

BILLS 1981 - 1982

HB 136 - SSHB 133

1449

12749

COMMITTEE REPORT

SENATE

FURTHER: None

4/7/81

Date: April 15, 1981

Mr. President:

The Committee on FINANCE has had HB 136

making a supplemental appropriation to the Dept. of Natural Resources for Iditarod Trail Race

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 HB 136  same title  
 new title
- and recommends Individual Recommendation
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

[Signature]

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MEMBERS HAVING  
OTHER RECOMMENDATIONS:

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[Signature]  
CHAIRMAN

*No Rec*

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M E M O R A N D U M

TO: LEGISLATIVE DRAFTING  
FROM: Diana Hamar, Secretary  
Senate Finance Committee  
DATE: April 15, 1981  
SUBJECT: HOUSE BILL NO. 136

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The Senate Finance Committee moved to pass a Committee Substitute to the above bill. It should be changed as follows:

Sec. 1. The sum of the following listed appropriations are appropriated from the General Fund to the Department of Natural Resources for support of the sled dog racing programs listed below:

\$25,000 - Iditarod Trail Race  
\$10,000 - Kuskokwim "300" Sled Dog Race  
\$ 5,000 - Kotzebue-Noorvik Sled Dog Race  
\$ 8,000 - Junior Iditarod Sled Dog Race  
\$ 5,000 - Dog Drivers of Alaska\*  
\$ 1,000 - Theodore and Calvin Westlake Memorial  
Sled Dog Race

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\$54,000 TOTAL

Sec. 2. Unencumbered unexpended balances of these appropriations lapse into the General Fund June 30, 1982.

(\*The Dog Drivers of Alaska are a statewide organization that promotes and organizes sled dog races throughout Alaska.)

Funding Information  
General Fund \$50,000  
Other Funds -0-  
\$50,000

Introduced: 2/10/81  
Referred: Finance

BY FULLER, ADAMS, BROWN, HALFORD,  
HURLBERT, MILLER, ROGERS AND  
ZHAROFF

1 IN THE HOUSE

2 HOUSE BILL NO. 136

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the  
7 Department of Natural Resources for the Iditarod Trail  
8 Race; and providing for an effective date."

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

10 \* Section 1. The sum of \$50,000 is appropriated from the general fund to  
11 the Department of Natural Resources for support of the Iditarod Trail Race  
12 for the fiscal year ending June 30, 1981, to be spent on recommendation for  
13 expenditure by the Iditarod Trail Committee, Inc.

14 \* Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-  
15 070(c).

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COMMITTEE REPORT  
SENATE

FURTHER: None

6/20/81

Date: 6/30/81

Mr. President:

The Committee on FINANCE has had HB 136

making a supplemental appropriation to the Dept. of Natural Resources for Iditarod Trail Race

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>2nd</sup>SCS for HR 130 (Finance)  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

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MEMBERS HAVING  
OTHER RECOMMENDATIONS:

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CHAIRMAN

Funding Information

General Fund	\$4,054,000
Other Funds	-0-
	<u>\$4,054,000</u>

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 2d SENATE CS FOR HOUSE BILL NO. 136 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making appropriations to the Department of  
7 Natural Resources and a municipal grant to the city of  
8 Seward; and providing for an effective date."

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

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15 \* Sec. 3. The sum of \$5,000 is appropriated from the general fund to the  
16 Department of Natural Resources for support of the Kotzebue - Noorvik Sled  
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18 \* Sec. 4. The sum of \$8,000 is appropriated from the general fund to the  
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20 Race.

21 \* Sec. 5. The sum of \$1,000 is appropriated from the general fund to the  
22 Department of Natural Resources for support of the Theodore and Calvin  
23 Westlake Memorial Sled Dog Race.

24 \* Sec. 6. The sum of \$5,000 is appropriated from the general fund to the  
25 Department of Natural Resources for support of the Dog Drivers of Alaska.

26 \* Sec. 7. The sum of \$4,000,000 is appropriated from the general fund  
27 for payment as a grant to the City of Seward for the Fourth of July Creek  
28 Industrial Marine Park.

29 \* Sec. 8. The appropriation made by sec. 7 of this Act shall be dis-

1 bursed in accordance with AS 37.05.315.

2 \* Sec. 9. The unexpended and unobligated portions of the appropriations  
3 made by secs. 1 - 6 of this Act lapse into the general fund June 30, 1982.

4 \* Sec. 10. This Act takes effect immediately in accordance with AS 01.10.-  
5 070(c).

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Original sponsors: Fuller, Adams,  
Brown, et al

Offered: 4/15/81  
Referred: Rules

Funding Information  
General Fund \$54,000  
Other Funds -0-  
\$54,000

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29 070(c)

Funding Information

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Other Funds	-0-
	<u>\$4,054,000</u>

*Spinal  
Committee*

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SENATE AMENDMENT

BY SENATE RESOURCES COMMITTEE

To: \_\_\_\_\_ SENATE BILL No. \_\_\_\_\_

To: \_\_\_\_\_ HOUSE BILL No. 136

PAGE: 1

LINE: 10

Delete "\$50,000" and insert "\$53,000" ~~in its place~~

Funding Information  
General Fund \$50,000  
Other Funds -0-  
\$50,000

Introduced: 2/10/81  
Referred: Finance

BY FULLER, ADAMS, BROWN, HALFORD,  
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HB 136: IDITAROD TRAIL RACE APPROPRIATION

This bill appropriates \$50,000 for the Sixth Annual Month of Iditarod, and parallels legislation enacted in past years.

The Iditarod Race has become one of the biggest winter tourism events in the entire state. Last year the BBC and a Spanish film company covered the race, bringing international recognition to the race. Alaska needs this sort of positive promotion both nationally and internationally.

Tourism is an industry that is vital to the Nome area as well as to the entire state. Nome recently formed a chapter of the Alaska Visitors Association, and the city has an active campaign to create "Gold Rush Nome" by renovating old buildings with false fronts to recreate how Nome looked at the turn of the century. The Iditarod provides a much-needed stimulus to the local economy.

The Month of Iditarod comes at a time when many Alaskans are suffering from the Alaskan "cabin fever" syndrome, and captures the interest of almost everyone. During the month of March, Nome will see as many as 3500 new faces in town because of the race.

This appropriation covers the cost of staking the trail, plus a portion of the operations and equipment costs.

IDITAROD TRAIL RACE

1981 BUDGET

INCOME:

Sweepstakes	\$104,000
Entry Fees	73,430
Appropriation	50,000
Grants	25,000
Plaque Sales	20,000
Memberships	6,000
Runner	9,000
Promotional Sales	60,000
Banquet	26,225
Misc.	7,000
Total Income	<u>\$380,655</u>

ADMINISTRATIVE EXPENSE:

Meetings	\$ 550
Travel	300
Rent & Leases	1,820
Wages	19,000
Telephone	8,500
Office Supplies & Postage	4,300
Stationery & Printing	6,300
Runner	7,000
Legal	750
Misc.	4,100
	<u>\$ 52,620</u>

DIRECT RACE EXPENSE:

Trail	\$ 12,000
Ham Radio	12,000
Checkers & Officials	21,500
Veterinarians	7,000
Air Transportation	39,000
Prize Money	101,500
Trophies	1,300
Headquarters	4,300
Banquet	18,900
Misc.	4,035
	<u>\$221,535</u>

INDIRECT RACE EXPENSE:

Goods for Resale	\$ 40,000
Advertising & Public Relations	12,000
Sweepstakes & Raffles	51,000
Misc.	3,000
	<u>\$106,000</u>

TOTAL EXPENSE:

\$380,655



# Alaska State Legislature

## Senate

Official Business

Finance Bill

Pouch V  
State Capitol  
Juneau, Alaska 99811

HB 136 Provides for supplemental appropriations to be made to the Department of Natural Resources for various sled dog races throughout Alaska.

The bill as reported out of Senate Resources Committee amended the appropriation from \$50,000 to \$53,000.

The Finance Committee Substitute changes the amended figure to \$54,000 and appropriates the funds in the following manner.

<u>\$25,000</u>	<u>Iditarod Trail Race</u>
<u>\$10,000</u>	<u>Kuskokwim "300" Sled Dog Race</u>
<u>\$5,000</u>	<u>Kotzebue-Noorvik Sled Dog Race</u>
<u>\$8,000</u>	<u>Junior Iditarod Sled Dog Race</u>
<u>\$5,000</u>	<u>Dog Drivers of Alaska *</u>
<u>\$1,000</u>	<u>Theodore and Calvin Westlake Memorial Sled Dog Race</u>

\* The Dog Drivers of Alaska are a statewide organization that promotes and organizes sled dog races throughout Alaska.

Proposed Amendments to HB 136: Iditarod Trail Race Appropriation

Change total from \$50,000 to \$53,000

Iditarod Trail Race: change \$50,000 to \$25,000

Add:

Kuskokwim 300 Sled Dog Race: \$10,000

Kotzebue-Noorvik Sled Dog Race: \$5,000

Junior Iditarod: \$8,000

Dog Drivers of Alaska: \$5,000

*Theodore and Colui Westlake Memorial Sled Dog Race.*

HB 136: IDITAROD TRAIL RACE APPROPRIATION

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Misc.	3,000
	<u>\$106,000</u>

TOTAL EXPENSE:

\$380,655

KUSKOKWIM 300 SLED DOG RACE

\$10,000

The Kuskokwim 300 Sled Dog Race is an annual event begun in 1980. The race has drawn statewide attention with the participation of some of the major mushers from throughout Alaska. In addition, many local racers have had the opportunity to compete against these champions. This mixture of racers has led to a tremendous increase in interest in dog mushing that can be seen throughout the Yukon-Kuskokwim Delta.

The Kuskokwim 300 Sled Dog Race has been funded primarily through local donations from individuals and businesses. The \$10,000 to be funded through this appropriation would be used to cover a portion of the cost of marking the trail from Bethel to Aniak along the Kuskokwim River as well as a portion of the race's administrative cost.

The Kuskokwim 300 Sled Dog Race has developed into one of the major mushing events in Alaska and likely the major winter event for the Lower Kuskokwim region.

KUSKOKWIM 300 FINANCIAL STATEMENT

Expenses:	Trail Marking and Maintenance	\$14,000
	Headquarters and Telephone	1,000
	Transportation	1,500
	Printing	1,000
	Miscellaneous	2,000
	Prize Money	25,000
	Total Expenses	\$44,500
Revenues:	Contributions	\$34,500
	Appropriation	10,000
	Trail Marking and Maint.	[7,500]
	Administration	[2,500]
	Total Revenues	\$44,500

KOTZEBUE-NOORVIK SLED DOG RACE

The Kotzebue-Noorvik Sled Dog Race is an annual 140 mile race. It is a major competition for mushers in the Northwest and is held every January. It is also excellent training for competitors in preparation of the Iditarod Race.

Local donations from businesses and individuals are the primary source of funds for this event. This \$5,000. appropriation will be used to help cover trail breaking and marking, administrative and promotional expenses.

KOTZEBUE--NOORVIK SLED DOG RACE

EXPENSES

Communications-----	1000.
(radio, batteries, antenna etc.)	
Race Promotion-----	700.
(Printing of race rules and forms, posters, phone calls, postage, etc.)	
Trophies-----	300.
Trails-----	3000.
(snow machine parts---500.)	
(Trail breakers, markers, flags, signs---500.)	
(Check point operators, tents, camps-----500.)	
(Race officials, use of plane, locate and trans- port dog food to checkpoints, transport dropped dogs back to starting point----- 1500)	

## Junior Iditarod

The Junior Iditarod Trail Race, which began in 1978, is a non-profit race, dedicated to the training of future Iditarod mushers. It is the first race of its type in the country. Youths 14 to 17 years old complete a 120-mile race from Knik to Pt. McKenzie, with a mandatory twelve hour layover.

This race places a great deal of responsibility on the shoulders of the young racers; not only during the race, but also during the weeks and months of training and caring for the dogs and equipment prior to the race. The Junior Iditarod teaches endurance, sportsmanship, teamwork and mental-physical coordination as well.

The \$8000 appropriation would be used to cover the majority of the expenses of the race. (see budget attached).

EXPENSES

Incorporation: ----- \$ 700.00

Trophies: ----- \$ 800.00  
1st. through 5th. place .  
Sportsmanship  
Participation awards  
Volunteers thank you awards

Banquet: ----- \$ 300.00  
Printing of tickets and programs  
Guest Speaker  
Decorations  
Complimentary Tickets

Race Promotion: ----- \$1000.00  
Posters, Mailers  
Printing of Race rules and entry forms  
Photography  
Gasoline  
Phone Calls  
Stamps - Stationery ( Office Supplies)

Supplies for the Race: ----- \$ 500.00  
Arm Bands for the Race Officials  
Bibs for Riders  
Stop Watches  
Starting line Banner - Finish line  
Misc. Items

Trails: ----- \$3000.00  
Snow Machine ----- \$2000.00  
Gasoline, oil, and maintance of snow machine  
trails: maintance, breaking trail, grooming,  
and marking.  
Gasoline for volunteer trail guards snow machines  
----- \$1000.00

Jr. Iditarod Annual: ----- \$ 400.00

Jr. Iditarod Patches: ----- \$ 300.00

Insurance: ----- \$1000.00

Total: \$8000.00

DOG DRIVERS OF ALASKA

\$5,000

Dog Drivers of Alaska is a statewide organization representing sled dog race drivers for both sprint and middle distance racing. This group works to coordinate racing schedules throughout the state, to standardize purse distribution percentages, and to coordinate and increase the size of the purses around the state. It assists local groups with publicity and organization, and matches prize money 1:1 with member organizations.

The appropriation for Dog Drivers of Alaska would go toward organizational and administrative expenses.

Budget

Printing	\$ 800
Postage	2,000
Publicity	1,600
Telephone	1,200
Transportation	4,000
PR/fund-raising consultant	3,000
	<hr/>
	\$13,000

Request of Alaska State Legislature: \$5,000.

The Theodore & Calvin Westlake Memorial Sled Dog Race is an annual event that takes the dog mushers from Kiana to Noorvik and return. Mushers throughout the NANA region participate in this event that has become a vital part of the Kiana civic affairs.

Original sponsors: Fuller, Adams,  
Brown, et al

Offered: 4/15/81  
Referred: Rules

Funding Information

General Fund	\$54,000
Other Funds	-0-
	<u>.\$54,000</u>

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24 \* Sec. 6. The sum of \$5,000 is appropriated from the general fund to the  
25 Department of Natural Resources for support of the Dog Drivers of Alaska.

26 \* Sec. 7. The sum of \$4,000,000 is appropriated from the general fund  
27 for payment as a grant to the City of Seward for the Fourth of July Creek  
28 Industrial Marine Park.

29 \* Sec. 8. The appropriation made by sec. 7 of this Act shall be dis-  
X

1 bursed in accordance with AS 37.05.315.

2 \* Sec. 9. The unexpended and unobligated portions of the appropriations  
3 made by secs. 1 - 6 of this Act lapse into the general fund June 30, 1982.

4 \* Sec. 10. This Act takes effect immediately in accordance with AS 01.10.-  
5 070(c).

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Funding Information  
General Fund \$50,000  
Other Funds -0-  
\$50,000

Introduced: 2/10/81  
Referred: Finance

BY FULLER, ADAMS, BROWN, HALFORD,  
HURLBERT, MILLER, ROGERS AND  
ZHAROFF

1 IN THE HOUSE

2 HOUSE BILL NO. 136

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the  
7 Department of Natural Resources for the Iditarod Trail  
8 Race; and providing for an effective date."

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

10 \* Section 1. The sum of \$50,000 is appropriated from the general fund to  
11 the Department of Natural Resources for support of the Iditarod Trail Race  
12 for the fiscal year ending June 30, 1981, to be spent on recommendation for  
13 expenditure by the Iditarod Trail Committee, Inc.

14 \* Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-  
15 070(c).

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HB 136: IDITAROD TRAIL RACE APPROPRIATION

This bill appropriates \$50,000 for the Sixth Annual Month of Iditarod, and parallels legislation enacted in past years.

The Iditarod Race has become one of the biggest winter tourism events in the entire state. Last year the BBC and a Spanish film company covered the race, bringing international recognition to the race. Alaska needs this sort of positive promotion both nationally and internationally.

Tourism is an industry that is vital to the Nome area as well as to the entire state. Nome recently formed a chapter of the Alaska Visitors Association, and the city has an active campaign to create "Gold Rush Nome" by renovating old buildings with false fronts to recreate how Nome looked at the turn of the century. The Iditarod provides a much-needed stimulus to the local economy.

The Month of Iditarod comes at a time when many Alaskans are suffering from the Alaskan "cabin fever" syndrome, and captures the interest of almost everyone. During the month of March, Nome will see as many as 3500 new faces in town because of the race.

This appropriation covers the cost of staking the trail, plus a portion of the operations and equipment costs.

IDITAROD TRAIL RACE

1981 BUDGET

INCOME:

Sweepstakes	\$104,000
Entry Fees	73,430
Appropriation	50,000
Grants	25,000
Plaque Sales	20,000
Memberships	6,000
Runner	9,000
Promotional Sales	60,000
Banquet	26,225
Misc.	7,000
Total Income	<u>\$380,655</u>

ADMINISTRATIVE EXPENSE:

Meetings	\$ 550
Travel	300
Rent & Leases	1,820
Wages	19,000
Telephone	8,500
Office Supplies & Postage	4,300
Stationery & Printing	6,300
Runner	7,000
Legal	750
Misc.	4,100
	<u>\$ 52,620</u>

DIRECT RACE EXPENSE:

Trail	\$ 12,000
Ham Radio	12,000
Checkers & Officials	21,500
Veterinarians	7,000
Air Transportation	39,000
Prize Money	101,500
Trophies	1,300
Headquarters	4,300
Banquet	18,900
Misc.	4,035
	<u>\$221,535</u>

INDIRECT RACE EXPENSE:

Goods for Resale	\$ 40,000
Advertising & Public Relations	12,000
Sweepstakes & Raffles	51,000
Misc.	3,000
	<u>\$106,000</u>

TOTAL EXPENSE:

\$380,655

Funding Information  
General Fund \$50,000  
Other Funds -0-  
\$50,000

Introduced: 2/10/81  
Referred: Finance

BY FULLER, ADAMS, BROWN, HALFORD,  
HURLBERT, MILLER, ROGERS AND  
ZHAROFF

1 IN THE HOUSE

2 HOUSE BILL NO. 136

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the  
7 Department of Natural Resources for the Iditarod Trail  
8 Race; and providing for an effective date."

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

10 \* Section 1. The sum of \$50,000 is appropriated from the general fund to  
11 the Department of Natural Resources for support of the Iditarod Trail Race  
12 for the fiscal year ending June 30, 1981, to be spent on recommendation for  
13 expenditure by the Iditarod Trail Committee, Inc.

14 \* Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-  
15 070(c).

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THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

*Rec'd 3/15/82  
not considered by  
House Finance*

FISCAL NOTE

*(FINANCE)*

I. REQUEST

Bill/Resolution No. CS for HB 137 (efd failed)  
Title An Act repealing the tax credit for political contributions  
Requested by Finance Committee Date 3-12-82

II. FISCAL DETAIL

Agency Affected Department of Revenue  
Program Category Affected Revenue Collection and Management  
BRU, Program, Or Subprogram(s) Affected Audit Division  
(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) None

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars) None

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS None

FULL TIME						
PART TIME						
TEMPORARY						

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

See attached memo to R. D. Stevenson dated March 12, 1982.

*Robert R. Kessel*

IV. DATE March 12, 1982 PREPARED BY Robert R. Kessel  
AGENCY Audit Division

Original: Legislative Finance PHONE 465-2320

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

# MEMORANDUM

## State of Alaska

Department of Revenue

TO: R. D. Stevenson  
Special Assistant

DATE: March 12, 1982

FILE NO:

TELEPHONE NO:

FROM: Robert R. Kessel <sup>AK</sup>  
Director, Audit Division

SUBJECT: CSHB 137 (efd  
failed)

This bill is a third modification of HB 137 which was originally introduced on February 10, 1981.

HB 137 originally repealed AS 43.20.013 retroactive to January 1, 1981. The bill would have repealed the tax credits for political contributions and household and dependent care services.

CSHB 137, State Affairs, offered January 20, 1982, changed the effective date to April 15, 1982.

CSHB 137, Finance, offered February 5, 1982, had two modifications from the State Affairs version:

- a) Repeal of the household and dependent care services was no longer part of the bill;
- b) The effective date was changed to January 1, 1983.

The current version has been passed on by the Finance Committee with no effective date. Therefore, the bill will become law 90 days after the governor approves (probably early summer).

Since the bill could become law in the middle of the year, determining the exact date of the political contribution might be difficult. Individuals would possibly attempt to ante-date mid-summer contributions.

Consideration should be given to repealing the tax credit for household and dependent care services thereby eliminating all income tax credits for individuals.

Since the effective date of the bill might be mid-summer and since there is a three year period in which to claim the refund, there would be no fiscal impact for FY 83 and limited impact thereafter.

RRK/gb

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHB 137 (Finance)(efd failed)  
 Title An Act repealing the tax credit for political contributions.  
 Requested by (Finance) (efd failed) Date 03/10/82

II. FISCAL DETAIL

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING <sup>Millions</sup> ~~(Thousands)~~ of Dollars

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
Savings to the State		.879	1.014			
(Political credits)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

The aforementioned figures indicate the savings to the State as a result of repeal of AS 43.20.013(a). The date of repeal is assumed to take effect in July of 1982 resulting in less than a 100 percent savings to the State commencing in FY 83. The savings to the State would be 100 percent beginning in FY 84.

IV. DATE 03/10/82 PREPARED BY Vincent Wright *2/2*  
 AGENCY Revenue  
 Original: Legislative Finance PHONE 465-2173  
 cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

Original sponsors: Hayes, Abood,  
Anderson, et al

Offered: 2/5/82  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

CS FOR HOUSE BILL NO. 137 (Finance)(efd failed)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act repealing the tax credit for political contri-  
butions."

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

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\* Section 1. AS 43.20.013(a) is repealed.

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THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

Rec'd 2/16/82  
after bill  
reported out - HFC

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS for HB 137

Title An Act repealing the tax credit for political contributions

Requested by Finance Date February 10, 1982

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected Revenue Collection and Management

BRU, Program, Or Subprogram(s) Affected Audit Division

(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) None

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars) None

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS None

FULL TIME						
PART TIME						
TEMPORARY						

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

See attached memo dated February 11, 1982, to R. D. Stevenson.

*Robert R. Kessel*

IV. DATE February 11, 1982 PREPARED BY Robert R. Kessel

AGENCY Department of Revenue

Original: Legislative Finance PHONE 465-2320

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

# MEMORANDUM

## State of Alaska Department of Revenue

TO: R. D. Stevenson  
Special Assistant

DATE: February 10, 1982

FILE NO:

TELEPHONE NO:

FROM: Robert R. Kessel *RY*  
Director, Audit Division

SUBJECT: CSHB 137

This bill repeals the refundable tax credit for political contributions made by resident taxpayers to qualified persons, organizations and groups.

Since the effective date of the bill is January 1, 1983, and since there is a three year period in which to claim the refund, there would be no fiscal impact for FY 83 and limited impact thereafter.

RRK/gb

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST CSHB 137  
 Bill/Resolution No. \_\_\_\_\_  
 Title An Act repealing the tax credit for political contributions.  
 Requested by Finance Date 2/8/82

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>						

FUNDING (~~Thousands~~ of Dollars)  
Millions

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
Savings to the State			1.014			
(Political credit)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

The figure indicates the savings to the State as a result of repeal of AS 43.20.013 (a). The effective date of January 1, 1983 results in 100% of the credit being retained by the State commencing in FY 84.

IV. DATE 2/8/82 PREPARED BY Vincent Wright  
 AGENCY Department of Revenue  
 Original: Legislative Finance PHONE 465-2173  
 cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

Original sponsors: Hayes, Abood,  
Anderson, et al

Offered: 2/5/82  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

CS FOR HOUSE BILL NO. 137 (Finance)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act repealing the tax credit for political contri-

7

butions; and providing for an effective date."

8

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

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\* Section 1. AS 43.20.013(a) is repealed.

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\* Sec. 2. This Act takes effect January 1, 1983.

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1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 137 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act repealing the tax credit for political contri-  
7 butions; and providing for an effective date."

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

9 \* Section 1. AS 43.20.013(a) is repealed.

10 \* Sec. 2. This Act takes effect January 1, 1983.

*Dofo*

Original sponsors: Hayes, Abood,  
Anderson, et al

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 137 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the tax credit for political contri-  
7 butions; and providing for an effective date."

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

9 \* Section 1. AS 43.20.013(a) is repealed.

10 \* Sec. 2. This Act <sup>takes effect</sup> is ~~retroactive~~ to January 1, 1982.

11 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-  
12 070(c).

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THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. CS for House Bill #137  
 Title An Act Repealing Refundable Individual Income Tax Credits  
 Requested by State Affairs Committee Date 1/27/82

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Millions of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
Savings to the State		1.86	2.8			
(Political - Child Care)						
POSITIONS						

FULL TIME						
PART TIME						
TEMPORARY						

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

The figures indicate the savings to the State as a result of repeal of the refundable credit portion of AS 43.20.013. The assumption is made that the effective date of April 15, 1982 results in two-thirds of the credit portion being retained by the State in FY83. The savings amounts to 100% thereafter.

See attached memo, dated January 13, 1982, to Joseph K. Donohue for a breakdown of what would have been used for political contribution credits and child care credits.

IV. DATE 1/27/82 PREPARED BY Vincent Wright  
 AGENCY Revenue  
 Original: Legislative Finance PHONE 465-2173  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

# MEMORANDUM

State of Alaska  
Department of Revenue

TO: Joseph K. Donohue  
Deputy Commissioner, Taxation

DATE: January 13, 1982

FILE NO:

TELEPHONE NO:

FROM: Denna L. Cline  
Special Assistant  
to the Commissioner

SUBJECT: PCCs and CCCs

In FY 81 Department received an appropriation of \$112,042,000 which included \$1,042,000 for political contribution and child care credits. We can reallocate from the \$112,042,000 if more is needed for credit refunds.

In FY 82 we received \$149,961,800 which includes \$1,632,000 for the credit refunds. If the credit refunds are larger the Department can again reallocate from the \$149,961,800.

The Department has requested \$2,791,000 for credit refunds for FY 83. In our budget that total is broken down into \$1,758,000 for political contribution credits and \$1,033,000 for child care credits.

Attached is a table showing actual refund statistics as of January 12, 1982 and the 1981 Refund form.

DLC:m11  
Attachment

	<u>Budget Appropriation</u>	<u>Total Appropriation</u>	<u>10/12/82 Refund Amounts</u>	<u>Number of Refunds</u>
FY 1981 1979 & 1980 Refunds	\$1,042,000	\$112,042,000	1979 PCC \$307,269 1980 PCC 692,390 Sub Total <u>\$999,659</u>	6,907 15,503
			1979 CCC 264,199 1980 CCC 391,297 Sub Total <u>655,496</u>	5,789 8,216
		Total 1979 & 1980	<u>\$1,755,155</u>	
FY 1982 1981 Refunds	\$1,632,000	\$149,961,800		
	PCC = 780,000 CCC = 852,000			
FY 1983 Request 1982 Refunds	\$2,791,000			
	PCC = 1,758,000 CCC = 1,033,000			

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS for HB 137  
 Title An Act repealing refundable individual income tax credits  
 Requested by State Affairs Committee Date January 27, 1982

II. FISCAL DETAIL

Agency Affected Department of Revenue  
 Program Category Affected Revenue Collection and Management  
 BRU, Program, Or Subprogram(s) Affected Audit Division  
 (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) None

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars) None

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS None

FULL TIME						
PART TIME						
TEMPORARY						

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

See attached memo dated January 25, 1982, to R. D. Stevenson.

IV. DATE January 27, 1982

PREPARED BY Robert R. Kessel  
 AGENCY Department of Revenue

Original: Legislative Finance PHONE 465-2320

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

33-001 (Rev. 12/81)

# MEMORANDUM

# State of Alaska

Department of Revenue

TO: R. D. Stevenson  
Special Assistant

DATE: January 25, 1982

FILE NO:

TELEPHONE NO:

FROM: Robert R. Kessel *RR*  
Director, Audit Division

SUBJECT: CS for HB 137

This bill repeals the refundable tax credits for resident individuals. The refundable tax credits currently include a) political contributions and b) household and dependent care services necessary for gainful employment.

CS for HB 137 would apparently be effective for political contributions and household and dependent care services made or incurred after April 15, 1982.

Determining the exact date of the political contributions might be difficult. Individuals would possibly attempt to ante-date post-April 1982 contributions. Also, since the refundable credit computation for household and dependent care services is based on the amount of the federal credit, the refundable credit computation for the expenses incurred prior to April 15, 1982, might be a bit difficult to compute for the individual. Minor administration problems would be prevalent for the Revenue Department.

Since the effective date of the bill is April 15, 1982, and since there is a three year period in which to claim the refund, there would be no fiscal impact for FY 83 and limited impact thereafter.

RRK/gb

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS for House Bill #137  
 Title An Act Repealing Refundable Individual Income Tax Credits  
 Requested by State Affairs Committee Date 1/27/82

II. FISCAL DETAIL

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>						

FUNDING (Millions of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
Savings to the State		1.86	2.8			
(Political - Child Care)						
POSITIONS						

FULL TIME						
PART TIME						
TEMPORARY						

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

The figures indicate the savings to the State as a result of repeal of the refundable credit portion of AS 43.20.013. The assumption is made that the effective date of April 15, 1982 results in two-thirds of the credit portion being retained by the State in FY83. The savings amounts to 100% thereafter.

IV. DATE 1/27/82 PREPARED BY Vincent Wright  
 AGENCY Revenue  
 Original: Legislative Finance PHONE 465-2173  
 cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

Alaska State Legislature

REPRESENTATIVE  
**TERRY MARTIN**  
DISTRICT 8  
CHAIRMAN—LABOR AND COMMERCE COMMITTEE  
PHONE 465-3873



3960 REKA DRIVE—86  
ANCHORAGE, AK 99504  
PHONE 333-6990

DURING LEGISLATURE  
POUCHY  
STATE CAPITOL  
JUNEAU, AK 99811  
PHONE 465-3784

FOR IMMEDIATE RELEASE

November 23, 1981

Contact: Ray Tyson  
272-6922

*For HB 137*

LEGISLATOR WARNS OF POLITICAL HUCKSTERS

State Representative Terry Martin today warned Anchorage residents to be on guard against political contribution solicitors out to make a fast buck off the State of Alaska.

The state contribution rebate program -- recently increased from \$50 to \$100 per individual -- is a lucrative target for hucksters masquerading as candidates, or for solicitors seeking cash for "worthwhile" political action committees, Martin said.

The state doled out nearly \$1 million in cash and tax credits to 22,284 claimants in 1979 and 1980. Although no statistics are available for the current year, the state Department of Revenue expects to pass out \$5 million in cash rebates to 50,000 claimants for the 1982 political season.

"Although this sounds like a large figure, it represents something less than a quarter of registered voters in Alaska," Martin said.

Next year will be an especially hot political season, Martin said. In addition to the statewide races of governor, lieutenant governor, and U.S. representative, most state House and Senate seats will be up for election under the new reapportionment plan.

"Not only do we now have the state bank-rolling campaigns, but the entire rebate program lends itself to widespread fraud and abuse," Martin said.

"For example, some supporters of various candidates and groups are misleading potential contributors into believing they can be refunded for more than \$100 in any given calendar year."

Not only can a person receive a refund from the state of up to \$100 contributed, he also can receive an additional maximum \$25 tax credit from the federal government for the same contribution. In other words, an individual can actually make a \$25 profit for a \$100 contribution.

However, Martin warned, a contributor can only claim a state refund if the candidate or political action group he is giving to is registered with the Alaska Public Offices Commission (APOC).

Before contributing, Martin said the individual should:

- 1) Make sure the person you give to has officially filed for elective office, and that the political action committee you want to contribute to is certified by APOC.

- 2) Be sure the person you give to is a serious candidate. APOC records show that declared candidates have used political contributions for non-campaign related expenses.

- 3) Don't let anyone deceive you into believing you can be refunded for more than \$100 from the state.

- 4) Never give cash without a receipt if you expect a refund.

- 5) Be wary of professionals.

- 6) Don't give if you are opposed to state money being used to finance political campaigns.

Martin, a District 8 Republican, pointed out that Anchorage residents should be alerted to several House and Senate bills to be considered by the Legislature next session that would repeal the refund program.

"There is strong support among members of the majority House Coalition and conservatives in the Senate to repeal this law," he said.

At a time when the public is critical of the high cost of political campaigns, Martin said, the state rebate program only encourages prospective candidates to get into the race early for the sole purpose of "double-dipping" into the state treasury.

Double-dipping is a term used to describe candidates who file before January 1 in order to collect \$100 from an individual in each of two calendar years -- 1981 and 1982 -- even though the election may be more than a year away.

"This obviously ups the ante and encourages everyone to file early," Martin said.

Martin said he personally became concerned about double-dipping after several prospective House candidates encouraged him to file early in order to take advantage of the rebate program.

"I feel this is an issue in which all voters should have a say," Martin said. "This is why I feel the question should be placed on the ballot in 1982. Voters should decide whether they want state money used to finance political campaigns."



# LAWS OF ALASKA

1980

Second Special Session

Source

CSHR 1042 (Rules)

Chapter No.

2

Chapter 2

## AN ACT

Relating to taxes; repealing the Alaska net income tax on individuals and fiduciaries; providing for tax credits for political contributions and household and dependent care services; providing for refunds of 1979 individual and fiduciary income taxes; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 13

Approved by the Governor: September 24, 1980  
Actual Effective Date: September 25, 1980 with sections  
2 - 6 and 9 retroactive to January 1, 1979.

## AN ACT

Relating to taxes; repealing the Alaska net income tax on individuals and fiduciaries; providing for tax credits for political contributions and household and dependent care services; providing for refunds of 1979 individual and fiduciary income taxes; and providing for an effective date.

\* Section 1. FINDINGS. The legislature finds:

(1) Section 1, ch. 22, SLA 1980 afforded complete tax relief to a majority of individual taxpayers under the Alaska Net Income Tax Act and substantial tax relief to most other taxpayers by means of exemptions based on the number of years an individual reported Alaska income. On September 4, 1980, the Alaska Supreme Court ruled that those exemptions violate the equal protection clause of art. I, sec. 1 of the state constitution. The effect of that decision is to reimpose the full income tax burden on all taxpayers.

(2) It is in the public interest to remedy the constitutional defect and provide tax relief to the public at least equal to that attempted by the exemptions in sec. 1, ch. 22, SLA 1980. This can best be accomplished by repealing the Alaska net income tax on individuals and fiduciaries.

(3) Because ch. 22, SLA 1980 applied to taxes due for the tax year 1979, many taxpayers expected a refund of part or all of their state income tax for 1979, and many of them made plans and commitments in anticipation of the refund. The state has a moral obligation to fulfill this widely held expectation, and this obligation is best discharged by repealing the Alaska

Income tax on individuals and fiduciaries retroactive to January 1, 1979.

\* Sec. 2. AS 43.20 is amended by adding new sections to read:

Sec. 43.20.012. LIMITATION ON APPLICATION OF CHAPTER, CREDITS.

The tax imposed by this chapter does not apply to individuals or to fiduciaries. However, an individual may file a return under this chapter in order to receive a tax credit under AS 43.20.013.

Sec. 43.20.013. INDIVIDUAL TAX CREDITS. (a) A resident individual is entitled to a tax credit not to exceed \$50 for

(1) a contribution made in a calendar year to a person or organization for use exclusively

(A) for a political campaign for a candidate for

(1) President or Vice President of the United States, whether or not the candidate will be voted on in a primary election in Alaska;

- (ii) United States senator from Alaska;
(iii) United States representative from Alaska;
(iv) governor or lieutenant governor of Alaska;
(v) the Alaska legislature;
(vi) delegate to an Alaska constitutional convention;
(vii) electoral confirmation as a judge or justice of

a court in Alaska; or

(viii) municipal office in Alaska; or

(B) by a group seeking to influence the outcome of a ballot proposition or question in Alaska; and

(2) dues paid in a calendar year to a nonprofit organization organized primarily for the purpose of influencing elections in Alaska.

(b) A resident individual is entitled to a tax credit equal to 16 percent of the tax credit claimed by the individual on his federal income tax return for household and dependent care services necessary

for his gainful employment.

(c) The commissioner of revenue shall pay the amount of a tax credit allowed by this section to a resident individual who makes a return as provided in AS 43.20.012. A credit under this section shall be paid in the manner provided in AS 43.20.030(e) for the payment of refunds and payment may not be made without an appropriation for that purpose.

\* Sec. 3. AS 43.20.021(c) is amended to read:

(c) For purposes of calculating the alternative tax on capital gains provided for in the provisions of Internal Revenue Code sec. 1201, the rate is 4.5 percent for corporations [AND 4 PERCENT FOR INDIVIDUALS AND FIDUCIARIES].

\* Sec. 4. AS 43.20.021(d) is amended to read:

(d) Where a credit allowed under the Internal Revenue Code is also allowed in computing Alaska income tax, it is limited to [16 PERCENT FOR INDIVIDUALS AND FIDUCIARIES AND] 18 percent for corporations of the amount of credit determined for federal income tax purposes which is attributable to Alaska.

\* Sec. 5. AS 43.20.021(f) is amended to read:

(f) For the purpose of calculating the minimum tax on tax preferences provided for in secs. 56 - 58 of the Internal Revenue Code (26 U.S.C. secs. 56 - 58), the rate is [16 PERCENT FOR INDIVIDUALS AND] 18 percent for corporations of the applicable minimum federal tax rate.

\* Sec. 6. AS 43.20.030(a) is amended to read:

(a) If a [EVERY INDIVIDUAL, FIDUCIARY,] partnership which has a corporation as a partner or a [AND] corporation is required to make a return under the provisions of the Internal Revenue Code, it shall at the same time file with the department a return setting out

(1) the amount of tax due under this chapter, less credits

Chapter 2

claimed against the tax; and

(2) other information for the purpose of carrying out the provisions of this chapter which the department requires.

\* Sec. 7. REFUND OF 1979 INCOME TAXES. (a) An individual or fiduciary is entitled to a refund of his Alaska net income taxes paid or withheld under AS 43.20 for all or part of a tax year occurring after December 31, 1978 and before January 1, 1980.

(b) A refund under this section may be made only as provided in this section. Refunds of Alaska net income taxes paid may not be made without an appropriation for that purpose.

(c) The department shall establish procedures for determining the amount of and for making the refunds described in (a) of this section.

(d) The commissioner may adopt regulations to implement this section, and those regulations may be adopted as emergency regulations under AS 44.62.250 and 44.62.260.

(e) In this section,

(1) "commissioner" means the commissioner of revenue;

(2) "department" means the Department of Revenue.

\* Sec. 8. The provisions of AS 43.05.280 do not apply to refunds made under sec. 7 of this Act.

\* Sec. 9. The following laws are repealed: AS 43.20.011(a) - (d) and (f), 43.20.015, 43.20.017, 43.20.021(e), 43.20.030(f) and (g), 43.20.031(a), (b), and (f) - (h), 43.20.033, 43.20.035, 43.20.036(d) - (i), 43.20.038, 43.20.039, 43.20.040(b)(3) and (6), 43.20.045, 43.20.061, 43.20.160(e), 43.20.180, 43.20.215, and secs. 6 - 11 of ch. 22, SLA 1980.

\* Sec. 10. Sections 2 - 6 and 9 of this Act are retroactive to January 1, 1979.

\* Sec. 11. This Act takes effect immediately in accordance with AS 01.10.170(c).



# LAWS OF ALASKA

1980

Second Special Session

Source

Chapter No.

CSHB 1040 (Rules) am

1

## AN ACT

Relating to taxes; repealing the Alaska net income tax on individuals and fiduciaries; providing for tax credits for political contributions and household and dependent care services; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 12

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: September 24, 1980  
Actual Effective Date: Sections 1 - 8, 10, 12 and 13 take effect September 25, 1980 with sections 2 - 6 and 10 retroactive to January 1, 1980; section 9 takes effect January 1, 1981; section 11 takes effect February 1, 1981.

Chapter 1

## AN ACT

Relating to taxes; repealing the Alaska net income tax on individuals and fiduciaries; providing for tax credits for political contributions and household and dependent care services; and providing for an effective date.

\* Section 1. FINDINGS. The legislature finds:

(1) Section 1, ch. 22, SLA 1980 afforded complete tax relief to a majority of individual taxpayers under the Alaska Net Income Tax Act and substantial tax relief to most other taxpayers by means of exemptions based on the number of years an individual reported Alaska income. On September 4, 1980, the Alaska Supreme Court ruled that these exemptions violate the equal protection clause of art. I, sec. 1 of the state constitution. The effect of that decision is to reimpose the full income tax burden on all taxpayers.

(2) It is in the public interest to remedy the constitutional defect and provide tax relief to the public at least equal to that attempted by the exemptions in sec. 1, ch. 22, SLA 1980. This can best be accomplished by repealing the Alaska net income tax on individuals and fiduciaries.

\* Sec. 2. AS 43.20 is amended by adding new sections to read:

Sec. 43.20.012. LIMITATION ON APPLICATION OF CHAPTER CREDITS.

The tax imposed by this chapter does not apply to individuals or to fiduciaries. However, an individual may file a return under this chapter in order to receive a tax credit under AS 43.20.013.

Sec. 43.20.013. INDIVIDUAL TAX CREDITS. (a) A resident individ-

ual is entitled to a tax credit not to exceed \$50 for

(1) a contribution made in a calendar year to a person or organization for use exclusively

(A) for a political campaign for a candidate for

(i) President or Vice President of the United States, whether or not the candidate will be voted on in a primary election in Alaska;

(ii) United States senator from Alaska;

(iii) United States representative from Alaska;

(iv) governor or lieutenant governor of Alaska;

(v) the Alaska legislature;

(vi) delegate to an Alaska constitutional convention;

(vii) electoral confirmation as a judge or justice of a court in Alaska; or

(viii) municipal office in Alaska; or

(B) by a group seeking to influence the outcome of a ballot proposition or question in Alaska; and

(2) dues paid in a calendar year to a nonprofit organization organized primarily for the purpose of influencing elections in Alaska.

(b) A resident individual is entitled to a tax credit equal to 16 percent of the tax credit claimed by the individual on his federal income tax return for household and dependent care services necessary for his gainful employment.

(c) The commissioner of revenue shall pay the amount of a tax credit allowed by this section to a resident individual who makes a return as provided in AS 43.20.012. A credit under this section shall be paid in the manner provided in AS 43.20.030(a) for the payment of refunds and payment may not be made without an appropriation for that purpose.

\* Sec. 3. AS 43.20.021(c) is amended to read:

(c) For purposes of calculating the alternative tax on capital gains provided for in the provisions of Internal Revenue Code sec. 1201, the rate is 4.5 percent for corporations [AND 4 PERCENT FOR INDIVIDUALS AND FIDUCIARIES].

\* Sec. 4. AS 43.20.021(d) is amended to read:

(d) Where a credit allowed under the Internal Revenue Code is also allowed in computing Alaska income tax, it is limited to [16 PERCENT FOR INDIVIDUALS AND FIDUCIARIES AND] 18 percent for corporations of the amount of credit determined for federal income tax purposes which is attributable to Alaska.

\* Sec. 5. AS 43.20.021(f) is amended to read:

(f) For the purpose of calculating the minimum tax on tax preferences provided for in secs. 56 - 58 of the Internal Revenue Code (26 U.S.C. secs. 56 - 58), the rate is [16 PERCENT FOR INDIVIDUALS AND] 18 percent for corporations of the applicable minimum federal tax rate.

\* Sec. 6. AS 43.20.030(a) is amended to read:

(a) If a [EVERY INDIVIDUAL, FIDUCIARY,] partnership which has a corporation as a partner or a [AND] corporation is required to make a return under the provisions of the Internal Revenue Code, it shall at the same time file with the department a return setting out

(1) the amount of tax due under this chapter, less credits claimed against the tax; and

(2) other information for the purpose of carrying out the provisions of this chapter which the department requires.

\* Sec. 7. REFUND OF 1980 INCOME TAXES. (a) An individual or fiduciary is entitled to a refund of his Alaska net income taxes paid or withheld after December 31, 1979 for all or part of a tax year occurring after December 31, 1979. An individual or fiduciary is also entitled to a refund of his

Chapter 1

estimated net income tax payments made under AS 43.20 after December 31, 1979 or a tax year for which he has not filed a year-end return under AS 43.20.-30.

(b) A refund under this section may be made only as provided in this section. Refunds of Alaska net income taxes paid may not be made without an appropriation for that purpose.

(c) The department shall establish procedures for determining the amount of and for making the refunds described in (a) of this section.

(d) The commissioner may adopt regulations to implement this section, and those regulations may be adopted as emergency regulations under AS 44.-2.250 and 44.62.260.

(e) In this section,

- (1) "commissioner" means the commissioner of revenue;
- (2) "department" means the Department of Revenue.

\* Sec. 8. The provisions of AS 43.05.280 do not apply to refunds made under sec. 7 of this Act.

\* Sec. 9. AS 43.20.013(n) is amended to read:

(a) A resident individual is entitled to a tax credit not to exceed \$100 [\$50] for

(1) a contribution made in a calendar year to a person or organization for use exclusively

(A) for a political campaign for a candidate for

(i) President or Vice President of the United States, whether or not the candidate will be voted on in a primary election in Alaska;

(ii) United States senator from Alaska;

(iii) United States representative from Alaska;

(iv) governor or lieutenant governor of Alaska;

(v) the Alaska legislature;

Chapter 1

(vi) delegate to an Alaska constitutional convention;

(vii) electoral confirmation as a judge or justice of a court in Alaska; or

(viii) municipal office in Alaska; or

(ix) by a group seeking to influence the outcome of a ballot proposition or question in Alaska; and

(2) dues paid in a calendar year to a nonprofit organization organized primarily for the purpose of influencing elections in Alaska.

\* Sec. 10. The following laws are repealed: AS 43.20.011(a) - (d) and (f), 43.20.015, 43.20.017, 43.20.021(e), 43.20.030(f) and (g), 43.20.031(a), (b), and (f) - (h), 43.20.033, 43.20.035, 43.20.036(d) - (i), 43.20.038, 43.20.039, 43.20.040(b)(3) and (6), 43.20.045, 43.20.061, 43.20.160(e), 43.20.180, 43.20.215, and secs. 6 - 11 of ch. 22, SLA 1980.

\* Sec. 11. AS 43.20.170 and 43.20.340(4), (7), (13), (14), (16), and (17) are repealed.

\* Sec. 12. Sections 2 - 6, and 10 of this Act are retroactive to January 1, 1980.

\* Sec. 13. Section 9 of this Act takes effect January 1, 1981. Section 11 of this Act takes effect February 1, 1981. Sections 1 - 8, 10, 12, and 13 of this Act take effect immediately in accordance with AS 01.10.070(c).

3.20.011

§ 43.20.012

REVENUE AND TAXATION

§ 43.20.013

(f) Repealed by § 10 ch 1 SSSLA 1980 and § 9 ch 2 SSSLA 1980. (§ 1 ch 70 SLA 1975; am § 2 ch 110 SLA 1978; am §§ 8—11 ch 113 SLA 1980; am § 10 ch 1 SSSLA 1980; am § 9 ch 2 SSSLA 1980)

Effect of amendments. — The 1978 amendment added a former third sentence of subsection (e).

Section 8, ch. 113, SLA 1980, the first 1980 amendment, effective June 21, 1980, and retroactive to January 1, 1980, in former subsection (c), made numerous changes in the tax column of the table. Sections 9 and 10 of ch. 113 rewrote former subsection (d) and subsection (e). Section 11 of ch. 113, effective June 21, 1980, and retroactive to January 1, 1979, added former subsection (f).

The second 1980 amendment, effective September 25, 1980 and retroactive to January 1, 1980, repealed subsections (a)-(d) and (f), concerning income tax on individuals and fiduciaries.

The third 1980 amendment, effective September 25, 1980, and retroactive to January 1, 1979, made the same changes

as the second 1980 amendment.

Editor's note. — As to legislative findings and intent, see § 1, ch. 110, SLA 1978, in the 1978 Temporary and Special Acts and Resolves.

Section 4, ch. 110, SLA 1978, provides: "This Act applies to taxable income earned or received after December 31, 1977."

Section 52, ch. 113, SLA 1980, effective June 21, 1980, makes sections 8—10 of the Act applicable to tax years beginning after December 31, 1979. Section 51 of the Act, effective June 21, 1980, makes section 11 of the Act applicable to tax returns for tax years beginning after December 31, 1978.

For legislative findings and purpose of the second and third 1980 amendments, see § 1, ch. 1, SSSLA 1980, and § 1, ch. 2, SSSLA 1980, in the 1980 Temporary and Special Acts and Resolves.

**Sec. 43.20.012. Limitation on application of chapter; credits.** The tax imposed by this chapter does not apply to individuals or to fiduciaries. However, an individual may file a return under this chapter in order to receive a tax credit under AS 43.20.013. (§ 2 ch 1 SSSLA 1980; § 2 ch 2 SSSLA 1980)

Effective date. — Section 13, ch. 1, SSSLA 1980, and § 11, ch. 2, SSSLA 1980, provide that this section take effect September 25, in accordance with AS 01.10.070(c). Section 12 of ch. 1 provides that this section is retroactive to January 1, 1980, and § 10 of ch. 2, provides that

this section is retroactive to January 1, 1979.

Editor's note. — For legislative findings and purpose of the enacting legislation, see § 1, ch. 1, SSSLA 1980, and § 1, ch. 2, SSSLA 1980, in the 1980 Temporary and Special Acts and Resolves.

**Sec. 43.20.013. Individual tax credits.** (a) [Effective until January 1, 1981] A resident individual is entitled to a tax credit not to exceed \$50 for

(1) A contribution made in a calendar year to a person or organization for use exclusively

(A) for a political campaign for a candidate for

(i) President or Vice President of the United States, whether or not the candidate will be voted on in a primary election in Alaska;

(ii) United States senator from Alaska;

(iii) United States representative from Alaska;

(iv) governor or lieutenant governor of Alaska;

(v) the Alaska legislature;

(vi) delegate to an Alaska constitutional convention;

(vii) electoral confirmation as a judge or justice of a court in Alaska;

or

- (viii) municipal office in Alaska; or
- (B) by a group seeking to influence the outcome of a ballot proposition or question in Alaska; and
- (2) dues paid in a calendar year to a nonprofit organization organized primarily for the purpose of influencing elections in Alaska.
- (a) [Effective January 1, 1981] A resident individual is entitled to a tax credit not to exceed \$100 for
  - (1) a contribution made in a calendar year to a person or organization for use exclusively
    - (A) for a political campaign for a candidate for
      - (i) President or Vice President of the United States, whether or not the candidate will be voted on in a primary election in Alaska;
      - (ii) United States senator from Alaska;
      - (iii) United States representative from Alaska;
      - (iv) governor or lieutenant governor of Alaska;
      - (v) the Alaska legislature;
      - (vi) delegate to an Alaska constitutional convention;
      - (vii) electoral confirmation as a judge or justice of a court in Alaska;
  - or
  - (viii) municipal office in Alaska; or
  - (B) by a group seeking to influence the outcome of a ballot proposition or question in Alaska; and
  - (2) dues paid in a calendar year to a nonprofit organization organized primarily for the purpose of influencing elections in Alaska.
  - (b) A resident individual is entitled to a tax credit equal to 16 percent of the tax credit claimed by the individual on his federal income tax return for household and dependent care services necessary for his gainful employment.
  - (c) The commissioner of revenue shall pay the amount of a tax credit allowed by this section to a resident individual who makes a return as provided in AS 43.20.012. A credit under this section shall be paid in the manner provided in AS 43.20.030(e) for the payment of refunds and payment may not be made without an appropriation for that purpose. (§ 2 ch 1 SSSLA 1980; am § 9 ch 1 SSSLA 1980; § 2 ch 2 SSSLA 1980)

Effect of amendment. — Section 9, ch 1, SSSLA 1980, effective January 1, 1981, substituted "\$100" for "\$50" in the introductory language of subsection (a).

Effective date. — Section 13, ch. 1, SSSLA 1980, and § 11, ch. 2, SSSLA 1980, provide that this section take effect September 25, in accordance with AS 01.10.070(c). Section 12 of ch. 1 provides

that this section is retroactive to January 1, 1980, and § 10 of ch. 2, provides that this section is retroactive to January 1, 1979.

Editor's note. — For legislative findings and purpose of the enacting legislation, see § 1, ch. 1, SSSLA 1980, and § 1, ch. 2, SSSLA 1980, in the 1980 Temporary and Special Acts and Resolves.

09/29/80

## HISTORY OF LEGISLATION

R01-33F-3040

PAGE 00

**HB1040** AN ACT RELATING TO TAXES; REPEALING THE ALASKA NET INCOME TAX ON INDIVIDUALS AND FIDUCIARIES; PROVIDING FOR TAX CREDITS FOR POLITICAL CONTRIBUTIONS & HOUSEHOLD & DEPENDENT CARE SERVICES; & AN EFFECTIVE DATE

AMENDED TITLE: CS M (RLS) AM

PRIME SPONSORS: RULES

<u>DATE</u>	<u>SEQ. NO.</u>	<u>JOURNAL PAGE</u>	<u>HOUSE ACTION</u>	<u>DATE</u>	<u>SEQ. NO.</u>	<u>JOURNAL PAGE</u>	<u>SENATE ACTION</u>
09/22/80	01	SS03	FIRST READING -- COMMITTEE REPORTS	09/23/80	12	SS10	FIRST READING -- COMMITTEE REPORTS
09/22/80	02	SS09	FIN -- CS10	09/23/80	13	SS14	FIN -- DP05, NR02
09/23/80	03	SS14	RLS -- DP(AM)07, CS07 TAKEN UP IMMEDIATELY	09/24/80	14	SS19	RLS -- OTHER04 TAKEN UP IMMEDIATELY
09/23/80	04	SS15	SECOND READING	09/24/80	15	SS25	SECOND READING
09/23/80	05	SS15	RLS CS ADOPTED BY UNAN CONSENT	09/24/80	16	SS25	ADVANCED TO 3RD READING BY UNAN CONSE
09/23/80	06	SS16	AM01 ADOPTED BY UNAN CONSENT				
09/23/80	07	SS16	AM02 NOT ADOPTED BY DIV 11-29-00	09/24/80	17	SS25	THIRD READING
09/23/80	08	SS17	ADVANCED TO 3RD READING BY UNAN CONSENT	09/24/80	18	SS25	PASSED BY DIV 17-01-02
09/23/80	09	SS17	THIRD READING	09/24/80	19	SS25	EFFECTIVE DATE VOTE SAME AS PASSAGE
09/23/80	10	SS17	PASSED BY DIV 40-00-00	09/24/80	20	SS27	NOTICE OF RECONSIDERATION GIVEN
09/23/80	11	SS18	EFFECTIVE DATE PASSED BY DIV 40-00-00	09/24/80	21	SS27	PASSED ON RECONSIDERATH BY DIV 18-02-
				09/24/80	22	SS27	EFFECTIVE DATE VOTE SAME AS PASSAGE
09/24/80	23	SS28	TRANSMITTED TO GOVERNOR				
09/24/80	24	SS28	SIGNED BY GOVERNOR-CH0001, EFF 00/00/00				
MM 09/24/80	25	SS28	VARIOUS EFFECTIVE DATES				

09/29/80

## HISTORY OF LEGISLATION

R01-33F-3040

PAGE 0003

HB1040 AN ACT RELATING TO TAXES; REPEALING THE ALASKA NET INCOME TAX ON INDIVIDUALS AND FIDUCIARIES; PROVIDING FOR TAX CREDITS FOR POLITICAL CONTRIBUTIONS & HOUSEHOLD & DEPENDENT CARE SERVICES; & AN EFFECTIVE DATE

AMENDED TITLE: CS \* (RLS) AM

PRIME SPONSORS: RULES

<u>DATE</u>	<u>SEQ. NO.</u>	<u>JOURNAL PAGE</u>	<u>HOUSE ACTION</u>	<u>DATE</u>	<u>SEQ. NO.</u>	<u>JOURNAL PAGE</u>	<u>SENATE ACTION</u>
09/22/80	01	SS03	FIRST READING -- COMMITTEE REPORTS	09/23/80	12	SS10	FIRST READING -- COMMITTEE REPORTS
09/22/80	02	SS09	FIN -- CS10	09/23/80	13	SS14	FIN -- DP05, HR02
09/23/80	03	SS14	RLS -- DP(AM)07, CS07 TAKEN UP IMMEDIATELY	09/24/80	14	SS19	RLS -- OTHER04 TAKEN UP IMMEDIATELY
09/23/80	04	SS15	SECOND READING	09/24/80	15	SS25	SECOND READING
09/23/80	05	SS15	RLS CS ADOPTED BY UNAN CONSENT	09/24/80	16	SS25	ADVANCED TO 3RD READING BY UNAN CONSENT
09/23/80	06	SS16	AM01 ADOPTED BY UNAN CONSENT	09/24/80	17	SS25	THIRD READING
09/23/80	07	SS16	AM02 NOT ADOPTED BY DIV 11-29-00	09/24/80	18	SS25	PASSED BY DIV 17-01-02
09/23/80	08	SS17	ADVANCED TO 3RD READING BY UNAN CONSENT	09/24/80	19	SS25	EFFECTIVE DATE VOTE SAME AS PASSAGE
09/23/80	09	SS17	THIRD READING	09/24/80	20	SS27	NOTICE OF RECONSIDERATION GIVEN
09/23/80	10	SS17	PASSED BY DIV 40-00-00	09/24/80	21	SS27	PASSED ON RECONSIDERATH BY DIV 18-01-01
09/23/80	11	SS18	EFFECTIVE DATE PASSED BY DIV 40-00-00	09/24/80	22	SS27	EFFECTIVE DATE VOTE SAME AS PASSAGE
09/24/80	23	SS28	TRANSMITTED TO GOVERNOR				
09/24/80	24	SS28	SIGNED BY GOVERNOR-CH0001, EFF 00/00/00				
MM 09/24/80	25	SS28	VARIOUS EFFECTIVE DATES				

07/17/80

## HISTORY OF LEGISLATION

R01-33F-3040

PAGE 0003

HB 3 AN ACT RELATING TO ELECTIONS AND ELECTION CAMPAIGN CONTRIBUTIONS; AND PROVIDING FOR AN EFFECTIVE DATE

AMENDED TITLE: 2ND FCCS M

PRIME SPONSORS: MILLER

<u>DATE</u>	<u>SEQ. NO.</u>	<u>JOURNAL PAGE</u>	<u>HOUSE ACTION</u>	<u>DATE</u>	<u>SEQ. NO.</u>	<u>JOURNAL PAGE</u>	<u>SENATE ACTION</u>
01/24/79	01	0041	FIRST READING -- COMMITTEE REPORTS	02/20/79	08	0290	FIRST READING -- COMMITTEE REPORTS
02/16/79	02	0286	JUD -- CS06, NR02	03/18/80	09	0538	MOVED FROM S.A. TO RLS BY UNAN CONSENT
02/19/79	03	0314	SECOND READING	03/19/80	10	0544	RLS -- CS04 TAKEN UP IMMEDIATELY
02/19/79	04	0314	JUD CS ADOPTED BY UNAN CONSENT	03/19/80	11	0543	SECOND READING
02/19/79	05	0314	ADVANCED TO 3RD READING BY UNAN CONSENT	03/19/80	12	0545	POSTPONED UNTIL 03/20/80 BY UNAN CONSENT
02/19/79	06	0314	THIRD READING	03/20/80	13	0554	RLS CS ADOPTED BY UNAN CONSENT
02/19/79	07	0315	PASSED BY DIV J3-01-06	03/20/80	14	0554	READ AGAIN SECOND TIME
05/30/80	34	1835	EFFECTIVE DATE VOTE SAME AS PASSAGE	03/20/80	15	0555	ADVANCED TO 3RD READING BY UNAN CONSENT
03/27/80	19	0785	FAILED TO CONC IN (S) AMS BY DIV 00-36-04	03/20/80	16	0555	THIRD READING
03/27/80	21	0785	FCC -- PARKER MILLER ELIASON	03/20/80	17	0555	PASSED BY DIV 14-04-02
04/25/80	23	1098	FCC F/NTE-H/S JT SUPP #10	03/20/80	18	0555	EFFECTIVE DATE VOTE SAME AS PASSAGE
04/29/80	28	1141	FCC REPORT NOT ADOPTED BY DIV 16-19-05	04/29/80	27	0900	EFFECTIVE DATE PASSED BY DIV 14-00-06
04/30/80	29	1146	FCC -- GARDINER ANDERSON MARTIN	05/17/80	32	1148	EFFECTIVE DATE VOTE SAME AS PASSAGE
05/30/80	33	1835	FCC REPORT ADOPTED BY DIV 32-03-05	03/31/80	20	0633	FAILED TO RECEDE FRM AMS BY DIV 00-19-01
06/16/80	35	2190	TRANSMITTED TO GOVERNOR	04/01/80	22	0656	FCC -- KELLY FAHRENKAMP ZIEGLER
07/10/80	36	2209	SIGNED BY GOVERNOR-CH0100, EFF 00/00/00	04/25/80	24	0866	FCC F/NTE-H/S JT SUPP #10
MM 07/10/80	37	2209	EFF DATE/SEE BILL HISTORY	04/28/80	25	0894	FCC RPT POSTPONED-4/29/80
				04/29/80	26	0900	FCC REPORT ADOPTED BY DIV 11-03-06
				05/01/80	30	0926	FCC -- TILLION MULCAHY FERGUSON
				05/17/80	31	1148	FCC REPORT ADOPTED BY DIV 15-02-03

HB 4 AN ACT RELATING TO LICENSING OF SPEECH PATHOLOGISTS AND AUDIOLOGISTS; AND PROVIDING FOR AN EFFECTIVE DATE

PRIME SPONSORS: PHILLIPS

<u>DATE</u>	<u>SEQ. NO.</u>	<u>JOURNAL PAGE</u>	<u>HOUSE ACTION</u>	<u>DATE</u>	<u>SEQ. NO.</u>	<u>JOURNAL PAGE</u>	<u>SENATE ACTION</u>
MM 01/24/79	01	0041	FIRST READING -- COMMITTEE REPORTS HFSS JUDICIARY				

# Contribution refunds under new attack

Associated Press

Juneau — The Hammond administration made another pitch Wednesday to stop state refunds for political contributions.

Joe Donohue, Department of Revenue deputy commissioner of taxation, said "there may be a place for public financing of political campaigns, but the current system is essentially cost-free for the contributor."

The House State Affairs Committee is considering legislation sponsored by House Speaker Joe Hayes, R-Anchorage, to end the refunds.

Political contribution and child-care credits are holdovers from when Alaska had a state income tax — taxpayers were allowed to deduct the credits from their tax payments.

The credits were not repealed when the state income tax was in 1980, and as a result the state has been stuck with refunding campaign donations and some child-care expenses.

Donohue said "before you had a choice of donating \$100 and paying less income tax. Now you pay \$100 and you get \$100 back. All you lose is the interest. It's not effective in involving the small contributor."

This year, the department has requested \$1.76 million for political contribution credits and \$1.03 million for child care credits — a total of \$2.8 million.

Donohue said the average child-care credit paid to Alaskans in 1980 was \$47.63.

He said the department "is not opposed to giving away this amount of money," but that another agency should be charged with the task. Donohue said the Department of Health and Social Services is better equipped than the Department of Revenue to make refunds for child-care expenses.

The State Affairs Committee did not take a final vote on the bill (HB137).

The Hammond administration made another pitch to stop state refunds for political contributions.

The House State Affairs Committee is considering legislation sponsored by House Speaker Joe Hayes, R-Anchorage, to end the refunds.

The credits were not repealed when the state income tax was repealed in 1980, and as result the state has been stuck with refunding campaign donations and some child-care expenses.

Said Joe Donahue, Department of Revenue Deputy Commissioner of Taxation: "Before you had a choice of donating \$100 and paying less income tax. Now you pay \$100 and you get \$00 back. All you lose is the interest. It's not effective in involving the smaller contributor."

Original sponsors: Hayes, Abood,  
Anderson, et al

Offered: 1/20/82  
Referred: Finance

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 137 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act repealing refundable individual income tax  
7 credits under AS 43.20; and providing for an effective  
8 date."

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

10 \* Section 1. AS 43.20.012 is amended to read:

11 Sec. 43.20.012. LIMITATION ON APPLICATION OF CHAPTER [; CREDITS].

12 The tax imposed by this chapter does not apply to individuals or to  
13 fiduciaries. [HOWEVER, AN INDIVIDUAL MAY FILE A RETURN UNDER THIS  
14 CHAPTER IN ORDER TO RECEIVE A TAX CREDIT UNDER AS 43.20.013.]

15 \* Sec. 2. AS 43.20.013 is repealed.

16 \* Sec. 3. This Act takes effect April 15, 1982.

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Introduced: 2/10/81  
Referred: State Affairs and  
Finance

BY HAYES, ABOOD, ANDERSON, BARNES,  
BEIRNE, BETTISWORTH, BYLSMA, CUDDY,  
HALFORD, HAUGEN, MARTIN, METCALFE,  
MONTGOMERY, O'CONNELL AND SUTCLIFFE

1 IN THE HOUSE

2 HOUSE BILL NO. 137

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the tax credit for political  
7 contributions; and providing for an effective date."

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

9 \* Section 1. AS 43.20.013 is repealed.

10 \* Sec. 2. This Act is retroactive to January 1, 1981.

11 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-  
12 070(c).

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THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

HB 137

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 137

Title An Act relating to the tax credit for political contributions

Requested by House State Affairs Committee Date 2-11-81

II. FISCAL DETAIL

Agency Affected Department of Revenue

Program Category Affected Revenue Collection and Management

BRU, Program, or Subprogram(s) Affected Audit Division

(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) - NONE

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						

TOTAL

FUNDING (Thousands of Dollars) - NONE

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS - NONE

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

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

There will be no effect on the administrative costs of the Audit Division from the repeal of the refundable credit provisions. This bill would repeal both the political contribution and child care credits.

IV. DATE 2-18-81

PREPARED BY Gary I. Jenkins

AGENCY Audit Division

PHONE 465-2320

Original: Legislative Finance

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

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 137  
 Title Repealing the campaign contribution tax credit for individuals  
 Requested by House State Affairs/and Finance Committees Date 2/18/81

II. FISCAL DETAIL

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

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						

TOTAL

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						
Savings to the state (political contributions and child care.)		(1.63)	(2.8)	(2.8)		

POSITIONS

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

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

The aforementioned figures reflect the upward adjustment in the political contribution credit from \$50 to \$100.

The figures indicate the savings to the State as a result of repeal of the refundable credit portion of AS 43.20.013. Claims for refundable tax credits for 1979 and 1980 would be permitted and payments would be made on those claims.

IV. DATE 2/18/81 PREPARED BY Vincent A. Wright  
 AGENCY Revenue  
 PHONE \_\_\_\_\_  
 Original: Legislative Finance  
 cc: Budget and Management  
Prime Sponsor (First Legislator Named)



COMMITTEE REPORT

HOUSE

3/18

FURTHER: FINANCE

3/16/81

(5)

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

Mr. Speaker:

The Committee on LABOR & COMMERCE has had SSHB 138

"An Act making special appropriations to the Department of Administration for telecommunications; and providing for an effective date."

under consideration and reports it back as follows:

- 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

Vernon Hulbert  
John Fuller  
Felix Gardner  
George Martin  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

David Luddy do not pass  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Vernon Hulbert  
 CHAIRMAN

Requer  
12-0631

Funding Information  
General Fund \$8,063,850  
Other Funds -0-  
\$8,063,850

Introduced: 3/16/81  
Referred: Labor & Commerce and  
Finance

1 IN THE HOUSE BY ADAMS AND HURLBERT

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 138  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 TWELFTH LEGISLATURE - FIRST SESSION  
5 A BILL

6 For an Act entitled: "An Act making special appropriations to the Depart-  
7 ment of Administration for telecommunications; and  
8 providing for an effective date."

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

10 \* Section 1. The sum of \$7,055,850 is appropriated from the general fund  
11 to the Department of Administration, division of telecommunications systems  
12 to be allocated as follows:

13 (1) \$3,160,000 to purchase and install equipment to extend in-  
14 structional television and, if comparable commercial broadcast service is  
15 not available, to also extend the satellite television demonstration project  
16 to Anderson, Bettles, Birch Creek, Chignik Bay, Chauthbaluk, Clarks Point,  
17 Ekuk, Eek, Elfin Cove, English Bay, Ernestine, Gakona, Girdwood, Goodnews  
18 Bay, Gustavus, Hope, Hyder, Kasigluk, Kasilof, Klawock, Kokhanok, Kwethluk,  
19 Levelock, Naknek, Napaskiak, Newhalen, Pitkas Point, Lower Kalskag,  
20 Manokotak, Metlakatla, Moose Pass, Port Moller, Portage Creek, Quinhagak,  
21 Scammon Bay, Sheldon Point, Tuluksak, Tuntutuliak, Wales and Wiseman.

22 (2) \$845,000 to purchase and install equipment to extend in-  
23 structional television to Anchor Point, Big Lake, Eagle River, Homer,  
24 Houston, Kenny Lake, Ninilchik, Palmer, Seldovia, Sterling, Sutton, Wasilla  
25 and Willow.

26 (3) \$742,000 to purchase and install equipment to extend instruc-  
27 tional television and, if comparable commercial broadcast service is not  
28 available, to also extend the satellite television demonstration project to  
29 Adak, Alakanuk, Cheforak, Chignik Lagoon, Chignik Lake, Central, Circle,

1 Crooked Creek, Ekwok, Galena, Hooper Bay, Igiugig, Ivanoff Bay, Kasaan,  
2 Kotlik, Kwigillingok, Manley Hot Springs, Minchumina, Newtok, Nightmute,  
3 Pedro Bay, Pilot Station, Point Baker, Port Alsworth, Russian Mission,  
4 Stevens Village, Sparrevohn and Tununak.

5 (4) \$684,000 to purchase and install equipment to provide the  
6 satellite television demonstration project for Akhiok, Akutan, Aleknagik,  
7 Aniak, Arctic Village, Atka, Beaver, Buckland, Chevak, Cold Bay, Craig,  
8 Deering, Dot Lake, Eagle Village, Egegik, Elim, False Pass, Golovin, Iliamna,  
9 Karluk, King Salmon, Klukwan, Kobuk, Kongiganak, Koyuk, Marshall, Mentasta  
10 Lake, Nelson Lagoon, New Stuyahok, Nikolski, Nondalton, Northway, Ouzinkie,  
11 Pelican, Port Lions, Rampart, Red Devil, Shaktoolik, Shishmaref, Saint  
12 Mary's, Saint Michael, Skagway, Stebbins, Teller, Tok and Tooksook Bay.

13 (5) \$238,000 to purchase and install equipment to provide instruc-  
14 tional television for Allakaket, Atkasuk, Cantwell, Chalkyitsik, Chitina,  
15 Cooper Landing, Kaltag, King Mountain, Kipnuk, Koliganek, Mekoryuk, Meshik,  
16 Perryville, Pilot Point, Point Lay, Port Graham and Sleetmute.

17 (6) \$300,000 for local distribution of instructional television  
18 in Anchorage, Fairbanks and Juneau.

19 (7) \$3,850 to reimburse the North Slope Borough for expenses  
20 incurred in purchasing and installing mini-television in Atkasuk.

21 (8) \$36,000 to purchase and install receivers to provide the  
22 television demonstration project for Angoon, Kake, Ketchikan, Petersburg,  
23 Wrangell and Sitka.

24 (9) \$20,000 to relocate the Nome television transmitter to the  
25 community college in order to increase the broadcast of usable reception.

26 (10) \$1,027,000 to purchase and install equipment to extend  
27 instructional television and, if comparable commercial broadcast service is  
28 not available, to also extend the satellite television demonstration project  
29 to the following logging communities: Coffman Cove, Corner Bay, Eight

1 Fathom Bight, Freshwater Bay, Labouchere Bay, Big Naukati, Naukati Bay, Port  
2 Alice, Rowan Bay, Saint John Harbor, Thorne Bay, Tuxekan Bay, and Whale  
3 Pass.

4 \* Sec. 2. The sum of \$1,008,000 is appropriated from the general fund to  
5 the Department of Administration, division of telecommunications systems,  
6 for the purchase of additional commercial television programming services  
7 for urban areas, in order to prevent periodic rural television transmission  
8 blackout during the fiscal year ending June 30, 1982.

9 \* Sec. 3. The appropriation made by sec. 1 of this Act is for capital  
10 projects and is subject to AS 37.25.020.

11 \* Sec. 4. The unexpended and unobligated portion of the appropriation  
12 made in sec. 2 of this Act lapses into the general fund June 30, 1982.

13 \* Sec. 5. This Act takes effect July 1, 1981.  
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**ALASKA STATE LEGISLATURE**

TWELFTH Legislature FIRST.. Session

SPONSOR SUBSTITUTE FOR HOUSE ....BILL..... NO. ...138.

By ...ADAMS.AND.HURLBERT.....

"An Act making special appropriations to the Department of Administration for telecommunications; and providing for an effective date."

Spec. appro./telecommunications

Introduced in the House ...3/16., 19..&1

**HISTORY IN THE HOUSE**

19	RT	<p>Read first time and referred to Committee on <b>Labor &amp; Commerce and Finance</b> Reported back with recommendation that</p> <p>Read second time and</p> <p>Read third time and</p>
	Ma R. 16	

  

<b>PASS</b>	<b>Effective Date</b>
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused
<b>Reconsideration</b>	
<b>PASS</b>	<b>Effective Date</b>
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused
Reported correctly engrossed	
Signed by Speaker	
Sent to Senate	

CHIEF CLERK OF THE HOUSE

**HISTORY IN THE SENATE**

19	<p>Read first time and referred to Committee on</p> <p>Reported back with recommendation that</p> <p>Read second time and</p> <p>Read third time and</p>
----	--

  

<b>PASS</b>	<b>Effective Date</b>
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused
<b>Reconsideration</b>	
<b>PASS</b>	<b>Effective Date</b>
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused
Reported correctly engrossed	
Signed by President	
Returned to House	

SECRETARY OF THE SENATE

**HISTORY IN THE HOUSE**

19	<p>Received from Senate</p> <p>Concurred in Senate amendment thus adopting: <b>VOTE</b></p> <p>Failed to concur in Senate amendment; asked Senate to recede <b>VOTE</b></p> <p>Senate receded from amendment <b>VOTE</b></p> <p>Senate failed to recede from amendment <b>VOTE</b></p> <p>CC appointed by House</p> <p>CC appointed by Senate</p> <p>CC adopted by House <b>VOTE</b></p> <p>CC adopted by Senate <b>VOTE</b></p> <p>To enrolling Reported correctly enrolled Sent to Governor</p> <p>..... by Governor</p> <p>Filed with Lt. Governor</p> <p>Chapter No. ....</p>
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## Telecommunications Alternatives

### I. Instructional Television (ITV)

Current System: Mailed video tapes plus a T.V. channel shared with the Television Demonstration Project (TVDP). (ITV gets 4 hours in the morning, each week day).

New System (Coming on line in Summer 1981): Mailed video tapes, dedicated ITV channel, plus lots of extras.

According to an analysis of the costs of tape versus television distribution (submitted to the legislature by the Office of the Governor, Office of Telecommunications in 1977) 3500 tapes per year are necessary for each hour of programming in order to serve 160 sites. This volume would put a considerable burden on the bush mail service. The analysis also showed that while the costs of television distribution drops sharply with the number of hours of programming, the cost of tape distribution diminishes only slightly. Television distribution for 160 sites became cheaper than tape distribution at two hours of programming a day. Although most of the costs have gone up since 1977, the "trends and bread-even points..." established in the report are still reasonably accurate," according to Ted McIntire, a planner at DOT/PF, telecommunications unit.

ITV is a more reliable service than mailed tape service. It allows real time and live broadcasts. Combined with the audio-conferencing network, this allows participation in classes from remote locations. ITV allows interested persons to learn at home. Such services as "local off-air taping," "on demand scheduling," and "automatic off-air recording," allows broadcasts to be taped for later showing and, thus allows educators to have input on scheduling and programming on a regional basis.

Funding under HCSSB 165 (1980) was adequate to provide ITV for 124 communities (both urban and rural). SSHB 138 would add 110 communities, bringing the total to 234. SSHB 138 would also provide an entertainment station (TVDP) to all of these communities which do not have this or a commercial station.

Following the Governor's line item vetos, HCSSB 165 appropriated \$7,500,000 for ITV, plus program production costs, audioconferencing, computer system expansion, and support services. SSHB 138 (without amendments) would add \$8,063,850 for ITV, and entertainment T.V. This brings the entire expenditure to \$15,563,850 for the two years. According to the feasibility study for ITV (produced for the Legislative Council, February 1980), a total of 285 communities fit the criteria of having at least 25 residents and a public school. Hence, to complete this system, about 50 communities would need to be added.

SUPPORT FOR INSTRUCTIONAL TELEVISION PROGRAM PRODUCTION & PROJECTS  
FY 1981

GRANTS. HCSSB 165 (1980) provided \$850.0 to the Department of Education for grants to local education agencies to support instructional television activities. DOE issued Requests for Proposals in six categories and received a total of 43 proposals from 21 school districts. In December, the following 12 project grants were awarded: Balance of funds in 2nd RFP now issued, proposals due 3/6/81. Grants awarded to date are:

STUDENT VIDEO PRODUCTION:

Fairbanks North Star Borough Schools, Taylor Elementary, for productions by students in Gifted & Talented Program.

Craig City Schools, for a one semester video production course in high school.

Unalaska City Schools, to extend the "Cuttlefish" journalism class to include video production skills.

Bering Straits Schools, for a combined bilingual/TV production class for programming on Siberian Yupik culture.

TEACHER EDUCATION & INSERVICE:

Kodiak Island Borough Schools, for credit courses in film analysis and critical TV viewing skills, and non-credit teacher workshop.

EQUIPMENT PURCHASE:

Craig City Schools to install a 3-channel closed circuit cable TV system in elementary and high school.

Northwest Arctic Schools to provide ITV equipment to all district schools.

Yakutat City schools for ITV viewing and off-air recording of ITV.

CRITICAL TV VIEWING SKILLS MODEL CURRICULUM:

Anchorage School District to test critical TV viewing skills materials with 60 seventh graders, and inservice all 7th grade language arts teachers.

BICULTURAL PROGRAM PRODUCTION:

Lower Kuskokwim Schools for production of bilingual ITV programming on Yupik winter subsistence skills with 4 participating villages.

OPEN (Local Priority Projects):

Northwest Arctic Schools for purchase of broadcast rights to films, and production of programs to introduce Inupiaq heritage curriculum to district schools and residents.

Juneau School district for ITV programs on problem-solving skills related to alcohol and its abuse in Alaska, in cooperation with UA Center for Educational Rehabilitation Studies.

NORTHWEST ARCTIC SCHOOLS received additional grant award of \$150,000 for development as a pilot ITV region & completion of Kotzebue studio.

ITV COURSE PRODUCTION. Operating funds provided by the DOE and UA in HCSSB 165 have permitted the instructional design and some initial production of instructional television programs and print materials on Alaska studies topics:

Department of Education

- 1) US!, a 16-program series on Alaska for elementary students.
- 2) Four programs in a series on Alaska children in different regions of the state, to illustrate differing life styles.
- 3) Pilot program and series design in Alaska geography, elementary level.
- 4) Pilot program and series design in Alaska jobs/careers, junior high.
- 5) Design for Alaska history secondary series.
- 6) Design for Alaska economics secondary series.

University of Alaska

Instructional design and development has begun for four multi-media courses:

- 1) Basic Business Skills; 2) ANCSA; 3) Fisheries; and 4) Natural Resource Management.

PROPOSED SUPPORT FOR ITV PROGRAM PRODUCTION AND LOCAL GRANTS

FY 1982

DEPARTMENT OF EDUCATION 750.0

- 1) Grants to LEA's for equipment purchase and local or student productions..... 500.0
- 2) Secondary ITV program productions ..... 250.0

UNIVERSITY OF ALASKA 750.0

- 1) Grants to local UA units for telecommunications equipment purchase and local/regional productions ..... 250.0
- 2) Statewide distance-delivered curriculum development:
  - a) Local UA unit priorities ..... 250.0
  - b) Statewide UA curriculum priorities ..... 250.0



Unalakleet Telecommunications

Unalakleet Installation      \$ 48,305  
Yearly Lease                      87,756

1. Unalakleet Earth Station      \$136,061    line item appropriation total

2. Unalakleet Radio Station Building  
   \$300,000    line item appropriation total

The Unalakleet Earth Station installation will cost \$48,305 and the yearly lease will total \$87,756.

The radio station building will cost \$300,000 and will include uplink with the satellite, building construction, and equipment.

A M E N D M E N T

Offered in the HOUSE

By Adams

TO: Sponsor Substitute for House Bill No. 138

Page 1, line 10:

Delete "\$7,055,850" and insert "\$7,501,850"

Page 1, line 13:

Delete "\$3,160,000" and insert "\$3,476,000"

Page 1, line 19:

Delete "Naknek, Napaskiak, Newhalen, Pitkas Point,"

Page 1, line 20:

After "Metlakatla," insert "Meyers Chuck,"

Page 1, line 20:

After "Port Moller," insert "Port Protection,"

Page 1, line 20:

After "Moose Pass," insert "Naknek, Napaskiak, Newhalen, Paxson,  
Pitkas Point,"

Page 1, line 21:

After "Sheldon Point," insert "Talkeetna,"

Page 1, line 26:

Delete "\$742,000" and insert "\$768,500"

Page 2, line 3:

After "Point Baker," insert "Port Alexander,"

Page 2, line 14:

Delete "Atkasuk" and insert "Atkasook"

Page 2, line 20:

Delete "Atkasuk" and insert "Atkasook"

Page 2, line 26:

Delete "\$1,027,000" and insert "\$855,000"

Page 2, line 29:

Delete "Corner Bay"

Page 3, line 1:

After "Freshwater Bay," insert "Hobart Bay,"

Page 3, line 1:

Delete "Big Naukati,"

Page 3, line 2:

Delete "Tuxekan Bay,"

Page 3, following line 3:

Insert new paragraph to read:

"(11) \$275,500 to purchase and install replacement equipment for the public television distribution system in the Lower Yukon-Kuskokwim Region."

Change funding information accordingly.



Official Business

# Alaska State Legislature

## House of Representatives

Pouch V  
State Capitol  
Juneau, Alaska 99811

April 1, 1981

TO: Rep. Sam Cotton

FROM: Rep. Ernie Haugen

RE: A Committee Substitute for SSB 138 in House Finance

Listed below are proposed amendments which will provide television services to these communities. The additional cost will be \$15,000 per location.

Page 2, line 4:

After "Aleknagik," insert "Angoon"

Page 2, line 4:

After "Iliamna," insert "Kake"

Page 2, line 4:

After "Pelican," insert "Petersburg"

Page 2, line 4:

After "Tooksook Bay," insert "Wrangell"



MEMBER  
FINANCE COMMITTEE  
BUDGET AND  
AUDIT COMMITTEE  
BUSH CAUCUS

REPRESENTATIVE ALBERT P. ADAMS

Alaska House of Representatives

March 31, 1981

MEMORANDUM

HOME  
P.O. BOX 271  
KOTZEBUE, ALASKA  
99752  
(907) 442-3320

WHILE IN JUNEAU  
POUCH V  
JUNEAU, ALASKA  
99811

(907) 465-3724  
(907) 465-3877

DISTRICT 21

AMBLER  
ANAKTUVUK PASS  
ATQASUK  
BARROW  
KAKTOVIK  
KIANA  
KIVALINA  
KOBUK  
KOTZEBUE  
NOATAK  
NOORVIK  
NUIQSUT  
POINT HOPE  
POINT LAY  
SHUNGNAK  
WAINWRIGHT

TO: Legal Services  
FROM: Representative Adams *AAA*  
RE: A Committee Substitute for SSHB 138 in House Finance

Please draft a Committee Substitute for SSHB 138 to include all of the following amendments and those provided by Representative Rogers.

Page 1, line 10: *\$7,501,350*  
Delete "\$7,055,850" and insert a new total to include all amendments.

Page 1, line 13:  
Delete "\$3,160,000" and insert "\$3,476,000" in its place.

Page 1, line 19:  
Delete "Naknek, Napaskiak, Newhalen, Pitkas Point"

Page 1, line 20:  
After "Metlakatle," insert "Meyers Chuck"

Page 1, line 20:  
After "Port Moller," insert "Port Protection"

Page 1, line 20:  
After "Moose Pass" insert <sup>N</sup> "Naknek, Napaskiak, Newhalen, Paxson, Pitkas Point"

Page 1, line 21:  
After "Sheldon Point," insert "Talkeetna"

Page 1, line 26:  
Delete "\$742,000" and insert "\$768,500"

Page 2, line 3:  
After "Port Alsworth," insert "Port Alexander"

Page 2, line 26: *\$855,000*  
Delete "\$1,027,000" and insert "~~\$234,000~~"

Page 2, line 29:  
Delete "Corner Bay"

Page 3, line 1:  
After "Eight Fathom Bight," insert "Hobart Bay"

Page 3, line 1:  
Delete "Big Naukati"

Page 3, line 2:  
Delete "Tuxekan Bay".

Add a new subsection to section 1 to read:  
( ) \$275,500 to purchase and install replacement  
equipment for the public television distribution  
system in the Lower Yukon-Kuskokwim Region.

Section 1 Total ~~7,580,350~~  
\$7,501,350

BR

New Section - The sum of 984,600 is appropriated from the general fund to the Department of Education for

(1) grants to local educational agencies for equipment purchase and local or student productions; and

(2) secondary instructional television program productions

New Section - the sum of 956,500 is appropriated from the general fund to the Department of Education for the purposes of developing instructional television course work for vocational education on renewable resources topics in Alaska, to be allocated as follows;

-456,500 for Vocational Instructional TV programs and productions for fisheries

-284,500 for vocational Instructional TV programs and productions for agriculture -

-215,500 for Vocational Instructional TV programs and productions for forest and lands management

New Section - the sum of 1,756,000 is appropriated from the general fund to the University of Alaska for

(1) grants to local University of Alaska units for equipment purchase and local or regional productions;

(2) local, regional and statewide priorities of distance delivered curriculum development; and

(3) statewide production support of instructional television

New Section - the sum of 954,000 is appropriated from the general fund to the University of Alaska for

(1) purchase and installation of a 2-way cable distribution system for instructional television on the campuses of Anchorage, Fairbanks, and Juneau; and

(2) the purchase and installation of a monitor system for instructional television in Juneau and Fairbanks;

\$4,651,100 Total

(1) New Section - The sum of 750,000 is appropriated from the general fund to the Department of Education for

(1) grants to local educational agencies for equipment purchase and local or student productions; and

(2) secondary instructional television program productions

(2) New Section - the sum of 956,500 is appropriated from the general fund to the Department of Education for the purposes of developing instructional television course work for vocational education on renewable resources topics in Alaska, to be allocated as follows;

-456,500 for Vocational Instructional TV programs and productions for fisheries

-284,500 for vocational Instructional TV programs and productions for agriculture -

-215,500 for Vocational Instructional TV programs and productions for forest and lands management

(3) New Section - the sum of 1,756,000 is appropriated from the general fund to the University of Alaska for

(1) grants to local University of Alaska units for equipment purchase and local or regional productions;

(2) local, regional and statewide priorities of distance delivered curriculum development; and

(3) statewide production support of instructional television

(4) New Section - the sum of 1,482,386 is appropriated from the general fund to the University of Alaska for

(1) purchase and installation of a 2-way cable distribution system for instructional television on the campuses of Anchorage, Fairbanks, and Juneau; and

(2) the purchase and installation of a monitor system for instructional television in Juneau and Fairbanks;

POSITION PAPER

Sponser Substitute for House Bill No. 138

"An Act making a special appropriation to the Department of Administration for telecommunications; and providing for an effective date."

SSHB No. 138 provides \$7,055,850 to the Department of Administration to extend the instructional television system and the satellite demonstration project to several communities throughout the state.

The Department of Health and Social Services believes that instructional television is necessary to provide more educational opportunities to children and adults throughout Alaska. The Department anticipates using this system to provide training and educational programs on health and social service related issues.

Since instructional television in remote areas will utilize small earth satellite stations to receive signals, the Department notes that a report, issued by Alascom, Inc. in January 1980, shows that small earth satellite stations averaged approximately 80% reliability in 1979. The reliability ranged from 12% in Akhiok to 100% in Cape Pole and Nikolski. A total of 28 villages averaged less than 75% reliability. As many villages rely upon satellite earth stations for emergency communications, the Department believes that 99% reliability of communications should be achieved. Therefore, the Department of Health and Social Services supports the concept of this bill, but suggests that the reliability of rural and bush communications also should be addressed.

Recommended by: David Bruce  
David Bruce, Deputy Director  
Division of Public Health

Date: 3-26-28

Approved by: Helen D. Beirne  
Helen D. Beirne  
Commissioner

Date: 3/26/81

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SSHB No. 138

Title "An Act making a special appropriation to the Dept. of Admin. for telecommunications"

Requested by Commissioner's Office Date 3/20/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services

Program Category Affected Health/Public Health

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

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

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
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
TOTAL	0	0	0	0	0	0

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)

IV. DATE 3/20/81

PREPARED BY Mark Johnson

AGENCY Dept. of Health and Social Services

PHONE 465-3027

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named): M&B Approval [Signature] Date 8/24/81