

LEG. FINANCE - BILLS - 1979 - 1980 1388

SB 577 cont. thru CSSB 582 1388



OFFICIAL BUSINESS

# Alaska State Legislature

## Senate

May 2, 1980

POUCH V  
CAPITOL BUILDING  
JUNEAU, ALASKA 99811

### LETTER OF INTENT

### FOR SENATE BILL 577

It is the intent of the Senate Commerce Committee concerning Senate Bill 577 that the Alaska Public Utilities Commission (APUC) have additional directives and policies addressed herein.

The effectiveness of the APUC has been hampered by omissions and inconsistencies in their regulations. The Commission should promulgate regulations to clarify the reporting and accounting requirements of utilities and should prescribe model industry performance standards.

The Commission should establish: (1) a time management system, (2) a cross reference system, and (3) a separate collocation code for each of their departments. These programs will allow for more effective and efficient use of time and resources, and the rendering of more timely decisions.

Adopted as a SENATE LETTER OF INTENT

Introduced: 4/24/80  
Referred: Commerce

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 SENATE BILL NO. 577 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act continuing the existence of the Alaska Public  
7 Utilities Commission and amending the statutes relating  
8 to its responsibilities; and providing for an effective  
9 date."

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

11 \* Section 1. AS 29.48.030(a)(17) is repealed and re-enacted to read:

12 (17) collection and disposal of garbage, refuse, trash, waste  
13 material, solid waste and other related services subject to AS 29.48.-  
14 033;

15 \* Sec. 2. AS 29.48.033(b) is amended to read:

16 (b) The council or governing body of any political subdivision may  
17 not prohibit a person holding a franchise granted under AS 29.48.050  
18 [VALID CERTIFICATE FROM THE ALASKA PUBLIC UTILITIES COMMISSION] from  
19 continuing to collect and dispose of garbage, refuse, trash, waste  
20 material, or other related services in any area in the political sub-  
21 division [IF THE CERTIFICATE AUTHORIZES THE COLLECTION AND DISPOSAL OF  
22 GARBAGE, REFUSE, TRASH OR OTHER WASTE MATERIAL AND PROVIDING OF OTHER  
23 SERVICES IN THE AREA, AND THE CERTIFICATE WAS ORIGINALLY ISSUED BEFORE  
24 THE POLITICAL SUBDIVISION PROVIDED LIKE OR SIMILAR SERVICES]. A poli-  
25 tical subdivision may not provide for a garbage, refuse, trash or other  
26 waste material collection and disposal service in an area to the extent  
27 it lies within an area granted to a garbage, refuse, trash or other  
28 waste material carrier under AS 29.48.050 [BY A CERTIFICATE ISSUED BY  
29 THE COMMISSION TO THE CARRIER] until it has purchased the franchise

1 [CERTIFICATE], equipment and facilities of the carrier or that portion  
2 of the franchise [CERTIFICATE] which would be affected at fair market  
3 value and may exercise the right of eminent domain to determine fair  
4 market value.

5 \* Sec. 3. AS 29.48.035(a)(16) is repealed and re-enacted to read:

6 (16) collection and disposal of garbage, refuse, trash, waste  
7 material, solid-waste and other related services;

8 \* Sec. 4. AS 29.48.037 is amended by adding a new subsection to read:

9 (c) A municipality may regulate a utility subject to regulations  
10 under AS 29.48.050 and 29.48.060 even if part of the area served by the  
11 utility lies outside the boundaries of the municipality.

12 \* Sec. 5. AS 29.48.050 is amended by adding a new subsection to read:

13 (d) Notwithstanding (b) of this section, an exclusive franchise  
14 shall be issued to a refuse utility engaged in garbage, refuse, trash or  
15 other waste material collection and disposal if the refuse utility holds  
16 a valid certificate from the Alaska Public Utilities Commission autho-  
17 rizing the utility to collect and dispose of garbage, refuse, trash or  
18 other waste material and the certificate was issued before the effective  
19 date of this Act. The franchise service area of the refuse utility  
20 shall be the same as provided in the Alaska Public Utilities Commission  
21 certificate. The initial rates, tariffs and regulations of the refuse  
22 utility under the franchise shall be the rates, tariffs and regulations  
23 approved by the Alaska Public Utilities Commission on or before the  
24 effective date of this Act. A franchise granted under this subsection  
25 shall be for not less than 10 years. The franchise granted under this  
26 subsection may not be revoked without good cause.

27 \* Sec. 6. AS 29.48.060 is amended to read:

28 Sec. 29.48.060. PUBLIC UTILITIES RATES. (a) The assembly acting  
29 for the area outside cities and the council acting for the area within a

1 city may regulate, fix, establish and change, as it considers proper,  
2 the rates and charges imposed for utilities services given to the muni-  
3 cipality or its inhabitants by a public service association, corpora-  
4 tion, or individual not regulated under AS 42.05 or exempt under  
5 AS 42.05.711(e) - (h) and may regulate and provide what is a reasonable  
6 deposit for meters and security for service to be given, provided that  
7 interest is [BE] paid on the deposit. All rates, charges and regula-  
8 tions shall be reasonable and shall permit a fair and reasonable return  
9 on invested capital. The rates and charges for a refuse utility may  
10 be set by using operating ratios.

11 (b) Unless the assembly or council gives notice of a hearing  
12 under AS 29.48.070 to begin in 45 days after application for a change  
13 in rates or charges, a refuse utility may, for services rendered after  
14 45 days of filing its application for a change in rates or charges,  
15 charge the proposed new rates or charges on an interim basis subject to  
16 refund of the interim rates or charges in excess of the rates or charges  
17 set by ordinance under AS 29.48.090. For the purposes of a possible re-  
18 fund, the refuse utility shall maintain accurate records of the interim  
19 rates and the charges paid by each customer.

20 \* Sec. 7. AS 29.48.090 is amended by adding new subsections to read:

21 (b) A final order of the assembly or council is subject to judi-  
22 cial review in accordance with AS 44.62.560 - 44.62.570.

23 (c) A refuse utility may elect to proceed under (b) of this sec-  
24 tion or to apply to the Alaska Public Utilities Commission for review of  
25 a final order of the assembly or council establishing rates or charges,  
26 if the refuse utility

27 (1) offers service in a municipality which provides for a  
28 garbage, refuse, trash or other waste material collection and disposal  
29 service in the municipality; or

1 (2) received 20 percent or more of its revenues in the pre-  
2 ceding calendar year from the franchising municipality.

3 (d) Aggrieved customers of a refuse utility may proceed under (b)  
4 of this section or may elect to apply to the Alaska Public Utilities  
5 Commission for review of a final order of the assembly or council estab-  
6 lishing rates or charges if

7 (1) there is a local ordinance or other regulation requiring  
8 the customers to use the refuse utility; and

9 (2) a petition requesting the review is filed with the Alaska  
10 Public Utilities Commission and the petition is signed by 25 percent of  
11 the customers served by the utility or by customers accounting for 25  
12 percent of the non-municipal revenues generated by the utility, which-  
13 ever is less.

14 (e) The Alaska Public Utilities Commission shall review appeals  
15 made under this section using the same criteria and procedure as pro-  
16 vided in the Alaska Public Utilities Commission Act (AS 42.05) for  
17 regulated utilities. Judicial review of a final order issued by the  
18 commission shall be in accordance with AS 44.62.560 - 44.62.570.

19 \* Sec. 8. AS 42.05.121(a) is amended to read:

20 (a) The commission may employ an executive director who shall have  
21 had at least five years of experience in public utility management or  
22 regulation, law, accounting, or an allied field. The executive director  
23 is responsible for directing the administrative functions of the commis-  
24 sion and carrying out the policies as set by the commission. [THE  
25 EXECUTIVE DIRECTOR MAY BE ONE OF THE COMMISSION MEMBERS.] The commis-  
26 sion may employ engineers, hearing officers, experts, clerks, account-  
27 ants, and other agents and assistants it considers necessary. The  
28 executive director [, IF NOT A MEMBER OF THE COMMISSION,] and his deputy  
29 are in the partially exempt service under AS 39.25.120. All other

1 employees and agents of the commission, other than legal counsel, are in  
2 the classified service under AS 39.25.100. [THE COMBINED SALARY OF AN  
3 EXECUTIVE DIRECTOR WHO IS A MEMBER OF THE COMMISSION MAY NOT EXCEED THAT  
4 OF A SUPERIOR COURT JUDGE.]

5 \* Sec. 9. AS 42.05.141 is amended by adding a new paragraph to read:

6 (8) investigate, approve and review, upon application under  
7 AS 29.48.090(c), the rates, classifications, rules, regulations, prac-  
8 tices, services, and facilities of a refuse utility.

9 \* Sec. 10. AS 42.05.711(b) is amended to read:

10 (b) Public utilities owned and operated by a political subdivision  
11 of the state and none of whose utilities [, EXCEPTING THE FURNISHING OF  
12 COLLECTION AND DISPOSAL SERVICE OF GARBAGE, REFUSE, TRASH OR OTHER WASTE  
13 MATERIAL,] is in competition with any other utility, are exempt from the  
14 provisions of this chapter, other than the provisions of AS 42.05.221 -  
15 42.05.281, unless the owner and operator elects to be subject to all  
16 provisions of this chapter [NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS  
17 CHAPTER, MUNICIPALITIES PROVIDING COLLECTION AND DISPOSAL SERVICE OF  
18 GARBAGE, REFUSE, TRASH OR OTHER WASTE MATERIAL WITHIN THEIR CORPORATE  
19 BOUNDARIES ARE NOT SUBJECT TO REGULATION BY THE ALASKA PUBLIC UTILITIES  
20 COMMISSION UNLESS THE MUNICIPALITY ELECTS TO BE SUBJECT TO THE PRO-  
21 VISIONS OF THIS CHAPTER.]

22 \* Sec. 11. AS 42.05.711(e) is amended to read:

23 (e) Notwithstanding any other provisions of this chapter, any  
24 electric or telephone utility that does not gross \$250,000 [\$25,000]  
25 annually may elect to be exempt from the provisions of this chapter  
26 other than AS 42.05.221 - 42.05.281 under the procedure described in  
27 AS 42.05.712 [IS EXEMPT FROM REGULATION HEREUNDER UNLESS 25 PERCENT OF  
28 THE SUBSCRIBERS PETITION THE COMMISSION FOR REGULATION].

29 \* Sec. 12. AS 42.05.711 is amended by adding new subsections to read:

1 (f) A utility, other than a telephone or electric utility, that  
2 does not gross \$100,000 annually may elect to be exempt from the pro-  
3 visions of this chapter other than AS 42.05.221 - 42.05.281 under the  
4 procedure described in AS 42.05.712.

5 (g) A cooperative organized under AS 10.25 may elect to be exempt  
6 from the provisions of this chapter, other than AS 42.05.221 - 42.05.281,  
7 under the procedure described in AS 42.05.712.

8 (h) Cable television systems are exempt from the provisions of  
9 this chapter, other than the provisions of AS 42.05.221 - 42.05.281,  
10 until July 1, 1983. This exemption does not apply in cities or  
11 villages which have a population of less than 3,500 people and which  
12 are not located on a state road or marine highway.

13 (i) A refuse utility subject to municipal regulation under AS 29.-  
14 48.050 and 29.48.060 is exempt from the provisions of this chapter.  
15 This exemption does not apply to a refuse utility which provides service  
16 in only the unorganized borough.

17 \* Sec. 13. AS 42.05 is amended by adding a new section to read:

18 Sec. 42.05.712. DEREGULATION BALLOT. (a) A utility or coopera-  
19 tive which may elect to be exempt from the provisions of this chapter  
20 shall poll its subscribers in the manner described in this section.

21 (b) The board of directors of the utility or cooperative may  
22 initiate a poll of its subscribers under this section and shall initiate  
23 a poll of its subscribers upon receipt of a petition signed by 10 percent  
24 or more of the subscribers. A poll may not be taken under this section  
25 more often than once every two years.

26 (c) The ballot for taking the poll, along with impartial instruc-  
27 tions explaining the election available under AS 42.05.711(f) and this  
28 section, shall be sent postpaid to all the subscribers of the utility or  
29 cooperative. Impartial language explaining the alternatives of regu-

1 lation and deregulation of the utility or cooperative shall appear on  
2 the ballot as prescribed in (e) of this section. The ballot shall  
3 provide sufficient space for each subscriber to register his preference  
4 for or against deregulation. Only ballots returned to the utility or  
5 cooperative within 30 days after they are mailed to the subscribers may  
6 be counted.

7 (d) The votes of the majority of those voting are required for a  
8 utility or cooperative to elect exemption under this section; however,  
9 for the poll to have the effect of exempting the utility or cooperative  
10 from regulation, at least 51 percent of those eligible to vote must  
11 participate in the poll.

12 (e) Except for necessary instructions, each ballot may contain  
13 only the language in (1) or (2) of this subsection describing the alter-  
14 natives of regulation and deregulation.

15 (1) utilities eligible to elect an exemption under AS 42.05.-  
16 711(f) shall use the following language:

17 "Shall this utility be exempt from economic regulation by the Alaska  
18 Public Utilities Commission (APUC)?

19 DEREGULATION

20 Regulation is time-consuming and expensive and this time  
21 and money could better be used in other ways to benefit  
22 the consumers. The rates requested by this utility his-  
23 torically have been justified to the APUC. Within the  
24 requirements of our bylaws and the guidelines established  
25 by our lenders the utility itself will determine the appro-  
26 priate rates and charges for service without the need for  
27 prior approval from the APUC.

28 REGULATION

29 Regulation by the APUC is an effort by the state to assure

1 that rates charged by this utility are just and reasonable.  
2 This means that rates should be high enough to keep the  
3 utility financially sound, but not charge the consumer more  
4 than is necessary. It also means that the APUC establishes  
5 a rate design to share the responsibility for our revenue  
6 requirements among the several classes of consumers.

7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

BALLOT

Shall this utility be exempt from economic regulation by the Alaska  
Public Utilities Commission (APUC)?

YES  NO

(2) cooperatives eligible to elect an exemption under  
AS 42.05.711(g) shall use the following language:

"Shall this cooperative be removed from economic regulation by the  
Alaska Public Utilities Commission (APUC)?

DEREGULATION

Regulation is time-consuming and expensive and this time  
and money could better be used in other ways to benefit the  
consumers. The board of directors is composed of consumers  
elected by their neighbors, and the rates requested by the  
board of this cooperative historically have been justified  
to the APUC. Within the requirements of our bylaws and the  
guidelines established by our lenders, such as the Rural  
Electrification Administration, the board will determine  
the policies of this cooperative.

REGULATION

Regulation by the APUC is an effort by the state to assure  
that rates charged by this cooperative are just and reason-  
able. This means that rates should be high enough to keep  
the utility financially sound, but not charge the consumer

1 more than is necessary. It also means that the rate design  
2 to share the responsibility for our revenue requirements  
3 among the several classes of consumers is established by  
4 the APUC instead of the board.

5 BALLOT

6 Shall this cooperative be removed from economic regulation by the  
7 Alaska Public Utilities Commission (APUC)?

8 [ ] YES [ ] NO"

9 (f) A utility or cooperative which is already exempt from regu-  
10 lation under this section may elect to terminate its exemption in the  
11 same manner.

12 \* Sec 14. AS 44.66.010(a)(4) is amended to read:

13 (4) Alaska Public Utilities Commission (AS 42.05.010) --  
14 June 30, 1985 [1980];

15 \* Sec. 15. The effects of the exemption of cable television systems from  
16 rate regulation by the Alaska Public Utilities Commission provided in AS 42.  
17 05.711(h) added by sec. 12 of this Act shall be reviewed by the legislature  
18 before July 1, 1983. If the legislature fails to extend the exemption before  
19 July 1, 1983, AS 42.05.711(h) is repealed on that date and cable television  
20 systems lose their statutory exempt status on that date and become subject to  
21 regulation by the Alaska Public Utilities Commission.

22 \* Sec. 16. AS 42.05.221(f) is repealed.

23 \* Sec. 17. This Act takes effect July 1, 1980.  
24  
25  
26  
27  
28  
29



# RECORDS CERTIFICATION



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

James O. Smith  
Signature of Camera Operator

3/23/90  
Date

COMMITTEE REPORT

SENATE

5/16/80

FURTHER: None

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

Mr. President:

The Committee on FINANCE has had SB 579 providing for free resident hunting and sport fishing licenses for disabled veterans

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

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

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
CHAIRMAN

COMMITTEE REPORT

SENATE

FURTHER:

Finance

4/25/80

Date:

5/11/80

Mr. President:

The Committee on RESOURCES has had SB 579

providing for free resident hunting and sport fishing licenses for disabled veterans

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

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

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

*[Handwritten signatures: Tom R...]*  
 \_\_\_\_\_  
*[Handwritten signature: Meland]*  
 \_\_\_\_\_  
*[Handwritten signature: Don...]*  
 \_\_\_\_\_  
*[Handwritten signature: Bob Mulcahy]*  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

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

Introduced: 4/25/80  
Referred: Resources and  
Finance

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 SENATE BILL NO. 579

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for free resident hunting and sport  
7 fishing licenses for disabled veterans."

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

9 \* Section 1. AS 16.05.340(a)(4) is amended to read:

10 (4) Resident hunting and sport fishing license.....22

11 However, a person who is eligible for a loan under AS 26.15 and who is  
12 certified by the United States Veterans' Administration as having in-  
13 curring a 50 percent or greater disability during his military service  
14 may receive a resident hunting and sport fishing license without charge.

ALASKA STATE LEGISLATURE

ELEVENTH Legislature SECOND Session

SENATE BILL NO. 579...

By THE COMMERCE COMMITTEE...

"An Act providing for free resident hunting and sport fishing licenses for disabled veterans."

Introduced in the Senate 4/25/80

HISTORY IN THE SENATE

19	30	Read first time and referred to Committee on Resources and Finance											
4	25	Reported back with recommendation that <i>Res</i> <i>4 do pass to Fin</i>											
	5/16												
		Read second time and											
		Read third time and											
		<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused	
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
		<table border="0"> <tr><td>Reconsideration</td></tr> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	Reconsideration	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
Reconsideration													
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
		Reported correctly engrossed Signed by President Sent to House											
SECRETARY OF THE SENATE													

HISTORY IN THE HOUSE

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

HISTORY IN THE SENATE

19		Received from House
		To enrolling
		Reported correctly enrolled
		Sent to Governor
		..... by Governor
		Filed with Lt. Governor
		Chapter No. ....

SB 579

# STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH 5  
JUNEAU, ALASKA 99811

May 5, 1980

The Honorable Bill Sumner  
Chairman  
Senate Resources Committee  
Capitol Building, Room 125  
Juneau, AK 99811

Dear Senator Sumner:

SENATE BILL 579

Senate Bill 579, an Act providing for free resident hunting and sport fishing licenses for disabled veterans, was introduced in the Senate on April 25, 1980 and was referred to the Senate Resources and Finance Committees.

For the consideration of the Senate Resources Committee, I am enclosing copies of two Fiscal Notes prepared by Linda Lockridge, Supervisor, Fish and Game Licensing Section of the Department of Revenue, concerning the proposed legislation.

Sincerely,

R. D. Stevenson  
Special Assistant

Enclosures

cc: The Honorable John Sackett, Chairman  
Senate Finance Committee

Joseph K. Donohue, Deputy Commissioner  
Department of Revenue

Philip A. Wall, Director  
Administrative Services Division  
Department of Revenue

Linda Lockridge, Supervisor  
Fish and Game Licensing Section  
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB No. 579

Title An act providing for free resident hunting and sport fishing licenses for disabled veterans

Requested by Senate Resources Committee Date April 29, 1980

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected Fish and Game Support

BRU, Program, or Subprogram(s) Affected Fish and Game Licensing

(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	1.0	.5	.7	.9		
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>1.0</b>	<b>.5</b>	<b>.7</b>	<b>.9</b>		

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND	1.0	.5	.7	.9		
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME						
PART TIME						
TEMPORARY						

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

Initial costs incurred would be for the printing of a special license for disabled veterans and dissemination of information regarding eligibility for this license to statewide license vendors. In future years information regarding this license would be included in our annual license order and mail out to vendors.

*Linda Gene Lockridge*

IV. DATE April 29, 1980

PREPARED BY Linda Gene Lockridge

AGENCY Department of Revenue

PHONE 465-2376

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 No. 579  
 Title An act providing for free resident hunting & sport fishing licenses for disabled vets  
 Requested by Senate Resources Committee Date April 29, 1980

II. FISCAL DETAIL

Agency Affected Department of Revenue  
 Program Category Affected Fish and Game Support  
 BRU, Program, or Subprogram(s) Affected Fish and Game Licensing  
 (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

FUNDING (Thousands of Dollars) Revenue Effects

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						
Sport Fish Management Fund		(3.2)	(3.2)	(3.2)		
Game Management Fund		(3.8)	(3.8)	(3.8)		

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Statistics from the U.S. Veteran's Administration show that there are 464 veterans in Alaska with 50% or greater disability. Losses to the Sport Fish and Game Management Funds have been computed on the basis that 70% of that number would qualify for and apply for the free license.

IV. DATE April 29, 1980

PREPARED BY Linda Gene Lockridge

AGENCY Department of Revenue

PHONE 465-2376

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

Introduced: 4/25/80  
Referred: Resources and  
Finance

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 SENATE BILL NO. 579

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for free resident hunting and sport  
7 fishing licenses for disabled veterans."

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

9 \* Section 1. AS 16.05.340(a)(4) is amended to read:

10 (4) Resident hunting and sport fishing license.....22

11 However, a person who is eligible for a loan under AS 26.15 and who is  
12 certified by the United States Veterans' Administration as having in-  
13 curring a 50 percent or greater disability during his military service .  
14 may receive a resident hunting and sport fishing license without charge.

15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

# AGENCY: REVENUE

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

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

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

The Administration and Support BRU includes the Office of the Commissioner, Administrative Services, and Fish and Game Licensing. The Commissioner's Office oversees all functions of the Department of Revenue. The Research Section, under the Office of the Commissioner, performs special studies in analyzing and developing revenue sources, as well as projecting State cash flow through revenue estimating models and information provided by State agencies. The Administrative Services component provides centralized general services for the Department of Revenue, including personnel, budget, payroll, purchasing, mail, etc. This section also provides certain technical services such as administering business licenses, processing tax and license remittances, and initial processing of tax returns. The Fish and Game Licensing component is being transferred to this BRU from the Natural Resources category for FY 81. This component processes revenues received from the sales of Fish and Game licenses statewide. Most of the licenses are sold by contract vendors such as sporting goods stores.

## STATE OF ALASKA -- BUDGET UNIT SUMMARY

CATEGORY: GENERAL DEVELOPMENT  
AGENCY: DEPARTMENT OF REVENUE

PROGRAM: REVENUE OPERATIONS

COMPONENT DESCRIPTION	79 AUTH	79 FINAL	79 ACT	80 AUTH	80 SUPL	80 RP	GOVERNOR
AUDIT	2461.5	2530.6	2513.1	2691.6			3223.6
ENFORCEMENT	1196.5	1335.4	1324.7	1217.0			1366.3
OFFICE OF THE COMMISSIONER	877.3	1077.4	1054.4	757.6			964.5
ADMINISTRATIVE SERVICES	1630.0	1783.7	1746.5	1773.6			2361.4
FISH AND GAME LICENSING	572.1	580.6	531.6	259.0			798.0
** TOTAL	6737.4	7307.7	7170.3	6698.0			8213.8
** CHANGES VERSUS 80 AUTH							22.6%
FUNDING SOURCE							
GENERAL FUND	6429.4	7067.7	6952.8	6698.0			8213.8
PGM RECEIPTS	308.0	240.0	217.5				
** GENERAL FUND CHANGE VS. 80 AUTH							22.6%
POSITIONS							
FULL-TIME	173.0	173.0	173.0	179.0			191.0
PART-TIME	8.0	8.0	8.0	8.0			21.0
TEMPORARY	14.0	14.0	14.0	13.0			

Introduced: 4/25/80  
Referred: Resources and  
Finance

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 SENATE BILL NO. 579

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing for free resident hunting and sport  
7 fishing licenses for disabled veterans."

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

9 \* Section 1. AS 16.05.340(a)(4) is amended to read:

10 (4) Resident hunting and sport fishing license.....22

11 However, a person who is eligible for a loan under AS 26.15 and who is  
12 certified by the United States Veterans' Administration as having in-  
13 curring a 50 percent or greater disability during his military service  
14 may receive a resident hunting and sport fishing license without charge.

15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29



# RECORDS



# CERTIFICATION

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

James O. Smith  
Signature of Camera Operator

3/23/90  
Date

# COMMITTEE REPORT

(11)

## HOUSE

FURTHER:

5/17/80

Date: 5/29/80

Mr. Speaker:

The Committee on FINANCE has had SR 580

"An Act relating to professional licensing and to the regulation of the the practice of medicine; and providing for an effective date."

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

- do pass  do not pass
- do pass with attached amendments(s)
- replace with <sup>H Commerce</sup> CS for SR 580  same title  
 new title
- and recommends do pass
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]

CHAIRMAN

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE -- corrected

I. REQUEST

Bill/Resolution No. HCSSB 580 - An Act relating to professional licensing and to the  
Title regulation of the practice of medicine: and providing for an effective date.  
Requested by Health, Educ. & Social Services Comm. Date 05-19-80

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development  
Program Category Affected Public Protection  
BRU, Program, or Subprogram(s) Affected Regulation and Licensing of Professions  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	-0-	82.9	88.7	94.9	101.5	108.6
200 TRAVEL	-0-	8.5	9.1	9.7	10.4	11.1
300 CONTRACTUAL	-0-	15.3	15.3	15.3	15.3	15.3
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	1.7	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	0	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	-0-	108.4	113.1	119.9	127.2	135.0

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	108.4	113.1	119.9	127.2	135.0
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (Specify Fund Source)	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS

FULL TIME	-0-	3	3	3	3	3
PART TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

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

7% inflation factor used on Personal Services and Travel.

See attached page.

IV. DATE 05-19-80

PREPARED BY Ann Grigos, Director  
AGENCY Occupational Licensing  
PHONE 465-2534

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

PERSONAL SERVICES

12 Mos., partially exempt, Range 18	32,669.50
12 Mos., gen. govt., Range 18	32,582.98
12 Mos., Clerk Typist III, Range 8	17,648.00
	<u>82,900.48</u>

TRAVEL

Invest. 5 days per diem/mo. @ \$60	3,600.00
one trip/Mo. X 12 @ \$250	3,000.00
Exec. Off. - 5 board meetings	1,220.00
1 out-of-state travel	650.00
	<u>8,470.00</u>

CONTRACTUAL

1 mag card	3,000.00
------------	----------

EQUIPMENT (one time expense in FY '81)

2 Bookcases	169.52
2 four drawer files	363.80
2 chairs	253.66
2 side chairs	121.52
2 desks	778.76
	<u>1,687.26</u>

Contractual--Rent

600 square feet at \$1.70 per foot per month X 12=	12,240.00
	<u>12,240.00</u>

Original sponsor: Health, Education and  
Social Services Committee

Offered: 5/17/80  
Referred: Finance

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 580

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to professional licensing and to the  
7 regulation of the practice of medicine; and providing  
8 for an effective date."

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

10 \* Section 1. AS 08.01.050 is amended by adding a new subsection to read:

11 (c) After consulting with the State Medical Board (AS 08.64.010),  
12 the department shall employ an individual to be assigned as the investi-  
13 gator for that board. The investigator shall

14 (1) not be a member of the State Medical Board;

15 (2) conduct investigations into alleged violations of  
16 AS 08.64, and into alleged violations of regulations and orders of the  
17 State Medical Board;

18 (3) at the request of the State Medical Board, conduct  
19 investigations based on complaints filed with the department or with the  
20 State Medical Board; and

21 (4) be directly responsible and accountable to the State  
22 Medical Board, except that only the department has authority to  
23 terminate his employment.

24 \* Sec. 2. AS 08.01.100(a) is amended to read:

25 (a) Except as otherwise provided in this title, [ALL] licenses  
26 shall be renewed biennially on the dates set by the department with the  
27 approval of the respective board.

28 \* Sec. 3. AS 08.64.010 is amended to read:

29 Sec. 08.64.010. CREATION AND MEMBERSHIP OF STATE MEDICAL BOARD.

1 The governor shall appoint a board of medical examiners, to be known as  
2 the State Medical Board, consisting of five [LICENSED] physicians  
3 licensed in the state and [,] residing in as many separate geographical  
4 areas of the state [ALASKA JUDICIAL DISTRICTS] as possible, and two  
5 persons with no direct financial interest in the health care industry.

6 \* Sec. 4. AS 08.64.020 is amended to read:

7 Sec. 08.64.020. [STATE MEDICAL BOARD] TERM OF OFFICE. Members  
8 shall be appointed for staggered terms [A TERM] of four years, subject  
9 to confirmation by a majority of the members of the legislature in joint  
10 session, and shall hold office until their successors are appointed and  
11 qualified. The terms of the public members of the board shall be stag-  
12 gered so that they do not expire at the same time. A person who has  
13 served two successive complete terms may not be reappointed until four  
14 years from the expiration of the second term.

15 \* Sec. 5. AS 08.64.040 is amended to read:

16 Sec. 08.64.040. REMOVAL OF MEMBERS. The governor may remove a  
17 member of the board for cause. The board may by regulation provide that  
18 unexcused absences from meetings constitute cause for removal.

19 \* Sec. 6. AS 08.64 is amended by adding new sections to read:

20 Sec. 08.64.075. EXECUTIVE OFFICER OF THE BOARD. (a) The depart-  
21 ment, in consultation with the board, shall employ an individual who is  
22 not a member of the board to serve as executive officer of the board.

23 (b) The executive officer shall

24 (1) perform the administrative duties required by this  
25 chapter and the department;

26 (2) carry out regulations and policy decisions made by the  
27 board;

28 (3) assist the board in conducting examinations, continuing  
29 education programs, and other administrative work for the board."

1           Sec. 08.64.085. MEETINGS OF THE BOARD. The board shall hold  
2 meetings at least four times a year.

3           Sec. 08.64.115. DUTIES. The board shall

4           (1) after a hearing, impose disciplinary sanctions on persons  
5 who violate this chapter, or the regulations or orders of the board;

6           (2) adopt regulations insuring that renewal of licenses is  
7 contingent upon proof of continued competency on the part of the li-  
8 censee.

9 \* Sec. 7. AS 08.64.240 is amended to read:

10           Sec. 08.64.240. LICENSE REFUSED. If the applicant fails the exam-  
11 ination, or is determined by the board to be [MORALLY OR] professionally  
12 unfit to practice medicine or osteopathy in this state, or fails to  
13 comply with any of the other requirements of this chapter, the board  
14 shall refuse to grant the license.

15 \* Sec. 8. AS 08.64.250 is amended to read:

16           Sec. 08.64.250. LICENSURE BY CREDENTIALS [ENDORSEMENT]. The board  
17 may waive the examination requirement and license by credentials [EN-  
18 DORSEMENT] if the physician or podiatry applicant meets the requirements  
19 of AS 08.64.200 or 08.64.209, submits proof of continued competency  
20 as required by regulation, pays the required fee and has

21           (1) an active license from a board of medical examiners  
22 established under the laws of a state or territory of the United States  
23 or a province of Canada issued after thorough examination; or

24           (2) passed an examination given by the National Board of  
25 Medical Examiners or the Federation of State Medical Boards of the  
26 United States if the applicant is a physician, or passed an examination  
27 given by the National Board of Podiatry Examiners if the applicant is  
28 a podiatrist.

29 \* Sec. 9. AS 08.64.270(a) is amended to read:

1 (a) The board may issue a temporary permit to an applicant who  
2 meets the requirements of AS 08.64.200, [OR] 08.64.205, or 08.64.209 and  
3 pays th. required fee.

4 \* Sec. 10. AS 08.64.311 is amended to read:

5 Sec. 08.64.311. [BIENNIAL] LICENSE RENEWAL. Licenses shall be  
6 renewed every four years [BIENNIALY].

7 \* Sec. 11. AS 08.64.315 is amended to read:

8 Sec. 08.64.315. FEES. The following fees are imposed under this  
9 chapter:

- 10 (1) application..... \$ 50 [\$25]  
11 (2) license by examination..... \$200 [125]  
12 (3) license by credentials [ENDORSEMENT] or  
13 waiver of examination.....\$200 [100]  
14 (4) temporary permit..... \$50 [25]  
15 (5) locum tenens permit..... \$50 [25]  
16 (6) license renewal due every four years  
17 [, BIENNIAL], active..... \$600 [100]  
18 (7) license renewal due every four years  
19 [, BIENNIAL], inactive..... \$200 [25]  
20 (8) license by reexamination..... \$150 [75]

21 \* Sec. 12. AS 08.64.325 is repealed and re-enacted to read:

22 Sec. 08.64.325. GROUNDS FOR IMPOSITION OF DISCIPLINARY SANCTIONS.  
23 The board may impose a sanction when the board finds after a hearing  
24 that a licensee

25 (1) secured a license through deceit, fraud, or intentional  
26 misrepresentation;

27 (2) engaged in deceit, fraud, or intentional misrepresenta-  
28 tion in the course of providing professional services or engaging in  
29 professional activities;

1 (3) advertised professional services in a false or misleading  
2 manner;

3 (4) has been convicted of a felony or other crime which  
4 affects his ability to continue to practice competently and safely;

5 (5) intentionally or negligently engaged in or permitted the  
6 performance of patient care by persons under his supervision which does  
7 not conform to minimum professional standards regardless of whether  
8 actual injury to the patient occurred;

9 (6) failed to comply with this chapter, with a regulation  
10 adopted under this chapter, or with an order of the board;

11 (7) continued to practice after becoming unfit due to

12 (A) professional incompetence;

13 (B) addiction or severe dependency on alcohol or other  
14 drugs which impairs his ability to practice safely;

15 (C) physical or mental disability;

16 (8) engaged in unprofessional conduct or in lewd or immoral  
17 conduct in connection with the delivery of professional service to  
18 patients.

19 \* Sec. 13. AS 08.64.330 is repealed and re-enacted to read:

20 Sec. 08.64.330. DISCIPLINARY SANCTIONS. (a) When it finds that a  
21 licensee is guilty of an offense under AS 08.64.325, the board may  
22 impose the following sanctions singly or in combination:

23 (1) permanently revoke a license to practice;

24 (2) suspend a license for a determinate period of time;

25 (3) censure a licensee;

26 (4) issue a letter of reprimand;

27 (5) place a licensee on probationary status and require him

28 to

29 (A) report regularly to the board upon matters involving

1 the basis of probation;

2 (B) limit practice to those areas prescribed;

3 (C) continue professional education until a satisfactory  
4 degree of skill has been attained in those areas determined by the  
5 board to need improvement;

6 (6) impose limitations or conditions on the practice of a  
7 licensee.

8 (b) The board may withdraw probation status if it finds that the  
9 deficiencies which required the sanction have been remedied.

10 (c) The board may summarily suspend a license before final hearing  
11 or during the appeals process if the board finds that the licensee poses  
12 a clear and immediate danger to the public health and safety if he  
13 continues to practice. A person whose license is suspended under this  
14 section shall be entitled to a hearing by the board no later than seven  
15 days after the effective date of the order. He may appeal the  
16 suspension after a hearing to a court of competent jurisdiction.

17 (d) The board may reinstate a license which has been suspended or  
18 revoked if the board finds after a hearing that the applicant is able to  
19 practice with reasonable skill and safety.

20 (e) A license may be suspended until a hearing can be held to  
21 determine the licensee's fitness to practice in the state upon receipt  
22 of certified evidence that his license to practice medicine in another  
23 state, territory or province of the United States or Canada has been  
24 suspended or revoked.

25 (f) The board shall seek consistency in the application of dis-  
26 ciplinary sanctions, and significant departure from prior decisions  
27 involving similar situations shall be explained in findings of fact or  
28 orders.

29 \* Sec. 14. AS 08.64.360 is amended to read:

1           Sec. 08.64.360. PENALTY FOR PRACTICING WITHOUT A LICENSE OR IN  
2 VIOLATION OF CHAPTER. (a) Except for a physician assistant and a  
3 physician-trained mobile intensive care paramedic under AS 08.64.170, a  
4 person practicing medicine or osteopathy in the state without obtaining  
5 and filing an appropriate license is guilty of a class B misdemeanor  
6 [AND UPON CONVICTION IS PUNISHABLE BY A FINE OF NOT LESS THAN \$50 NOR  
7 MORE THAN \$100, OR BY IMPRISONMENT FOR NOT LESS THAN 10 DAYS NOR MORE  
8 THAN 90 DAYS, OR BY BOTH]. Evidence that the defendant has failed to  
9 file a license with the clerk of the court is prima facie evidence that  
10 the defendant is not licensed. Each day of illegal practice is a  
11 separate offense.

12           (b) A person who practices or attempts to practice or who holds  
13 himself out as practicing a system or mode of treating the sick or  
14 afflicted in the state or who diagnoses, treats, operates for, or  
15 prescribes for an ailment, blemish, deformity, disease, disfigurement,  
16 disorder, injury or other mental or physical condition of any person,  
17 without having, when required, a valid unrevoked and unsuspended license  
18 or authorization as provided in this chapter, or without being authorized  
19 to perform the acts under a license, authorization or certificate, when  
20 required, in accordance with another provision of law, is guilty of a  
21 class B misdemeanor.

22 \* Sec. 15. AS 08.64.380(3) is amended by adding a new subparagraph to  
23 read:

24           (I) refusing to provide emergency care which, in the  
25 professional judgment of the licensee, is essential to prevent loss  
26 of life, limb or immediate undue pain and suffering, and is within  
27 the licensee's area of competence.

28 \* Sec. 16. AS 08.64.380(5) is amended to read:

29           (5) "department" means the Department of Commerce and Econo-

1        mic Development.

2        \* Sec. 17. AS 08.64.030, 08.64.110, 08.64.160, 08.64.200(1), and 08.64.-  
3 380(3)(C) are repealed.

4        \* Sec. 18. This Act takes effect immediately in accordance with AS 01.10.-  
5 070(c).

6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE -- corrected

I. REQUEST

Bill/Resolution No. HCSSB 580 - An Act relating to professional licensing and to the Title regulation of the practice of medicine; and providing for an effective date.  
Requested by Health, Educ. & Social Services Comm. Date 05-19-80

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development  
Program Category Affected Public Protection  
BRU, Program, or Subprogram(s) Affected Regulation and licensing of Professions  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	-0-	82.9	88.7	94.9	101.5	108.6
200 TRAVEL	-0-	8.5	9.1	9.7	10.4	11.1
300 CONTRACTUAL	-0-	15.3	15.3	15.3	15.3	15.3
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	1.7	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	0	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	-0-	108.4	113.1	119.9	127.2	135.0

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	108.4	113.1	119.9	127.2	135.0
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (Specify Fund Source)	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS

FULL TIME	-0-	3	3	3	3	3
PART TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

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

7% inflation factor used on Personal Services and Travel.

See attached page.

IV. DATE 05-19-80

PREPARED BY Ann Griegos, Director

AGENCY Occupational Licensing

PHONE 465-2534

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

PERSONAL SERVICES

12 Mos., partially exempt, Range 18	32,669.50
12 Mos., gen. govt., Range 18	32,582.98
12 Mos., Clerk Typist III, Range 8	17,648.00
	<u>82,900.48</u>

TRAVEL

Invest. 5 days per diem/mo. @ \$60	3,600.00
one trip/Mo. X 12 @ \$250	3,000.00
Exec. Off. - 5 board meetings	1,220.00
1 out-of-state travel	650.00
	<u>8,470.00</u>

CONTRACTUAL

1 mag card	3,000.00
------------	----------

EQUIPMENT (one time expense in FY '81)

2 Bookcases	169.52
2 four drawer files	363.80
2 chairs	253.66
2 side chairs	121.52
2 desks	778.76
	<u>1,687.26</u>

Contractual--Rent

600 square feet at \$1.70 per foot per month X 12=	12,240.00
	<u>12,240.00</u>

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HCSSB 580 - An Act relating to professional licensing and to the Title regulation of the practice of medicine; and providing for an effective date.  
Requested by Health, Educ. & Social Services Comm. Date 05-19-80

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development  
Program Category Affected Public Protection  
BRU, Program, or Subprogram(s) Affected Regulation and Licensing of Professions  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	-0-	82.9	88.7	94.9	101.5	108.6
200 TRAVEL	-0-	8.5	9.1	9.7	10.4	11.1
300 CONTRACTUAL	-0-	3.0	3.0	3.0	3.0	3.0
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	1.7	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	12.3	12.3	12.3	12.3	12.3
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	108.4	113.1	119.9	127.2	135.0

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	108.4	113.1	119.9	127.2	135.0
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (Specify Fund Source)	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS

FULL TIME	-0-	3	3	3	3	3
PART TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

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

7% inflation factor used on Personal Services and Travel.

See attached page.

IV. DATE 05-19-80

PREPARED BY Ann Griggs, Director

AGENCY Occupational Licensing

PHONE 465-2534

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

PERSONAL SERVICES

12 Mos., partially exempt, Range 18	32,665.50
12 Mos., gen. govt., Range 18	32,582.98
12 Mos., Clerk Typist III, Range 8	17,648.00
	<u>82,900.48</u>

TRAVEL

Invest. 5 days per diem/mo. @ \$60	3,600.00
one trip/Mo. X 12 @ \$250	3,000.00
Exec. Off. - 5 board meetings	1,220.00
1 out-of-state travel	650.00
	<u>8,470.00</u>

CONTRACTUAL

1 mag card	3,000.00
------------	----------

EQUIPMENT (one time expense in FY '81)

2 Bookcases	169.52
2 four drawer files	363.80
2 chairs	253.66
2 side chairs	121.52
2 desks	778.76
	<u>1,687.26</u>

LAND & STRUCTURES

600 square feet at \$1.70 per foot per month X 12=	12,240.00
	<u>12,240.00</u>

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HCSSB 580 - An Act relating to professional licensing and to the  
Title regulation of the practice of medicine; and providing for an effective date.  
 Requested by Health, Educ. & Social Services Comm. Date 05-19-80

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development  
 Program Category Affected Public Protection  
 BRU, Program, or Subprogram(s) Affected Regulation and Licensing of Professions  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	-0-	82.9	88.7	94.9	101.5	108.6
200 TRAVEL	-0-	8.5	9.1	9.7	10.4	11.1
300 CONTRACTUAL	-0-	3.0	3.0	3.0	3.0	3.0
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	1.7	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	12.3	12.3	12.3	12.3	12.3
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	<b>-0-</b>	<b>108.4</b>	<b>113.1</b>	<b>119.9</b>	<b>127.2</b>	<b>135.0</b>

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	108.4	113.1	119.9	127.2	135.0
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (Specify Fund Source)	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS

FULL TIME	-0-	3	3	3	3	3
PART TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

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

7% inflation factor used on Personal Services and Travel.

See attached page.

IV. DATE 05-19-80

PREPARED BY Ann Griegs, Director

AGENCY Occupational Licensing

PHONE 465-2534

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

PERSONAL SERVICES

12 Mos., partially exempt, Range 18	32,669.50
12 Mos., gen. govt., Range 18	32,582.98
12 Mos., Clerk Typist III, Range 8	17,648.00
	<u>82,900.48</u>

TRAVEL

Invest. 5 days per diem/mo. @ \$60	3,600.00
one trip/Mo. X 12 @ \$250	3,000.00
Exec. Off. - 5 board meetings	1,220.00
1 out-of-state travel	650.00
	<u>8,470.00</u>

CONTRACTUAL

1 mag card	3,000.00
------------	----------

EQUIPMENT (one time expense in FY '81)

2 Bookcases	169.52
2 four drawer files	363.80
2 chairs	253.66
2 side chairs	121.52
2 desks	778.76
	<u>1,687.26</u>

LAND & STRUCTURES

600 square feet at \$1.70 per foot per month X 12=	12,240.00
	<u>12,240.00</u>

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST.

Bill/Resolution No. Senate Bill 580 - An Act relating to professional licensing and to the  
Title regulation of the practice of medicine; and providing for an effective date.  
Requested by Health, Education & Social Services Committee Date 4/30/80

II. FISCAL DETAIL

Agency Affected Commerce and Economic Development

Program Category Affected Consumer Protection

BRU, Program, or Subprogram(s) Affected Regulation and Licensing of Professions

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

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	-0-	37.2	40.0	42.6	45.6	49.0
200 TRAVEL	-0-	6.6	7.1	7.6	8.1	8.7
300 CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	<b>-0-</b>	<b>43.8</b>	<b>47.1</b>	<b>50.2</b>	<b>53.7</b>	<b>57.7</b>

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	43.8	47.1	50.2	53.7	57.7
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (Specify Fund Source)	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS

FULL TIME	0	1	1	1	1	1
PART TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

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

Personnel Services (7% inflation factor used)

One Investigator located in Anchorage at Range 18A \$37,186.44

Travel (7% inflation factor used)

5 Days Per Diem per month at \$50.00 per day X 12 3,600.00

One Transportation at \$250.00 per month X 12 3,000.00

Continued next page.

IV. DATE 4/30/80

PREPARED BY

*Ann Griggs*  
Ann Griggs, Director

AGENCY Occupational Licensing

PHONE 465-2532

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

EQUIPMENT (This is a one time expense in FY'81)

1 Bookcase	\$ 84.76
1 four drawer file	181.90
1 chair	126.83
2 side chairs	121.52
1 desk	389.38
1 typewriter table	60.93
1 mat	35.46
1 typewriter	900.00

---

Total \$ 1,900.78

LAND AND STRUCTURES

(7% inflation factor used)

126 Square feet at \$1.25 per foot per month X 12 = \$1,890.00

Introduced: 4/25/80  
Referred: Health, Education  
& Social Services

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

1 IN THE SENATE

2 SENATE BILL NO. 580

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to professional licensing and to the  
7 regulation of the practice of medicine; and providing  
8 for an effective date."

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

10 \* Section 1. AS 08.01.050 is amended by adding a new subsection to read:

11 (c) After consulting with the State Medical Board (AS 08.64.010),  
12 the department shall employ an individual to be assigned as the investi-  
13 gator for that board. The investigator shall

14 (1) not be a member of the State Medical Board;

15 (2) conduct investigations into alleged violations of  
16 AS 08.64, and into alleged violations of regulations and orders of the  
17 State Medical Board;

18 (3) at the request of the State Medical Board, conduct  
19 investigations based on complaints filed with the department or with the  
20 State Medical Board; and

21 (4) be directly responsible and accountable to the State  
22 Medical Board, except that only the department has authority to  
23 terminate his employment.

24 \* Sec. 2. AS 08.01.100(a) is amended to read:

25 (a) Except as otherwise provided in this title, [ALL] licenses  
26 shall be renewed biennially on the dates set by the department with the  
27 approval of the respective board.

28 \* Sec. 3. AS 08.64.010 is amended to read:

29 Sec. 08.64.010. CREATION AND MEMBERSHIP OF STATE MEDICAL BOARD.

1 The governor shall appoint a board of medical examiners, to be known as  
2 the State Medical Board, consisting of five [LICENSED] physicians  
3 licensed in the state and [,] residing in as many separate geographical  
4 areas of the state [ALASKA JUDICIAL DISTRICTS] as possible, and two  
5 persons with no direct financial interest in the health care industry.

6 \* Sec. 4. AS 08.64.020 is amended to read:

7 Sec. 08.64.020. [STATE MEDICAL BOARD] TERM OF OFFICE. Members  
8 shall be appointed for staggered terms [A TERM] of four years, subject  
9 to confirmation by a majority of the members of the legislature in joint  
10 session, and shall hold office until their successors are appointed and  
11 qualified. The terms of the public members of the board shall be stag-  
12 gered so that they do not expire at the same time. A person who has  
13 served two successive complete terms may not be reappointed until four  
14 years from the expiration of the second term.

15 \* Sec. 5. AS 08.64.040 is amended to read:

16 Sec. 08.64.040. REMOVAL OF MEMBERS. The governor may remove a  
17 member of the board for cause. The board may by regulation provide that  
18 unexcused absences from meetings constitute cause for removal.

19 \* Sec. 6. AS 08.64 is amended by adding new sections to read:

20 Sec. 08.64.085. MEETINGS OF THE BOARD. The board shall hold  
21 meetings at least four times a year.

22 Sec. 08.64.115. DUTIES. The board shall

23 (1) after a hearing, impose disciplinary sanctions on persons  
24 who violate this chapter, or the regulations or orders of the board;

25 (2) adopt regulations insuring that renewal of licenses is  
26 contingent upon proof of continued competency on the part of the li-  
27 censee.

28 \* Sec. 7. AS 08.64.240 is amended to read:

29 Sec. 08.64.240. LICENSE REFUSED. If the applicant fails the exam-

1 ination, or is determined by the board to be [MORALLY OR] professionally  
2 unfit to practice medicine or osteopathy in this state, or fails to  
3 comply with any of the other requirements of this chapter, the board  
4 shall refuse to grant the license.

5 \* Sec. 8. AS 08.64.250 is amended to read:

6 Sec. 08.64.250. LICENSURE BY CREDENTIALS [ENDORSEMENT]. The board  
7 may waive the examination requirement and license by credentials [EN-  
8 DORSEMENT] if the physician or podiatry applicant meets the requirements  
9 of AS 08.64.200 or 08.64.209, submits proof of continued competency  
10 as required by regulation, pays the required fee and has

11 (1) an active license from a board of medical examiners  
12 established under the laws of a state or territory of the United States  
13 or a province of Canada issued after thorough examination; or

14 (2) passed an examination given by the National Board of  
15 Medical Examiners or the Federation of State Medical Boards of the  
16 United States if the applicant is a physician, or passed an examination  
17 given by the National Board of Podiatry Examiners if the applicant is  
18 a podiatrist.

19 \* Sec. 9. AS 08.64.270(a) is amended to read:

20 (a) The board may issue a temporary permit to an applicant who  
21 meets the requirements of AS 08.64.200, [OR] 08.64.205, or 08.64.209 and  
22 pays the required fee.

23 \* Sec. 10. AS 08.64.311 is amended to read:

24 Sec. 08.64.311. [BIENNIAL] LICENSE RENEWAL. Licenses shall be  
25 renewed every four years [BIENNIALY].

26 \* Sec. 11. AS 08.64.315 is amended to read:

27 Sec. 08.64.315. FEES. The following fees are imposed under this  
28 chapter:

29 (1) application..... \$ 50 [\$25]

- 1 (2) license by examination..... \$200 [125]
- 2 (3) license by credentials [ENDORSEMENT] or
- 3 waiver of examination.....\$200 [100]
- 4 (4) temporary permit..... \$50 [25]
- 5 (5) locum tenens permit..... \$50 [25]
- 6 (6) license renewal due every four years
- 7 [, BIENNIAL], active..... \$300 [100]
- 8 (7) license renewal due every four years
- 9 [, BIENNIAL], inactive..... \$100 [25]
- 10 (8) license by reexamination..... \$75 [75]

11 \* Sec. 12. AS 08.64.325 is repealed and re-enacted to read:

12 Sec. 08.64.325. GROUNDS FOR IMPOSITION OF DISCIPLINARY SANCTIONS.

13 The board may impose a sanction when the board finds after a hearing  
14 that a licensee

15 (1) secured a license through deceit, fraud, or intentional  
16 misrepresentation;

17 (2) engaged in deceit, fraud, or intentional misrepresenta-  
18 tion in the course of providing professional services or engaging in  
19 professional activities;

20 (3) advertised professional services in a false or misleading  
21 manner;

22 (4) has been convicted of a felony or other crime which  
23 affects his ability to continue to practice competently and safely;

24 (5) intentionally or negligently engaged in or permitted the  
25 performance of patient care by persons under his supervision which does  
26 not conform to minimum professional standards regardless of whether  
27 actual injury to the patient occurred;

28 (6) failed to comply with this chapter, with a regulation  
29 adopted under this chapter, or with an order of the board;

- 1 (7) continued to practice after becoming unfit due to
- 2 (A) professional incompetence;
- 3 (B) failure to keep informed of or use current profes-
- 4 sional theories or practices;
- 5 (C) addiction or severe dependency on alcohol or other
- 6 drugs which impairs his ability to practice safely;
- 7 (D) physical or mental disability;
- 8 (8) engaged in unprofessional conduct or in lewd or immoral
- 9 conduct in connection with the delivery of professional service to
- 10 patients.

11 \* Sec. 13. AS 08.64.330 is repealed and re-enacted to read:

12 Sec. 08.64.330. DISCIPLINARY SANCTIONS. (a) When it finds that a

13 licensee is guilty of an offense under AS 08.64.325, the board may

14 impose the following sanctions singly or in combination:

- 15 (1) permanently revoke a license to practice;
- 16 (2) suspend a license for a determinate period of time;
- 17 (3) censure a licensee;
- 18 (4) issue a letter of reprimand;
- 19 (5) place a licensee on probationary status and require him

20 to

- 21 (A) report regularly to the board upon matters involving
- 22 the basis of probation;
- 23 (B) limit practice to those areas prescribed;
- 24 (C) continue professional education until a satisfactory
- 25 degree of skill has been attained in those areas determined by the
- 26 board to need improvement;

27 (6) impose limitations or conditions on the practice of a

28 licensee.

29 (b) The board may withdraw probation status if it finds that the

1 deficiencies which required the sanction have been remedied.

2 (c) The board may summarily suspend a license before final hearing  
3 or during the appeals process if the board finds that the licensee poses  
4 a clear and immediate danger to the public health and safety if he  
5 continues to practice. A person whose license is suspended under this  
6 section shall be entitled to a hearing by the board no later than seven  
7 days after the effective date of the order. He may appeal the  
8 suspension after a hearing to a court of competent jurisdiction.

9 (d) The board may reinstate a license which has been suspended or  
10 revoked if the board finds after a hearing that the applicant is able to  
11 practice with reasonable skill and safety.

12 (e) A license may be suspended until a hearing can be held to  
13 determine the licensee's fitness to practice in the state upon receipt  
14 of certified evidence that his license to practice medicine in another  
15 state, territory or province of the United States or Canada has been  
16 suspended or revoked.

17 (f) The board shall seek consistency in the application of dis-  
18 disciplinary sanctions, and significant departure from prior decisions  
19 involving similar situations shall be explained in findings of fact or  
20 orders.

21 \* Sec. 14. AS 08.64.360 is amended to read:

22 Sec. 08.64.360. PENALTY FOR PRACTICING WITHOUT A LICENSE OR IN  
23 VIOLATION OF CHAPTER. (a) Except for a physician assistant and a  
24 physician-trained mobile intensive care paramedic under AS 08.64.170, a  
25 person practicing medicine or osteopathy in the state without obtaining  
26 and filing an appropriate license is guilty of a class B misdemeanor  
27 [AND UPON CONVICTION IS PUNISHABLE BY A FINE OF NOT LESS THAN \$50 NOR  
28 MORE THAN \$100, OR BY IMPRISONMENT FOR NOT LESS THAN 10 DAYS NOR MORE  
29 THAN 90 DAYS, OR BY BOTH]. Evidence that the defendant has failed to

1 file a license with the clerk of the court is prima facie evidence that  
2 the defendant is not licensed. Each day of illegal practice is a  
3 separate offense.

4 (b) A person who practices or attempts to practice or who holds  
5 himself out as practicing a system or mode of treating the sick or  
6 afflicted in the state or who diagnoses, treats, operates for, or  
7 prescribes for an ailment, blemish, deformity, disease, disfigurement,  
8 disorder, injury or other mental or physical condition of any person,  
9 without having a valid unrevoked and unsuspended license or author-  
10 ization as provided in this chapter, or without being authorized to  
11 perform the acts under a license, authorization or certificate obtained  
12 in accordance with another provision of law, is guilty of a class B  
13 misdemeanor.

14 \* Sec. 15. AS 08.64.380(3) is amended by adding a new subparagraph to  
15 read:

16 (I) refusing to provide emergency care which, in the  
17 professional judgment of the licensee, is essential to prevent loss  
18 of life, limb or immediate undue pain and suffering, and is within  
19 the licensee's area of competence.

20 \* Sec. 16. AS 08.64.030, 08.64.110, 08.64.160, 08.64.200(1), and 08.64.-  
21 380(3)(C) are repealed.

22 \* Sec. 17. This Act takes effect immediately in accordance with AS 01.10.-  
23 070(c).

Original sponsor: Health, Education and  
Social Services Committee

Offered: 5/17/80  
Referred: Finance

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 580

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to professional licensing and to the  
7 regulation of the practice of medicine; and providing  
8 for an effective date."

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

10 \* Section 1. AS 08.01.050 is amended by adding a new subsection to read:

11 (c) After consulting with the State Medical Board (AS 08.64.010),  
12 the department shall employ an individual to be assigned as the investi-  
13 gator for that board. The investigator shall

14 (1) not be a member of the State Medical Board;

15 (2) conduct investigations into alleged violations of  
16 AS 08.64, and into alleged violations of regulations and orders of the  
17 State Medical Board;

18 (3) at the request of the State Medical Board, conduct  
19 investigations based on complaints filed with the department or with the  
20 State Medical Board; and

21 (4) be directly responsible and accountable to the State  
22 Medical Board, except that only the department has authority to  
23 terminate his employment.

24 \* Sec. 2. AS 08.01.100(a) is amended to read:

25 (a) Except as otherwise provided in this title, [ALL] licenses  
26 shall be renewed biennially on the dates set by the department with the  
27 approval of the respective board.

28 \* Sec. 3. AS 08.64.010 is amended to read:

29 Sec. 08.64.010. CREATION AND MEMBERSHIP OF STATE MEDICAL BOARD.

1 The governor shall appoint a board of medical examiners, to be known as  
2 the State Medical Board, consisting of five [LICENSED] physicians  
3 licensed in the state and [,] residing in as many separate geographical  
4 areas of the state [ALASKA JUDICIAL DISTRICTS] as possible, and two  
5 persons with no direct financial interest in the health care industry.

6 \* Sec. 4. AS 08.64.020 is amended to read:

7 Sec. 08.64.020. [STATE MEDICAL BOARD] TERM OF OFFICE. Members  
8 shall be appointed for staggered terms [A TERM] of four years, subject  
9 to confirmation by a majority of the members of the legislature in joint  
10 session, and shall hold office until their successors are appointed and  
11 qualified. The terms of the public members of the board shall be stag-  
12 gered so that they do not expire at the same time. A person who has  
13 served two successive complete terms may not be reappointed until four  
14 years from the expiration of the second term.

15 \* Sec. 5. AS 08.64.040 is amended to read:

16 Sec. 08.64.040. REMOVAL OF MEMBERS. The governor may remove a  
17 member of the board for cause. The board may by regulation provide that  
18 unexcused absences from meetings constitute cause for removal.

19 \* Sec. 6. AS 08.64 is amended by adding new sections to read:

20 Sec. 08.64.075. EXECUTIVE OFFICER OF THE BOARD. (a) The depart-  
21 ment, in consultation with the board, shall employ an individual who is  
22 not a member of the board to serve as executive officer of the board.

23 (b) The executive officer shall

24 (1) perform the administrative duties required by this  
25 chapter and the department;

26 (2) carry out regulations and policy decisions made by the  
27 board;

28 (3) assist the board in conducting examinations, continuing  
29 education programs, and other administrative work for the board."

1           Sec. 08.64.085. MEETINGS OF THE BOARD. The board shall hold  
2 meetings at least four times a year.

3           Sec. 08.64.115. DUTIES. The board shall

4           (1) after a hearing, impose disciplinary sanctions on persons  
5 who violate this chapter, or the regulations or orders of the board;

6           (2) adopt regulations insuring that renewal of licenses is  
7 contingent upon proof of continued competency on the part of the li-  
8 censee.

9 \* Sec. 7. AS 08.64.240 is amended to read:

10           Sec. 08.64.240. LICENSE REFUSED. If the applicant fails the exam-  
11 ination, or is determined by the board to be [MORALLY OR] professionally  
12 unfit to practice medicine or osteopathy in this state, or fails to  
13 comply with any of the other requirements of this chapter, the board  
14 shall refuse to grant the license.

15 \* Sec. 8. AS 08.64.250 is amended to read:

16           Sec. 08.64.250. LICENSURE BY CREDENTIALS [ENDORSEMENT]. The board  
17 may waive the examination requirement and license by credentials [EN-  
18 DORSEMENT] if the physician or podiatry applicant meets the requirements  
19 of AS 08.64.200 or 08.64.209, submits proof of continued competency  
20 as required by regulation, pays the required fee and has

21           (1) an active license from a board of medical examiners  
22 established under the laws of a state or territory of the United States  
23 or a province of Canada issued after thorough examination; or

24           (2) passed an examination given by the National Board of  
25 Medical Examiners or the Federation of State Medical Boards of the  
26 United States if the applicant is a physician, or passed an examination  
27 given by the National Board of Podiatry Examiners if the applicant is  
28 a podiatrist.

29 \* Sec. 9. AS 08.64.270(a) is amended to read:

1 (a) The board may issue a temporary permit to an applicant who  
2 meets the requirements of AS 08.64.200, [OR] 08.64.205, or 08.64.209 and  
3 pays the required fee.

4 \* Sec. 10. AS 08.64.311 is amended to read:

5 Sec. 08.64.311. [BIENNIAL] LICENSE RENEWAL. Licenses shall be  
6 renewed every four years [BIENNIALY].

7 \* Sec. 11. AS 08.64.315 is amended to read:

8 Sec. 08.64.315. FEES. The following fees are imposed under this  
9 chapter:

- 10 (1) application..... \$ 50 [\$25]  
11 (2) license by examination..... \$200 [125]  
12 (3) license by credentials [ENDORSEMENT] or  
13 walver of examination..... \$200 [100]  
14 (4) temporary permit..... \$50 [25]  
15 (5) locum tenens permit..... \$50 [25]  
16 (6) license renewal due every four years  
17 [, BIENNIAL], active..... \$600 [100]  
18 (7) license renewal due every four years  
19 [, BIENNIAL], inactive..... \$200 [25]  
20 (8) license by reexamination..... \$150 [75]

21 \* Sec. 12. AS 08.64.325 is repealed and re-enacted to read:

22 Sec. 08.64.325. GROUNDS FOR IMPOSITION OF DISCIPLINARY SANCTIONS.  
23 The board may impose a sanction when the board finds after a hearing  
24 that a licensee

25 (1) secured a license through deceit, fraud, or intentional  
26 misrepresentation;

27 (2) engaged in deceit, fraud, or intentional misrepresenta-  
28 tion in the course of providing professional services or engaging in  
29 professional activities;

1 (3) advertised professional services in a false or misleading  
2 manner;

3 (4) has been convicted of a felony or other crime which  
4 affects his ability to continue to practice competently and safely;

5 (5) intentionally or negligently engaged in or permitted the  
6 performance of patient care by persons under his supervision which does  
7 not conform to minimum professional standards regardless of whether  
8 actual injury to the patient occurred;

9 (6) failed to comply with this chapter, with a regulation  
10 adopted under this chapter, or with an order of the board;

11 (7) continued to practice after becoming unfit due to

12 (A) professional incompetence;

13 (B) addiction or severe dependency on alcohol or other  
14 drugs which impairs his ability to practice safely;

15 (C) physical or mental disability;

16 (8) engaged in unprofessional conduct or in lewd or immoral  
17 conduct in connection with the delivery of professional service to  
18 patients.

19 \* Sec. 13. AS 08.64.330 is repealed and re-enacted to read:

20 Sec. 08.64.330. DISCIPLINARY SANCTIONS. (a) When it finds that a  
21 licensee is guilty of an offense under AS 08.64.325, the board may  
22 impose the following sanctions singly or in combination:

23 (1) permanently revoke a license to practice;

24 (2) suspend a license for a determinate period of time;

25 (3) censure a licensee;

26 (4) issue a letter of reprimand;

27 (5) place a licensee on probationary status and require him

28 to

29 (A) report regularly to the board upon matters involving

1 the basis of probation;

2 (B) limit practice to those areas prescribed;

3 (C) continue professional education until a satisfactory  
4 degree of skill has been attained in those areas determined by the  
5 board to need improvement;

6 (6) impose limitations or conditions on the practice of a  
7 licensee.

8 (b) The board may withdraw probation status if it finds that the  
9 deficiencies which required the sanction have been remedied.

10 (c) The board may summarily suspend a license before final hearing  
11 or during the appeals process if the board finds that the licensee poses  
12 a clear and immediate danger to the public health and safety if he  
13 continues to practice. A person whose license is suspended under this  
14 section shall be entitled to a hearing by the board no later than seven  
15 days after the effective date of the order. He may appeal the  
16 suspension after a hearing to a court of competent jurisdiction.

17 (d) The board may reinstate a license which has been suspended or  
18 revoked if the board finds after a hearing that the applicant is able to  
19 practice with reasonable skill and safety.

20 (e) A license may be suspended until a hearing can be held to  
21 determine the licensee's fitness to practice in the state upon receipt  
22 of certified evidence that his license to practice medicine in another  
23 state, territory or province of the United States or Canada has been  
24 suspended or revoked.

25 (f) The board shall seek consistency in the application of dis-  
26 ciplinary sanctions, and significant departure from prior decisions  
27 involving similar situations shall be explained in findings of fact or  
28 orders.

29 \* Sec. 14. AS 08.64.360 is amended to read:

1           Sec. 08.64.360. PENALTY FOR PRACTICING WITHOUT A LICENSE OR IN  
2 VIOLATION OF CHAPTER. (a) Except for a physician assistant and a  
3 physician-trained mobile intensive care paramedic under AS 08.64.170, a  
4 person practicing medicine or osteopathy in the state without obtaining  
5 and filing an appropriate license is guilty of a class B misdemeanor  
6 [AND UPON CONVICTION IS PUNISHABLE BY A FINE OF NOT LESS THAN \$50 NOR  
7 MORE THAN \$100, OR BY IMPRISONMENT FOR NOT LESS THAN 10 DAYS NOR MORE  
8 THAN 90 DAYS, OR BY BOTH]. Evidence that the defendant has failed to  
9 file a license with the clerk of the court is prima facie evidence that  
10 the defendant is not licensed. Each day of illegal practice is a  
11 separate offense.

12           (b) A person who practices or attempts to practice or who holds  
13 himself out as practicing a system or mode of treating the sick or  
14 afflicted in the state or who diagnoses, treats, operates for, or  
15 prescribes for an ailment, blemish, deformity, disease, disfigurement,  
16 disorder, injury or other mental or physical condition of any person,  
17 without having, when required, a valid unrevoked and unsuspended license  
18 or authorization as provided in this chapter, or without being authorized  
19 to perform the acts under a license, authorization or certificate, when  
20 required, in accordance with another provision of law, is guilty of a  
21 class B misdemeanor.

22 \* Sec. 15. AS 08.64.380(3) is amended by adding a new subparagraph to  
23 read:

24           (I) refusing to provide emergency care which, in the  
25 professional judgment of the licensee, is essential to prevent loss  
26 of life, limb or immediate undue pain and suffering, and is within  
27 the licensee's area of competence.

28 \* Sec. 16. AS 08.64.380(5) is amended to read:

29           (5) "department" means the Department of Commerce and Econo-

1        mic Development.

2        \* Sec. 17. AS 08.64.030, 08.64.110, 08.64.160, 08.64.200(1), and 08.64.-  
3 380(3)(C) are repealed.

4        \* Sec. 18. This Act takes effect immediately in accordance with AS 01.10.-  
5 070(c).



# RECORDS CERTIFICATION



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

James O. Smith  
Signature of Camera Operator

3/23/90  
Date

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

REQUEST  
Bill/Resolution No. SB 582  
Title Assessment and Levy on transient aircraft  
Requested by \_\_\_\_\_ Date \_\_\_\_\_

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

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
00 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
00 TRAVEL	6	7	7	7	7	7
00 CONTRACTUAL	2	1	1	1	1	1
00 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
00 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
00 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
00 GRANTS. CLAIMS. ETC.	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	8	8	8	8	8	8

FUNDING (Thousands of Dollars)

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

POSITIONS

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

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

Assuming the responsibilities under SB 582 are assigned to Pet Rev, no new positions are needed. However, additional travel expenses of \$5000 for each year are requested in order to cover such field audit trips as are needed in the assessment of aircraft, and an additional \$3000 would be required to fund additional per diem and travel expenses incurred by the Assessment Review Board through appeals based on the bill.

IV. DATE 5/6/80 PREPARED BY Robert M. Johnson  
AGENCY Revenue  
PHONE 276-1363

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

# MEMORANDUM

TO: Joseph K. Donohue, Deputy Commissioner  
Department of Revenue

DATE: May 6, 1980

FILE NO:

TELEPHONE NO:

FROM: Robert M. Johnson, Director *RMJ*  
Petroleum Revenue Division

SUBJECT: SB 582  
(Aircraft Assessments)

To meet some of the problems perceived in this bill, I would suggest the following amendments:

Page 1, sec. 2, lines 14-15. Sec. 29.53.038. TRANSIENT AIRCRAFT. The Department of Revenue shall assess the value of transient aircraft, when the value of such transient aircraft is relevant for purposes of levying a tax under AS 29.53.162. The Department. . .

Page 3, sec. 2, line 7. "20 days" should be "50 days."

Page 4, sec. 2, line 5 and sec. 3, line 27. ". . . In this section, 'transient aircraft' means (1) aircraft with a gross operating weight in excess of 12,500 lbs. used. . . ."

The foregoing provisions reduce the total number of assessments the Department must make to those which are relevant. Thus, if Anchorage does not tax internationally-based carriers like Japan Airlines, the Department does not have the duty to assess. Also, the weight limitation on "transient aircraft" would avoid the assessment of hundreds of bush planes. (An FAA list of certified air taxi operations is being sent by pouch mail. It shows the volume of aircraft covered.) Those planes under the weight limit would continue to be taxed by municipalities as under present law and ordinance--that is, full assessment and tax if the plane has nexus in the municipality. It is my understanding that SB 582 was designed to cover large aircraft and their taxpaying owners, not bush aircraft. The 12,500 lbs. limit is an FAA break-point. Finally, the 20 to 50 day amendment is designed to insure consistent procedure before the Assessment Review Board.

RMJ/rdm

ach  
85  
0  
4  
1  
0  
0  
0  
0  
5  
5  
ier

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. SB 582  
 Title Assessment and levy on transient aircraft  
 Requested by \_\_\_\_\_ Date \_\_\_\_\_

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

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	6	7	7	7	7	7
300 CONTRACTUAL	2	1	1	1	1	1
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>

FUNDING (Thousands of Dollars)

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

POSITIONS

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

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

The bill imposes the duty of assessing aircraft without the addition of taxes to the State for that effort. The burden of determining the value of aircraft is potentially onerous if the bill in fact requires the valuation of all aircraft of even international carriers such as Japan Airlines and the like. The proposed valuation formula works like this:

$$\frac{\text{landings}_{\text{municipality}}}{\text{landings}_{\text{worldwide}}} \times \text{assessed value}_{\text{worldwide}}$$

I am not sure how the "worldwide" scope can be reduced and still result in a realistic apportionment formula. However, Anchorage does not presently assess a tax on internationally-based carriers, such that there is no actual need to assess those aircraft. Nevertheless, the bill does not exempt such carriers from the mandatory duty to assess, but simply leaves the option of levying a tax to the

IV. DATE 5/1/82 PREPARED BY Robert M. Johnson  
 AGENCY Revenue  
 PHONE 276-1363

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

Page 2

municipality. Whether these internationally-based aircraft can in fact be taxed is a question for the Attorney General's Office.

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. CSSB 582  
 Title Assessment of transient aircraft  
 Requested by \_\_\_\_\_ Date \_\_\_\_\_

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

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	6	4	4	4	4
300 CONTRACTUAL	0	2	1	1	1	1
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>8</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>

FUNDING (Thousands of Dollars)

GENERAL FUND	0	8	5	5	5	5
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)  
 The revised bill reduces the scope of the assessment effort from that assigned under SB 582. However, the bill imposes the duty of assessing aircraft without the addition of taxes to the State for that effort. The aircraft required to be assessed are all commercial carrier aircraft of an aircraft owner, whose aircraft touchdown in a municipality which taxes those aircraft. Commercial carrier aircraft in excess of 12,500 lbs are not covered. The bill does establish a formula whereby municipalities can more fully tax all aircraft than they otherwise could.

IV. DATE 5/15/80 PREPARED BY Robert M. Johnson  
 AGENCY Department of Revenue  
 PHONE 276-1363  
 Original: Legislative Finance  
 cc: Budget and Management  
Prime Sponsor (First Legislator Named)

Introduced: 5/1/80  
Referred: Judiciary and  
Finance

BY THE RULES COMMITTEE  
BY REQUEST

1 IN THE SENATE

2 SENATE BILL NO. 582

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the assessment, levy and collection  
7 of property taxes on transient aircraft; and providing  
8 for an effective date."

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

10 \* Section 1. AS 44.25.020 is amended by adding a new paragraph to read:

11 (5) assess the value of transient aircraft in accordance with  
12 AS 29.53.038.

13 \* Sec. 2. AS 29.53 is amended by adding a new section to read:

14 Sec. 29.53.038. TRANSIENT AIRCRAFT. (a) The Department of Revenue  
15 shall assess the value of transient aircraft. The Department of Revenue  
16 shall determine the value of aircraft assessed under this section at its  
17 full and true value and shall determine the value of the aircraft as of  
18 January 1 annually.

19 (b) The Department of Revenue may require by notice each person  
20 having ownership or control of an interest in aircraft assessed under  
21 this section to submit a return in the form prescribed by the Department  
22 of Revenue, based on values existing on January 1 of each year. The  
23 Department of Revenue by written notice may require a person to provide  
24 additional information within 30 days of the notice.

25 (c) The Department of Revenue may investigate aircraft on which a  
26 return has been filed or on which no return has been filed. In either  
27 case, the department may make its own valuation of the aircraft, which  
28 is prima facie evidence of full and true value. An employee or agent of  
29 the Department of Revenue may enter an aircraft as necessary for the in-

1 investigation during reasonable hours and may examine appropriate records.  
2 When requested by an employee or agent of the Department of Revenue, the  
3 owner of the aircraft shall furnish to the employee or agent reasonable  
4 assistance required for the investigation. If refused entry, the Depart-  
5 ment of Revenue may seek a court order to compel entry. For the purpose  
6 of the investigation, the owner of the aircraft or his representative  
7 may be required to present himself for examination under oath by the  
8 Department of Revenue.

9 (d) The Department of Revenue shall prepare annually the assess-  
10 ment roll for taxation of transient aircraft by municipalities. The  
11 assessment roll shall contain

- 12 (1) a description of all aircraft assessed under this section;
- 13 (2) the assessed value of the aircraft;
- 14 (3) the names and addresses of persons owning aircraft  
15 assessed under this section.

16 (e) On or before March 1 of each year, the Department of Revenue  
17 shall send to each owner of aircraft named in the assessment roll a  
18 notice of assessment, showing the assessed value of the aircraft.  
19 Notice of assessment is effective on the date of mailing.

20 (f) The Department of Revenue shall send to each municipality  
21 levying a real property tax a copy of the notice of assessment on air-  
22 craft which is assessed under this section.

23 (g) An owner of aircraft or a municipality receiving an assessment  
24 notice may object to the assessment by advising the Department of Revenue  
25 in writing of the objections to the assessment within 20 days of the  
26 effective date of the notice.

27 (h) The Department of Revenue shall provide by regulation for  
28 notices of appeals to interested persons and municipalities.

- 29 (i) Following an objection, the Department of Revenue may adjust

1 the assessment and the assessment roll. An adjustment based on an  
2 objection from an owner of aircraft or a municipality shall be made  
3 within 30 days of the effective date of the notice of assessment.

4 (j) After a ruling by the Department of Revenue on an appeal made  
5 under (g) of this section, the owner of aircraft or a municipality may  
6 appeal to the State Assessment Review Board. The appeal must be filed  
7 in writing within 20 days of the effective date of the notice of assess-  
8 ment. The State Assessment Review Board shall provide by regulation for  
9 notices of appeals to interested persons and municipalities.

10 (k) The State Assessment Review Board shall hear appeals filed  
11 under (i) of this section. A majority of the State Assessment Review  
12 Board constitutes a quorum required to transact business under this  
13 section. The State Assessment Review Board shall provide by regulation  
14 for notices of hearings to interested persons and municipalities. If an  
15 appellant fails to appear at the hearing, the State Assessment Review  
16 Board may proceed with the hearing in his absence. The appellant bears  
17 the burden of proof at a hearing under this subsection.

18 (l) The only grounds for adjustment of assessed value is proof of  
19 unequal, excessive or improper valuation or valuation not determined in  
20 accordance with the standards set out in this section, based on facts  
21 stated in a written appeal timely filed or proved at the hearing.

22 (m) The State Assessment Review Board shall certify its determina-  
23 tion of an appeal to the Department of Revenue within seven days of the  
24 hearing.

25 (n) An owner of aircraft or a municipality may appeal to the  
26 superior court for, and is entitled to, trial de novo of the action of  
27 the State Assessment Review Board.

28 (o) No later than June 1 of each year, the Department of Revenue  
29 shall certify the final assessment roll.

1 (p) The Department of Revenue shall include aircraft omitted from  
2 the assessment roll on a supplementary assessment roll, using the proce-  
3 dures set out in this section for the original assessment roll.

4 (q) In this section, "transient aircraft" means

5 (1) aircraft used in commerce by an air carrier to furnish  
6 transportation to the public for compensation, hire or lease;

7 (2) equipment included in aircraft described in (1) of this  
8 subsection; and

9 (3) ground cargo handling and containerization equipment  
10 which can be transported in aircraft described in (1) of this subsection  
11 and which is so transported.

12 \* Sec. 3. AS 29.53 is amended by adding a new section to read:

13 Sec. 29.53.162. LEVY AND COLLECTION OF PROPERTY TAX ON TRANSIENT  
14 AIRCRAFT. (a) A municipality may levy and collect property tax on  
15 transient aircraft only under this section.

16 (b) A municipality may levy a property tax on transient aircraft  
17 by applying the rate of levy, determined under AS 29.53.170(b), to a  
18 value for all transient aircraft under the same ownership determined by

19 (1) adding the value of all transient aircraft owned by the  
20 same taxpayer; and

21 (2) multiplying the value determined under (1) of this sub-  
22 section by the ratio of the number of landings of transient aircraft  
23 owned by the taxpayer in the municipality levying the tax during the  
24 year preceding the assessment year to the total number of landings of  
25 all transient aircraft owned by the taxpayer.

26 (c) In this section, "transient aircraft" means

27 (1) aircraft used in commerce by an air carrier to furnish  
28 transportation to the public for compensation, hire or lease;

29 (2) equipment included in aircraft described in (1) of this

1 subsection; and

2 (3) ground cargo handling and containerization equipment  
3 which can be transported in aircraft described in (1) of this subsection  
4 and which is so transported.

5 \* Sec. 4. Notwithstanding any other provision of AS 29.53, an assessment  
6 return filed by the owner of transient aircraft under AS 29.53.070 for a  
7 municipality for the 1980 assessment year is valid for determining the tax  
8 due for that assessment year. If two or more municipalities levy a property  
9 tax on transient aircraft under AS 29.53 for the 1980 assessment year, the  
10 owner of the aircraft may ask the commissioner of revenue to determine the  
11 tax due to each municipality. Upon receipt of the request of the taxpayer,  
12 the commissioner of revenue shall apportion the tax due by applying to the  
13 assessment of transient aircraft reported to a municipality under AS 29.53.070  
14 the amount determined under AS 29.53.162, added by sec. 3 of this Act.

15 \* Sec. 5. Sections 1 - 3 of this Act take effect January 1, 1981.

16 \* Sec. 6. Sections 4 - 6 of this Act take effect immediately in accord-  
17 ance with AS 01.10.070(c).

18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

Original sponsor: Rules Committee  
by request

Offered: 5/12/80  
Referred: Finance

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2 CS FOR SENATE BILL NO. 582

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the assessment, levy and collection  
7 of property taxes on transient aircraft; and providing  
8 for an effective date."

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

10 \* Section 1. AS 44.25.020 is amended by adding a new paragraph to read:

11 (5) assess the value of transient aircraft in accordance with  
12 AS 29.53.038.

13 \* Sec. 2. AS 29.53 is amended by adding a new section to read:

14 Sec. 29.53.038. TRANSIENT AIRCRAFT. (a) The Department of Revenue  
15 shall assess the value of transient aircraft that is not exempt from  
16 property taxes under AS 29.53.162(c). The Department of Revenue shall  
17 determine the value of aircraft assessed under this section at its full  
18 and true value and shall determine the value of the aircraft as of  
19 January 1 annually.

20 (b) The Department of Revenue may require by notice each person  
21 having ownership or control of an interest in aircraft assessed under  
22 this section to submit a return in the form prescribed by the Department  
23 of Revenue, based on values existing on January 1 of each year. The  
24 Department of Revenue by written notice may require a person to provide  
25 additional information within 30 days of the notice.

26 (c) The Department of Revenue may investigate aircraft on which a  
27 return has been filed or on which no return has been filed. In either  
28 case, the department may make its own valuation of the aircraft, which  
29 is prima facie evidence of full and true value. An employee or agent of

1 the Department of Revenue may enter an aircraft as necessary for the in-  
2 vestigation during reasonable hours and may examine appropriate records.  
3 When requested by an employee or agent of the Department of Revenue, the  
4 owner of the aircraft shall furnish to the employee or agent reasonable  
5 assistance required for the investigation. If refused entry, the Depart-  
6 ment of Revenue may seek a court order to compel entry. For the purpose  
7 of the investigation, the owner of the aircraft or his representative  
8 may be required to present himself for examination under oath by the  
9 Department of Revenue.

10 (d) The Department of Revenue shall prepare annually the assess-  
11 ment roll for taxation of transient aircraft by municipalities. The  
12 assessment roll shall contain

- 13 (1) a description of all aircraft assessed under this section;  
14 (2) the assessed value of the aircraft;  
15 (3) the names and addresses of persons owning aircraft  
16 assessed under this section.

17 (e) On or before March 1 of each year, the Department of Revenue  
18 shall send to each owner of aircraft named in the assessment roll a  
19 notice of assessment, showing the assessed value of the aircraft.  
20 Notice of assessment is effective on the date of mailing.

21 (f) The Department of Revenue shall send to each municipality  
22 levying a property tax a copy of the notice of assessment on aircraft  
23 which is assessed under this section.

24 (g) A municipality or an owner of aircraft receiving an assessment  
25 notice may object to the assessment by advising the Department of Revenue  
26 in writing of the objections to the assessment within 20 days of the  
27 effective date of the notice.

28 (h) The Department of Revenue shall provide by regulation for  
29 notices of appeals to interested persons and municipalities.

1 (i) Following an objection, the Department of Revenue may adjust  
2 the assessment and the assessment roll. An adjustment based on an  
3 objection from a municipality or an owner of aircraft shall be made  
4 within 30 days of the effective date of the notice of assessment.

5 (j) After a ruling by the Department of Revenue on an appeal made  
6 under (g) of this section, the municipality or the owner of aircraft may  
7 appeal to the State Assessment Review Board. The appeal must be filed  
8 in writing within 50 days of the effective date of the notice of assess-  
9 ment. The State Assessment Review Board shall provide by regulation for  
10 notices of appeals to interested persons and municipalities.

11 (k) The State Assessment Review Board shall hear appeals filed  
12 under (i) of this section. A majority of the State Assessment Review  
13 Board constitutes a quorum required to transact business under this  
14 section. The State Assessment Review Board shall provide by regulation  
15 for notices of hearings to interested persons and municipalities. If an  
16 appellant fails to appear at the hearing, the State Assessment Review  
17 Board may proceed with the hearing in his absence. The appellant bears  
18 the burden of proof at a hearing under this subsection.

19 (l) The only grounds for adjustment of assessed value is proof of  
20 unequal, excessive or improper valuation or valuation not determined in  
21 accordance with the standards set out in this section, based on facts  
22 stated in a written appeal timely filed or proved at the hearing.

23 (m) The State Assessment Review Board shall certify its determina-  
24 tion of an appeal to the Department of Revenue within seven days of the  
25 hearing.

26 (n) A municipality or an owner of aircraft may appeal to the  
27 superior court for, and is entitled to, trial de novo of the action of  
28 the State Assessment Review Board.

29 (o) No later than June 1 of each year, the Department of Revenue

1 shall certify the final assessment roll.

2 (p) The Department of Revenue shall include aircraft omitted from  
3 the assessment roll on a supplementary assessment roll, using the proce-  
4 dures set out in this section for the original assessment roll.

5 (q) In this section, "transient aircraft" means

6 (1) aircraft with a gross operating weight of more than  
7 12,500 pounds used in commerce by an air carrier to furnish transport-  
8 ation to the public for compensation, hire or lease;

9 (2) equipment included in aircraft described in (1) of this  
10 subsection; and

11 (3) ground cargo handling and containerization equipment  
12 which can be transported in aircraft described in (1) of this subsection  
13 and which is so transported.

14 \* Sec. 3. AS 29.53 is amended by adding a new section to read:

15 Sec. 29.53.162. LEVY AND COLLECTION OF PROPERTY TAX ON TRANSIENT  
16 AIRCRAFT. (a) A municipality may levy and collect property tax on  
17 transient aircraft only under this section.

18 (b) A municipality may levy a property tax on transient aircraft  
19 by applying the rate of levy, determined under AS 29.53.170(b), to a  
20 value for all transient aircraft under the same ownership determined by

21 (1) adding the value of all transient aircraft owned by the  
22 same taxpayer; and

23 (2) multiplying the value determined under (1) of this sub-  
24 section by the ratio of the number of landings of transient aircraft  
25 owned by the taxpayer in the municipality levying the tax during the  
26 year preceding the assessment year to the total number of landings of  
27 all transient aircraft owned by the taxpayer.

28 (c) A municipality may, by ordinance, classify transient aircraft  
29 and exempt certain classes of transient aircraft from levy and collection

1 of a property tax under this section.

2 (d) In this section, "transient aircraft" means

3 (1) aircraft with a gross operating weight of more than  
4 12,500 pounds used in commerce by an air carrier to furnish transporta-  
5 tion to the public for compensation, hire or lease;

6 (2) equipment included in aircraft described in (1) of this  
7 subsection; and

8 (3) ground cargo handling and containerization equipment  
9 which can be transported in aircraft described in (1) of this subsection  
10 and which is so transported.

11 \* Sec. 4. Notwithstanding any other provisions of AS 29.53, an assessment  
12 return on transient aircraft filed with a municipality under AS 29.53.070 for  
13 the 1980 assessment year is valid for determining the tax due for that assess-  
14 ment year. If two or more municipalities levy a property tax on transient  
15 aircraft under AS 29.53 for the 1980 assessment year, the owner of the air-  
16 craft may ask the commissioner of revenue to determine the tax due to each  
17 municipality. Upon receipt of the request of the taxpayer, the commissioner  
18 of revenue shall apportion the tax due by applying to the assessment of  
19 transient aircraft reported to a municipality under AS 29.53.070 the amount  
20 determined under AS 29.53.162, added by sec. 3 of this Act.

21 \* Sec. 5. Notwithstanding any other provision of AS 29.53, an assessment  
22 return on transient aircraft filed with a municipality under AS 29.53.070 for  
23 an assessment year before 1980, is valid for determining the property tax due  
24 to that municipality for that prior assessment year.

25 \* Sec. 6. Sections 1 - 3 of this Act take effect January 1, 1981.

26 \* Sec. 7. Sections 4 - 7 of this Act take effect immediately in accord-  
27 ance with AS 01.10.070(c).

28  
29



Original sponsor: Rules Committee  
by request

Offered: 5/12/80  
Referred: Finance

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2 CS FOR SENATE BILL NO. 582

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the assessment, levy and collection  
7 of property taxes on transient aircraft; and providing  
8 for an effective date."

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

10 \* Section 1. AS 44.25.020 is amended by adding a new paragraph to read:

11 (5) assess the value of transient aircraft in accordance with  
12 AS 29.53.038.

13 \* Sec. 2. AS 29.53 is amended by adding a new section to read:

14 Sec. 29.53.038. TRANSIENT AIRCRAFT. (a) The Department of Revenue  
15 shall assess the value of transient aircraft that is not exempt from  
16 property taxes under AS 29.53.162(c). The Department of Revenue shall  
17 determine the value of aircraft assessed under this section at its full  
18 and true value and shall determine the value of the aircraft as of  
19 January 1 annually.

20 (b) The Department of Revenue may require by notice each person  
21 having ownership or control of an interest in aircraft assessed under  
22 this section to submit a return in the form prescribed by the Department  
23 of Revenue, based on values existing on January 1 of each year. The  
24 Department of Revenue by written notice may require a person to provide  
25 additional information within 30 days of the notice.

26 (c) The Department of Revenue may investigate aircraft on which a  
27 return has been filed or on which no return has been filed. In either  
28 case, the department may make its own valuation of the aircraft, which  
29 is prima facie evidence of full and true value. An employee or agent of

1 the Department of Revenue may enter an aircraft as necessary for the in-  
2 vestigation during reasonable hours and may examine appropriate records.  
3 When requested by an employee or agent of the Department of Revenue, the  
4 owner of the aircraft shall furnish to the employee or agent reasonable  
5 assistance required for the investigation. If refused entry, the Depart-  
6 ment of Revenue may seek a court order to compel entry. For the purpose  
7 of the investigation, the owner of the aircraft or his representative  
8 may be required to present himself for examination under oath by the  
9 Department of Revenue.

10 (d) The Department of Revenue shall prepare annually the assess-  
11 ment roll for taxation of transient aircraft by municipalities. The  
12 assessment roll shall contain

- 13 (1) a description of all aircraft assessed under this section;
- 14 (2) the assessed value of the aircraft;
- 15 (3) the names and addresses of persons owning aircraft  
16 assessed under this section.

17 (e) On or before March 1 of each year, the Department of Revenue  
18 shall send to each owner of aircraft named in the assessment roll a  
19 notice of assessment, showing the assessed value of the aircraft.  
20 Notice of assessment is effective on the date of mailing.

21 (f) The Department of Revenue shall send to each municipality  
22 levying a property tax a copy of the notice of assessment on aircraft  
23 which is assessed under this section.

24 (g) A municipality or an owner of aircraft receiving an assessment  
25 notice may object to the assessment by advising the Department of Revenue  
26 in writing of the objections to the assessment within 20 days of the  
27 effective date of the notice.

28 (h) The Department of Revenue shall provide by regulation for  
29 notices of appeals to interested persons and municipalities.

1 (i) Following an objection, the Department of Revenue may adjust  
2 the assessment and the assessment roll. An adjustment based on an  
3 objection from a municipality or an owner of aircraft shall be made  
4 within 30 days of the effective date of the notice of assessment.

5 (j) After a ruling by the Department of Revenue on an appeal made  
6 under (g) of this section, the municipality or the owner of aircraft may  
7 appeal to the State Assessment Review Board. The appeal must be filed  
8 in writing within 50 days of the effective date of the notice of assess-  
9 ment. The State Assessment Review Board shall provide by regulation for  
10 notices of appeals to interested persons and municipalities.

11 (k) The State Assessment Review Board shall hear appeals filed  
12 under (i) of this section. A majority of the State Assessment Review  
13 Board constitutes a quorum required to transact business under this  
14 section. The State Assessment Review Board shall provide by regulation  
15 for notices of hearings to interested persons and municipalities. If an  
16 appellant fails to appear at the hearing, the State Assessment Review  
17 Board may proceed with the hearing in his absence. The appellant bears  
18 the burden of proof at a hearing under this subsection.

19 (l) The only grounds for adjustment of assessed value is proof of  
20 unequal, excessive or improper valuation or valuation not determined in  
21 accordance with the standards set out in this section, based on facts  
22 stated in a written appeal timely filed or proved at the hearing.

23 (m) The State Assessment Review Board shall certify its determina-  
24 tion of an appeal to the Department of Revenue within seven days of the  
25 hearing.

26 (n) A municipality or an owner of aircraft may appeal to the  
27 superior court for, and is entitled to, trial de novo of the action of  
28 the State Assessment Review Board.

29 (o) No later than June 1 of each year, the Department of Revenue

1 shall certify the final assessment roll.

2 (p) The Department of Revenue shall include aircraft omitted from  
3 the assessment roll on a supplementary assessment roll, using the proce-  
4 dures set out in this section for the original assessment roll.

5 (q) In this section, "transient aircraft" means

6 (1) aircraft with a gross operating weight of more than  
7 12,500 pounds used in commerce by an air carrier to furnish transport-  
8 ation to the public for compensation, hire or lease;

9 (2) equipment included in aircraft described in (1) of this  
10 subsection; and

11 (3) ground cargo handling and containerization equipment  
12 which can be transported in aircraft described in (1) of this subsection  
13 and which is so transported.

14 \* Sec. 3. AS 29.53 is amended by adding a new section to read:

15 Sec. 29.53.162. LEVY AND COLLECTION OF PROPERTY TAX ON TRANSIENT  
16 AIRCRAFT. (a) A municipality may levy and collect property tax on  
17 transient aircraft only under this section.

18 (b) A municipality may levy a property tax on transient aircraft  
19 by applying the rate of levy, determined under AS 29.53.170(b), to a  
20 value for all transient aircraft under the same ownership determined by

21 (1) adding the value of all transient aircraft owned by the  
22 same taxpayer; and

23 (2) multiplying the value determined under (1) of this sub-  
24 section by the ratio of the number of landings of transient aircraft  
25 owned by the taxpayer in the municipality levying the tax during the  
26 year preceding the assessment year to the total number of landings of  
27 all transient aircraft owned by the taxpayer.

28 (c) A municipality may, by ordinance, classify transient aircraft  
29 and exempt certain classes of transient aircraft from levy and collection

1 of a property tax under this section.

2 (d) In this section, "transient aircraft" means

3 (1) aircraft with a gross operating weight of more than  
4 12,500 pounds used in commerce by an air carrier to furnish transporta-  
5 tion to the public for compensation, hire or lease;

6 (2) equipment included in aircraft described in (1) of this  
7 subsection; and

8 (3) ground cargo handling and containerization equipment  
9 which can be transported in aircraft described in (1) of this subsection  
10 and which is so transported.

11 \* Sec. 4. Notwithstanding any other provisions of AS 29.53, an assessment  
12 return on transient aircraft filed with a municipality under AS 29.53.070 for  
13 the 1980 assessment year is valid for determining the tax due for that assess-  
14 ment year. If two or more municipalities levy a property tax on transient  
15 aircraft under AS 29.53 for the 1980 assessment year, the owner of the air-  
16 craft may ask the commissioner of revenue to determine the tax due to each  
17 municipality. Upon receipt of the request of the taxpayer, the commissioner  
18 of revenue shall apportion the tax due by applying to the assessment of  
19 transient aircraft reported to a municipality under AS 29.53.070 the amount  
20 determined under AS 29.53.162, added by sec. 3 of this Act.

21 \* Sec. 5. Notwithstanding any other provision of AS 29.53, an assessment  
22 return on transient aircraft filed with a municipality under AS 29.53.070 for  
23 an assessment year before 1980, is valid for determining the property tax due  
24 to that municipality for that prior assessment year.

25 \* Sec. 6. Sections 1 - 3 of this Act take effect January 1, 1981.

26 \* Sec. 7. Sections 4 - 7 of this Act take effect immediately in accord-  
27 ance with AS 01.10.070(c).

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. CSSB 582  
 Title Assessment of transient aircraft  
 Requested by \_\_\_\_\_ Date \_\_\_\_\_

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

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	6	4	4	4	4
300 CONTRACTUAL	0	2	1	1	1	1
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>8</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND	0	8	5	5	5	5
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)  
 The revised bill reduces the scope of the assessment effort from that assigned under SB 582. However, the bill imposes the duty of assessing aircraft without the addition of taxes to the State for that effort. The aircraft required to be assessed are all commercial carrier aircraft of an aircraft owner, whose aircraft touchdown in a municipality which taxes those aircraft. Commercial carrier aircraft in excess of 12,500 lbs are not covered. The bill does establish a formula whereby municipalities can more fully tax all aircraft than they otherwise could.

IV. DATE 5/15/80 PREPARED BY Robert M. Johnson  
 AGENCY Department of Revenue  
 PHONE 276-1363  
 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 582  
 Title Assessment and levy on transient aircraft  
 Requested by \_\_\_\_\_ Date \_\_\_\_\_

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

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	6	7	7	7	7	7
300 CONTRACTUAL	2	1	1	1	1	1
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>

FUNDING (Thousands of Dollars)

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

POSITIONS

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

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

Assuming the responsibilities under SB 582 are assigned to Pet Rev, no new positions are needed. However, additional travel expenses of \$5000 for each year are requested in order to cover such field audit trips as are needed in the assessment of aircraft, and an additional \$3000 would be required to fund additional per diem and travel expenses incurred by the Assessment Review Board through appeals based on the bill.

IV. DATE 5/6/80 PREPARED BY Robert M. Johnson  
 AGENCY Revenue  
 PHONE 276-1363  
 Original: Legislative Finance  
 cc: Budget and Management  
Prime Sponsor (First Legislator Named)

STATE  
of ALASKA

## MEMORANDUM

TO: Joseph K. Donohue, Deputy Commissioner  
Department of Revenue

DATE: May 6, 1980

FILE NO.

TELEPHONE NO.

FROM: Robert M. Johnson, Director   
Petroleum Revenue DivisionSUBJECT: SB 582  
(Aircraft Assessments)

To meet some of the problems perceived in this bill, I would suggest the following amendments:

Page 1, sec. 2, lines 14-15. Sec. 29.53.038. TRANSIENT AIRCRAFT. The Department of Revenue shall assess the value of transient aircraft, when the value of such transient aircraft is relevant for purposes of levying a tax under AS 29.53.162. The Department. . . .

Page 3, sec. 2, line 7. "20 days" should be "50 days."

Page 4, sec. 2, line 5 and sec. 3, line 27. ". . . In this section, 'transient aircraft' means (1) aircraft with a gross operating weight in excess of 12,500 lbs. used. . . ."

The foregoing provisions reduce the total number of assessments the Department must make to those which are relevant. Thus, if Anchorage does not tax internationally-based carriers like Japan Airlines, the Department does not have the duty to assess. Also, the weight limitation on "transient aircraft" would avoid the assessment of hundreds of bush planes. (An FAA list of certified air taxi operations is being sent by pouch mail. It shows the volume of aircraft covered.) Those planes under the weight limit would continue to be taxed by municipalities as under present law and ordinance--that is, full assessment and tax if the plane has nexus in the municipality. It is my understanding that SB 582 was designed to cover large aircraft and their taxpaying owners, not bush aircraft. The 12,500 lbs. limit is an FAA break-point. Finally, the 20 to 50 day amendment is designed to insure consistent procedure before the Assessment Review Board.

RMJ/rdm