

BILLS 1981 - 1982
HB 336 cont. - CSHB 344

1502

1502

MEMORANDUM

State of Alaska *Richard*

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

DATE: March 3, 1981

FILE NO:

5080409 RECEIVED
MAR 0 1981

TELEPHONE NO: 465-2336

20
FROM: Norene Hirsh, Finance Officer
Administrative Service Division
Department of Revenue

BUDGET AND MANAGEMENT
SUBJECT: Supplemental Appropriation
for Alaska Renewable Resources
Fisheries Capital Account

The Alaska Renewable Resources Corporation requests a supplemental appropriation to fund a prior year obligation for \$21,546.86 (copy of invoice attached).

Under Ch 80 SLA79 (copy attached) ARRC was authorized \$11,149,800 appropriated from the Development Fund for specific projects. These projects and their appropriations were:

Fisheries Project	\$4,817,900
Timber Project	\$2,753,000
Agriculture Project	\$2,753,000
Renewable Energy Project	\$825,000

During the last legislative session, new legislation was introduced under Ch 93 SLA80 (copy attached) to reappropriate \$5.6 million of the unobligated portions of these appropriations to establish funding for the Forest Products Producers Assistance Fund and the Commercial Fish Processors Assistance Fund.

When residuals from the appropriations authorized in Ch 80 SLA79 were ear-marked for the reappropriation, ARRC alloted too great a portion from the Fisheries Project account, not recognizing that there was still an outstanding obligation against that project. What should have occurred was \$1,440.00 should have been transferred from the Fisheries Project account instead of \$1,469.00, thus leaving an excess to pay the outstanding obligation.

As the appropriation lapsed June 30, 1980 and was not sufficient to pay this bill, advice was solicited from the Attorney General's Office.

By copy of their attached response the Alaska Renewable Resources Corporation hereby requests a supplemental appropriation to meet a fiscal year 1980 Capital obligation.

APPROVED: *Thomas K. Williams*

Thomas K. Williams, Commissioner

MEMORANDUM

State of Alaska

TO: Norene Hirsh
Administrative Services

DATE: August 18, 1980

FILE NO:

TELEPHONE NO:

FROM:

Phil Hubbard
Phil Hubbard

SUBJECT: General Warrant
Voucher

Please originate general warrant voucher made payable as indicated and charged against the appropriate capital account as authorized by AS 37.12.115 - TECHNICAL ASSISTANCE:

Payee: Perkins, Coie, Stone, Olsen & Williams
420 "L" Street, Suite 301
Anchorage, Alaska 99501

Amount: \$21,546.86
Collation Code: 04-71-7-401 (700) Fisheries

Investors: Stoknavik - \$ 4,706.60

Trinity
(Nick Delaney) - \$11,229.05

SeaFisher - \$ 161.21

Martin Seafood -\$ 5,450.00

Please "alpha" for immediate processing and flag for no mailing. Call X-4616 when warrants are available for ARRC.

Thank you.

Attachment: Invoice

*(Copie Invoice)
4/FY-80 Capital
Accts.)*

* 20,044.65

+ 5,471.81

+ 5,450.00

+ 15,000.85

G

* 0.00

* 3,491.80

+ 12.00

+ 3.80

+ 120.40

+ 12.00

+ 104.60

+ 425.00

+ 850.00

+ 410.00

+ 185.00

+ 775.00

+ 375.00

+ 225.00

Gen. Corp. FACTS

* 0.00

* 0.00

* 0.00

* 4,475.00

+ 775.00

+ 775.00

+ 775.00

+ 775.00

+ 775.00

+ 375.00

+ 225.00

* 0.00

* 16,005.85

+ 161.21

+ 104.05

+ 11,125.00

+ 6.60

+ 4,700.00

* 0.00

T.P.

* 21,546.86

+ 5,450.00

+ 161.21

+ 11,229.05

+ 4,700.60

CA

IN ACCOUNT WITH
PERKINS, COIE, STONE, OLSEN & WILLIAMS
420 "L" STREET — SUITE 301
ANCHORAGE, ALASKA 99501

AREA CODE 907 - 279 - 8861

PLEASE REFER TO NO. 2654

(IDENTIFICATION NO. 91 - 0591206)

Alaska Renewable Resources Corporation
P.O. Box 1647
Juneau, Alaska 99802

June 16, 1980

WCB/jwg

Professional services for the month of April 1980 with respect to the following matters:

STOKNAVIK VESSEL FINANCING

Conferences with Messrs. Olson and Littleton to discuss status of matter; review of documents; correspondence and telephone conferences with Mr. Godfrey; telephone conference with Alaska Native Foundation; conferences regarding review of promissory notes for usury, issues on formation of corporation, loan agreement and agreement with Icicle; preparation of Fish Purchase Agreement and other loan documents; research regarding loans by corporation to directors and officers under Alaska law; filing of Articles of Incorporation; telephone conference and correspondence with Alaska Department of Commerce regarding correction of Articles of Incorporation; revision of organizational meeting documents; telephone conferences with Mr. Price; review of documents; conferences with Olson, Godfrey, McConnell and Koweluk regarding closing procedures.

TOTAL-----\$ 4,780 T.A P

KEN JOHNSON FINANCING (PACIFIC BARGE)

Preparation of Note, Security Agreement, Corporate Resolution and Financing Statement.

TOTAL-----\$ 1,225 CORP

TEPA STOCK PURCHASE

Telephone conference with Mr. Olson regarding investigation by Attorney General; conference regarding privilege; file review; telephone conferences and interview with Attorney General's office.

TOTAL-----\$ 373 *corp*

SEAWARD SHIPYARD

Telephone conferences with Messrs. Hubbard, Littleton and Shrum regarding closing; preparation and review of closing documents; correspondence with Messrs. Brown and Littleton; telephone conferences and meeting with Mr. Olson regarding document execution; conferences with Mr. Courtage regarding MacDonald deed of trust consent; telephone conferences with Messrs. Brown and Hubbard regarding funding; preparation of Financing Statements and Supplemental Security Agreement; filing of Financing Statements in Juneau and Ketchikan; telephone conferences with Messrs. Brown and Hubbard regarding final disbursement.

TOTAL-----\$ 725 *corp*

SEA FISHER

Correspondence with UCC Division of Department of Commerce and Economic Development; review of closing documents.

TOTAL-----\$ 185 *corp*

ANCHOR RENEWABLE FARMS

Conferences with Messrs. Olson and Littleton to discuss Construction Loan Agreement; revision of Construction Loan Agreement, Licensing Agreement and Promissory Note.

TOTAL-----\$ 410 *corp*

IKE WHITECROW LOAN

Telephone conference with Mr. Spear; research regarding security interests in patents; preparation of License and Grant

Agreement; preparation of loan documents; conferences with Messrs. Olson and Littleton.

TOTAL-----\$ 850 ^{corp}

NICK DELANEY

Review of proposal; meetings and telephone conferences with Mr. Price regarding documentation requirements, redocumentation of vessel and loan closing; research and telephone conferences with Alaska Department of Commerce regarding name availability; telephone conferences with Mr. Goldade regarding marine survey; telephone conferences, correspondence and meetings with client and Mr. and Mrs. Delaney regarding procedure and corporate requirements, name of company, registered agent, and documents; research regarding licensing agreements and warranty questions; telephone conference with Alaska Department of Commerce regarding filing of Articles of Incorporation; review of status of outstanding amounts with Alaska Pacific Seafoods; telephone conferences with Mr. Van Leuven; telephone conference with Mr. Parpenetti in Juneau regarding Certificate of Incorporation and certification of vessel; review of correspondence regarding insurance; telephone conference with insurance broker; telephone conference and correspondence with Ms. Traylor; review of ship construction contract; forwarding of documents to Mr. Price; preparation of Subscription Agreement, Articles of Incorporation, Bylaws, incorporation documents, Pre-Incorporation Agreement, Loan Agreement, Subordinated Note, Bill of Sale, Preferred Mortgage, stock certificates, Affidavits, directors' resolution for consent in lieu of organizational meeting, resolution regarding assumption of obligation, Consent to Mortgage, Closing Memorandum, officer's certificate, suppliers' certificates, and affidavits of suppliers; filing of documents; staff conferences regarding meeting with client, formation of corporation, Articles of Incorporation and Bylaws, legends on stock, filing of Articles of Incorporation, organizational meeting, preparation of documents, execution of documents, bank resolutions; execution of Pre-Incorporation Agreement and Articles of Incorporation.

TOTAL-----\$11,125 ^{T.A.}

PINE'S SAWMILL FINANCING

Client conferences regarding loan terms; preparation of Note, Security Agreement and Financing Statements; telephone

conference with Mr. Littleton regarding title to vehicles;
correspondence with client regarding Financing Statements.

TOTAL-----\$ 425 ^{corp.}

MARTIN'S SEAFOOD FINANCING

Conference with Mr. Littleton to discuss terms; research regarding permissibility of prepayment penalties under Alaska law; review of documents; telephone conferences with Alaska Title Guaranty Company regarding title report; order preliminary commitment report; preparation of Loan Agreement, Deed of Trust, Convertible Note Agreement, and Security Agreement; telephone conference with client regarding loan documents; telephone conference with Mr. Holland's office; research regarding consequences to lender of exercising control over borrower's operations; conference regarding research; telephone conferences with Messrs. Littleton and Thurlow.

TOTAL-----\$ 5,450 ^{T.R.}

Approved: [Signature]
Contract: General Corporate matters 3,497.80
Technical Assistance 21,546.86
~~25,044.66~~
25,044.66

Total Services-----	\$24,520.00
Disbursements (per attached statement)-----	<u>524.66</u>
TOTAL SERVICES AND DISBURSEMENTS-----	\$25,044.66

Note balance due from previous statements-----	<u>\$11,714.75</u>
TOTAL DUE-----	<u><u>\$36,759.41</u></u>

Disbursements recorded in the month of April as follows:

GENERAL

Filing fee with Department of Commerce----\$ 82.00
Xerox----- 22.60 *f* \$104.60 *corp*

STORNAVIK

Xerox----- *f* 6.60 *T.R.*

KEN JOHNSON FINANCING

Filing of financing statements - Juneau---\$ 6.00
Filing of financing statements - Anchorage 6.00 *f* \$ 12.00 *corp*

SEAWARD SHIPYARD FINANCING

Air freight to Ketchikan-----\$ 46.00
Filing of financing statements - Ketchikan 6.00
Filing of financing statements - Juneau--- 6.00
Xerox----- 62.40 *f* \$120.40 *corp*

SEA FISHER LOAN

Phone-----\$ 4.05
Landweer Co. mortgage exp.----- 156.16
Xerox----- 1.00 *f* \$161.21 *T.A. Corp*

STEIK ENTERPRISES LOAN

Xerox----- *f* \$ 3.80 *corp*

NICK DELANEY

Application for reservation of name-----\$ 10.00
Messenger service----- 7.00
Filing of Articles of Incorporation,
franchise tax----- 82.00
Phone----- 5.05 *f* \$104.05 *T.A.*

PINE'S SAWMILL FINANCING

Filing of Financing Statements-Fairbanks--\$ 6.00
Filing of Financing Statements-Juneau---- 6.00 *f* \$ 12.00 *corp*
TOTAL DISBURSEMENTS-----\$524.66

1		ALLOCATIONS	APPROPRIATION ITEMS	APPROPRIATION FUND SOURCES GENERAL FUND	OTHER FUNDS	1
2						2
3	•••••	•••••	•••••	•••••		3
4	••••• DEVELOPMENT	•••••	••••• DEVELOPMENT	•••••		4
5	•••••	•••••	•••••	•••••		5
6	DEPARTMENT OF REVENUE					6
7	MUNICIPAL BOND BANK AUTHORITY RESERVE FUND		1,300,000	1,300,000		7
8	COMMERCIAL FISH & AGRICULTURE BANK CAPITAL		2,000,000		2,000,000	8
9	THE AMOUNT APPROPRIATED FOR THE COMMERCIAL FISH AND					9
10	AGRICULTURE BANK IS AN ESTIMATE AND THE ACTUAL					10
11	APPROPRIATION MAY NOT EXCEED THE AMOUNT LAPSED FROM THE					11
12	APPROPRIATION BY SECTION 13, CM 113, SLA 78.					12
13	ALASKA RENEWABLE RESOURCES CORPORATION					13
14	RENEWABLE RESOURCES INVESTMENT FUND		11,150,000		11,150,000	14
15	FISHERIES PROJECTS		4,817,400		4,817,400	15
16	TIMBER PROJECTS		2,753,000		2,753,000	16
17	AGRICULTURE PROJECTS		2,753,000		2,753,000	17
18	RENEWABLE ENERGY PROJECTS		823,900		823,900	18
19	DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT					19
20	ALASKA HOUSING FINANCE CORPORATION					20
21	MORTGAGE INSURANCE FUND		4,000,000	4,000,000	2,000,000	21
22	IT IS THE INTENT OF THE LEGISLATURE THAT \$1 MILLION OF					22
23	THE APPROPRIATION TO THE STATE MORTGAGE INSURANCE FUND					23
24	OF THE ALASKA HOUSING FINANCE CORPORATION BE PAID TO THE					24
25	MORTGAGE INSURANCE FUND IN THE AMOUNTS REQUESTED BY THE					25
26	CORPORATION AS NECESSARY IN CONNECTION WITH THE ISSUANCE					26
27	OF INSURED MORTGAGE PROGRAM BONDS OF THE CORPORATION					27
28	ONLY IF THE BONDS ARE ISSUED FOR THE MORTGAGE FINANCING					28
29	OF MOBILE HOMES.					29
30	ECONOMIC ENTERPRISE MATCHING GRANT FUNDS		123,500	123,500		30
31	ENERGY & POWER DEVELOPMENT		1,133,000	889,000	250,000	31
32	SINGLE WIRE GROUND RETURN DEMO PROJECT (ED 17)	540,000				32
33	THE APPROPRIATION OF \$140,000 IS FOR A SINGLE WIRE					33
34	TRANSMISSION PROJECT FOR ARIACHIK, NAPARIK, NAPASKIAC,					34
35	& OSCARVILLE.					35
36	SMUGHER TO ROBUK SINGLE WIRE TRANSMISSION (ED 21)	345,000				36
37	ALTERNATIVE ENERGY DEMONSTRATION PROJECTS	250,000				37
38	ALASKA POWER AUTHORITY		2,715,000	300,000	2,415,000	38

Original sponsor: Rules Committee

Offered: 6/2/80

1 IN THE HOUSE BY THE FREE CONFERENCE COMMITTEE
 2 FREE CONFERENCE CS FOR HOUSE BILL NO. 1023
 3 IN THE LEGISLATURE OF THE STATE OF ALASKA
 4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act amending and transferring appropriations made
 7 to the Alaska Renewable Resources Corporation; and
 8 providing for an effective date."

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

10 * Section 1. The appropriations made to the Alaska Renewable Resources
 11 Corporation in sec. 25, ch. 80, SLA 1979, at page 66, lines 13 - 18, are
 12 amended to read:

	APPROPRIATION	OTHER
	ITEMS	FUNDS
Alaska Renewable Resources Corporation		
Renewable Resources Investment		
Fund	11,150,000	11,150,000
18 <u>1,469.0</u> Fisheries Projects	<u>3,348,900</u> [4,817,900]	<u>3,348,900</u> [4,817,900]
19 <u>1,753.0</u> Timber Projects	<u>1,000,000</u> [2,753,000]	<u>1,000,000</u> [2,753,000]
20 <u>1,953.0</u> Agriculture Projects	<u>800,000</u> [2,753,000]	<u>800,000</u> [2,753,000]
21 <u>425.0</u> Renewable Energy Projects	<u>400,900</u> [825,900]	<u>400,900</u> [825,900]
22 <u>5,600.0</u> ^{TL.} Forest Products Producers		
<u>Assistance Fund</u>	<u>5,200,000</u>	<u>5,200,000</u>
<u>Commercial Fish Processors</u>		
<u>Assistance Fund</u>	<u>400,000</u>	<u>400,000</u>

23
 24
 25
 26 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
 27 070(c).
 28
 29

CH.93 SLA80

FCCS# 1023

MEMORANDUM

State of Alaska

TO: Hon. T.K. Williams, Commissioner
Department of Revenue

DATE: December 29, 1980

FILE NO: (Rev.) 4768/4767

ATTN: Norene Hirsh, Fiscal Officer

Division of Admin. Services TELEPHONE NO: 465-3666

FROM: WILSON L. CONDON
ATTORNEY GENERAL

SUBJECT: Payment of Perkins,
Coie bill to ARRC

By:

Rodger W. Pegues
Assistant Attorney General

This responds to your request for advice on this matter.

There is no question that the billing for technical assistance was payable out of the appropriation to ARRC for capital projects for fiscal year 1980. However, to the extent that it exceeds the amount which was lapsed from that appropriation (or if not lapsed, available to pay it), it can only be paid by a supplemental appropriation to ARRC.

The state law on the subject is quite explicit:

An indebtedness arising from a prior year for which the appropriation has lapsed shall be paid from the current year's appropriations, if this expenditure does not exceed the balance lapsed

AS 37.25.010(b). This statute has consistently been applied to mean just what it says: A prior year's bill cannot be paid from a current appropriation unless an amount sufficient to have paid it was left over from the prior year's appropriation. The purpose of the statute, to prevent agencies from incurring obligations in any year in excess of their appropriations for that year, can only be achieved by applying the statute in precisely this way, and Director of Finance Mullin informs us that it has always been so applied.

Accordingly, if -- as it appears -- there was an over-expenditure and no way to reallocate money in the appropriation for fiscal year 1980 to cover it, the Perkins Coie billing cannot be paid from the appropriation for fiscal year 1981.

RWP/pjg

cc: Joseph K. Donohue
Deputy Commissioner
Department of Revenue

DIST. MADE

TO: *TAW, L. Mullin*

FY 80 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 78 ACTUAL	FY 79 FINAL AUTH.	FY 80 ACTUAL	FY 80 GOV. BUDGET	FY 80 INITIAL AUTH.	FY 80 CURRENT AUTH.	FY 80 EXPENDITURES + ENCUMBRANCES 7/1/ to 12/31/80	FY 80 OTHER OBLIGATIONS 7/1/ to 12/31/80	FY 80 PROJECTED EXPENDI- TURES + ENCUMBRANCES to 6/30	FY 80 (DEFICIT) OR EXCESS	FY 80 CONTINUA
PERSONAL SERVICES											
TRAVEL											
QUARTERLY SERVICES											
COMMODITIES											
EQUIPMENT											
VEHICLES, BLDG. ...											
GRANTS, CLAIMS, ...					4,817,900	3,348,900	3,348,900	21,546.86	-0-	21,546.86	
MISCELLANEOUS											
TOTAL					4,817,900	3,348,900	3,348,900	21,546.86	-0-	21,546.86	
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND											
INTER-AGENCY RECEIPTS											
Development Fund					4,817,900	3,348,900	3,348,900	21,546.86	-0-	21,546.86	

AGENCY: Revenue

BRU: Alaska Renewable Resources Corp.

COMPONENT: Alaska Renewable Resources Corp. REVISED: _____

STATE OF ALASKA
Inter-Department Route Slip

TO:
MAIL STATION NUMBER 0102

DEPARTMENT Office of the Governor

ATTENTION Richard, (Aks)

- | | |
|--|--|
| <input type="checkbox"/> Approval | <input type="checkbox"/> Note & Return |
| <input type="checkbox"/> Signature | <input type="checkbox"/> Initial & Return |
| <input type="checkbox"/> Comment | <input type="checkbox"/> Return As Requested |
| <input type="checkbox"/> Contact Me | <input type="checkbox"/> Return For Approval |
| <input type="checkbox"/> Prepare Reply | <input type="checkbox"/> Necessary Action |
| <input type="checkbox"/> For Your File | <input checked="" type="checkbox"/> Your Information |

Remarks:

*In regard to Sep 80
Financial Statement
prepared by
Dept. of Admin. Finance*

FROM:
MAIL STATION NUMBER 0400

DEPARTMENT Revenue

BY Nan Adams DATE 2/24/81

MEMORANDUM

State of Alaska

FEB 23 RECD

TO: Nancy Adams
Dept. of Revenue
Juneau

DATE: 2-19-81

FILE NO:

TELEPHONE NO:

FROM: Wayne Littleton
ARRC
Anchorage

SUBJECT: Release of
encumbered FY 80
capital project
accounts

Please release the following unobligated portions of the capital project accounts:

<u>Account Name</u>	<u>Encumbered Balance</u>
Timber	\$ 26,488.89
Agriculture	\$605,177.52
Renewable Energy	\$ 36,400.00

To the best of our knowledge, there are no outstanding obligations against these capital project accounts.

However, ARRC still has outstanding obligations against the Fisheries account. Do not release the fisheries account:

Fisheries	\$ 1,524.20
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Please contact me if there are any questions at 279-5602.
Thank you.

RECEIVED
FEB 25 1981
BUDGET AND MANAGEMENT

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

POUCH AM - JUNEAU 99511
PHONE 465-2213

JAY S. HAMMOND, GOVERNOR

HB 336

March 18, 1981

The Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Re: Amendment to H.B. 336
Department of Commerce
& Economic Development
Supplemental request for
\$1,661,100 general funds
for the Energy Audits and
Refunds and Grants.

Dear Representative Cotten:

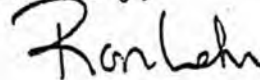
Please amend H.B. 336 to appropriate \$1,661,100 in general funds to the Department of Commerce & Economic Development for the Energy Audits and Energy Grants and Refunds programs. This appropriation adjustment is necessary because program funds have been depleted and demand for the program continues at an extremely high level.

This supplemental appropriation will fund about 3500 audits for the period from April 1 to June 30, 1981.

Please add a new section to H.B. 336 to read as follows:

The sum of \$1,661,100 is appropriated from the general fund to the Department of Commerce & Economic Development for the energy audits program under AS.46.11.030 and energy refunds and grants under AS.45.89.020.

Sincerely,



Dr. Ronald D. Lehr
Director

cc: The Honorable Don Bennett and Ed Dankworth
The Honorable Vern Hurlbert
Keith Specking
Jay Hogan

MAR 03 1981

RECEIVED

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

MAR 2 1981

DATE: February 20, 1981

BUDGET AND MANAGEMENT

FILE NO:

5080808

GOVERNORS OFFICE
TELEPHONE NO:

Thru: Charles Webber
 Commissioner
 Department of Commerce and Economic
 Development

SUBJECT: Request for \$1,621.1
 Supplemental Funds for the
 Residential Energy Conservation
 Program

From: Clarissa Quinlan, Director
 Division of Energy and Power Development
 Department of Commerce and Economic
 Development

BACKGROUND

The Residential Energy Audit Program was mandated by the 1980 Legislature in SB 438. The legislation was quite comprehensive and provided for a great many new and innovative programs in the energy field. A new program providing for the subsidized performance of residential energy audits by State trained and certified auditors was a part of Legislation. Additionally grants or refunds were to be made available to homeowners for up to \$300 for single-family residences and \$200 for each multi-family residence for those energy conservation measures having a seven year pay back or less as substantiated by a residential energy audit.

There were numerous problems in implementing the three interrelated phases of this program. The program was completely implemented by December 1, 1980. Prior to that in October the program was initiated with provisional procedures in those communities where commercial energy audits were already available. The Division, in the original fiscal note accompanying the Bill, had projected that approximately \$1.28 million would be required to subsidize approximately 10,000 audits at a cost of \$128 per audit.

It was found, when we began actual implementation of the program, that the costs of the audits have justifiably varied from community to community with \$128 being the lowest cost. In order for the higher cost (rural) areas of Alaska to participate in this statewide program, less than 10,000 audits could be accomplished.

Demand for participation in the State sponsored energy auditor training has been overwhelming. Classes in the urban centers were filled within one day after open registration and waiting lists have been long. The Division was also recruiting and training instructors as well as establishing new curricula for Residential Energy Auditing course work. The public's response to this program has far exceeded the financial resource allocations in the original legislation.

Memo to Ron Lehr, Deputy Director
Request for \$1,621.1 Supplemental Funds for the
Residential Energy Conservation Program
Page Two

Since the implementation of the program and with only four months remaining in FY 81, we will have expended \$1.0 million in contracts (either completed or in process) and obligated the remaining balance by the end of March for the performance of approximately 7,700 audits.

A new occupation has been developed through this program and many individuals have been provided with employment since December, 1980. The Division has been inundated with calls demanding energy audit training and requesting information about residential energy audit contracting procedures. The existing contractors are approximately three to four weeks backlogged with requests from residents for energy audits. The demand for more State auditors is clearly present.

At this time, the program has momentum, good public acceptance and high participation from the audit contractors and the general public. It would be detrimental to the program to be forced to terminate the training and contracting due to lack of funds, especially since the contractors in all except some very rural areas will have performed the maximum allowed under their contracts on or before March 31, 1981. Without supplemental funding the energy audit program will be in limbo until FY 82 funding becomes available in July 1981.

BENEFIT GAINED BY CONTINUED OPERATION

1. Energy audits alone can (if stated energy conservation "practices" shown in the energy audit are implemented) save the average homeowner approximately 25% in annual energy costs. The 25% savings is verified by the Department of Energy in their brochure entitled "Low Cost No Cost". They state that:

By following all the suggestions, or whichever ones apply to you, we think you can save 25% of your fuel oil, gas and electricity bills. At current energy prices, these suggestions will put from \$100 to \$500 a year back into your pocket in a typical home ... Due to higher fuel costs this year, your energy bill will probably go up--however, if you follow low cost/no cost your bill could be reduced by 25%. Savings in this brochure are based on costs of 5¢ per kwh for electricity, 37¢ per therm for gas and 80¢ per gallon for oil. If your costs are higher your savings will be too.

2. A homeowner's "awareness" of possible energy conservation practices and measures is considerably heightened and a great deal of energy education occurs during the course of the home audit.
3. Newly obtained employment will be continued.
4. Energy conservation measures will continue to be installed in homes statewide thus saving the individual homeowner dollars expended for energy often decreasing the use of fossil fuel.

Due to the above, we request the supplemental appropriation in order to maintain continued operation of this highly valuable energy conservation program. Supplemental request is based on inclusion of staffing requested in previously submitted revised program request.

REQUEST FOR SUPPLEMENTAL FUNDING FOR REMAINDER OF FY 81 (MARCH THROUGH JUNE)

<u>Audit Development</u>	<i>PS. for Travel</i>	<i>14.0 7.6</i>	<u>Account Code</u>
Technical review and upgrading of Residential Energy Audit		\$ 15.0	
Professional Services for Commercial and Institutional Energy Audit Standards		25.0	
Total		<u>40.0</u>	300
 <u>Training</u>			
Professional Services for Revision of training materials		5.0	300
Instructors fees for four additional intensive workshops (Sitka, Unalaska, Dillingham, Nome)		12.0	
Travel and Per Diem		5.0	200
Instructors fees for approximately 10 Residential Energy Auditor recertification and proficiency upgrading workshops (2 Fairbanks, 3 Anchorage, 1 Juneau, 1 Ketchikan, 1 Bethel, 1 Kodiak, 1 Barrow)		26.4	300
Travel and per diem		10.2	200
Training materials and supplies (Residential Energy Audit classes, Recertification workshops, Professional Commercial Auditor Seminars)		10.0	300
Total		<u>\$ 68.6</u>	
<u>Energy Audits</u> (approximately 3,500 Statewide)		2000.0 500.0	300
Required forms and manuals		80.0 20.0	300
 <u>Energy Refund/Grants</u>			
An additional 3,500 audits Statewide calculated at approximately \$275 per audit		3000.0 \$962.5	700
 <u>Monitoring of Energy Audits</u>			
These funds will be used to insure that the audit quality is maintained by all energy auditors performing the State Energy Audit. These funds will provide quality control checks on all audits completed. On-site checks will be made on auditors.		170.0 \$30.0	300
 <u>Homeowner Workshops</u>			
"How-to-do-it" homeowner workshops to be sponsored in 5 Alaska communities under the auspices of a local community organization.		40.0 \$ 20.0	300
 <u>Statistical Analysis & Information Retrieval</u>			
		50.0 -\$20.0-	300

Contracting out?

*on-site
checking*

TOTAL

\$ 1,661.1

Are you using too much fuel to heat your home?

Home Energy Audits are now available in the Nome area.

Having your home checked out can mean:

1. That you can find out where your house is losing heat and ways to cut your fuel consumption;
2. That you may be eligible for up to \$300.00 in grants from the State of Alaska to make repairs, insulate and cut heat loss;
3. That you may be eligible to borrow up to \$5000. at 5% interest from the State to make major weatherization repairs on your home.

For more information contact Frank DiCostanzo, State certified home energy auditor at 2739.



FEB 3 1981

Energy Audits Funds Low

ANCHORAGE (AP) — The \$1.2 million appropriated by the 1980 Legislature for residential energy audits in fiscal 1981 will be obligated by mid-March, the Division of Energy and Power Development says.

Director Clarissa Quinlan said during the last eight weeks alone the division has contracted for some 6,300 residential energy audits at a cost of \$1 million.

The program provides for state-financed energy audits of homes, with grants, refunds and low-interest loans available for energy conservation measures recommended by the audits.

Gov. Jay Hammond has asked the Legislature to continue the program at a similar level of funding for fiscal 1982.

SERVICE

Fairbanks
News Miner
Fairbanks, AK

FEB 3 1981

ate roundup 25

Energy audit funds committee

By The Associated Press

ANCHORAGE—The \$1.2 million appropriated by the 1980 Legislature for residential energy audits in fiscal 1981 will be obligated by mid-March, the Division of Energy and Power Development says.

Director Clarissa Quinlan said during the last eight weeks alone the division has contracted for some 6,300 residential energy audits at a cost of \$1 million.

The program provides for state-financed energy audits of homes, with grants, refunds and low-interest loans available for energy conservation measures recommended by the audits.

The state ... end of the year ... Mitchell said reorganization

Popular state energy audits draw huge response from homeowners

70
25

JEANNE ABBOTT
City News homes editor

The biggest bargain in town has homeowners beating a path to the doors of a new collection of businesses led energy auditors.

For only \$10, a homeowner (or renter) can have his home audited for energy efficiency. Although the audit costs an average of \$125 to perform, the state picks up most of the cost. Most auditors are swamped with requests for the service.

"We've had an overwhelming response," says Dana Hedberg of Heat Loss Analysis, one of the 79 firms in Anchorage certified to perform the state-subsidized audits. "There are more requests for audits than money available for them."

The legislature appropriated \$10 million for the residential audits for fiscal year 1981. According to Steve Vaden of the Alaska Energy and Power Department office, the money for audits has already been allocated.

When the auditors complete a contract, we won't be able to get new unless the legislature appropriates more money," Vaden said this week.

But because we've committed the money doesn't mean a homeowner can't get an audit. The quota hasn't been filled, and an auditor can provide the

The grants are going faster than the loans, because it's upfront money.

service until his money runs out."

Based on the strong response, it is expected that most quotas will be filled by mid-March. The audits only began eight weeks ago.

Says Vaden: "Some contracts will run out faster than others."

When a homeowner or renter calls a company to request an audit, the appointment will generally be arranged for a two- to-three hour period.

During the appointment, an auditor will make an on-site inspection of the heating system, insulation, caulking and weatherstripping plus looking at the history of energy bills.

Vaden says all of the auditors were trained in November and passed an examination to be certified.

"An auditor will write up a report indicating how much energy a home is losing, and what can be done to improve the situation," he says.

The state legislature also appropriated money for outright grants and loans to undertake measures recommended by the audit.

Some \$2.2 million was allo-

cated for the grants which provide \$300 per housing unit (\$200 for a duplex) to fund the simpler measures — insulation, caulking, weatherstripping.

For major projects, like heat conversion, there are loans of up to \$5,000 available at low interest. The loans are administered through the state Division of Business Loans. They are part of a \$1.6 million program.

Vaden said 79 grants had been awarded through the energy office, and 42 of those were dedicated in January. The total amount awarded is \$22,000.

"The grants are going faster than the loans, because it's upfront money," says Vaden. With the grants, an audit must show that the money can be recouped in energy savings within seven years.

"Out of the \$22,000 we can already project a \$16,000 savings within the first year alone," he says. "That's pretty encouraging."

There are a total of 60 auditors certified statewide in Anchorage, Fairbanks, the Mat-Su Valley, Kodiak, Kenai, Juneau and Ketchikan. Training programs are yet to be held in Valdez, Bethel and Barrow.

Vaden said Gov. Jay Hammond has asked the legislature to continue the program, with an 8 percent increase in funding.

Numbers to call for an audit are:

- Alaska Energy Audits — 277-9342.
- Alaska Home Evaluators — 276-9254.
- Anchorage Community Development Corp. — 276-1625.
- Garnet-Adams — 349-4729.
- Bilderbach Enterprises — 344-5736.
- Chugach Electric Association — 276-3500.
- Arctic Energy Management — 266-1511.
- Heat Loss Analysis — 277-1601.
- Kyle Green — 376-5920.
- Charles Johnson — 688-2036.
- John Matus — 349-5087.
- C. Howdy Smith — 333-0769.
- Fred Thoman — 337-5609.
- Alaska Weatherbeaters — 243-5029.
- Pat Meyer — 344-5163.
- Charles Richner — 333-6272.
- Jean Currey — 344-8543.
- D. C. S. Energy Audits — 264-4870.
- Relches Services — 276-3760.
- John Werner — 276-6379

JAN 28 1981

State takes conservation lead with residential energy audits

By Empire Staff

Alaska took the lead in residential energy conservation last spring when the Legislature created a comprehensive energy act.

Part of the legislation provides for state-financed energy audits of residences with grants, rebates and low-interest loans available to the homeowner who wants to implement the improvements recommended by the audit. There is no obligation to make any of the improvements suggested by the audit.

For \$10 a resident can have his home inspected by a specially contracted auditor—not a state employee—to find out where heat losses are occurring and receive recommendations on how to make the home more energy efficient.

The two to three hour audit costs about \$128, but the state pays for all but \$10 of the audit.

People interested in having an energy audit of their home should contact Steve Shannon, energy specialist with the Division of Energy and Power Development at 465-2591 or write to him at Pouch "D", Juneau, Alaska 99611.

An auditor will make a variety of recommendations ranging from no-cost energy-saving projects a homeowner can do himself to massive retrofits.

News Miner

Fairbanks AK

JAN 28 1981

undertakings such as installing insulation levels of the home, the system, the heating system, and caulk the window and doors, said Shannon. An auditor will take a look at the solar potential of the home, he said.

There are no income requirements for a person to qualify for an energy audit. An audit is completed the state will provide grants or loans of up to \$300 for the purchase and installation of energy saving items that are recommended by an approved auditor. The payback of seven years, said Steve Baden, public information officer of the Division of Energy and Power Development.

People who have received an approved energy audit of their home may also qualify for a low-interest loan up to \$5,000 for energy conservation improvements that the energy audit has recommended. The payback of less than 10 years.

Audits in Juneau are just beginning. A new energy office is opening in Southeast. The office is located on the second floor of the State Office Building.

ALASKA CLIPPING SERVICE

Anchorage Times
Anchorage, AK

FEB 3 1981

Energy audits now hot item

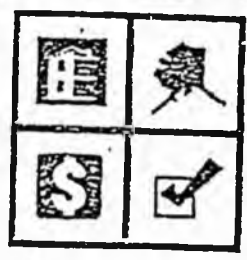
Associated Press

Anchorage — The \$1.2 million appropriated by the 1980 Legislature for residential energy audits in fiscal 1981 will be obligated by mid-March, the Division of Energy and Power Development says.

Director Clarissa Quinlan said during the last eight weeks alone the division has contracted for some 6,300 residential energy audits at a cost of \$1 million.

The program provides for state-financed energy audits of homes, with grants, refunds and low-interest loans available for energy conservation measures recommended by the audits.

Gov. Jay Hammond has asked the Legislature to continue the program at a similar level of funding for fiscal 1982, but that money, if approved, will not become available until July 1.



ALASKA RESIDENTIAL ENERGY CONSERVATION

The Division of Energy and Power Development will make grants/refunds up to \$300 for the purchase and installation of energy saving improvements recommended by an approved audit. You may also qualify for a 15% loan up to \$5,000. There is a \$10 charge per audit.

For more information and a list of contracted auditors call the Fairbanks audit information number

479-4383

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

March 26, 1981

JAY S. HAMMOND, GOVERNOR

POUCH AM
JUNEAU, ALASKA 99811
PHONE: (907) 465-2211

Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Amendment to HB 336
Department of Revenue
Amendment Requests: \$4,534 GF
To Pay Shared Taxes Owed to City of Houston

Dear Representative Cotten:

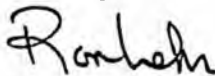
Please revised HB 336 to appropriate \$4,534 GF to the Department of Revenue to pay Shared Taxes owed to the City of Houston for the years 1975 - 1978.

At the time the Legislature created the Municipal Assistance Fund in 1978, the City of Houston had not been receiving shared taxes under the Gross Business Receipts Tax Law because businesses within the Houston City limits were reporting taxes to be shared to another municipality. The City of Houston requested an audit in FY 81 which disclosed that \$4,534 should have been shared with Houston for the years 1975 - 1978. Under the previous law, Revenue would have simply adjusted future payments to the overpaid municipality. However, since that law was repealed and a substantial amount of time has elapsed, a supplemental appropriation is requested.

Please add a new section to HB 336 to read as follows:

The sum of \$4,534 is appropriated from the general fund to the Department of Revenue for the purpose of paying shared taxes owed to the City of Houston for the years 1975 - 1978.

Sincerely,



Dr. Ronald D. Lehr
Director

Attachments

cc: Senators Ed Dankworth and Don Bennett, Senate Finance Chairmen
Representative Hurlbert, House Labor and Commerce Chairman
Jay Hogan
Keith Specking

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

POUCH AM — JUNEAU 99811
PHONE 465-2213

JAY S. HAMMOND, GOVERNOR

HB 336

March 24, 1981

Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Amendment to HB 336
Department of Commerce and Economic Development
Alaska Power Authority
Supplemental Request for \$50,000 GF for
Takatz Hydro Study

Dear Representative Cotten:

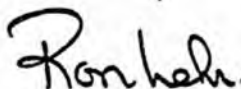
Please revise HB 336 to amend Chapter 120/SLA 1980 and appropriate \$50,000 general funds to enable the Alaska Power Authority to conduct a reconnaissance study of the electrical power needs of Sitka beyond Green Lake and to review potential power supply options including the Takatz project.

Please add a new section to HB 336 to read as follows:

Section 53, Chapter 120, SLA 1980, page 81, line 12 is amended to read as follows:

	<u>Appropriation Items</u>	<u>General Fund</u>
Discretionary Study Funds	<u>125,000(75,000)</u>	<u>125,000(75,000)</u>

Sincerely,



Dr. Ronald D. Lehr
Director

CC: Senate Finance Chairman
House Labor & Commerce Chairman
The Honorable Richard Eliason
Jay Hogan
Keith Specking
Eric Yould

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

POUCH AM — JUNEAU 99811
PHONE 465-2213

JAY S. HAMMOND, GOVERNOR

March 18, 1981

The Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Amendment to H.B. 336
Request for Net-Zero Supplemental
Department of Commerce and Economic
Development
Delete/Add Supplemental for Lime Village
Wind Power System

Dear Representative Cotten:

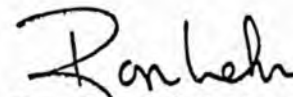
Please amend H.B. 336 to add a new section that would change the intent language for \$90,000 appropriated in Chapter 50/SLA 80, page 66, line 7 from "Lime Village Wind Power System" to "Lime Village Alternative Energy System." This adjustment is necessary because the Division of Energy and Power Development has expended \$1,500 of the available funds and determined that wind power is not feasible at Lime Village. The Division proposes to use the remaining funds for an alternative energy system combining solar power and biomass.

Please add a new section to H.B. 336 to read as follows:

Section 286, Chapter 50, SLA 1980, page 66, line 7 is repealed and re-enacted to read:

	Appropriation Item	Other Funds
Lime Village Alternative Energy System	\$90,000	90,000

Sincerely,



Dr. Ronald D. Lehr
Director

Sam Cotten, Chairman
House Finance Committee

--2--

March 18, 1981

CC: The Honorable Vern Hurlbert, Chairman
House Labor and Commerce Committee
The Honorable Don Bennet and Ed Dankworth, Co-Chairmen
Senate Finance Committee
Jay Hogan, Legislative Finance
Keith Specking, Governor's Office

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

JAY S. HAMMOND, GOVERNOR

POUCH AM — JUNEAU 99811
PHONE 465-2213

March 17, 1981

The Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Re: Amendment to H.B.336
Amendment Request: \$21,547 GF
Department of Revenue, ARRC.
Purpose: To fund outstanding
prior year obligation.

Dear Representative Cotten:

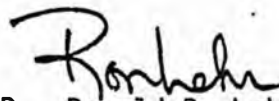
Please revise H.B.336 to appropriate \$21,547 in general funds to fund a prior year obligation of the Alaska Renewable Resources Corporation.

During FY 80, ARRC contracted for technical assistance on a fisheries development project. In the middle of FY 80, the Legislature expressed a desire to reappropriate a portion of ARRC's funds to establish new development projects. When ARRC provided the Legislature with a listing of unobligated funds available for reappropriation, the amount estimated for the fisheries project did not include the technical assistance contract. The Legislature acted on the reappropriation in Chapter 93/SLA 1980 and sufficient funds were not available to pay the bill. ARRC did not lapse sufficient funds at the end of FY 80 to allow payment of the obligation from FY 81 funds.

Please add a new section to H.B 336 to read as follows:

The sum of \$21,547 is appropriated from the general fund to the Department of Revenue, Alaska Renewable Resource Corporation, to pay a prior year obligation in the Fisheries Project.

Sincerely,



Dr. Ronald D. Lehr
Director

cc: The Honorable Don Bennett and M. E. Dankworth, Senate Finance Committee
The Honorable Vernon Hurlbert, House Labor and Commerce Committee
Keith Specking
Jay Hogan

HB 336

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

POUCH AM — JUNEAU 99811
PHONE 465-2213

JAY S. HAMMOND, GOVERNOR

HB 336

March 18, 1981

The Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Re: Amendment to H.B. 336
Department of Commerce
& Economic Development
Supplemental request for
\$1,661,100 general funds
for the Energy Audits and
Refunds and Grants.

Dear Representative Cotten:

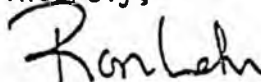
Please amend H.B. 336 to appropriate \$1,661,100 in general funds to the Department of Commerce & Economic Development for the Energy Audits and Energy Grants and Refunds programs. This appropriation adjustment is necessary because program funds have been depleted and demand for the program continues at an extremely high level.

This supplemental appropriation will fund about 3500 audits for the period from April 1 to June 30, 1981.

Please add a new section to H.B. 336 to read as follows:

The sum of \$1,661,100 is appropriated from the general fund to the Department of Commerce & Economic Development for the energy audits program under AS.46.11.030 and energy refunds and grants under AS.45.89.020.

Sincerely,



Dr. Ronald D. Lehr
Director

cc: The Honorable Don Bennett and Ed Dankworth
The Honorable Vern Hurlbert
Keith Specking
Jay Hogan

COMMITTEE REPORT

HOUSE

5/29/81

FURTHER:

(11)

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HB 336

"An Act making supplemental appropriations to the Alaska Housing Finance Corporation and to the Alaska Power Authority; making an amendment to ch. 120 SLA 1980; 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

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

COMMITTEE REPORT
HOUSE

5/29

FURTHER: FINANCE

3/13/81

(5)

Date: _____

Mr. Speaker:

The Committee on LABOR & COMMERCE has had HB 336

"An Act making supplemental appropriations to the Alaska Housing Finance Corporation and to the Alaska Power Authority; making an amendment to ch. 120 SLA 1980; 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 HB 336 (L & C) same title
 new title
- and recommends ~~NO REC~~
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Vernon Fustler No Rec

Jan Fuller No Rec

Ferry Martin " "

Vernon Fustler
CHAIRMAN

Pequee

Original sponsor: Rules/Governor

Offered: 5/29/81
Referred: Finance

<u>Funding Information</u>	
General Fund	\$76,081
Other Funds	-0-
	<u>\$76,081</u>

BY THE LABOR AND
COMMERCE COMMITTEE

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 336 (L&C)

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 supplemental appropriations to the
7 Department of Revenue and amending a 1980 appropria-
8 tions to the Alaska Power Authority; and providing for
9 an effective date."

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

11 * Section 1. The sum of \$21,547 is appropriated from the general fund to
12 the Department of Revenue, Alaska Renewable Resources Corporation, to pay a
13 prior year obligation of the fisheries project.

14 * Sec. 2. The sum of \$4,534 is appropriated from the general fund to the
15 Department of Revenue to pay shared taxes owed to the City of Houston for
16 the years 1975 - 1978.

17 * Sec. 3. Section 53, ch. 120, SLA 1980, page 81, line 12 is amended to
18 read:

	APPROPRIATION	GENERAL
	ITEMS	FUND
21	Discretionary study funds	<u>125,000</u> [75,000] <u>125,000</u> [75,000]

22 * Sec. 4. The unexpended and unobligated portions of the appropriations
23 made by secs. 1 and 2 of this Act lapse into the general fund June 30, 1981.

24 * Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-
25 070(c).

26

27

28

29

Letter + Backup

Funding Information	
General Fund	\$13,100,000
Other Funds	-0-
	<u>\$13,100,000</u>

Introduced: 3/13/81
Referred: Labor & Commerce and
and Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 336

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 supplemental appropriations to the
7 Alaska Housing Finance Corporation and to the Alaska
8 Power Authority; making an amendment to ch. 120 SLA
9 1980; and providing for an effective date."

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

11 * Section 1. The sum of \$10,650,000 is appropriated from the general
12 fund to the Alaska Housing Finance Corporation for the mobile home loan
13 program.

14 * Sec. 2. The sum of \$2,450,000 is appropriated from the general fund to
15 the Alaska Power Authority to pay additional FY 81 costs for the Susitna
16 feasibility study.

17 * Sec. 3. Section 2, ch. 120 SLA 1980 is amended to read:

18 * Sec. 2. The sum of \$126,955,000 is appropriated from the general
19 fund to the Alaska Housing Finance Corporation to be allocated as
20 follows:

21	Special mortgage loan purchase program	
22	(AS 18.56.093)	\$105,000,000
23	Mortgage and housing insurance fund	
24	(AS 18.56.095 and 18.56.093)	<u>6,650,000</u> [12,500,000]
25	Rural housing mortgage loan program	6,500,000
26	Rural housing mortgage insurance account	
27	in the housing insurance fund	
28	(AS 18.56.093)	325,000
29	Rural housing title insurance fund	

1 (AS 18.56.093)

130,000

2 Home ownership fund (AS 18.56.091)

2,500,000

3 Mobile home loan program

1,350,000

4 Rural non-owner occupied mortgage loan program

4,500,000

5 * Sec. 4. The unexpended and unobligated parts of the appropriations
6 made in this Act lapse into the general fund June 30, 1981.

7 * Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-
8 070(c).

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29 COMMITTEE COPY

HB 336

March 13, 1981

The Honorable Jim Duncan
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill which would make supplemental appropriations to the Alaska Housing Finance Corporation (AHFC) and the Alaska Power Authority (APA), and would amend ch. 120 SLA 1980.

The appropriation to AHFC in sec. 1 of the bill (\$10,650,000) would provide money for the mobile home loan program. I understand that that program had run out of money by the end of February. This appropriation will enable the program to continue operating through the end of this fiscal year.

The appropriation to APA in sec. 2 of the bill (\$2,450,000) would pay additional FY 81 costs for the Susitna feasibility study. On February 4, 1981, APA was informed by the principal contractor for the project that within 60 days the FY 81 appropriation for this project would be spent. The cost of the study has been increased by three factors: (1) necessary program changes; (2) cost escalation due to inflation; and (3) increased logistical field support requirements and cost escalation of that logistical support.

Section 3 of the bill amends ch. 120 SLA 1980 by reallocating money appropriated to AHFC last year. The mortgage and housing insurance fund would be reduced by \$5,850,000, and that amount reallocated to the mobile home loan program (\$1,350,000) and the rural non-owner occupied mortgage loan program (\$4,500,000). The mobile home loan program is in urgent need of additional money,

as mentioned earlier in this letter. The rural non-owner occupied mortgage loan program is also short of money, and, unless more money is made available, several projects under construction will not be completed during the 1981 building season.

Sincerely,

Jay S. Hammond
Governor

SJM

By: Terry Miller
Lieutenant Governor

RECEIVED

MEMORANDUM FEB 19 1981 State of Alaska


BUDGET AND MANAGEMENT

TO Mr. Richard Aks
Division of Budget & Management
Office of the Governor

DATE: February 17, 1981

FILE NO:

TELEPHONE NO:

FROM Terry J. McGuire 
Director of Finance
Alaska Power Authority

SUBJECT: Susitna Hydroelectric
Project

Attached is a copy of a letter recently received from Acres American Incorporated, principal contractor for the Susitna studies. The amount allocated to Acres and subcontractors does not include funds for Power Authority staff and other direct contractors with the Power Authority, or funds RSA'd to the Department of Fish and Game. The memo illustrates the need for the FY'81 supplemental funding request of the Power Authority.

Attachment:
as noted



RECEIVED

FEB 10 1981

BUDGET AND MANAGEMENT

February 4, 1981
P5700.11
T.700

RECEIVED

FEB 11 1981

ALASKA POWER AUTHORITY

Mr. Eric P. Yould
Executive Director
Alaska Power Authority
333 West 4th Avenue
Suite 31
Anchorage, Alaska 99501

Dear Eric:

Susitna Hydroelectric Project
Limitation of Funds

As required in the contract Acres hereby notifies the Authority that within the next 60 days we will exceed the \$15,255,000 currently allotted by Mr. McGuire's letter of July 1, 1980.

Please allot additional funds as soon as possible so that the current schedule can be maintained.

Very truly yours,

David C. Willett
Vice President

DCW/ljr

ACRES AMERICAN INCORPORATED

1000 17th Street

1000 17th Street, Suite 1000

New York, New York 10011

Telephone: (212) 697-7100

Telex: 411 1000 ACRES

Other Offices: Columbia, MD; Pittsburgh, PA; St. Louis, MO; Washington, DC

ALASKA POWER AUTHORITY

333 WEST 4th AVENUE - SUITE 31 - ANCHORAGE, ALASKA 99501

Phone: (907) 277-7641
(907) 276-2715

July 21, 1980

RECEIVED

JUL 23 1980

Budget and Management

Mr. Ron Lehr, Director
Division of Budget
& Management
Pouch AM
Juneau, Alaska 99811

Re: FY'81 Supplemental Funding

Dear Mr. Lehr,

The Alaska Power Authority will be requesting supplemental funding for two programs for FY'81, the Susitna Feasibility Study and the Power Production Assistance Program. The Power Production Assistance Program request is for reinstatement of the FY'81 funds in the amount reduced by the Governor. The Susitna funding request includes a \$2.540 million supplemental FY'81 request and a \$13.019 FY'82 request as outlined in the attached cash flow projections. Explanations of items in the cash flow follows:

- A. (1) Excess liability insurance to include aircraft accident insurance purchased for the 2½ year period of the study. Item not identified programmed in the original budget estimate, but was subsequently determined to be necessary.
- (2) The U.S. Geological Survey withdrew federal funding from the stream gauging program for the Susitna basin after the budget estimate was completed. This action was not anticipated and it is a necessary activity which required a program funding addition.
- (3) System planning funds for compilation of a data base on system components were identified as necessary to maintain the schedule of the formulation and analysis of basin development plans leading to the Development Selection Report in March 1981. This activity was identified as a complication associated with deletion of power market and alternatives studies from the Acres contract, and as a duplication of work to be performed by the new Alternatives studies contractor.
- (4) Task 6 - Tussing Scope Changes - This activity and funding were identified as part of the program response to the comments of Arlon Tussing on the Plan of Study. This activity was not part of the power market and alternatives study which was

directed to be deleted from the Acres contract. This funding was appropriated to the Office of the Governor and retained for the Alternatives Study. Reference our letter to you dated June 25, 1980.

- (5) Task 11 - Tussing Scope Changes - The comments in (4) above apply.
- (6) Comments of FERC on the Plan of Study following preparation of the budget identified instream flow study activities that would be necessary before submission of the license application in Phase I. This work was originally planned to be accomplished in Phase II. A budget of \$125,000 for two years of work by Mr. Trihey, an expert in this area, was proposed as a necessary response to the FERC requirements.
- (7) Comments of FERC on the Plan of Study following preparation of the budget established that the more data on fisheries available at the time of license submission, the greater the potential for acceptance. Therefore, resident and juvenile fishery studies and fishing habitat studies originally programmed for one year of study in Phase I and additional years in Phase II were advanced to include 2 years in Phase I and additional years in Phase II. The identified cost increase represents ADF&G increased costs associated with this work.
- (8) and (9) ADF&G additional costs for salary increases and transportation cost increases. The budgets originally prepared did not reflect true negotiated salary rates for state employees in the original budget since they were unknown at that time. The budget increases for Fisheries and Big Game are calculated exactly, however, they are for STEP A salaries for every position range. ADF&G does not feel that all positions can be filled at STEP A, and will try to stay within budget through turnover and hiring delays.
- (10) Escalation on additional program study changes and additions.

B. The original budget estimate did not include any escalation of the Non-Discretionary Funding to include Native Inspector, External Review, Power Authority Study Coordination, and the Public Participation Program. Salary cost escalation is calculated based upon approved salary increases for exempt bargaining status employees which were unknown for the original budget preparation. External Review costs are escalated in accordance with the major Task budget escalation factor of 8½%/year.

C. Major cost escalation has been experienced in all activities associated with logistical support of field study activities, principally in camp operations, fuel, fuel resupply, and transportation. Based upon costs incurred to date and identification of realistic requirements, additional funding for logistical support is estimated at \$900,000.

D. The decision to submit a license application to FERC to construct the project will be made by approximately April 1, 1982. Phase I funding does not include field activities starting in the spring of 1982. Phase II field activities could begin in the spring of 1982 and continue on through the license application processing period. An estimated \$1.720 million is necessary to fund Phase II activities up to June 30, 1982. Included in this is bulk fuel purchase and transport to the field storage site which may have to be performed in January and February of 1982 in order to have an adequate field fuel supply to initiate Phase II field activities.

In summary, the Susitna program estimated cost for Phase I has increased from \$29.612 million to \$32.113 for the 2½ year study if the Phase II cost estimate requirements are not considered. This 8.45% increase is composed of \$1.29 million of Program Changes and Additions (4.45%), \$311,000 (1%) of escalation not calculated in the original budget estimate for activities administered by the Power Authority, and \$900,000 (3%) for increased requirements and extraordinary escalation associated with field logistical support requirements.

Sincerely,



Eric P. Yould
Executive Director

cc:

Mr. Chuck Conway
Mr. Jerry Weinwand

MEMORANDUM

State of Alaska

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

FROM: Terry J. McGuire *TJM*
Director of Finance
Alaska Power Authority

DATE: September 30, 1980

FILE NO:

TELEPHONE NO:

277-7641

SUBJECT:

FY 1981 Supplemental
Funding

RECEIVED

SEP 30 1980

MANAGEMENT

The Alaska Power Authority is requesting supplemental funding for two programs for FY 1981, the Power Production Assistance Program and the Susitna Feasibility Study. The Power Production Assistance Program request is for reinstatement of the FY 1981 funds in the amount reduced by the Governor, \$1.4 million. The Susitna funding request is for \$2.540 million in supplemental funding during FY 1981.

The reinstatement of FY 1981 funding to the Power Production Assistance Program to the original level will permit the Power Authority to more fully satisfy the requirements specified in HCS CSSB 438, Article 3A, to reduce electric rates charged for residential service, service to charitable organizations and service to local community facilities. Under the PPA Program, all electric utilities in the State that satisfy specific eligibility requirements described in the legislation qualify for financial assistance from the Power Production Cost Assistance Fund. Unless supplemental funding is received by the Power Authority, the existing fund will be insufficient to satisfy the full FY 1981 requirements.

The supplemental funding requested for the Susitna Feasibility Study is due to several factors, shown below.

- A.1) Increased liability insurance and aircraft accident insurance purchased for the study. This item was not programmed in the original budget estimate, but was subsequently determined to be necessary.
- 2) After the original budget estimate was completed the U.S. Geologic Survey withdrew federal funding from the stream gaging program for the Susitna basin. This action was not anticipated and is a necessary activity which required a program funding addition.
- 3) Funds were identified as necessary to maintain the schedule of planning leading to the System Studies and Basin Development Selection Report in March 1981. This activity was identified as a complication associated with deletion of power market and alternative studies from the Acres contract.
- 4) Activities and funding were identified as part of the program response to the comments of Arlon Tussing on the Plan of Study. This activity, Tussing Task 6, was not part of the power market and alternatives study which was directed to be deleted from the Acres Contract. This funding was appropriated to the Office of the Governor and retained for the Alternatives Study (reference our letter to you, June 25, 1980). Activities and funding were also identified for the Tussing Scope Changes, Task 11, to which our comments to Task 6 also apply.
- 5) Comments of FERC on the Plan of Study following budget preparation identified in-stream flow study activities that would be required before license application submission, in Phase I. This work was originally planned for Phase II.

MEMORANDUM

State of Alaska

TO: Ron Lehr

DATE: September 30, 1980

FILE NO:

TELEPHONE NO:

FROM: Terry J. McGuire *TJM*

SUBJECT: Page 2 of 2

- 6) FERC comments on the Plan of Study, following preparation of the budget, established that the more detailed data available on fisheries at the time of license submission, the greater the potential for acceptance. Therefore, resident and juvenile fishery studies and fishing habitat studies, originally scheduled for one year during Phase I and additional years in Phase II, were advanced to include 2 years in Phase I and additional years in Phase II.
 - 7) ADF&G additional costs for salary increases and transportation cost increases. The original budget did not reflect actual negotiated salary rates for state employees, since they were unknown at that time. The budget increases for Fisheries and Big Game are calculated exactly, however they are for Step A salaries for every position range. ADF&G does not feel that all positions can be filled at Step A, but will try to stay within budget through turnover and hiring delays.
- B. The original budget estimate did not include any escalation of the Non-Discretionary Funding for the Native Inspector, External Review, Power Authority Study Coordination, and the Public Participation Program. Salary cost escalation is based upon approved salary increases for exempt bargaining status employees, which were unknown for the original budget preparation. External Review cost escalation is consistent with the major Task budget escalation factor of 8½%/year.
- C. Major cost escalation has been experienced in all activities associated with logistical support of field study activities, principally in camp operations, fuel, fuel resupply, and transportation.

For a detailed cash flow projection of these factors and escalations on additional program study changes and additions, our letter to you of July 21, 1980 is attached.

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	New Legislation
COVER PROGRAM	Economic Development
AGENCY	Commerce & Economic Development
DIVISION	Alaska Power Authority
BUDGET REQUEST UNIT	Alaska Power Authority
BUDGET COMPONENT	Not assigned yet
APPROPRIATION	SLA 1980, Ch. 120, SCS CSHB 1002 amS
ALLOCATION	New Legislation, SB 438, Line 16, Pg 70

		INITIAL AUTHORIZATION	This RP Request	RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES									
02	TRAVEL									
03	CONTRACTUAL									
04	COMMODITIES									
05	EQUIPMENT									
06	LANDS, BUILDINGS									
07	GRANTS, CLAIMS									
08	MISCELLANEOUS									
	Other	1,451	1,400							2,851
	TOTAL	1,451	1,400							2,851
1002	FEDERAL RECEIPTS									
1003	G/F MATCH									
1004	GENERAL FUND	1,451	1,400							2,851
1005	I/A RECEIPTS									
1028	PROGRAM RECEIPTS									
15	FULL TIME									
16	PART TIME									
17	TEMPORARY									
18	MAN-MONTHS									

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	Development
COVER PROGRAM	Energy & Power Development
AGENCY	Commerce & Economic Development
DIVISION	Alaska Power Authority
BUDGET REQUEST UNIT	Alaska Power Authority
BUDGET COMPONENT	08-71-4-195, Susitna Feas. Analysis
APPROPRIATION	SLA 1980, Ch. 120, SCSCS-HB 1002-amS
ALLOCATION	Development, Page 81, Line 9

		INITIAL AUTHORIZATION	This RP Request	RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES									
02	TRAVEL									
03	CONTRACTUAL									
04	COMMODITIES									
05	EQUIPMENT									
06	LANDS, BUILDINGS									
07	GRANTS, CLAIMS									
08	MISCELLANEOUS									
	OTHER	3,095.80	2,540							5,635.80
	TOTAL	3,095.80	2,540							5,635.80
1002	FEDERAL RECEIPTS									
1003	G/F MATCH									
1004	GENERAL FUND	3,095.80	2,540							5,635.80
1005	I/A RECEIPTS									
1028	PROGRAM RECEIPTS									
15	FULL TIME									
16	PART TIME									
17	TEMPORARY									
18	MAN-MONTHS									

SUSITNA HYDRO PROJECTS
CASH FLOW PROJECTIONS THROUGH JUNE 30, 1982

		<u>Cost of Project</u>	<u>FY 1980 & 1981</u>	<u>FY 1982</u>
Cash Flow Jan. 1980 Estimated Cost of Project		29,612,280	19,414,718	10,197,562 10,107,562
A	Program Changes or Additions			
(1)	Liability Insurance	47,000	47,000	
(2)	Task 3, Acres additional work related to USGS	52,100	26,000	26,100
(3)	Task 6, System Planning	220,000	220,000	
(4)	Task 6, Tussing Changes	200,000	200,000	
(5)	Task 11, Tussing Changes	100,000	100,000	
(6)	Task 7, Mr. Trihey	125,000	62,000	63,000
(7)	Task 7, ADF&G Accelerated Studies	268,100	218,100	50,000
	Task 7, ADF&G Add'l costs for salaries & increases and Transportation:			
(8)	Big Game	96,000	48,000	48,000
(9)	Fisheries	90,200	45,200	45,000
(10)	Increased Escalation due to increased costs	91,465	60,000	31,465
		<u>1,289,865</u>	<u>1,026,300</u>	<u>263,565</u>
B	Escalation on costs controlled by Alaska Power Authority not computed on Cash Flow Jan. 1980	311,000	73,000	238,000
C	Camp operation, fuel and transportation costs overrun and extraordinary escalation	900,000	300,000	600,000
D	Phase II funding requirements in FY'82 (Apr - Jun 1982)			
(1)	Fuel	300,000		
(2)	Helicopter costs	300,000		
(3)	Camp Operations & Maintance	120,000		
(4)	ADF&G	300,000		
(5)	Acres & Other Subcontractors	700,000		
		<u>1,720,000</u>	<u>1,720,000</u>	<u>1,720,000</u>
Total Cost of Project		33,833,145	20,814,018	13,019,127
Funds Received To Date (FY'80 8,178,000)		<u>18,273,800</u>	<u>18,273,800</u>	<u>-0-</u>
(FY'81 7,000,000)				
(FY'81 3,095,800)				
Funds to be applied for as of 7/15/80		15,559,345	2,540,218	13,019,127

ALASKA STATE LEGISLATURE

TWELFTH Legislature FIRST.. Session

HOUSEBILL..... NO. 336
 By THE RULES COMMITTEE.....
 BY REQUEST OF THE GOVERNOR

"An Act making supplemental appropriations to the Alaska Housing Finance Corporation and to the Alaska Power Authority; making an amendment to ch. 120 SLA 1980; and providing for an effective date."

Suppl. appro./Ak Housing Fin. Corp. & Ak Power Authority

Introduced in the House ... 3/13, 19... 81

HISTORY IN THE HOUSE

19 81	Read first time and referred to Committee on Labor & Commerce and Finance Reported back with recommendation that																		
Mar. 13																			
	Read second time and																		
	Read third time and																		
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused								
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	CHIEF CLERK OF THE HOUSE																		

HISTORY IN THE SENATE

19	Read first time and referred to Committee on																		
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Returned to House																			
	SECRETARY OF THE SENATE																		

HISTORY IN THE HOUSE

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

COMMITTEE REPORT

HOUSE

4/15

3/16/81

FURTHER: FINANCE

(5)

Date: 4-10-81

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 341

"An Act making a special appropriation to the Department of Transportation and Public Facilities to remedy deficiencies in state buildings on the Kenai Peninsula; 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
- and recommends _____ new title
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back ^{individually} without recommendation *+ attaches an amendment*
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

John B. Miller

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Willie Wood To Rec

John B. Miller

Willie

CHAIRMAN

AMENDMENT

On page one, line 15, delete ", Volume I" and insert a period after the word "Peninsula".

Reques
12-1102

Funding Information
General Fund \$591,320
Other Funds -0-
 \$591,320

Introduced: 3/16/81
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY MALONE

2 HOUSE BILL NO. 341

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 special appropriation to the Depart-
7 ment of Transportation and Public Facilities to remedy
8 deficiencies in state buildings on the Kenai Peninsula;
9 and providing for an effective date."

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

11 * Section 1. The sum of \$591,320 is appropriated from the general fund
12 to the Department of Transportation and Public Facilities to remedy those
13 deficiencies in state buildings that are designated as "fire and life"
14 deficiencies in the publication "Inventory and Condition Survey of Public
15 Facilities, Kenai Peninsula, Volume 1".

16 * Sec. 2. The appropriation made by this Act is for capital projects and
17 is subject to AS 37.25.020.

18 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
19 070(c).

ALASKA STATE LEGISLATURE

TWELFTH Legislature FIRST Session

HOUSE ...BILL..... NO. ...341.

By .MALONE.....

"An Act making a special appropriation to the Department of Transportation and Public Facilities to remedy deficiencies in state buildings on the Kenai Peninsula; and providing for an effective date."

Spec. appro, Dept. of Trans.
state buildings/Kenai Peninsula

Introduced in the House ...3/16, 19...81

HISTORY IN THE HOUSE

19	81	Read first time and referred to Committee on State Affairs and Finance										
Mar.	16	Reported back with recommendation that										
		Read second time and										
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HISTORY IN THE HOUSE

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		To enrolling
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		Sent to Governor
	 by Governor
		Filed with Lt. Governor
		Chapter No.

Funding Information
General Fund \$591,320
Other Funds -0-
\$591,320

Introduced: 3/16/81
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY MALONE

2 HOUSE BILL NO. 341

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 special appropriation to the Depart-
7 ment of Transportation and Public Facilities to remedy
8 deficiencies in state buildings on the Kenai Peninsula;
9 and providing for an effective date."

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

11 * Section 1. The sum of \$591,320 is appropriated from the general fund
12 to the Department of Transportation and Public Facilities to remedy those
13 deficiencies in state buildings that are designated as "fire and life"
14 deficiencies in the publication "Inventory and Condition Survey of Public
15 Facilities, Kenai Peninsula, Volume 1".

16 * Sec. 2. The appropriation made by this Act is for capital projects and
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18 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
19 070(c).

20

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22

23

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27

28

29

HB 341

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 341
 Title Special Appropriation to DOT/PF to remedy deficiencies in state Bldgs. in Kenai Penn.
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected DOT/PF
 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	FY82	FY83	FY84	FY 85	FY86
100 PERSONAL SERVICES		45				
200 TRAVEL						
300 CONTRACTUAL		955				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		1,000,000				

FUNDING (Thousands of Dollars)

GENERAL FUND		1,000,000				
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Construction amount in 1980 dollars	\$591,320
Escalate at 13% 1981 dollars	668,192
Escalate at 13% 1982 dollars	755,057
Project contingency 15%	113,258
	<u>\$868,315</u>
Architectural/Engineering fees at 10%	\$ 86,831
	<u>\$955,146</u>
Administration and Assessment	45,000
	<u>TOTAL \$1,000,146</u>

IV. DATE 3/26/81 PREPARED BY AB

AGENCY _____

Original: Legislative Finance PHONE _____

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

Original sponsors: Anderson, Adams,
Grussendorf, et al

Offered: 1/29/82
Referred: Rules

Funding Information

General Fund	\$2,718,200
Other Funds	-0-
	<u>\$2,718,200</u>

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

CS FOR HOUSE BILL NO. 344 (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 making a special appropriation to the Department of Public Safety for a computerized fingerprint system; and providing for an effective date."

7

8

9

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

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* Section 1. The sum of \$2,718,200 is appropriated from the general fund to the Department of Public Safety for a computerized fingerprint identification system.

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* Sec. 2. The appropriation made by this Act is for a capital project and is subject to AS 37.25.020.

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

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THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS HB 344 (Finance)

Title Special Appropriations for a computerized fingerprint system.

Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Department of Public Safety

Program Category Affected Administration of Justice

BRU, Program, Or Subprogram(s) Affected Laboratory Services

(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			105.3	115.8	127.4	140.1
200 TRAVEL		20.6	21.2	2.2	2.4	2.7
300 CONTRACTUAL		38.2	480.4	103.5	103.9	104.3
400 COMMODITIES		5.3	4.5	9.3	10.2	11.2
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		64.1	611.4	230.8	243.9	258.3

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		64.1	611.4	230.8	243.9	258.3
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME			2	2	2	2
PART TIME						
TEMPORARY						

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

The proposed legislation would create the Automated Fingerprint Identification System which would utilize a Rockwell 250 S Printak Central System in AST Headquarters.

In acquiring this tested, proved, and highly reliable system, law enforcement agencies can automatically search their already existing extensive fingerprint files to locate matches and print out identities of respondents. Search time would be reduced and match rate increase by at least 15%.

The initial cost of \$2,718,200.00 as provided by this bill would provide all cost of the equipment and its installation through the end of FY'83 (see attached schedule "Capital Project Cost Estimate"). The FY'83-FY'87 cost noted above is the expected operating cost for these years including the cost for two non-commissioned positions.

IV. DATE May 18, 1982

PREPARED BY Francis C. Allan

AGENCY Department of Public Safety

PHONE 269-5691

Original: Legislative Finance
cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

AUTOMATED FINGERPRINT IDENTIFICATION NETWORK
CAPITAL PROJECT COST ESTIMATE

250S Central System - unit cost including air shipment	\$1,700.0
Subsystems - 3 units - (APD, Fairbanks & Juneau)	372.0
Installation cost	200.0
Site preparation	177.4
Spare parts inventory	207.3
Fingerprint file conversion	<u>61.5</u>
CAPITAL PROJECT TOTAL	\$2,718.2

Alaska Association Chiefs of Police

March 9, 1981



Honorable Charles G. Anderson
Pouch V
Juneau, AK 99811

Dear Representative Anderson:

A proposal has been drafted for possible legislative action which is of great interest and concern to not only the law enforcement community of Alaska but to all Alaskans.

This proposal called AFINA (Automated Fingerprint Identification Network of Alaska) concerns the establishment of a network of facsimile machines that would link with computers that automatically search and compare fingerprints.

This computer, which would be located at the Alaska State Troopers Headquarters, would be able to automatically search fingerprint cards obtained from arrested persons, against prints lifted from crime scenes. By interlocking this computer with terminals located at other regional locations, within a matter of minutes, the main fingerprint file in the State could be searched for possible suspects. This process now requires the mailing or taking of crime scene prints and suspects' prints to either Anchorage or Juneau for comparison by Police Technicians. This is so time consuming and it is not even done unless a possible suspect is known. However, with this computerized equipment, crime scene prints can be sent by facsimile equipment and phone lines from anywhere in the State to either Juneau or Anchorage and then automatically compared with every print in file.

This computer system, now used by other agencies in the Lower 48, is providing an identification rate of 10 to 15% on crime scene prints, compared to 1 to 3% using the present manual system. This would not only reduce the amount of time needed for the Technicians to search each case but the time an investigator would spend investigating a case.

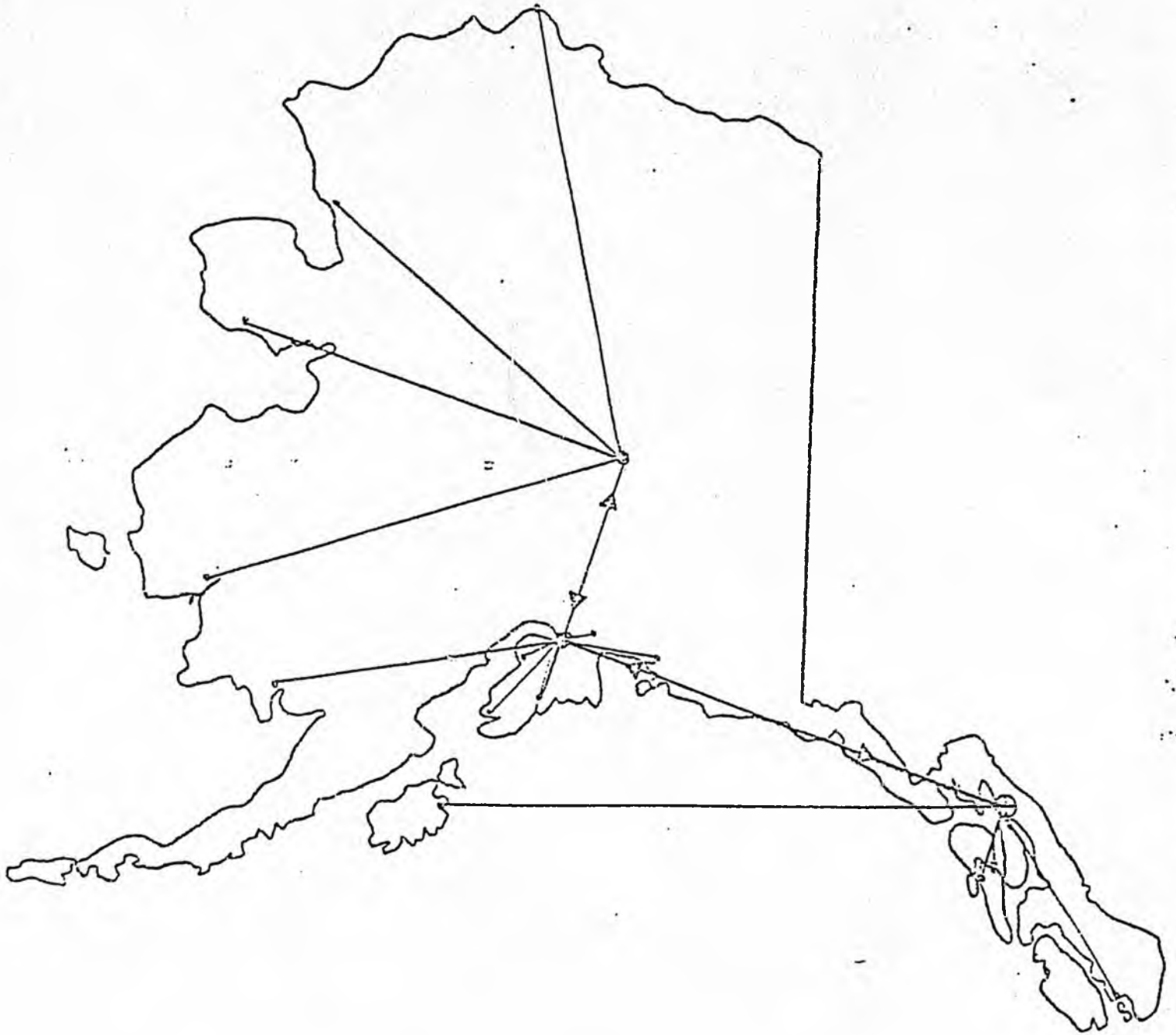
The total cost of this statewide project is estimated to be \$4,282,900.00. The program, though, would save hundreds of man hours and thousands of operational expense dollars. All this representing a great saving of time and money, an increase in recovered stolen property, as well as increasing crime clearance rates.

I cannot tell you how important such a system would be to law enforcement in Alaska. If this proposal comes before you, as a legislator, it would represent a more effective law enforcement tool for those you represent than any put before you in many years.

Sincerely,

Michael L. Daugherty
Michael L. Daugherty
President

AUTOMATED **F**INGERPRINT **I**DENTIFICATION **N**ETWORK OF **A**LASKA



WE HAVE A PROBLEM...

Law enforcement agencies in Alaska are like all law enforcement agencies everywhere, large and small. Our prime concern with every crime is: "Who committed this crime?"

Most - around 60% in fact - of the crimes committed in the State are perpetrated by "recidivists". That is, they are committed by people who tend to be arrested and re-arrested repeatedly as the years go by. Thus, when a crime takes place, our experienced investigators may sometimes have a good mental list of suspects.

If Alaska police investigators were like the detectives in paperbacks, movies, and TV shows, they would solve every crime they encounter - by an unerring combination of ESP, James Bondian scientific gadgetry, and a set of unbelievably fortunate coincidences. In real life, however, detectives' lives are not so smooth.

Increasingly, police are forced, by such Supreme Court rulings as the Miranda and Escobedo decisions, to rely on physical evidence. Most real-life cases are cleared as a result of on-the-scene identifications by victims or witnesses, with the remainder being cleared through administrative investigatory methods such as fingerprinting.

Every time an arrest takes place in Alaska the alleged lawbreaker's fingerprints are rolled onto a 10-print file card. Altogether, the State files in 1980 contained a total of around 110,000 ten-print cards, also Anchorage had on file more than 90,000 such cards. Thus, the city and State police departments had on file a total of 200,000 ten-print cards (or 2,000,000 individual prints) of known offenders. In addition the combined agencies have on file more than 25,000 individual, unidentified "latent" prints "lifted" at the scenes of crime.

When a police officer is able to find a good latent at a crime scene, it is possible in many cases to pull from file the cards of all those on his mental list of likely suspects and, try by manual handling and simple visual examination of the prints, to achieve a "hit" - that is, a match between the latent and a file print - in only a few hours. In 1979, around 3% of all the latents picked up by law enforcement officers in Alaska were identified by means of such manual processing.

Latent prints are found at just about 50% of all crime scenes, but, on the average, only a very small portion of the evidence is matched against a known print and results in a clearance. Even so, the matching of latents with known prints represents the majority of clearances that we make through administrative investigatory methods.

Why aren't more of the latents matched and more crimes cleared thereby? The answer lies in the time it takes to match a single unknown print against files containing literally millions of prints. To look for a match, by manual methods, among the more than 2 million fingerprints in the combined files would require a total number of hours and dollars obviously beyond the limits of practicality. It is not too surprising that, unless the police investigator has a pretty good idea of where to look before he starts, he usually simply doesn't start the time-consuming search,

Our problem in Alaska - is to find a way to search for matches with latents, through hundreds of thousands, even millions, of prints, in a practical amount of time, and at a practical expenditure of the dollars to pay for that time - is not our problem alone. It is still the problem of almost every law enforcement agency throughout the world. Its solution has the potential to dramatically increase crime clearance rates ... to slash law enforcement costs and, eventually, to act as a powerful deterrent to the commission of crimes.

A SOLUTION TO THE PROBLEM...

Our solution will save us hundreds of manhours and thousands of operational expense dollars - while upping our "hit" rate by more than 30% annually.

By acquiring an automated system - a tested, proven, highly reliable system that's faster, more efficient, and less costly to operate. The system would automatically search our extensive files in only minutes ... automatically find the most likely matches ... automatically print out identities of respondents, listed in descending order of their match probabilities.

By a conservative estimate, our search time will be reduced and our hit rate will be improved to at least 10 to 15%.

But ... reduced search times and more hits are not the only benefits of the automated system.

The automatic search techniques of this new system will also tend to eliminate the part that investigators play in the analysis of fingerprint evidence, since their input is no longer necessary to create lists of suspects. This will free investigators for their prime purpose - investigation. As a corollary, it will cut the amount of investigator costs involved in the fingerprint process.

SELECTION OF AUTOMATED EQUIPMENT

Fingerprints are universally recognized as the most positive means of identification in existence. In the first place, no two fingerprints in the entire world are alike. Furthermore, the "minutiae" within any given fingerprint remain unchanged throughout an individual's lifetime.

In 1980, Alaska law enforcement agencies were obtaining "latents" at approximately 50% of all crime scenes. The combined files of the Alaska State Troopers and Anchorage Police Department held a total of 25,000 unidentified latent prints, and more than 2 million identified, rolled prints.

And yet - in spite of the extensive fingerprint file resources, the ability to lift latents at least half the time, and the unquestioned ability of fingerprints to positively identify, Alaska State Troopers and Anchorage Police Department were unable to put fingerprints effectively to work to solve crimes and to cut crime-clearance costs. With existing manual fingerprint processing, it simply takes too long. To find a match for a single latent, with no other clues to the criminal's identity than the print itself, it is more difficult than finding the proverbial haystack needle - and certainly a lot more expensive!

The crying need is for a way to search the files and obtain a match rapidly. It is increasingly evident that the only way to achieve the necessary search speeds would be by means of some sort of computerized system - in other words, through automation of the existing search-and-match process.

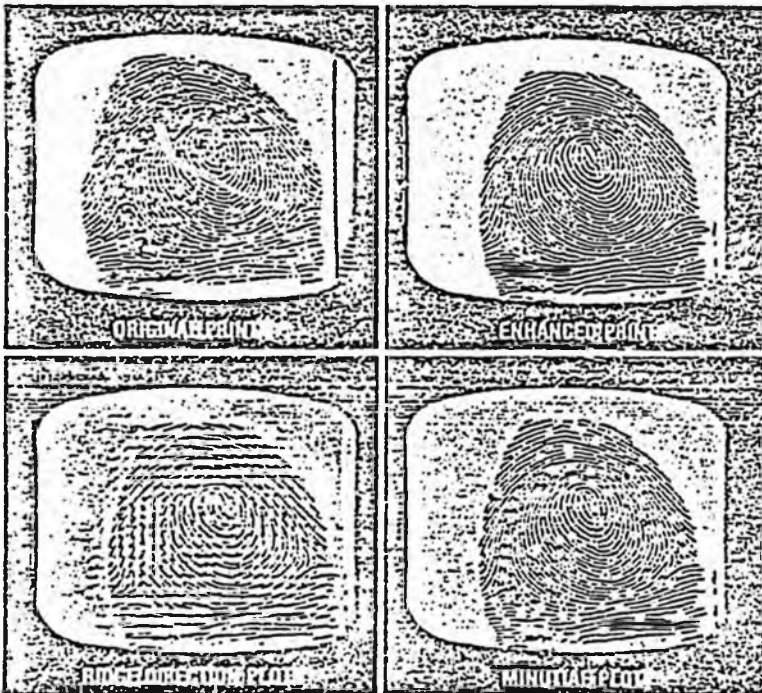
HOW DOES IT WORK?

The approach taken by the automated fingerprint identification equipment to fingerprint identification is based on the use of minutiae data consisting of the location and orientation of fingerprint ridges at points of termination (ridge endings) or branching into two ridges (bifurcation). Patterns of such minutiae uniquely characterize individual fingerprints and are the universal means whereby fingerprint experts are able to positively identify specific persons.

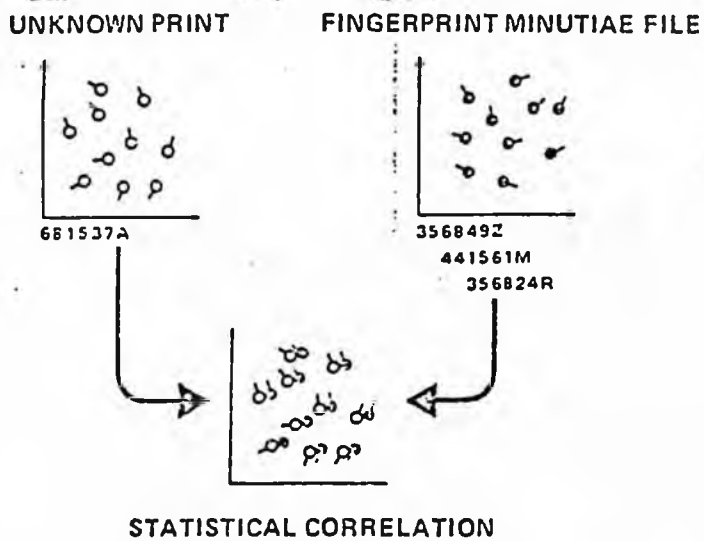
THE PRINTRAK 250S SYSTEM'S "MINUTIAE"-BASED APPROACH OFFERS ACCURACY ... SPEED ... AND ECONOMICAL TRANSMISSIBILITY OF DATA.



FINGERPRINT READING



FINGERPRINT MATCHING



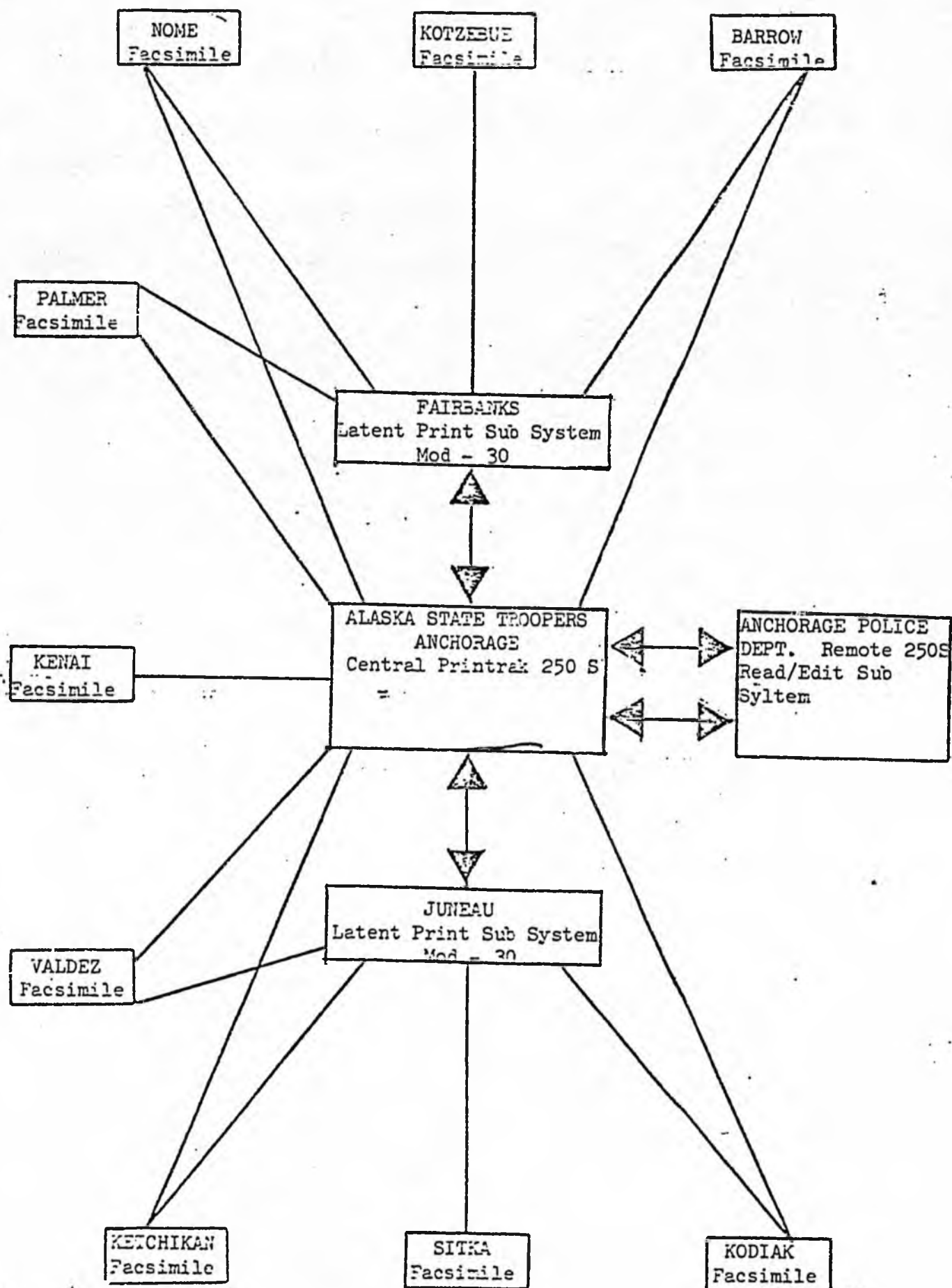
The equipment reads directly from card or paper input, which means there is no need for costly and time-consuming photographic processing of input information. The data which is stored for each fingerprint, and which is subsequently used for matching, are digital, binary-encoded descriptors, and is amenable to high-speed computer processing. In addition, sophisticated algorithms and dedicated processors make possible an extremely high processing speed which, in turn, makes the system highly cost-effective.

The minutia-based approach for automatically processing and matching fingerprints offers many significant advantages over other approaches. Foremost among these advantages is the discriminability of minutia-based systems which permits them to select with high accuracy one person, or a very few candidates from a very large file. All other current approaches must identify a large number of candidates in order to provide any reasonable assurance that the individual of interest is among them.

Because the automated system uses digitally encoded data and only 2500 bits of information are needed to uniquely describe a fingerprint, the system provides a means for transmitting fingerprint data both rapidly and inexpensively over ordinary telephone lines.

Another valuable feature of the system is its ability to maintain its own file of fingerprints for subsequent comparison with unknown prints. Conversion from card or paper format to digital records for permanent storage in system files is performed at the rate of up to sixty 10-print sets per hour. Once established, the file can be developed and updated on a continual basis.

Not least among the system's features are its compatibility with the minutia based system hardware/software of a rapidly growing number of users throughout the U.S.A. and abroad ... including the Federal Bureau of Investigation, a number of major U.S. cities, and the Royal Canadian Mounted Police. It is possible to tie these units together at selected times for cross-jurisdictional searches, if such are necessary.



THE ALASKA SYSTEM....

At present Alaska has two departments that have fingerprint files and the personnel to maintain them. The Anchorage Police Department and the Alaska State Troopers in Juneau and Anchorage, have Certified Fingerprint Examiners to maintain their fingerprint and latent print files. With possible expansion in mind and the number of trained fingerprint personnel, Anchorage, Juneau and Fairbanks are the most effective areas to place processing equipment.

The Rockwell 250S Printrak "Central" System would operate from the Alaska State Troopers Headquarters in Anchorage. All fingerprint cards taken by police departments and jails throughout Alaska would be entered.

Anchorage Police having the second largest files and trained personnel to maintain these files, would have a Rockwell Printrak 250S Read/Edit Sub-system. This would give A.P.D. the same ability as A.S.T. to enter it's files and search it's latent cases using the data storage at A.S.T. Head-quarters.

In Fairbanks and Juneau there should be a Rockwell Printrak Model 30 Remote Latent Subsystem in addition to the Anchorage Systems.

Making a truly Statewide Network that would bring every community in the State minutes away from fingerprints identifications a network of facsimile machines throughout Alaska. Using commercial phone lines, or micro-wave communication, fingerprint cards and latents can be sent from anywhere in the State to any latent system or subsystem in a matter of minutes. Communities like Sitka, Ketchikan, Valdez, Seward, Kodiak, Kenai, Nome, Kotzebue, Point Barrow and Palmer could be getting responses on their latents as well as those communities with main system components. Also, portable units can be obtained that would permit investigators to go to a crime scene any where in the State and be able to send latent information to be searched in the Central files.

OVERALL DESCRIPTION OF HARDWARE/SOFTWARE

Hardware

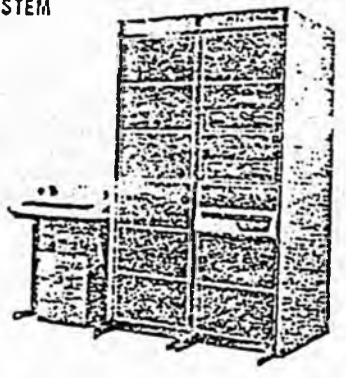
Three types of subsystems:

Read/Edit Subsystem; is made up of a Print Processor, a Read/Edit Operator Console, and a Printer. The subsystem is used to automatically examine fingerprints, extract their minutiae, enter descriptor data, initiate search requests, and obtain search requests. One Read/Edit Subsystem is located in the "Central" facility, A.S.T. Anchorage, and another at the Anchorage Police Department facility would be connected to the Search-and-Match Subsystem at A.S.T. Anchorage via voice-frequency telephone lines. The Read/Edit Subsystem is capable of processing both rolled prints and latents. This subsystem can enhance the quality of the prints using the Processor's computer.

Latent Subsystem; which includes a Latent Terminal and a Printer, gives the user automated assistance in entering descriptor data via keyboard, in encoding locations of minutiae in latent fingerprints, and in receiving results of file searches. A Latent Subsystem would be located at Juneau and Fairbanks facility and would be connected to the Central Search-and-Match Subsystem via a voice-frequency telephone line or microwave communications.

Search-and-Match Subsystem; consists of a Search-and-Match Processor, the Data Storage, and a Line Printer. There is only one Search-and-Match Subsystem in the entire network. Located in the Central facility, the Subsystem controls overall system operation, maintains the files, performs search-and-match functions, and reports results of searches to system operators at the various terminals.

REMOTE PRINTRAK 250S HEAD/EDIT SUBSYSTEM

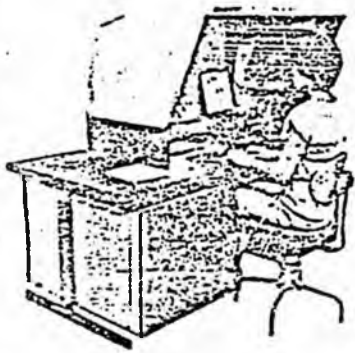


ANCHORAGE POLICE DEPT.

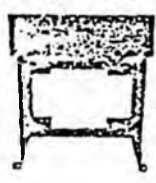


"CENTRAL" PRINTRAK 250S SYSTEM

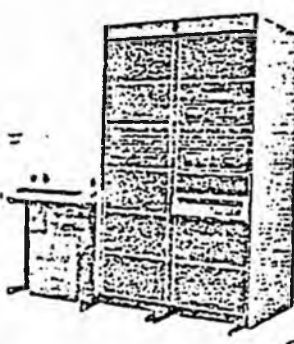
READ/EDIT CONSOLE



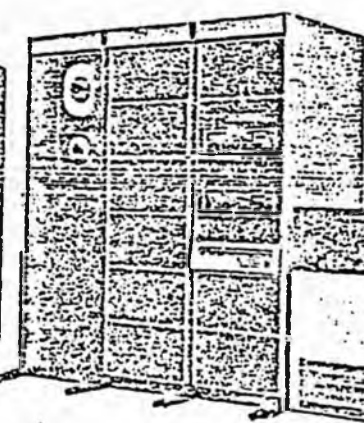
PRINTER



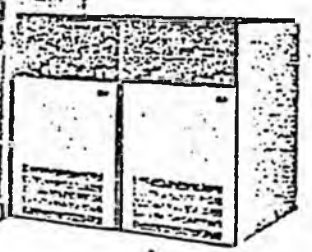
PRINT PROCESSOR



SEARCH PROCESSOR



DATA STORAGE



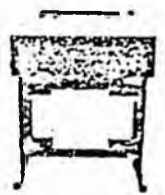
ALASKA STATE TROOPERS ANCHORAGE



REMOTE LATENT SUBSYSTEM



JUNEAU



FAIRBANKS

Software

Automated operation is achieved via its software, that contains all the necessary programs for controlling and coordinating the systems's processes. The software is human-operated-oriented and makes extensive use of display messages, in ordinary English language, to "cue" (i.e., "prompt") the operator with questions which help him in following the proper operational procedures at all times. Thus, no complicated code needs to be learned, and operators need no software experience in order to operate the system.

The software programs, as executed by computers in the Print Processor and Search-and-Match Processor (see drawing), provide an orderly sequential control of all data flows between the hardware equipments, including those to the operator interfaces.

THE SEVEN "MODULES" ... WHAT EACH DOES AND HOW IT DOES IT

Read/Edit Operator Console

The Read/Edit Operator Console serves as the "interface" between the Automated Fingerprint ID System and the human operator. The console contains a keyboard, a TV-type CRT (cathode-ray tube) display and video mixer, a card indexer, a video scanner, a cursor control, and console electronics.

Upon receipt of a latent print or a 10-print card, the operator selects the desired mode of operation and interactively enters data through the keyboard in response to "cues" displayed to him on the display. Ten-print cards are placed on the card indexer platform, and the video images of the prints are transmitted to the Print Processor, which returns to the automatically encoded locations and orientations of the minutiae for each print, overlaid on a magnified image of the print on the display screen.

The console provides the operator with the capability to edit the displayed image by adding or removing minutiae. Encoding of poor-quality prints may be performed manually, if desired, by means of the console controls.

Printer

Each Read/Edit and Latent Console operator is provided with a Printer unit to print out the lists of respondents and other data required in operation of the system.

Line Printer

The Line Printer is a 300-line-per-minute, dot matrix printer/plotter, capable of printing alpha-numeric text. Its function is to print out, when so commanded by the System Files Supervisor, records from the Data Storage disks and other file-related data, e.g., minutiae patterns.

Data Storage

Data Storage contains the records of all data that have previously been encoded. In addition to the encoded minutiae for each fingerprint on file, these records include personal descriptors (e.g., suspect's sex, date of birth, etc), identification numbers and classification data for each print.

Records in Data Storage are grouped by single-finger classification, by finger number, and by descriptors. This data organization decreases the number of separate accesses to the file, and thus reduces the time required for any given latent search. An index provides file location information to individual finger records, and also provides the means whereby card searches can be performed. Employing four movable-head, direct-access disk units, Data Storage has an on-line storage capacity of

350,000 persons (3,500,000 prints). In addition, 25% of one of the four disks is available for storage of latents. Total capacity of Data Storage can be increased by the addition of more disk sets.

A particularly notable feature is the fact that unidentified latents can be stored on disks on-line, and subsequently can be compared against all new 10-fingerprint cards entered into the system. Thus, it is only a matter of time until hits can be obtained for almost all crime "repeaters".

Print Processor

The Print Processor works with the Read/Edit Operator Console in the Read/Edit Subsystem. Its functions are to receive video fingerprint images from the scanner in the Read/Edit Operator console, to process the images, and to locate minutiae. The Print Processor also accumulates a file of minutiae records on disk for later transfer via telephone line to the Search-and-Match Processor as a search inquiry or for distribution to the Central Data Storage fingerprint files. The Print Processor includes video storage, an image processor, a minicomputer, a disk memory, and a multiplexer, all contained in a single, upright cabinet.

Search-and-Match Processor

The Search-and-Match Processor is used in conjunction with the system's Data Storage and a Line Printer to form the Search-and-Match Subsystem. The Search-and-Match Processor consists of a minicomputer (PDP 11/34), a magnetic tape unit, an operating disk set, a computer console, a high-speed minutiae matcher, a multiplexer for communicating with the Read/Edit and Latent Subsystems, and a disk controller for communicating with the Read/Edit and Latent Subsystems, and a disk controller for communicating with Data Storage.

The Search-and-Match Processor uses a general-purpose minicomputer to perform all data processing not specifically assigned to special-purpose subsystems. It handles all transfers of data among major system elements, and coordinates and controls all system operations. Among its functions are: placing data in Data Storage files, retrieving data from Data Storage files, sorting minutiae records by descriptor data, feeding sets of minutiae to the high-speed minutiae matcher, sorting match-score data into the sequence of descending match-score values for presentation of search results in compliance with the selected decision rule, sending and receiving data and commands over the telephone line interconnections to and from remotely located Read/Edit and Latent Subsystems, handling data transfers, and performing diagnostic tests on itself and on other system components.

Latent Terminal

The Latent Terminal handles latent prints only. Encoding of the prints is performed by the operator manually, rather than automatically as with the Read/Edit Subsystem. The encoding is accomplished by means of controls on the Latent Terminal console which permit the operator to locate, relocate, and erase minutiae that appear on the console's TV-type CRT display screen.

In addition to providing all of the functions necessary for encoding a latent fingerprint, the Latent Terminal also permits the operator to have an automatic search made of Central Data Storage from a remote location. The Terminal's self-contained, high-resolution TV camera scans each fingerprint presented to it, and then shows the operator an enlarged image of

the print on the console display. Brightness and contrast controls may be adjusted to provide an enhanced TV image of the latent print. The operator sends both descriptor data and commands to the Search-and-Match Processor from the Latent Terminal by means of the Terminal console's typewriter-type keyboard. The Search-and-Match Processor, in turn, can write text on the Latent Terminal's display screen - including data formats, input keystrokes, status messages, and search results.

COST

The Rockwell 250S Printrak system was developed with only one purpose; FINGERPRINT IDENTIFICATION! Because the equipment is custom made, the cost is high. Each machine is made to specifications of fingerprint identification as required by the Department.

Rockwell 250S Central System With extra Latent Terminal	\$1,700,000.00
Rockwell 250S Remote Read/Edit Subsystem	\$ 696,000.00
Two Rockwell 250S Latent Subsystems #1	\$ 126,000.00
#2	\$ 122,000.00
17 Facsimile Machines	\$ 320,000.00
Conversion of Fingerprint Files	\$ 200,000.00
Maintenance: Facsimile (per year)	\$ 40,000.00
250S (82-83) 9 months	\$ 282,825.00
Installation Cost	\$ 200,000.00
Miscellaneous Cost (electric, travel, supplies etc.)	\$ 300,000.00

This system could be operational by 1983. The facsimile machines could be operational before 1983 and could be used for transmission of fingerprint evidence, photos, mugshots, and reports long before the Rockwell system is operational.

This system should be considered a State system similar to the Alaska Justice Informatin System (AJIS) in that a central area of responsibility is needed to control the effectuality of the system. This system should be financially maintained by the State as a State system. Even though the Anchorage Police have a subsystem at their Department their files are being made available to the rest of the State by the entry of their files

into the "Central" system. This responsibility of future maintenance by the State would ensure that all areas of the State benefit equally from the Automated Fingerprint Identification Network of Alaska.

AUTOMATED FINGERPRINT IDENTIFICATION NETWORK OF ALASKA

COST ANALYSIS

250S Central System	unit cost including air shipment	\$	1,700,000.00
	Maintenance Fiscal (82-83) 9 mos.	\$	204,300.00
250S Subsystem (A.P.D.)	unit cost including air shipment	\$	696,000.00
	Maintenance Fiscal (82-83) 9 mos.	\$	35,480.00
250S Latent Sybsystem Juneau and Fairbanks	Unit #1	\$	126,000.00
	Unit #2	\$	122,000.00
Maintenance Fiscal (82-83) 9 mos.	Unit #1	\$	20,880.00
	Unit #2	\$	18,435.00
Facsimile Bush Systems	unit cost @ 11,137 x 13	\$	144,781.00
	Maintenance Fiscal (82-83) 12 mos. @ \$1,480 x 13	\$	19,240.00
Facsimile Main Units	Anchorage P.D., Anchorage AST		
	Fairbanks & Juneau AST @ 32,112 x 4	\$	128,448.00
Maintenance Fiscal (82-83) 12 mos.	\$5,300 x 4	\$	21,200.00

Installation cost 250S and Facsimile	\$	200,000.00
Conversion of Fingerprint Files	\$	200,000.00
250S System Cost Total	\$	2,840,000.00
Facsimile System Cost Total	\$	320,000.00
Maintenance Fiscal (82-83)	\$	338,900.00
Miscellaneous Cost	\$	<u>300,000.00</u>
TOTAL	\$	4,282,900.00
Maintenance Fiscal (83-84)	\$	412,540.00
Miscellaneous Cost (83-84)	\$	100,000.00

If A. S. T. or D. P. S. personnel trained on the maintenance of the Rockwell system and the facsimile system, a savings of \$300,000.00 could be saved a year.

Training	\$ 50,000.00
Maintenance fiscal (83-84)	100,000.00
Miscellaneous Cost (83-84)	100,000.00



E. L. NEFF
64TH SESSION



POLICE DEPARTMENT CITY OF KETCHIKAN

TELEPHONES:
EMERGENCY (907) 225-6634
BUSINESS (907) 225-6631

D. A. Anslinger, III
Chief of Police

P. O. BOX 7300
KETCHIKAN, ALASKA 99901

March 25, 1981

Representative Freeman
Alaska State Legislature
Pouch V
State Capitol
Juneau, Alaska 99811

Dear Representative Freeman:

The Automated Fingerprint Identification Network of Alaska (AFINA) is one of the most exciting proposals to be presented before the Alaska Legislature in many years. A system which will not just benefit the law enforcement community, but every law abiding citizen of the State.

The AFINA System would connect all areas of the State by way of phone or microwave communications to a central computer which is capable of searching the 2 million fingerprints found in the State, thereby producing suspects from fingerprints found at the crime scene. Something that without this computer network can only be done on television detective shows.

With the AFINA System, if a burglary occurred in Ketchikan, the fingerprints found and lifted from the scene could be transmitted to the central computer via telephone by use of a facsimile transmitter and within a very short time the fingerprints would be identified and the name of the suspects along with photographs and descriptive data returned to Ketchikan over the same facsimile transmitter. All this before the investigating officers depart the scene of the burglary, thereby dramatically increasing the possibility of apprehension and recovery of stolen property.

This proposal will be presented to the Alaska Legislature and I strongly request your support in approving the Automated Fingerprint Identification Network of Alaska.

Sincerely,

D. A. Anslinger, III
Chief

DAA:mp



Anchorage Daily News/Paul Brown

Tom Morris, the Anchorage Police Department fingerprint expert, goes through his files. Above, numbers show the points of correlation in a typical fingerprint.

Rapist eludes cops, but computer could bring him to justice

By SHEILA TOOMEY
Daily News reporter

On a January night in downtown Anchorage a rapist sat waiting for his victim in the front seat of her car, hidden by darkness and windows coated with frost. The unsuspecting woman walked across the parking lot at Seventh Avenue and C Street and opened the car door.

"Get in," the rapist said, pointing a gun at her. She did.

A month later, on Feb. 18, 1979, two women walked into a downtown hotel parking lot at 6 a.m. As they neared their car a man walked up behind them.

"Get in," he said, pointing a gun at them. They did.

Six months passed between the second attack and the third. Police eventually would theorize that the rapist left town or somehow changed his living pattern during the summer.

On Aug. 23 he trapped another woman. This time the script was a little different.

The victim was working the late shift alone in a downtown office. The horror was the same — threatened with death and raped at

INKED FINGERPRINT



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Rapist who has terrorized women downtown could be caught by computer, police say

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gunpoint. Other victims followed, raped in their homes, offices and cars — at least 15, police think.

There are more than 200 rapes a year in Anchorage and it was seven months before investigators began to link a few of them as perhaps the work of the same person. His victims described him as a young black man of average height and build who always wore a mask, carried a gun and spewed racial venom. There are other similarities that the police won't discuss but the identity of the downtown rapist remains a frustrating mystery.

Investigators working the stalled case are doubly frustrated because they believe they have the key to the man's identity in their files. They just don't have the equipment to decipher it.

On Christmas Day 1980, the rapist made a mistake that would likely have cost him his freedom in Minneapolis, Miami, Sacramento and 10 cities in Maryland, to name just a few places. He left his fingerprint behind at the home of a victim — a single perfect print.

The rapist has told several victims of having been in jail. If that is true — and police think it is — his fingerprints are on record, which means they are on one of a hundred thousand 8-inch-square fingerprint file cards.

On television, crooks never leave fingerprints because even the dumbest TV felon knows it means instant capture. In real life, anonymous Alaska criminals can leave all the fingerprints they want to.

Once a suspect is in custody, prints lifted from a crime scene can be matched and used in court. But to match a single unknown print to an unidentified suspect would mean comparing the print to each of 10 prints on 100,000 cards. That means a million comparisons.

It would take a person working full time four years to check them all, says Anchorage Police Department fingerprint expert Tom

Morris, and that is why the downtown rapist remains unidentified three years after he began terrorizing women in Anchorage.

The case is not closed, but leads other than the unidentified fingerprint have been exhausted, said police detective Greg Russell. The usually reliable snitch system of crime solving doesn't work with rape. "The problem is a rapist doesn't go around and brag about it," Russell said. "There's a lot of hatred for them. Even in prison they're the scum."

Investigators can only hope victims who may not have reported being attacked when it happened will come forward.

"There have to be other women out there who have been raped by this guy," Russell said. Two out of three rapes in Anchorage are not reported, he estimated.

A victim who thinks she might have been attacked by the downtown rapist can call STAR or Crimestoppers if she doesn't want police to know who she is, Russell said. Every victim who tells her story means the possibility of a new clue.

Police do have one other hope.

The power to turn that single print into a name and picture rests with the Alaska Legislature, which is considering whether to fund a statewide computerized fingerprint identification system. One month and five minutes after such a computer arrives here, the downtown rapist, if he has ever been arrested, will have a name, Morris says.

One month is the time it will take police to transfer the department's laborious manual classification system to the new computer. The five minutes is how long Morris estimates it will take him to feed the rapist's single print into the computer and get back a match.

As far as investigators who have worked the case are concerned, the single fingerprint they have been staring at for more than a year will be the first one fed through the new computer — assuming lawmakers approve its purchase.

But lowly investigators may have to get in line — behind Chief Brian Porter. Twenty-one

years ago, Porter, then an investigator, lifted a fingerprint from a homicide scene and it's been in his personal evidence locker ever since.

A woman was found shot to death in her car in the mall parking lot at Northern Lights Boulevard and Spenard Road. A bloody print was found on the inside of the driver's window and proved not to belong to the victim. The case remains unsolved.

"I know I have the fingerprint of a murderer and it is likely we have his or her prints (on file)," Porter said Friday. "But we didn't then, nor do we now have the capability of single-print searching."

Capturing rapists and murderers makes dramatic headlines, but the criminal who victimizes the largest number of Anchorage residents is the burglar.

Anchorage police burglary investigator detective Joe Austin gets a blissful look on his face as he talks about the fingerprint computer.

"There were 3,000 burglaries in Anchorage last year, he says. "We have fingerprints from about 50 percent of them." Austin estimates the recidivism rate among Anchorage felons is about 70 percent, which means there is a high probability of matching many of those carefully stored crime-scene prints to the files of known criminals.

A manual search is impossible when investigators don't have a print from each finger, say Morris, Austin and Porter. The only manual search mounted to identify a single print that Porter has ever heard of was in 1968 — by the FBI in the Martin Luther King assassination.

The Federal Bureau of Investigation now has 300 million fingerprint cards and 11 computers like the one Anchorage hopes to get. But in pre-computer 1968, they began going through their print file one card at a time.

They got lucky. A month after they began, King's assassin, James Earl Ray, was identified as a suspect by other means, enabling FBI

investigators to go right to his file and make the match that way, Porter said.

Cities that have fingerprint computers regularly solve old crimes, Morris says. Miami, the murder capital of America, bought one recently. In Minneapolis/St. Paul, police even recheck thefts where the statute of limitations has run out, he says. When they develop a case against a suspect now beyond the reach of criminal charges, they turn the evidence over to insurance companies who paid off on the long-ago thefts and invite them to pursue the matter in civil court.

Funds for purchase of a fingerprint computer for the state have been approved by the Alaska House and Sen. Vic Fischer, D-Anchorage, will preside Thursday at a Senate hearing in Juneau about the computer. Fischer says he is concerned about the possible use of the computer. Fischer questions whose prints will be stored and who will be allowed to use the computer.

The present criminal information computer system has a 10 percent inaccuracy rate and is open to almost anyone who wants to use it, Fischer said. "There is some concern that (the fingerprint computer) not just be wide open for non-criminal purposes, like verifying credit risks and things like that."

Fischer also questioned if a fingerprint computer is "just one more way to regiment everyone and keep an eye on them."

Money is another issue. Holly Ploog, lobbyist for the Anchorage Police Officers Association, gnashes her teeth when legislators say there isn't enough cash in the state treasury to pay for the complete \$4.2 million system or the \$1.7 million bare-bones system.

"I just keep thinking about the \$4 million they gave Alaska '84 to plan a birthday party," she says.

Detective Austin, a spokesman for the Police Officers Association, tracked the downtown rapist for more than a year. He also speaks bitterly about priorities. "How much is it worth to catch this guy?" he says. "Why don't you ask his next victim."