers and duties;

19 (7) manage, operate, and maintain state transportation faci-
20 lities [, COMMUNICATION FACILITIES,] and all docks, floats, breakwaters
21 and buildings, including all state highways, vessels, railroads, pipe-
22 lines, airports, and aviation facilities;

23 (8) study alternative means of transportation in the state,
24 considering the economic, social, and environmental impacts of each
25 alternative;

26 (9) coordinate and develop state and regional transportation
27 systems, considering deletions, additions, and the absence of altera-
28 tions;

29 (10) develop facility program plans for transportation [AND

1 COMMUNICATION FACILITIES] and state buildings, docks and breakwaters
2 required to implement the duties set out in this section, including but
3 not limited to (A) functional performance criteria; and (B) schedules
4 for completion;

5 (11) supervise and maintain all state automotive and mechan-
6 ical equipment, aircraft, and vessels, except vessels and aircraft used
7 by the Department of Fish and Game or the Department of Public Safety;
8 [AND]

9 (12) supervise aeronautics [AND COMMUNICATIONS] inside the
10 state, under AS 02.10; and [.]

11 (13) complete and maintain a current inventory of public
12 facilities, including a projection of the serviceability of the facili-
13 ties and projections of replacements and additions to facilities needed
14 to provide the level of services programmed by the various user agencies,
15 for municipalities with populations of less than 12,000 and for unincor-
16 porated communities, and perform those duties on a cooperative basis
17 with larger municipalities.

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20 future modes of transportation and any means of improving existing
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19 partment of Transportation and Public Facilities, division of communications,
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21 Telecommunications.

22 * Sec. 13. AS 14.58 is repealed.

23 * Sec. 14. This Act takes effect July 1, 1980.
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THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. SB 509
 Title _____
 Requested by _____ Date _____

II. FISCAL DETAIL
 Agency Affected Dept. of Commerce & Economic Development
 Program Category Affected General Government
 BRU, Program, or Subprogram(s) Affected Telecommunications
 (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		2,772.6				
200 TRAVEL		211.3				
300 CONTRACTUAL		3,519.5				
400 COMMODITIES		203.4				
500 EQUIPMENT		28.0				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		3,376.8				
TOTAL		10,111.6				

FUNDING (Thousands of Dollars)

GENERAL FUND		9,818.1				
FEDERAL FUNDS						
OTHER (Specify Fund Source)						
Inter-Agency Receipts		293.5				

POSITIONS

FULL TIME		69				
PART TIME						
TEMPORARY						

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

- The costs of the new deputy commissioner position and costs of all administrative support from the Dept. of Commerce & Economic Development will be shown on a fiscal note prepared by that agency.
- It is proposed that the major portion of the agency will be housed within the Division of Communications Building in Anchorage.
- Proposed budget for the new agency 10,111.6
 Less suggested offset 9,155.1
 Net Increase 956.5

IV. DATE 3/20 PREPARED BY Alison Elgee, Fiscal Analyst
 AGENCY Legislative Finance Division
 PHONE 465-3795

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

PROPOSED FY 81 BUDGET (Thousands of dollars)

Personal Services

<u>Positions</u>	<u>Title</u>	<u>Annual Salary/Benefits</u>
Juneau/Anchorage:		
1	Director--Public Telecommunications Services	64.0
1	Director--Telecommunications Systems	64.0
1	Technologist	57.7
1	Economist II	38.8
1	Policy & Program Specialist II	53.9
2	Budget Analyst II	68.0
2	Administrative Assistant I	53.6
4	Secretary I	96.4
4	Clerk Typist III	87.2
1	Grants Administrator	36.3
2	Section Chiefs (Range 21A)	94.6
1	Section Chiefs (Range 22A)	50.5
6	Telecommunications Coordinators	232.8
2	Accounting Clerk I	43.6
1	Contracts Officer III	36.3
5	Telecommunicatio..s Engineers	252.5
1	Electronic Technicians Supervisor	44.3
16	Electronic Technicians	664.0
2	Teletype Operators	48.2
1	Deputy Director	53.9
1	Electrician	41.5
1	Electronic Maintenance Supervisor	44.3
1	Regional Applications Technology Supervisor	47.3

<u>Positions</u>	<u>Title</u>	<u>Annual Salary/Benefits</u>
Fairbanks:		
1	Electronic Technicians Supervisor	50.5
4	Electronic Technicians	189.2
1	Telecommunications Coordinators	44.3
1	Teletype Operator	26.8
Soldotna:		
2	Electronic Technicians	88.6
Dillingham:		
1	Electronic Technician	52.2
Glenallen:		
<u>1</u>	Electronic Technician	<u>47.3</u>
69		2772.6

EXPENDITURES (Thousands of dollars)

Personal Services 2,772.6

Travel

Field/Administrative Travel:

In-State Transportation 160.2

In-State Per Diem 24.5

Out-Of-State Transportation 21.6

Out-Of-State Per Diem 5.0

Total Travel 211.3

Contractual

Communications 118.1

Professional Fees & Services 178.5

Printing & Advertising 19.6

Space Expense & Fees 2,771.4

Equipment Rental 80.7

Other Fees 351.2

Total Contractual 3,519.5

Commodities 203.4

Equipment 28.0

Grants 3,376.8

TOTAL 10,111.6

MEMORANDUM

TO: Senator John C. Sackett
Chairman, Senator Finance Committee

FROM: Nancy Harvey
Administrative Assistant

SUBJECT: Senate Bill No. 509 - Telecommunications

DATE: March 20, 1980

Senate Bill 509, as introduced by the Senate Finance Committee at the request of Senator Ferguson, establishes two telecommunications divisions within the Department of Commerce and Economic Development; transfers all telecommunications functions currently taking place within State government to those divisions; and changes the name of the Department to Commerce, Economic Development and Telecommunications. Attached is the proposed committee substitute which was submitted by Senator Ferguson.

Background:

During FY 80 the State of Alaska appropriated more than \$13 million for various telecommunications and administrative telephone and data requirements of operating agencies. The major appropriations went to the Departments of: Transportation and Public Facilities (\$4.9 million); and Education (\$5.6 million) for a total of \$10.5 million. The rest was spread amongst other departments for lease and purchase of telecommunications facilities (i.e. telephone, data, electronic mail and radio communications) to support each agency's operational requirements. Clearly, the State of Alaska has made a major investment in telecommunications facilities and services, yet unlike other states with expenditures of this magnitude, Alaska has no single agency to deal with this major fiscal and management responsibility.

Along with fiscal and administrative responsibilities are a number of political questions often raised in regard to the states involvement in telecommunications. Such questions as:

- * Should the State continue to support entertainment television services for Alaskan broadcasters and bush communities on the TVDP?
- * Which State agency has responsibility for telecommunications within the administration?

- * Is it appropriate for the State to practice operational and fiscal control over administrative telephone and data communication facilities. What procurement policy should be used when agencies require telecommunications services?
- * Is it necessary for the State to retain four separate legal representatives to the F.C.C.?
- * What are the long term policy and program goals for the State's development of telecommunications services and facilities?

The following is a section by section analysis of the legislation:

Section 1. Intent and Purpose.

This section, written almost exclusively from recommendations from the Governor's office; Department of Education and a representative of public broadcasters, expresses many of the concerns for development of an overall telecommunications plan for the State of Alaska.

Section 2. Telecommunications Divisions.

There is established within the Department of Commerce and Economic Development two telecommunications divisions: a division of public telecommunications services; and a division of telecommunications systems.

The divisions will be administered by a Deputy Commissioner to be appointed by the Commissioner.

The telecommunications divisions, will coordinate, manage, and supervise existing state programs in telecommunications, including the management of those telecommunications services obtained from common carriers and from the communications industry. Additionally, the divisions will prepare and maintain a state comprehensive telecommunications development plan to further state telecommunications development and to meet state telecommunications needs. The divisions will also plan, design, manage, and operate telecommunications systems owned or leased by the State. The divisions are also instructed to contract with common carriers and private enterprise, when feasible and cost effective, to achieve its purposes. Each of the divisions will be administered by a director appointed by the Deputy Commissioner.

The Division of Public Telecommunications Services will provide technical assistance and direction in the development and production of all educational and public telecommunications materials without responsibility for the content of the programming.

The division will be responsible for the coordination and support of all public broadcasting functions and will design, develop, provide and manage all public service telecommunications in the state and study the application of telecommunications technology and delivery systems to assist state agencies in providing services which will be readily accessible to the public.

A public telecommunications advisory board is created to advise the division of public telecommunications services with regard to the planning and implementation of educational, public broadcasting and health related telecommunications systems. The board will consist of:

- * Two members appointed by the State Board of Education, one of whom shall also be a member of a local school board;
- * Two members appointed by the Board of Regents of the University of Alaska, including one member of one of the policy advisory councils of the university;
- * Two members appointed by the Commissioner of the Department of Health and Social Services, including one member from the Advisory Council on Emergency Medical Services;
- * And three members who are employees, officers or directors of public nonprofit broadcasting stations, appointed by a vote of the public broadcast licensees.

The Division of Telecommunications Systems will plan, design, construct, manage and operate all telecommunications systems owned or leased by the State. Additionally they will manage centrex and other telephone related services and be responsible for state telecommunications systems and design generally.

The original draft of this bill called for the Division of Data Processing in the Department of Administration to be transferred to this new division. This has been deleted from the proposed committee substitute and a section added saying that the Department of Administration and other state agencies in performing their data and word processing functions shall coordinate with this new division.

Section 3. Changing the name of the Department.

This section changes the name of the Department to Commerce, Economic Development and Telecommunications.

Section 4. Amending Department of Administration Statutes.

Department of Administration statutes are amended to say the Department and its Division of Data Processing shall coordinate with the Division of Telecommunications Systems in providing for the effective transfer of information by telecommunications through the establishment of compatible systems and common standards

Section 5. Amending Department of Commerce & Economic Development statutes.

Section 5 amends the Departments statutes to include "study, design, implement and manage the telecommunications systems and services of the state..."

Section 6 & 7. Amending Department of Transportation and Public Facilities statutes.

This section removes authority for the Department of Transportation and Public Facilities to handle state communication facilities.

Section 8. Amending Department of Commerce and Economic Development statutes.

Following enactment of this legislation all references to the Department shall read Commerce, Economic Development and Telecommunications.

Sections 9, 10 & 11. Transfer Balance of Appropriations.

These sections transfer the balance of appropriations from the Department of Transportation and Public Facilities and the Alaska Public Broadcasting Commission, for telecommunications and communications related activities, to the Department of Commerce, Economic Development and Telecommunications.

Section 12. Repeal of Statutes.

Section 12 repeals the statutes of the Alaska Public Broadcasting Commission.

Section 13. Effective Date.

This act takes effect immediately.

The fiscal note for these new divisions, which is attached, comes to slightly less than \$1,000.0.



Alaska State Legislature

Senate

JUNEAU, ALASKA

LETTER OF INTENT FOR CSSB 509

The goal of CSSB 509 is to aggregate all of the States telecommunications activities into one agency to provide a focus for future development.

The major intent and purposes of CSSB 509 are set out in the intent and purposes section. This letter of intent clarifies the powers and duties of the telecommunications divisions and the Public Telecommunications Advisory Board.

Two major divisions are established in the Department of Commerce, Economic Development and Telecommunications, the Public Telecommunications Services Division and the Division of Telecommunications Systems.

The Public Telecommunications Services Division is intended to serve the needs of noncommercial Public Broadcasting, Instructional telecommunications development, and Health, Medical and Public Safety communications. It is not intended or implied that there be any division of responsibility or control of the content of any programming or communication delivered by any technology. The division is to provide technical, consultative and other assistance and coordination as necessary to the constituencies specified in Sec. 44.33.509. The division will serve as a primary state funding agency for public broadcasting. The division is to be advised with regard to the policies and regulations it establishes by a Public Telecommunications Advisory Board. Consisting of nine members, the board is balanced between lay and professional representatives, some of whom are members of citizen boards or committees of the served agencies.

The Telecommunications System division is established to provide a full range of planning, design, development, management and consultative services for telecommunications used by state agencies and public institutions. It is not the intent of the Legislature that the State construct communications system(s), other than public safety and public broadcast independent of that which can be competitively obtained from private industry unless exceptional circumstances require it. In the event that such circumstances are deemed to exist, it is expected that the division will fully inform the legislature, in advance, of its intentions and reasons. It is further the intent of the legislature that the divisions establish a procurement policy which properly accounts for all factors when deciding the method of procurement, i.e., lease, purchase or combinations thereof. These factors would include but not be limited to life cycle costing, direct or secondary impacts which may reasonably be expected in long distance or local telephone rates and realizable improvements and cost factors in both state government and the

affected portions of the communications industry.

CSSB 509 thus provides for two new divisions and an advisory board to be established within the existing Dept. of Commerce and Economic Development. Through the reorganization of existing spread responsibility, the state will more fully realize the benefits that can be derived from the effective use of a wide range of telecommunications services available now or planned for in the future.

Pg 8

from Nancy
Harvey
3-26-80

delete line 17-19 pg 8

(2) one member of the House of Representatives, appointed by the Speaker;

(3) one member of the Senate appointed by the President;

(4) one member of the Judicial system, appointed by the Chief Justice

change (3) to (5)

change (4) to (6)

change line 13 pg 8 to read: (b) The board

consists of ten members appointed as follows:

WO 8183
Sofa
03-21-80

Original sponsor: Finance Committee

1 IN THE SENATE BY THE FINANCE COMMITTEE
 2 CS FOR SENATE BILL NO. 509
 3 IN THE LEGISLATURE OF THE STATE OF ALASKA
 4 ELEVENTH LEGISLATURE - SECOND SESSION
 5 A BILL

6 For an Act entitled: "An Act establishing telecommunications divisions in
 7 the Department of Commerce and Economic Development;
 8 transferring telecommunications functions to those
 9 divisions; and changing the name of the department to
 10 the Department of Commerce, Economic Development, and
 11 Telecommunications; and providing for an effective
 12 date."

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

14 * Section 1. INTENT AND PURPOSE. The legislature finds and declares that

15 (1) adequate telecommunications facilities and services available
 16 at reasonable and affordable rates are essential to the conduct of govern-
 17 ment, commerce and private life and that these facilities and services should
 18 be available, to the extent possible, to all agencies and citizens of the
 19 state regardless of location;

20 (2) the generation, processing, exchange and use of information
 21 have become increasingly vital elements of social, economic, political and
 22 government processes, and constitute both an integral part of and an essen-
 23 tial element in support of those processes;

24 (3) telecommunications may often offer the only effective alter-
 25 native to time-consuming and increasingly expensive transportation of persons
 26 and the information they possess;

27 (4) current and projected public, business and government needs
 28 for additional and enhanced telecommunications and information transfer
 29 services and equipment are highly diverse, reflecting the increasingly com-

1 plex and interactive character of the social and economic systems and in-
2 stitutions of the state, and the increasingly important and diversified role
3 of information in these systems and institutions;

4 (5) the future development of the state's public and private
5 sectors will depend greatly on the innovative use of new telecommunications
6 services and techniques now becoming available;

7 (6) telecommunications can help reduce the isolation of Alaskans
8 within the state and from the remainder of the states of the United States
9 and the countries of the world;

10 (7) the existing locally controlled and operated public non-
11 commercial radio and television system must continue to be encouraged and
12 supported by the state, and, in order to provide this service to all of
13 Alaska's citizens, planned growth of the system must be supervised and coor-
14 dinated by the state;

15 (8) improved and more widely available educational opportunities
16 for all Alaskans can be greatly facilitated by exploiting the ability of
17 telecommunications technologies to make available the highest quality edu-
18 cation and instruction in all parts of the state;

19 (9) it is in the interest of all citizens of the state for the
20 state to facilitate the development of both basic and advanced telecommuni-
21 cations services and facilities to be available to all its citizens for their
22 individual and mutual benefit; and

23 (10) these goals can be best accomplished by coordinating all of
24 the state telecommunications activities through one department, to assure
25 increased efficiency in providing the public benefits of

26 (A) comprehensive telecommunications planning for the state;

27 (B) increased accountability for adequate, reliable, and
28 cost-effective telecommunications system development;

29 (C) increased effectiveness in coordinating and assisting

1 public service telecommunications users;

2 (D) the establishment of consistent public policy for the
3 state related to telecommunications systems and services, and better public
4 understanding of the state's policies and programs.

5 * Sec. 2. AS 44.33 is amended by adding new sections to read:

6 ARTICLE 11. TELECOMMUNICATIONS.

7 Sec. 44.33.501. TELECOMMUNICATIONS DIVISIONS. There is estab-
8 lished in the department

9 (1) a division of public telecommunications services; and

10 (2) a division of telecommunications systems.

11 Sec. 44.33.503. DEPUTY COMMISSIONER. (a) The telecommunications
12 divisions shall be administered by a deputy commissioner of the depart-
13 ment appointed by the ~~commissioner~~ *Governor*

14 (b) The deputy commissioner shall

15 (1) provide executive direction for the activities of the
16 telecommunications divisions;

17 (2) perform other departmental duties as may be assigned by
18 the commissioner.

19 Sec. 44.33.507. POWERS AND DUTIES OF THE TELECOMMUNICATIONS DIVI-
20 SIONS. (a) The telecommunications divisions shall

21 (1) advise the governor on matters of policy and comprehen-
22 sive state planning for telecommunications services;

23 (2) make an annual report to the governor and to the legisla-
24 ture on the activities of the telecommunications divisions; *U.S.A.*

25 (3) provide for representation of the public interest in
26 matters pertaining to the availability, adequacy, cost and design of
27 telecommunications services and facilities before state and federal
28 legal and regulatory forums;

29 (4) coordinate, manage, and supervise existing state programs

1 in telecommunications, including the management of those telecommuni-
2 cation services for the state obtained from common carriers and from the
3 communications industry;

4 (5) provide technical and consulting assistance to the exe-
5 cutive, judicial, and legislative branches of state government, to the
6 University of Alaska, and to private noncommercial agencies which re-
7 quest such assistance in facility procurement and leasing and in iden-
8 tifying long-range goals and objectives for the state and its political
9 subdivisions in all aspects of telecommunications, including public,
10 educational, and instructional telecommunications;

11 (6) prepare and maintain a state comprehensive telecommuni-
12 cations development plan to further state telecommunications development
13 and to meet state telecommunications needs and prepare and maintain a
14 comprehensive inventory of all state communications facilities;

15 (7) plan, design, construct, manage and operate tele-
16 communication systems owned or leased by ^{Executive} ~~state~~ agencies as necessary to
17 achieve the objectives of AS 44.33.501 - 44.33.517; ~~Legislative~~

*Telecommunications
Division
Dept U of A*

18 (8) provide information and assistance to state agencies to
19 promote governmental coordination and unity in the preparation of agency
20 plans and programs involving the use of telecommunications;

21 (9) apply for and accept federal and private money, property,
22 or assistance, that may be appropriated, granted or otherwise made
23 available to the telecommunications divisions and use and disperse money
24 and property for purposes consistent with the terms of AS 44.33.501 -
25 44.33.517 subject to reasonable limitations imposed by the grantor;

26 (10) participate with other countries, provinces, states or
27 governmental units in international or interstate planning, and assist
28 Alaska's local governments, governmental conferences and councils, in
29 planning and coordinating their activities relating to telecommuni-

1 cations;

2 (11) provide for the orderly transition to new telecommuni-
3 cations services and systems by state agencies;

4 (12) serve as a clearinghouse for information, data, and other
5 materials which may be necessary or helpful to federal, state or local
6 governmental agencies in the development of telecommunication systems;

7 (13) coordinate their services and activities with those of
8 other state departments and agencies to the fullest extent possible to
9 avoid unnecessary duplication; and

10 (14) contract with common carriers or private enterprise when
11 in the best interests of the state, for the construction, operation, and
12 maintenance of telecommunications systems and develop a procurement
13 policy under AS 37.05.

14 (b) The telecommunications divisions may

15 (1) coordinate their functions with local, regional, state
16 and federal officials, private groups and individuals, and with offi-
17 cials, of other countries, provinces and states;

18 (2) enter into contracts and subcontracts on behalf of the
state to carry out the provisions of AS 44.33.501 - 44.33.517;

19 ~~Specify~~
20 (3) act for the state in the initiation, investigation,
21 evaluation of or participation in programs related to the purposes of
22 the telecommunications divisions which involve more than one government
23 or governmental unit;

24 (4) on behalf of the state, apply for, accept and expend
25 gifts or grants made to the state if the gifts or grants are for the
26 purposes of furthering the objectives of the telecommunications divi-
27 sions;

28 (5) hold public hearings to obtain information for the pur-
29 pose of carrying out the provisions of AS 44.33.501 - 44.33.517.

1 (c) In proceedings before the Alaska Public Utilities Commission
2 the department shall reimburse the Alaska Public Utilities Commission
3 for the reasonable costs of obtaining outside counsel under AS 42.05.-
4 111(b) if the attorney general elects to represent the telecommuni-
5 cations divisions.

6 Sec. 44.33.509. DIVISION OF PUBLIC TELECOMMUNICATIONS SERVICES.

7 (a) The division of public telecommunications services shall be ad-
8 ministered by a director appointed by the ~~deputy~~ commissioner.

9 (b) The division of public telecommunications services shall pro-
10 vide technical consultation and grants to educational and public tele-
11 communications users in order to assist in the comprehensive development
12 of telecommunications services for all specialized public purposes. The
13 division shall provide

14 (1) coordination and support to telecommunications services
15 for instruction, including technical assistance and assistance in pre-
16 paration of applications for grants related to program development as
17 may be requested by

18 (A) public school districts and the Department of Edu-
19 cation;

20 (B) the University of Alaska; and

21 (C) other state agencies as approved by the deputy
22 commissioner;

23 (2) coordination and support for all public broadcasting
24 functions in the state as follows:

25 (A) the division shall encourage responsible local
26 control of all public broadcast entities in the state;

27 (B) the division may contract with competent stations or
28 production centers for services;

29 (C) the division shall receive and review requests for

operating and capital support from public broadcasting entities, and may award grants to those entities;

(D) the division shall pursue the development of public broadcast services to all residents of the state;

(E) the division may not control or be responsible for the program content or policy of public broadcasters except that grants or technical assistance may not be given to a broadcaster who is in violation of federal or state laws or regulations;

*Legislation
regarding
inclusion
of
exclusion.*

(3) coordination and support for health and safety-related functions, including the administrative and client services provided by

- (A) state agencies,
- (B) federal agencies,
- (C) private agencies;

(4) coordination and support to telecommunications services for public participation in state-financed services, as may be statutorily required or otherwise appropriate;

(5) assistance to the regionalization of instructional telecommunications services by local school districts or other local and regional education agencies, through design, development, and promotion by the division of public telecommunications services;

(6) establishment of operational policies by the division of public telecommunications services; for public service telecommunications uses, after consideration of the recommendations of the Public Telecommunications Advisory Board;

(7) assistance to advisory councils representative of the specialized instructional, public broadcasting, health or safety-related, public participation, or regional interests described in this section, as necessary to perform assigned division functions.

(c) The division of public telecommunications services may not

1 own, operate, or be the licensee of a public noncommercial broadcast
2 station or production center.

3 (d) Nothing in this section is intended to imply division re-
4 sponsibility for programming content. Program design, production, and
5 use remain the responsibility of the program-sponsoring agency, not the
6 division.

7 Sec. 44.33.511. PUBLIC TELECOMMUNICATIONS ADVISORY BOARD. (a)
8 There is the Public Telecommunications Advisory Board in the department.
9 The board shall advise the division of public telecommunications ser-
10 vices with regard to the policies and regulations of the division.

11 (b) The board consists of nine members appointed as follows:

12 (1) two members appointed by the state Board of Education
13 (AS 14.07.080), one of whom shall also be a member of a local school
14 board;

15 (2) two members appointed by the Board of Regents of the
16 University of Alaska (AS 14.40.120), including a member of one of the
17 policy advisory councils of the university;

18 (3) two members appointed by the commissioner of the Depart-
19 ment of Health and Social Services, including one member from the Ad-
20 visory Council on Emergency Medical Services (AS 18.08.020) from a list
21 of nominees provided by the Advisory Council on Emergency Medical Ser-
22 vices; and

23 (4) three members who are employees, officers, or directors
24 of public nonprofit broadcasting stations, appointed by vote of the
25 public broadcast licensees; the election shall be conducted by the
26 division of public telecommunications services.

27 (c) Members of the board shall be appointed to overlapping terms
28 of four years. Three of the first appointments to the board shall be
29 for two-year terms, three for three-year terms and three for four-year

1 terms. Terms of office expire on June 30. Before the expiration of the
 2 term of a member, the appointing authority shall appoint a successor to
 3 succeed the member whose term is expiring. A successor shall assume
 4 board member duties on July 1 following the appointment. A person
 5 appointed to the board may not serve more than two consecutive terms, or
 6 a maximum of eight years. Unless a vacancy is caused by the normal
 7 expiration of a member's term, the appointing authority shall make an
 8 appointment to become immediately effective for the duration of the
 9 unexpired term.

10 (d) The board shall meet in public session quarterly and may hold
 11 public hearings and other meetings as necessary throughout the state.
 12 The board shall determine an appropriate quorum for conducting business.

13 (e) Members of the board serve without compensation, but are
 14 entitled to per diem and travel expenses authorized under AS 39.20.180.

15 Sec. 44.33.513. DIVISION OF TELECOMMUNICATIONS SYSTEMS. (a) The
 16 division of telecommunications systems shall be administered by a direc-
 17 tor appointed by the ~~deputy~~ commissioner.

18 (b) Except as provided in (c) of this section, the division of
 19 telecommunications systems shall

20 (1) plan, design, construct, manage and operate all tele-
 21 communications systems owned or leased by the state; *(Excludes all)*

22 (2) manage centrex and other telephone-related services of
 23 the state;

24 (3) be responsible for state telecommunications systems and
 25 design generally; and

26 (4) coordinate with the Department of Administration and
 27 other state agencies in performing their data and word processing tasks.

28 (c) Nothing in AS 44.33.501 - 44.33.517 prohibits a state agency
 29 from developing telecommunications systems within its own agency if the

Excluded of participants.

1 commissioner gives written authorization for the agency to engage in its
2 own design, development, management, or operation. The commissioner may
3 authorize independent development only upon a showing of necessity.

4 (d) An agency authorized to develop an internal telecommunications
5 system shall, to the maximum feasible extent, coordinate its design,
6 development, management, and operation with the division of tele-
7 communications systems.

8 Sec. 44.33.517. DEFINITIONS. In AS 44.33.501 - 44.33.517,

9 (1) "board" means the Public Telecommunications Advisory
10 Board;

11 (2) "commissioner" means the commissioner of the Department
12 of Commerce, Economic Development, and Telecommunications;

13 (3) "department" means the Department of Commerce, Economic
14 Development, and Telecommunications;

15 (4) "deputy commissioner" means the deputy commissioner of
16 telecommunications in the department who administers the telecommuni-
17 cations divisions;

18 (5) "public broadcasting" means the delivery of radio or
19 television noncommercial programming intended for the general public by
20 any method of telecommunications;

21 (6) "public service telecommunications" means telecommuni-
22 cations which serve public broadcasting, general educational, instruc-
23 tional, medical, safety, emergency, or public participation functions;

24 (7) "telecommunications" means the transmission and reception
25 of messages, impressions, pictures and signals by means of electro-
26 magnetic transmission with or without benefit of a closed transmission
27 medium including all instrumentalities, facilities, apparatus, and
28 services, whether conveyed by cable, wire, radiated through space, or
29 transmitted through other media within a specified area or between

1 designated points;

2 (8) "telecommunications systems" means those systems in which
3 the principal service and functions are telecommunications;

4 (9) "telecommunications divisions" means the division of
5 public telecommunications services and the division of telecommuni-
6 cations systems.

7 * Sec. 3. AS 44.15.010(8) is amended to read:

8 (8) Department of Commerce, [AND] Economic Development,
9 and Telecommunications

10 *Sec. 4. AS 44.21.160 is amended by adding a new subsection to read:

11 (f) The department and its division of data processing shall
12 coordinate with the divisions of telecommunications of the Department of
13 Commerce, Economic Development, and Telecommunications in providing for
14 the effective transfer of information by telecommunications through the
15 establishment of compatible systems and common standards.

16 * Sec. 5. AS 44.33.020 is amended by adding a new paragraph to read:

17 (24) study, design, implement, and manage the telecommunica-
18 tions systems and services of the state under AS 44.33.501 - 44.33.517.

19 * Sec. 6. AS 44.42.020 is amended to read:

20 Sec. 44.42.020. POWERS AND DUTIES. (a) The department shall

21 (1) plan, design, construct and maintain all state modes of
22 transportation and transportation facilities [, COMMUNICATION FACILI-
23 TIES,] and all docks, floats, breakwaters, buildings and similar faci-
24 lities;

25 (2) study existing transportation modes and facilities [AND
26 COMMUNICATION FACILITIES] in the state to determine how they might be
27 improved or whether they should continue to be maintained;

28 (3) study alternative means of improving transportation [AND
29 COMMUNICATION] in the state with regard to the economic costs of each

1 alternative and its environmental and social effects;

2 (4) develop a comprehensive, long-range intermodal trans-
3 portation plan for the state;

4 (5) study alternatives to existing modes of transportation in
5 urban areas and develop plans to improve urban transportation;

6 (6) cooperate and coordinate with and enter into agreements
7 with federal, state and local government agencies and private organiza-
8 tions and persons in exercising its powers and duties;

9 (7) manage, operate, and maintain state transportation faci-
10 lities [, COMMUNICATION FACILITIES,] and all docks, floats, breakwaters
11 and buildings, including all state highways, vessels, railroads, pipe-
12 lines, airports, and aviation facilities;

13 (8) study alternative means of transportation in the state,
14 considering the economic, social, and environmental impacts of each
15 alternative;

16 (9) coordinate and develop state and regional transportation
17 systems, considering deletions, additions, and the absence of altera-
18 tions;

19 (10) develop facility program plans for transportation [AND
20 COMMUNICATION FACILITIES] and state buildings, docks and breakwaters
21 required to implement the duties set out in this section, including but
22 not limited to (A) functional performance criteria; and (B) schedules
23 for completion;

24 (11) supervise and maintain all state automotive and mechan-
25 ical equipment, aircraft, and vessels, except vessels and aircraft used
26 by the Department of Fish and Game or the Department of Public Safety;
27 [AND]

28 (12) supervise aeronautics [AND COMMUNICATIONS] inside the
29 state, under AS 02.10; and [.]

1 (13) complete and maintain a current inventory of public
2 facilities, including a projection of the serviceability of the facili-
3 ties and projections of replacements and additions to facilities needed
4 to provide the level of services programmed by the various user
5 agencies, for municipalities with populations of less than 12,000 and
6 for unincorporated communities, and perform those duties on a coopera-
7 tive basis with larger municipalities.

8 (b) The department may

9 (1) engage in experimental projects relating to available or
10 future modes of transportation and any means of improving existing
11 transportation facilities and service [AND COMMUNICATION];

12 (2) exercise the power of eminent domain, including the
13 declaration of taking as provided in AS 09.55.

14 * Sec. 7. AS 44.42.055(b)(3)(F) is amended to read:

15 (F) [COMMUNICATIONS FACILITIES AND] transportation
16 facilities;

17 * Sec. 8. All references to the Department of Commerce and Economic
18 Development and to the commissioner of commerce and economic development in
19 the Alaska Statutes shall be read as the Department of Commerce, Economic
20 Development, and Telecommunications and the commissioner of commerce, eco-
21 nomic development, and telecommunications, respectively, in order to carry
22 out the intent and purpose of this Act.

23 * Sec. 9. The balance of the appropriation to the Department of Trans-
24 portation and Public Facilities found in sec. 23, page 48, lines 15 - 37, and
25 sec. 25, page 79, lines 31 - 36, and page 80, lines 1 - 26, ch. 80, SLA 1979,
26 are transferred to the Department of Commerce, Economic Development, and
27 Telecommunications.

28 * Sec. 10. The balance of the appropriation to the Alaska Public Broad-
29 casting Commission found in sec. 23, page 9, line 23, ch. 80, SLA 1979, is

1 transferred to the Department of Commerce, Economic Development, and Telecom-
2 munications.

3 * Sec. 11. The balances of the appropriations for capital projects made
4 to the Alaska Public Broadcasting Commission in sec. 25, page 55, lines 28 -
5 36, and page 56, lines 4 - 12, ch. 80, SLA 1979, are transferred to the
6 Department of Commerce, Economic Development, and Telecommunications.

7 * Sec. 12. The unexpended balances of any other appropriations for capi-
8 tal projects made to the Alaska Public Broadcasting Commission and the De-
9 partment of Transportation and Public Facilities, division of communications,
10 are transferred to the Department of Commerce, Economic Development, and
11 Telecommunications.

12 * Sec. 13. AS 14.58 is repealed.

13 * Sec. 14. This Act takes effect July 1, 1981.

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Introduced: 3/4/80
Referred: Finance

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2

SENATE BILL NO. 509

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act establishing telecommunications divisions in

7

the Department of Commerce and Economic Development;

8

transferring telecommunications and data processing

9

functions to those divisions; and changing the name of

10

the department to the Department of Commerce, Economic

11

Development, and Telecommunications; and providing for

12

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13

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

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state regardless of location;

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29

equipment are highly diverse, reflecting the increasingly complex and inter-

1 active character of the social and economic systems and institutions of the
2 state, and the increasingly important and diversified roles of information
3 processing and transfer in these systems and institutions;

4 (5) the future development of the state's public and private
5 sectors will depend greatly on the innovative use of new telecommunications
6 services and techniques now becoming available;

7 (6) telecommunications can help reduce the isolation of Alaskans
8 within the state and from the remainder of the states of the United States
9 and the countries of the world;

10 (7) improved and more widely available educational opportunities
11 for all Alaskans can be greatly facilitated by exploiting the ability of
12 telecommunications technologies to make available the highest quality
13 education and instruction in all parts of the state;

14 (8) it is in the interest of all citizens of the state for the
15 state to facilitate the development of both basic and advanced telecommuni-
16 cations services and facilities to be available to all its citizens for their
17 individual and mutual benefit; and

18 (9) these goals can be best accomplished by aggregating all of the
19 state telecommunications activities in one department with the benefits of
20 increased efficiency and accountability and better public understanding of
21 the state's policies and programs.

22 * Sec. 2. AS 44.33 is amended by adding new sections to read:

23 ARTICLE 11. TELECOMMUNICATIONS.

24 Sec. 44.33.501. TELECOMMUNICATIONS DIVISIONS. There is estab-
25 lished in the department

26 (1) a division of public telecommunications services; and

27 (2) a division of telecommunications, data processing and
28 information systems.

29 Sec. 44.33.503. DEPUTY COMMISSIONER. The telecommunications

1 divisions shall be administered by a deputy commissioner of the depart-
2 ment appointed by the commissioner.

3 Sec. 44.33.505. POWERS AND DUTIES OF THE DEPUTY COMMISSIONER. (a)
4 The deputy commissioner shall

5 (1) supervise and administer the activities of the telecom-
6 munications divisions;

7 (2) advise the governor on matters of policy and comprehen-
8 sive state planning for telecommunications services;

9 (3) make an annual report to the governor and to the legis-
10 lature on the activities of the telecommunications divisions.

11 (b) The deputy commissioner may

12 (1) enter into contracts and subcontracts on behalf of the
13 state to carry out the provisions of AS 44.33.501 - 44.33.517;

14 (2) act for the state in the initiation, investigation,
15 evaluation of or participation in programs related to the purposes of
16 the telecommunications divisions which involve more than one government
17 or governmental unit;

18 (3) on behalf of the state, apply for, accept and expend
19 gifts or grants made to the state if the gifts or grants are for the
20 purposes of furthering the objectives of the telecommunications divi-
21 sions.

22 Sec. 44.33.507. FUNCTIONS AND DUTIES OF THE TELECOMMUNICATIONS
23 DIVISIONS. (a) The telecommunications divisions shall

24 (1) advocate the public interest in matters pertaining to the
25 availability, adequacy, cost and design of telecommunications services
26 and facilities before state and federal legal and regulatory forums;

27 (2) coordinate, manage, and supervise existing state programs
28 in telecommunications, including the management of those telecommuni-
29 cation services for the state obtained from common carriers and from the

1 communications industry;

2 (3) provide technical and consulting assistance to the
3 executive, judicial, and legislative branches of state government and to
4 private noncommercial agencies which request such assistance in facility
5 procurement and leasing and in identifying long-range goals and object-
6 ives for the state and its political subdivisions in all aspects of
7 telecommunications, including public, educational, and instructional
8 telecommunications;

9 (4) prepare and maintain a state comprehensive telecommuni-
10 cations development plan to further state telecommunications development
11 and to meet state telecommunications needs;

12 (5) plan, design, manage and operate telecommunication
13 systems owned or leased by state agencies;

14 (6) provide information and assistance to state agencies to
15 promote governmental coordination and unity in the preparation of agency
16 plans and programs involving the use of telecommunications;

17 (7) apply for and accept federal and private money, property,
18 or assistance, that may be appropriated, granted or otherwise made
19 available to the division of public telecommunications and use and
20 disperse money and property for purposes consistent with the terms of
21 AS 44.33.501 - 44.33.517 subject to reasonable limitations imposed by
22 the grantor;

23 (8) participate with other countries, provinces, states or
24 governmental units in international or interstate planning, and assist
25 Alaska's local governments, governmental conferences and councils, in
26 planning and coordinating their activities relating to telecommuni-
27 cations;

28 (9) provide for the orderly transition to new telecommuni-
29 cations services and facilities by state agencies; and

1 (10) serve as a clearinghouse for information, data, and other
2 materials which may be necessary or helpful to federal, state or local
3 governmental agencies in the development of telecommunication systems;

4 (11) coordinate their services and activities with those of
5 other state departments and agencies to the fullest extent possible to
6 avoid unnecessary duplication;

7 (12) contract with common carriers and private enterprise,
8 when feasible, to achieve their purposes.

9 (b) The telecommunications divisions may coordinate their func-
10 tions with local, regional, state and federal officials, private groups
11 and individuals, and with officials, of other countries, provinces and
12 states, and may hold public hearings to obtain information for the
13 purpose of carrying out the provisions of AS 44.33.501 - 44.33.517.

14 Sec. 44.33.509. DIVISION OF PUBLIC TELECOMMUNICATIONS SERVICES.

15 (a) The division of public telecommunications services shall be
16 administered by a director appointed by the deputy commissioner.

17 (b) The division of public telecommunications services shall

18 (1) provide technical assistance and direction in the
19 development and production of all educational and public telecommuni-
20 cations materials without responsibility for the content of the
21 programming;

22 (2) be responsible for the coordination and support of all
23 public broadcasting functions in the state including, but not limited
24 to, financing and engineering;

25 (3) design, develop, provide, and manage all public service
26 telecommunications in the state and study the application of telecom-
27 munications technology and delivery systems to assist state agencies in
28 providing services which will be readily accessible to the public; and

29 (4) receive and review reports and recommendations from the

1 Public Telecommunications Advisory Board.

2 Sec. 44.33.511. PUBLIC TELECOMMUNICATIONS ADVISORY BOARD. (a)
3 There is the Public Telecommunications Advisory Board in the department.
4 The board shall advise the division of public telecommunications
5 services with regard to the planning and implementation of educational
6 and health-related telecommunications systems.

7 (b) The board consists of nine members appointed by the governor
8 as follows:

9 (1) one member from the state Board of Education (AS 14.07.-
10 080) from a list of nominees provided by the Board of Education;

11 (2) one member from the Board of Regents of the University of
12 Alaska (AS 14.40.120) from a list of nominees provided by the Board of
13 Regents;

14 (3) one member from the Advisory Council on Emergency Medical
15 Services (AS 18.08.020) from a list of nominees provided by the Advisory
16 Council on Emergency Medical Services;

17 (4) two members who are members of local school boards;

18 (5) three members who are employees, officers, or directors
19 of public nonprofit broadcasting stations; and

20 (6) one member who is an employee, officer, or director of a
21 commercial broadcasting station.

22 (c) Members of the board shall be appointed to overlapping terms
23 of four years. Three of the first appointments to the board shall be
24 for two-year terms, three for three-year terms and three for four-year
25 terms.

26 (d) The board may hold public hearings and other meetings as
27 necessary throughout the state and shall determine an appropriate quorum
28 for conducting business.

29 (e) Members of the Board serve without compensation, but are

1 entitled to per diem and travel expenses authorized under AS 39.20.180.

2 Sec. 44.33.513. DIVISION OF TELECOMMUNICATIONS, DATA PROCESSING
3 AND INFORMATION SYSTEMS. (a) The division of telecommunications, data
4 processing and information systems shall be administered by a director
5 appointed by the deputy commissioner.

6 (b) The division of telecommunications, data processing and
7 information systems shall

8 (1) design, develop, manage and operate all telecommuni-
9 cations, data processing and data communications systems owned or leased
10 by the state;

11 (2) manage centrex and other telephone-related services of
12 the state; and

13 (3) be responsible for state facilities and telecommunica-
14 tions design generally.

15 Sec. 44.33.517. DEFINITIONS. In AS 44.33.501 - 44.33.517,

16 (1) "board" means the Public Telecommunications Advisory
17 Board;

18 (2) "commissioner" means the commissioner of the Department
19 of Commerce, Economic Development, and Telecommunications;

20 (3) "department" means the Department of Commerce, Economic
21 Development, and Telecommunications;

22 (4) "deputy commissioner" means the deputy commissioner of
23 telecommunications in the department who administers the telecommuni-
24 cations divisions;

25 (5) "public service telecommunications" means telecommuni-
26 cations which serve public broadcasting, educational, medical, safety,
27 or emergency functions;

28 (6) "telecommunications" means the transmission and reception
29 of messages, impressions, pictures and signals by means of electro-

1 magnetic transmission with or without benefit of a closed transmission
2 medium including all instrumentalities, facilities, apparatus, and
3 services, whether conveyed by cable, wire, radiated through space, or
4 transmitted through other media within a specified area or between
5 designated points;

6 (7) "telecommunications divisions" means the division of
7 public telecommunications services and the division of telecommuni-
8 cations, data processing and information systems.

9 * Sec. 3. AS 44.15.010(8) is amended to read:

10 (8) Department of Commerce, [AND] Economic Development,
11 and Telecommunications

12 * Sec. 4. AS 44.33.020 is amended by adding a new paragraph to read:

13 (24) study, design, implement, and manage the telecommunica-
14 tions systems and services of the state under AS 44.33.501 - 44.33.517.

15 * Sec. 5. AS 44.42.020 is amended to read:

16 Sec. 44.42.020. POWERS AND DUTIES. (a) The department shall

17 (1) plan, design, construct and maintain all state modes of
18 transportation and transportation facilities [, COMMUNICATION FACILITIES,
19 and all docks, floats, breakwaters, buildings and similar facilities;

20 (2) study existing transportation modes and facilities [AND
21 COMMUNICATION FACILITIES] in the state to determine how they might be
22 improved or whether they should continue to be maintained;

23 (3) study alternative means of improving transportation [AND
24 COMMUNICATION] in the state with regard to the economic costs of each
25 alternative and its environmental and social effects;

26 (4) develop a comprehensive, long-range intermodal trans-
27 portation plan for the state;

28 (5) study alternatives to existing modes of transportation in
29 urban areas and develop plans to improve urban transportation;

1 (6) cooperate and coordinate with and enter into agreements
2 with federal, state and local government agencies and private organiza-
3 tions and persons in exercising its powers and duties;

4 (7) manage, operate, and maintain state transportation
5 facilities [, COMMUNICATION FACILITIES.] and all docks, floats, break-
6 waters and buildings, including all state highways, vessels, railroads,
7 pipelines, airports, and aviation facilities;

8 (8) study alternative means of transportation in the state,
9 considering the economic, social, and environmental impacts of each
10 alternative;

11 (9) coordinate and develop state and regional transportation
12 systems, considering deletions, additions, and the absence of altera-
13 tions;

14 (10) develop facility program plans for transportation [AND
15 COMMUNICATION FACILITIES] and state buildings, docks and breakwaters
16 required to implement the duties set out in this section, including but
17 not limited to (A) functional performance criteria; and (B) schedules
18 for completion;

19 (11) supervise and maintain all state automotive and mechan-
20 ical equipment, aircraft, and vessels, except vessels and aircraft used
21 by the Department of Fish and Game or the Department of Public Safety;
22 [AND]

23 (12) supervise aeronautics [AND COMMUNICATIONS] inside the
24 state, under AS 02.10; and [.]

25 (13) complete and maintain a current inventory of public
26 facilities, including a projection of the serviceability of the facili-
27 ties and projections of replacements and additions to facilities needed
28 to provide the level of services programmed by the various user
29 agencies, for municipalities with populations of less than 12,000 and

1 for unincorporated communities, and perform those duties on a coopera-
2 tive basis with larger municipalities;

3 (14) construct and maintain all communications facilities
4 and systems in the state.

5 (b) The department may

6 (1) engage in experimental projects relating to available or
7 future modes of transportation and any means of improving existing
8 transportation facilities and service [AND COMMUNICATION];

9 (2) exercise the power of eminent domain, including the
10 declaration of taking as provided in AS 09.55.

11 * Sec. 6. AS 44.42.055(b)(3)(F) is amended to read:

12 (F) [COMMUNICATIONS FACILITIES AND] transportation
13 facilities;

14 * Sec. 7. All references to the Department of Commerce and Economic
15 Development and to the commissioner of commerce and economic development in
16 the Alaska Statutes shall be read as the Department of Commerce, Economic
17 Development, and Telecommunications and the commissioner of commerce,
18 economic development, and telecommunications, respectively, in order to carry
19 out the intent and purpose of this Act.

20 * Sec. 8. The balance of the appropriation to the Department of Trans-
21 portation and Public Facilities found in sec. 23, page 48, lines 15 - 37,
22 ch. 80, SLA 1979, is transferred to the Department of Commerce, Economic
23 Development, and Telecommunications.

24 * Sec. 9. The balances of the appropriations to the Department of Admin-
25 istration found in sec. 23, page 45, line 9, and sec. 25, page 78, line 31,
26 ch. 80, SLA 1979, are transferred to the Department of Commerce; Economic
27 Development, and Telecommunications.

28 * Sec. 10. The balance of the appropriation to the Alaska Public Broad-
29 casting Commission found in sec. 23, page 9, line 23, ch. 80, SLA 1979, is

1 transferred to the Department of Commerce, Economic Development, and Telecom-
2 munications.

3 * Sec. 11. The balances of the appropriations for capital projects made
4 to the Alaska Public Broadcasting Commission in sec. 25, page 55, lines 28 -
5 36, and page 56, lines 4 - 12, ch. 80, SLA 1979, are transferred to the
6 Department of Transportation and Public Facilities.

7 * Sec. 12. AS 44.58, AS 44.21.020(11), and 44.21.150 - 44.21.170 are
8 repealed.

9 * Sec. 13. This Act takes effect immediately in accordance with AS 01.10.-
10 070(c).

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5/25/80

- ①. Charney: Allow legislature to go into it voluntarily after it is set up.
- ②. U of A involvement: — not required
- ③. Private sector communications affect: Should be positive. Doesn't affect municipalities.
- ④. Private (Pg 9 - line 20). — participation — "private being hedged out." Bennett.
- ⑤. Private opposition: Alcom & local tel:
"Procurement Policy have on rate base"
 - a. Purchases — 35 different systems in Alcom alone.
 - b. State presently not organized. } all less revenue
no cost control
no organization.
 - c. Control: State pulling out of rate base (no study: so have an agency that would look at impact).

MEMORANDUM

TO: Senator John C. Sackett
Chairman, Senate Finance Committee

FM: Nancy Harvey *Nancy*
Administrative Assistant

DT: March 18, 1980

RE: SB 509 - Establishing Telecommunications Divisions

SB 509, which is currently in the Senate Finance Committee, will establish two Telecommunications Divisions within the Department of Commerce and Economic Development, and change the name of that department to Commerce, Economic Development and Telecommunications.

As you know, this bill was introduced at the request of Senator Ferguson as the culmination of research done during the interim. An identical bill exists in the House and is currently in the Commerce committee with a further referral to Finance.

Earlier I gave you a section by section analysis of the original bill and attached is a suggested committee substitute which incorporates many changes suggested by affected parties. I feel that the proposed committee substitute much more clearly defines our intent in establishing the divisions.

Following is a sectional analysis of the proposed committee substitute:

Section 1 - INTENT AND PURPOSE

A majority of this section was written from recommendations from Mr. Dick Dowling of the Governor's Office of Policy Development. Additionally three new insertions were made to reflect recommendations of the Department of Education and a representative of public broadcasters. These new additions are numbers 7,8, and 10. Essentially the new language more clearly identifies the general areas of the state's telecommunications needs that will be improved by coordination within the new divisions and specifies that locally controlled and operated public non-commercial radio and television must continue to be encouraged and supported by the state.

Section 2 - ESTABLISHMENT OF TELECOMMUNICATIONS DIVISIONS

Major changes to this section include the following:

* Number 7 of the Powers and Duties of the Divisions reads, "the telecommunications divisions shall plan, design, construct, manage and operate telecommunications systems owned or leased by state agencies as necessary to achieve the objectives of AS.44.33.501-44.33.517." The addition of this objective is necessary to assure that all present functions of the Division of Communications within the Department of Transportation and Public Facilities are assumed by the new division. This includes the ability to construct, reconstruct and maintain existing facilities.

* Number 14 of this Section reads that the "telecommunications divisions shall contract with common carriers or private enterprise, when feasible, appropriate, and when the present value of full costs incurred through contracting with a common carrier or private enterprise is lower than or approximately equal to the life cycle cost of the lowest cost alternative of state ownership; consideration of costs shall include but are not limited to the following factors: reasonable life expectancy and discount rates; construction, operation and maintenance costs; salvage costs and cost of capital." In essence, if private enterprise can prove to the state that it is in the state's best interest to contract for specific services then the state will contract with private enterprise if cost effectiveness is clearly shown.

* The duties of the Public Telecommunications Services Division have been more clearly defined in this proposed committee substitute to show that the Division is responsible for providing technical consultation and grants to educational and public telecommunications users in order to assist in the comprehensive development of telecommunications services for all specialized public purposes. Those eligible for grants and technical assistance include:

- ** public school districts
- ** the Department of Education
- ** the University of Alaska
- ** and other state agencies as approved by the Deputy Commissioner

In the area of public broadcasting the Division shall encourage responsible local control of all public broadcast entities in the state and may contract with competent stations or production centers for services. Additionally the Division may not control or be responsible for the program content or policy of public broadcasters except that grants and technical assistance may not be given to a broadcaster who is in violation of federal or state laws or regulations. The necessity of this section is to directly state that the Division is not responsible for program content but only grants and technical assistance.

One of the most important statements in this section reads that the "division of public telecommunications services may not own, operate, or be the licensee of a public noncommercial broadcast station or production center." This statement reiterates

that the state will not be in the business of non-commercial radio or television broadcasting but will assist in licence coordination. Program design, production and use will remain the responsibility of the program sponsoring agency, not the Division.

* Membership on the Public Telecommunications Advisory Board has been revised to include 9 members. These members will be appointed as follows:

** two members appointed by the State Board of Education, one of whom shall also be a member of a local school board;

** two members appointed by the Board of Regents of the University of Alaska, including one member of one of the policy advisory councils of the university;

** two members appointed by the Commissioner of the Department of Health and Social Services, including one member from the Advisory Council on Emergency Medical Services

** and three members who are employees, officers or directors of public nonprofit broadcasting stations, appointed by a vote of the public broadcast licensees.

* The major change in the Division of Telecommunications Systems was removing Data Processing functions from the proposed Division. Additionally a sentence is added to read the division shall coordinate with the Department of Administration and other state agencies in performing their data and word processing.

* Another section added to the Division of Telecommunications states that if a state agency had existing telecommunications systems and if it is beneficial to the state to have that agency continue to maintain its system, then the Commissioner of the Department of Commerce, Economic Development and Telecommunications and the Commissioner of the other department shall coordinate to reach an agreement on the operation of that system.

* In definitions three changes were made:

** "public broadcasting" means the delivery of radio or television noncommercial programming intended for the general public by any method of telecommunications.

** "Public service telecommunications" means telecommunications which serve public broadcasting, general education, instructional, medical, safety, emergency, or public participation functions.

** "telecommunications systems" means those systems in which the principal service and functions are telecommunications.

Section 3 - NAME OF DEPARTMENT

The name of the Department is changed to Commerce, Economic Development and Telecommunications.

Section 4 - AMEND DEPARTMENT OF ADMINISTRATION STATUTES

Department of Administration statutes are amended to say the Department and its Division of Data Processing shall coordinate with the Division of Telecommunications in providing for the effective transfer of information by telecommunications through the establishment of compatible systems and common standards.

Section 5 - AMEND DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT STATUTES TO ADD TELECOMMUNICATIONS DUTIES

The statutes of the Department of Commerce and Economic Development are amended to add to their powers and duties "study, design, implement and manage the telecommunications systems of the state under AS 44.33.501 - 44.33.517.

Section 6 - AMEND DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES STATUTES TO REMOVE COMMUNICATIONS FACILITIES

All references to communications facilities are removed from the statutes of the Department of Transportation and Public Facilities.

Section 7 - SAME AS SECTION 6

Section 8 - REFERENCES TO DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

All references to the Department of Commerce and Economic Development in state law are amended to include the name change to Commerce, Economic Development and Telecommunications.

Section 9, 10, 11, 12 -TRANSFER BALANCE OF APPROPRIATIONS

These sections transfer the balance of appropriations from the Departments of Transportation and Public Facilities, and the Alaska Public Broadcasting Commission to the Department of Commerce, Economic Development and Telecommunications.

Section 13 - REPEAL OF ALASKA PUBLIC BROADCASTING COMMISSION STATUTES

Statutes governing the existence of the Alaska Public Broadcasting Commission are repealed.

Section 14 - EFFECTIVE DATE

This act takes effect immediately.

The fiscal note for the new divisions has been prepared by Alison of Legislative Finance and Lois Cook of the Department of Commerce and Economic Development. The total increase with this consolidation is expected to be slightly over \$1,000.0. This includes 19 new employees (revised down from 38) which will be essential to the efficient operation of this new organization. Revisions of the fiscal note are continuing to hopefully bring it down to a -0- increase.

I will be glad to answer any other questions that you might have.

Sofa ✓
3-18-80

Original sponsor: Finance Committee

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 509

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing telecommunications divisions in
7 the Department of Commerce and Economic Development;
8 transferring telecommunications functions to those
9 divisions; and changing the name of the department to
10 the Department of Commerce, Economic Development, and
11 Telecommunications; and providing for an effective
12 date."

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

14 * Section 1. INTENT AND PURPOSE. The legislature finds and declares that

15 (1) adequate telecommunications facilities and services available
16 at reasonable and affordable rates are essential to the conduct of govern-
17 ment, commerce and private life and that these facilities and services should
18 be available, to the extent possible, to all agencies and citizens of the
19 state regardless of location;

20 (2) the generation, processing, exchange and use of information
21 have become increasingly vital elements of social, economic, political and
22 government processes, and constitute both an integral part of and an essen-
23 tial element in support of those processes;

24 (3) telecommunications may often offer the only effective alter-
25 native to time-consuming and increasingly expensive transportation of persons
26 and the information they possess;

27 (4) current and projected public, business and government needs
28 for additional and enhanced telecommunications and information transfer
29 services and equipment are highly diverse, reflecting the increasingly com-

1 plex and interactive character of the social and economic systems and in-
2 stitutions of the state, and the increasingly important and diversified role
3 of information in these systems and institutions;

4 (5) the future development of the state's public and private
5 sectors will depend greatly on the innovative use of new telecommunications
6 services and techniques now becoming available;

7 (6) telecommunications can help reduce the isolation of Alaskans
8 within the state and from the remainder of the states of the United States
9 and the countries of the world;

10 (7) the existing locally controlled and operated public non-
11 commercial radio and television system must continue to be encouraged and
12 supported by the state, and, in order to provide this service to all of
13 Alaska's citizens, planned growth of the system must be supervised and coor-
14 dinated by the state; JW

15 (8) improved and more widely available educational opportunities
16 for all Alaskans can be greatly facilitated by exploiting the ability of
17 telecommunications technologies to make available the highest quality edu-
18 cation and instruction in all parts of the state; JW

19 (9) it is in the interest of all citizens of the state for the
20 state to facilitate the development of both basic and advanced telecommuni-
21 cations services and facilities to be available to all its citizens for their
22 individual and mutual benefit; and

23 (10) these goals can be best accomplished by coordinating all of
24 the state telecommunications activities through one department, to assure
25 increased efficiency in providing the public benefits of

26 (A) comprehensive telecommunications planning for the state;

27 (B) increased accountability for adequate, reliable, and
28 cost-effective telecommunications system development;

29 (C) increased effectiveness in coordinating and assisting

1 public service telecommunications users; JW

2 (D) the establishment of consistent public policy for the
3 state related to telecommunications systems and services, and better public
4 understanding of the state's policies and programs. JW

5 * Sec. 2. AS 44.33 is amended by adding new sections to read:

6 ARTICLE 11. TELECOMMUNICATIONS.

7 Sec. 44.33.501. TELECOMMUNICATIONS DIVISIONS. There is estab-
8 lished in the department

9 (1) a division of public telecommunications services; and

10 (2) a division of telecommunications systems.

11 Sec. 44.33.503. DEPUTY COMMISSIONER. (a) The telecommunications
12 divisions shall be administered by a deputy commissioner of the depart-
13 ment appointed by the commissioner.

14 (b) The deputy commissioner shall

15 (1) provide executive direction for the activities of the
16 telecommunications divisions;

17 (2) perform other departmental duties as may be assigned by
18 the commissioner.

19 Sec. 44.33.507. POWERS AND DUTIES OF THE TELECOMMUNICATIONS DIVI-
20 SIONS. (a) The telecommunications divisions shall

21 (1) advise the governor on matters of policy and comprehen-
22 sive state planning for telecommunications services;

23 (2) make an annual report to the governor and to the legis-
24 lature on the activities of the telecommunications divisions;

25 (3) advocate the public interest in matters pertaining to the
26 availability, adequacy, cost and design of telecommunications services
27 and facilities before state and federal legal and regulatory forums;

28 (4) coordinate, manage, and supervise existing state programs
29 in telecommunications, including the management of those telecommuni-

1 cation services for the state obtained from common carriers and from the
2 communications industry;

3 (5) provide technical and consulting assistance to the exe-
4 cutive, judicial, and legislative branches of state government, to the
5 University of Alaska, and to private noncommercial agencies which re-
6 quest such assistance in facility procurement and leasing and in iden-
7 tifying long-range goals and objectives for the state and its political
8 subdivisions in all aspects of telecommunications, including public,
9 educational, and instructional telecommunications;

10 (6) prepare and maintain a state comprehensive telecommuni-
11 cations development plan to further state telecommunications development
12 and to meet state telecommunications needs and prepare and maintain a
13 comprehensive inventory of all state communications facilities;

14 (7) plan, design, construct, manage and operate tele-
15 communication systems owned or leased by state agencies as necessary to
16 achieve the objectives of AS 44.33.501 - 44.33.517;

17 (8) provide information and assistance to state agencies to
18 promote governmental coordination and unity in the preparation of agency
19 plans and programs involving the use of telecommunications;

20 (9) apply for and accept federal and private money, property,
21 or assistance, that may be appropriated, granted or otherwise made
22 available to the telecommunications divisions and use and disperse money
23 and property for purposes consistent with the terms of AS 44.33.501 -
24 44.33.517 subject to reasonable limitations imposed by the grantor;

25 (10) participate with other countries, provinces, states or
26 governmental units in international or interstate planning, and assist
27 Alaska's local governments, governmental conferences and councils, in
28 planning and coordinating their activities relating to telecommuni-
29 cations;

1 (11) provide for the orderly transition to new telecommuni-
2 cations services and systems by state agencies;

3 (12) serve as a clearinghouse for information, data, and other
4 materials which may be necessary or helpful to federal, state or local
5 governmental agencies in the development of telecommunication systems;

6 (13) coordinate their services and activities with those of
7 other state departments and agencies to the fullest extent possible to
8 avoid unnecessary duplication; and

9 (14) contract with common carriers or private enterprise, when
10 feasible, appropriate, and when the present value of full costs incurred
11 through contracting with a common carrier or private enterprise is lower
12 than or approximately equal to the life cycle cost of the lowest cost
13 alternative of state ownership; consideration of costs shall include but
14 *will look at to determine if state should construct* are not limited to the following factors: reasonable life expectancy
15 and discount rates; construction, operating and maintenance costs;
16 salvage values and cost of capital.

17 (b) The telecommunications divisions *Key word* may

18 (1) coordinate their functions with local, regional, state
19 and federal officials, private groups and individuals, and with offi-
20 cials, of other countries, provinces and states;

21 (2) enter into contracts and subcontracts on behalf of the
22 state to carry out the provisions of AS 44.33.501 - 44.33.517;

23 (3) act for the state in the initiation, investigation,
24 evaluation of or participation in programs related to the purposes of
25 the telecommunications divisions which involve more than one government
26 or governmental unit;

27 (4) on behalf of the state, apply for, accept and expend
28 gifts or grants made to the state if the gifts or grants are for the
29 purposes of furthering the objectives of the telecommunications divi-

1 sions;

2 (5) hold public hearings to obtain information for the pur-
3 pose of carrying out the provisions of AS 44.33.501 - 44.33.517.

4 (c) In proceedings before the Alaska Public Utilities Commission
5 the department shall reimburse the Alaska Public Utilities Commission
6 for the reasonable costs of obtaining outside counsel under AS 42.05.-
7 111(b) if the attorney general elects to represent the telecommuni-
8 cations divisions.

9 Sec. 44.33.509. DIVISION OF PUBLIC TELECOMMUNICATIONS SERVICES.

10 (a) The division of public telecommunications services shall be ad-
11 ministered by a director appointed by the deputy commissioner.

12 (b) The division of public telecommunications services shall pro-
13 vide technical consultation and grants to educational and public tele-
14 communications users in order to assist in the comprehensive development
15 of telecommunications services for all specialized public purposes. The
16 division shall provide

17 (1) coordination and support to telecommunications services
18 for instruction, including technical assistance and assistance in pre-
19 paration of applications for grants related to program development as
20 may be requested by *who*

21 (A) public school districts and the Department of Edu-
22 cation;

23 *JW* (B) the University of Alaska; and

24 (C) other state agencies as approved by the deputy
25 commissioner;

26 (2) coordination and support for all public broadcasting
27 functions in the state as follows:

28 *W* (A) the division shall encourage responsible local
29 control of all public broadcast entities in the state;

1 (B) the division may contract with competent stations or
2 production centers for services;

3 (C) the division shall receive and review requests for
4 operating and capital support from public broadcasting entities,
5 and may award grants to those entities;

6 (D) the division shall pursue the development of public
7 broadcast services to all residents of the state;

8 (E) the division may not control or be responsible for
9 the program content or policy of public broadcasters except that
10 grants or technical assistance may not be given to a broadcaster
11 who is in violation of federal or state laws or regulations;

*not
prog
content
only
grants
+TA*

12 (3) coordination and support for health and safety-related
13 functions, including the administrative and client services provided
14 by

15 (A) state agencies,

16 (B) federal agencies,

17 (C) private agencies;

18 (4) coordination and support to telecommunications services
19 for public participation in state-financed services, as may be statu-
20 torily required or otherwise appropriate;

21 *fail* (5) assistance to the regionalization of instructional tele-
22 communications services by local school districts or other local and
23 regional education agencies, through design, development, and promotion
24 by the division of public telecommunications services;

25 (6) establishment of operational policies by the division of
26 public telecommunications services; for public service telecommunica-
27 tions uses, after consideration of the recommendations of the Public
28 Telecommunications Advisory Board;

29 (7) assistance to advisory councils representative of the

1 specialized instructional, public broadcasting, health or safety-
2 related, public participation, or regional interests described in this
3 section, as necessary to perform assigned division functions.

4 (c) The division of public telecommunications services may not
5 own, operate, or be the licensee of a public noncommercial broadcast
6 station or production center. *not get in non-com broad*
PBS + other business - help out lic comm

7 (d) Nothing in this section is intended to imply division re-
8 sponsibility for programming content. Program design, production, and
9 use remain the responsibility of the program-sponsoring agency, not the
10 division.

11 Sec. 44.33.511. PUBLIC TELECOMMUNICATIONS ADVISORY BOARD. (a)

12 There is the Public Telecommunications Advisory Board in the department.

13 The board shall advise the division of public telecommunications ser-
14 vices with regard to the policies and regulations of the division.

15 (b) The board consists of nine members appointed as follows:

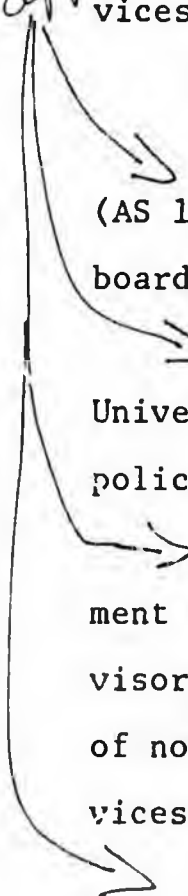
16 (1) two members appointed by the state Board of Education
17 (AS 14.07.080), one of whom shall also be a member of a local school
18 board;

19 (2) two members appointed by the Board of Regents of the
20 University of Alaska (AS 14.40.120), including a member of one of the
21 policy advisory councils of the university;

22 (3) two members appointed by the commissioner of the Depart-
23 ment of Health and Social Services, including one member from the Ad-
24 visory Council on Emergency Medical Services (AS 18.08.020) from a list
25 of nominees provided by the Advisory Council on Emergency Medical Ser-
26 vices; and

27 (4) three members who are employees, officers, or directors
28 of public nonprofit broadcasting stations, appointed by vote of the
29 public broadcast licensees; the election shall be conducted by the

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*broadcaster
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1 division of public telecommunications services.

2 (c) Members of the board shall be appointed to overlapping terms
3 of four years. Three of the first appointments to the board shall be
4 for two-year terms, three for three-year terms and three for four-year
5 terms. Terms of office expire on June 30. Before the expiration of the
6 term of a member, the appointing authority shall appoint a successor to
7 succeed the member whose term is expiring. A successor shall assume
8 board member duties on July 1 following the appointment. A person
9 appointed to the board may not serve more than two consecutive terms, or
10 a maximum of eight years. Unless a vacancy is caused by the normal
11 expiration of a member's term, the appointing authority shall make an
12 appointment to become immediately effective for the duration of the
13 unexpired term.

14 (d) The board shall meet in public session quarterly and may hold
15 public hearings and other meetings as necessary throughout the state.
16 The board shall determine an appropriate quorum for conducting business.

17 (e) Members of the board serve without compensation, but are
18 entitled to per diem and travel expenses authorized under AS 39.20.180.

19 *DP out*
20 Sec. 46.33.513. DIVISION OF TELECOMMUNICATIONS SYSTEMS. (a) The
21 division of telecommunications systems shall be administered by a direc-
22 tor appointed by the deputy commissioner.

23 (b) Except as provided in (c) of this section, the division of
24 telecommunications systems shall *same as before*

25 (1) plan, design, construct, manage and operate all tele-
26 communications systems owned or leased by the state;

27 (2) manage centrex and other telephone-related services of
28 the state;

29 (3) be responsible for state telecommunications systems and
design generally; and

help them out

1 (4) coordinate with the Department of Administration and
2 other state agencies in performing their data and word processing tasks.

3 (c) Nothing in AS 44.33.501 - 44.33.517 prohibits a state agency
4 from developing telecommunications systems within its own agency if the
5 commissioner ^{can} gives written authorization for the agency to engage in its
6 own design, development, management, or operation. The commissioner may
7 authorize independent development only upon a showing of necessity.

8 (d) An agency authorized to develop an internal telecommunications
9 system shall, to the maximum feasible extent, coordinate its design,
10 development, management, and operation with the division of tele-
11 communications systems.

12 Sec. 44.33.517. DEFINITIONS. In AS 44.33.501 - 44.33.517,

13 (1) "board" means the Public Telecommunications Advisory
14 Board;

15 (2) "commissioner" means the commissioner of the Department
16 of Commerce, Economic Development, and Telecommunications;

17 (3) "department" means the Department of Commerce, Economic
18 Development, and Telecommunications;

19 (4) "deputy commissioner" means the deputy commissioner of
20 telecommunications in the department who administers the telecommuni-
21 cations divisions;

22 (5) "public broadcasting" means the delivery of radio or
23 television noncommercial programming intended for the general public by
24 any method of telecommunications;

25 (6) "public service telecommunications" means telecommuni-
26 cations which serve public broadcasting, general educational, instruc-
27 tional, medical, safety, emergency, or public participation functions;

28 (7) "telecommunications" means the transmission and reception
29 of messages, impressions, pictures and signals by means of electro-

1 magnetic transmission with or without benefit of a closed transmission
2 medium including all instrumentalities, facilities, apparatus, and
3 services, whether conveyed by cable, wire, radiated through space, or
4 transmitted through other media within a specified area or between
5 designated points;

6 (8) "telecommunications systems" means those systems in which
7 the principal service and functions are telecommunications;

8 (9) "telecommunications divisions" means the division of
9 public telecommunications services and the division of telecommuni-
10 cations systems.

11 * Sec. 3. AS 44.15.010(8) is amended to read:

12 (8) Department of Commerce, [AND] Economic Development,
13 and Telecommunications

14 *Sec. 4. AS 44.21.160 is ^{DOT} amended by adding a new subsection to read:

15 ^{DPA} (f) The department and its division of data processing shall
16 coordinate with the divisions of telecommunications of the Department of
17 Commerce, Economic Development, and Telecommunications in providing for
18 the effective transfer of information by telecommunications through the
19 establishment of compatible systems and common standards.

20 * Sec. 5. AS 44.33.020 is amended by adding a new paragraph to read:

21 ^{DOC} (24) study, design, implement, and manage the telecommunica-
22 tions systems and services of the state under AS 44.33.501 - 44.33.517.

23 * Sec. 6. AS 44.42.020 is amended to read:

24 ^{DOT} Sec. 44.42.020. POWERS AND DUTIES. (a) The department shall

25 (1) plan, design, construct and maintain all state modes of
26 transportation and transportation facilities [, COMMUNICATION FACILI-
27 TIES,] and all docks, floats, breakwaters, buildings and similar faci-
28 lities;

29 (2) study existing transportation modes and facilities [AND

1 COMMUNICATION FACILITIES] in the state to determine how they might be
2 improved or whether they should continue to be maintained;

3 (3) study alternative means of improving transportation [AND
4 COMMUNICATION] in the state with regard to the economic costs of each
5 alternative and its environmental and social effects;

6 (4) develop a comprehensive, long-range intermodal trans-
7 portation plan for the state;

8 (5) study alternatives to existing modes of transportation in
9 urban areas and develop plans to improve urban transportation;

10 (6) cooperate and coordinate with and enter into agreements
11 with federal, state and local government agencies and private organiza-
12 tions and persons in exercising its powers and duties;

13 (7) manage, operate, and maintain state transportation faci-
14 lities [, COMMUNICATION FACILITIES,] and all docks, floats, breakwaters
15 and buildings, including all state highways, vessels, railroads, pipe-
16 lines, airports, and aviation facilities;

17 (8) study alternative means of transportation in the state,
18 considering the economic, social, and environmental impacts of each
19 alternative;

20 (9) coordinate and develop state and regional transportation
21 systems, considering deletions, additions, and the absence of altera-
22 tions;

23 (10) develop facility program plans for transportation [AND
24 COMMUNICATION FACILITIES] and state buildings, docks and breakwaters
25 required to implement the duties set out in this section, including but
26 not limited to (A) functional performance criteria; and (B) schedules
27 for completion;

28 (11) supervise and maintain all state automotive and mechan-
29 ical equipment, aircraft, and vessels, except vessels and aircraft used

1 by the Department of Fish and Game or the Department of Public Safety;
2 [AND]

3 (12) supervise aeronautics [AND COMMUNICATIONS] inside the
4 state, under AS 02.10; and [.]

5 (13) complete and maintain a current inventory of public
6 facilities, including a projection of the serviceability of the facili-
7 ties and projections of replacements and additions to facilities needed
8 to provide the level of services programmed by the various user
9 agencies, for municipalities with populations of less than 12,000 and
10 for unincorporated communities, and perform those duties on a coopera-
11 tive basis with larger municipalities.

12 (b) The department may

13 (1) engage in experimental projects relating to available or
14 future modes of transportation and any means of improving existing
15 transportation facilities and service [AND COMMUNICATION];

16 (2) exercise the power of eminent domain, including the
17 declaration of taking as provided in AS 09.55.

18 * Sec. 7. AS 44.42.055(b)(3)(F) is amended to read:

19 *Saw* (F) [COMMUNICATIONS FACILITIES AND] transportation
20 facilities;

21 * Sec. 8. All references to the Department of Commerce and Economic
22 Development and to the commissioner of commerce and economic development in
23 the Alaska Statutes shall be read as the Department of Commerce, Economic
24 Development, and Telecommunications and the commissioner of commerce, eco-
25 nomic development, and telecommunications, respectively, in order to carry
26 out the intent and purpose of this Act.

27 * Sec. 9 *Saw* The balance of the appropriation to the Department of Trans-
28 portation and Public Facilities found in sec. 23, page 48, lines 15 - 37, and
29 sec. 25, page 79, lines 31 - 36, and page 80, lines 1 - 26, ch. 80, SLA 1979,

1 are transferred to the Department of Commerce, Economic Development, and
2 Telecommunications.

3 * Sec. 10. The balance of the appropriation to the Alaska Public Broad-
4 casting Commission found in sec. 23, page 9, line 23, ch. 80, SLA 1979, is
5 transferred to the Department of Commerce, Economic Development, and Telecom-
6 munications.

7 * Sec. 11. The balances of the appropriations for capital projects made
8 to the Alaska Public Broadcasting Commission in sec. 25, page 55, lines 28 -
9 36, and page 56, lines 4 - 12, ch. 80, SLA 1979, are transferred to the
10 Department of Commerce, Economic Development, and Telecommunications.

11 * Sec. 12. The unexpended balances of any other appropriations for capi-
12 tal projects made to the Alaska Public Broadcasting Commission and the De-
13 partment of Transportation and Public Facilities, division of communications,
14 are transferred to the Department of Commerce, Economic Development, and
15 Telecommunications.

16 * Sec. 13. AS 14.58 is repealed. *APBC*

17 * Sec. 14. This Act takes effect immediately in accordance with AS 01.10.
18 070(c).

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FISCAL NOTE

I. REQUEST
 Bill/Resolution No. SB 509
 Title _____
 Requested by _____ Date _____

II. FISCAL DETAIL
 Agency Affected Dept. of Commerce & Economic Development
 Program Category Affected General Government
 BRU, Program, or Subprogram(s) Affected Telecommunications
 (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		2,772.6				
200 TRAVEL		211.3				
300 CONTRACTUAL		3,519.5				
400 COMMODITIES		203.4				
500 EQUIPMENT		28.0				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		3,376.8				
TOTAL		10,111.6				

FUNDING (Thousands of Dollars)

GENERAL FUND		9,818.1				
FEDERAL FUNDS						
OTHER (Specify Fund Source)						
Inter-Agency Receipts		293.5				

POSITIONS

FULL TIME		69				
PART TIME						
TEMPORARY						

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

- The costs of the new deputy commissioner position and costs of all administrative support from the Dept. of Commerce & Economic Development will be shown on a fiscal note prepared by that agency.
- It is proposed that the major portion of the agency will be housed within the Division of Communications Building in Anchorage.
- Proposed budget for the new agency 10,111.6
 Less suggested offset 9,155.1
 Net Increase 956.5

IV. DATE _____ PREPARED BY Alison Elgee, Fiscal Analyst
 AGENCY Legislative Finance Division
 PHONE 465-3795
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

PROPOSED FY 81 BUDGET (Thousands of dollars)

Personal Services

<u>Positions</u>	<u>Title</u>	<u>Annual Salary/Benefits</u>
Juneau/Anchorage:		
1	Director--Public Telecommunications Services	64.0
1	Director--Telecommunications Systems	64.0
1	Technologist	57.7
1	Economist II	38.8
1	Policy & Program Specialist II	53.9
2	Budget Analyst II	68.0
2	Administrative Assistant I	53.6
4	Secretary I	96.4
4	Clerk Typist III	87.2
1	Grants Administrator	36.3
2	Section Chiefs (Range 21A)	94.6
1	Section Chiefs (Range 22A)	50.5
6	Telecommunications Coordinators	232.8
2	Accounting Clerk I	43.6
1	Contracts Officer III	36.3
5	Telecommunications Engineers	252.5
1	Electronic Technicians Supervisor	44.3
16	Electronic Technicians	664.0
2	Teletype Operators	48.2
1	Deputy Director	53.9
1	Electrician	41.5
1	Electronic Maintenance Supervisor	44.3
1	Regional Applications Technology Supervisor	47.3

<u>Positions</u>	<u>Title</u>	<u>Annual Salary/Benefits</u>
Fairbanks:		
1	Electronic Technicians Supervisor	50.5
4	Electronic Technicians	189.2
1	Telecommunications Coordinators	44.3
1	Teletype Operator	26.8
Soldotna:		
2	Electronic Technicians	88.6
Dillingham:		
1	Electronic Technician	52.2
Glennallen:		
<u>1</u>	Electronic Technician	<u>47.3</u>
69		2772.6

EXPENDITURES (Thousands of dollars)

Personal Services

2,772.6

Travel

Field/Administrative Travel:

In-State Transportation	160.2
In-State Per Diem	24.5
Out-Of-State Transportation	21.6
Out-Of-State Per Diem	5.0

Total Travel

211.3

Contractual

Communications	118.1
Professional Fees & Services	178.5
Printing & Advertising	19.6
Space Expense & Fees	2,771.4
Equipment Rental	80.7
Other Fees	351.2

Total Contractual

3,519.5

Commodities

203.4

Equipment

28.0

Grants

3,376.8

TOTAL 10,111.6

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB-509 and HB-934

Title An act establishing telecommunications divisions in the D of C & ED

Requested by Legislative Finance Date 3/14/80

II. FISCAL DETAIL

Agency Affected Commerce and Economic Development

Program Category Affected General Government

BRU, Program, or Subprogram(s) Affected Telecommunications

(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		184.6				
200 TRAVEL		96.3				
300 CONTRACTUAL		146.0				
400 COMMODITIES		2.5				
500 EQUIPMENT		49.2				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		478.6				

FUNDING (Thousands of Dollars)

GENERAL FUND		478.6				
FEDERAL FUNDS		-0-				
OTHER (Specify Fund Source)		-0-				

POSITIONS

FULL TIME		5				
PART TIME		-0-				
TEMPORARY		-0-				

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

Assumptions

1. Transfer will take place July 1, 1980.
2. Costs reflected on this fiscal note represent unbudgeted support services in the Department of Commerce and Economic Development, costs for equipment and office furnishings for all new positions and travel and per diem costs of the advisory board.
3. Assumes all appropriations will be consolidated under the General Government Budget Category.
4. Office space is currently available and budgeted in all areas except Juneau. New office quarters will be required in Juneau for 31 employees/6,000 s.f. @ \$1.25/s.f.
5. Five positions will be deleted in Anchorage and reestablished in Juneau. Potential cost for moving existing employees and families @ \$7,000 each.

IV. DATE March 14, 1980

PREPARED BY *Lois Lash*

AGENCY Division of Administrative Services

PHONE 465-2505

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

Personal Services

Personnel Section

Reclassification Personnel Officer I to II (16 to 18)	2.1
Reclassification Personnel Assistant I to II (12 to 14)	2.1
Accounting Clerk III Range 10	18.0
Accounting Clerk I Range 8	16.0

Accounting Section

Accounting Supervisor III Range 18	31.3
Accounting Clerk III Range 10	18.0

Deputy Commissioner

Grade 28	<u>54.5</u>
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Total Salaries	142.0
Benefits at 30%	<u>42.6</u>

Total Personal Services 184.6

Travel:

Deputy Commissioner & Staff	30.0
Advisory Board Travel (9 members):	
Transportation	16.2
Per Diem	15.1
Moving Cost 5 Anch. to Juneau @ 7.0 ea	35.0

Total Travel 96.3

Contractual:

Communications - \$500.00 month	6.0
Professional Fees & Services	50.0
Rent - 6,000 s.f. @ 1.25	90.0
(All remaining contractual costs will be provided within transferred appropriations)	

Total Contractual Services 146.0

Commodities:

\$500/5 employees - new employees within C&ED	2.5
---	-----

Equipment:

Office furniture 41 employees/\$710. each	25.6
File Cabinets - 10 @ \$259.94 + \$12.50 lock	2.7
Partitioning	5.0
Typewriters 13 @ \$900 each/28 Calculators @ \$150	<u>15.9</u>

Total Equipment 49.2

Total Request 478.6

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
Bill/Resolution No. SB 509
Title _____
Requested by _____ Date _____

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						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		(9,155.1)				

FUNDING (Thousands of Dollars)

GENERAL FUND		(8,861.6)			
FEDERAL FUNDS					
OTHER (Specify Fund Source)					
Inter-Agency Receipts		(293.5)			

POSITIONS

FULL TIME		(52)			
PART TIME					
TEMPORARY					

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

- Figures used to offset against the proposed agency are the Governor's recommended budget figures for FY 81.

IV. DATE 3/12/80 PREPARED BY Alison Elgee, Fiscal Analyst
AGENCY Legislative Finance Div.
PHONE 465-3795
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. SB 509

Title An Act establishing telecommunications divisions in the D of CED

Requested by Legislative Finance

Date 3/6/80

II. FISCAL DETAIL

Agency Affected Commerce and Economic Development

Program Category Affected General Government, Education

BRU, Program, or Subprogram(s) Affected Data Processing and Telecommunications

(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		233.4	256.7	282.3	310.5	341.5
200 TRAVEL		26.4	29.0	31.9	35.1	38.6
300 CONTRACTUAL		18.3	20.1	22.1	24.3	26.7
400 COMMODITIES		2.5	2.7	2.9	3.2	3.5
500 EQUIPMENT		8.3	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	288.9	308.5	339.2	373.1	410.3

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND	-0-	288.9	308.5	339.2	373.1	410.3
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME	-0-	6.0	6.0	6.0	6.0	6.0
PART TIME						
TEMPORARY						

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

- Assumes transfer will take place July 1, 1980.
- Costs reflected on this fiscal note represent unbudgeted support services in the Department of Commerce and Economic Development.
- An additional 137 employees (42% increase) will be added to the department and \$19,004.2 (94%) increase in funds.

Currently	<u>Personnel</u> 325	<u>Agency Budget</u> 20,151.9
Proposed in SB 509	462	39,156.1

- 10% inflation factor applied for FY '82-85.
- Assumes all appropriations will be consolidated under the General Government Budget Category.

IV. DATE 3/6/80

PREPARED BY

Lois J. Cook
Lois J. Cook

AGENCY Commerce & Economic Development

PHONE 465-2505

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

Projected affect on Personal Services:

Personnel Section

Reclassification Personnel Officer I to II (16 to 18)	2,148
Reclassification Personnel Assistant I to II (12 to 14)	2,064
Accounting Clerk III Range 10	18,024
Accounting Clerk I Range 8	16,020
Personnel Assistant I - Anchorage Range 12	19,536

Accounting Section

Accounting Supervisor III Range 18	31,253
Accounting Clerk III Range 10 (One Accounting Technican budgeted under contracted services in current DP Budget)	18,024

Deputy Commissioner

Grade 28	54,480
Administrative Support Technician II (Range 10)	18,024

Total Salaries	\$179,573
Benefits at 30%	53,872

Total Personal Services \$233,445

Travel:

3 trips/mo - Anchorage @ 400 each	14,400
Advisory Board Travel (9 members)	12,000
5 trips/yr - 2 Anchorage, 2 Juneau 1 Fairbanks	
Total Travel	26,400

Contractual:

Communications - \$500/mo	6,000
Rent/ASHA - 12.27/year/s/f. 1,000 s.f. (11 remaining contractual costs will be provided within transferred ap- propriations)	12,270
Total Contractual Services	18,270

Commodities:

\$500/5 employees	2,500
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Equipment:

Desks - 5 @ \$374.50 1 @ \$309.06	2,181
Chairs - 5 @ \$136.02 1 @ 101.00	782
File Cabinets - 4 @ \$259.94 + \$12.50 lock	1,090
Miscellaneous per employee - \$200	1,200
Partitioning	3,000
Total Equipment	\$8,253

Total Request \$288,868