

BILLS 1981 - 1982

HB 395 cont. - CS HB 413

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1 (3) provide for the gathering of information on the usefulness of
2 the chosen citizens arbitration and mediation project as a means of non-
3 judicial dispute and grievance resolution, to be studied by the legislature
4 to determine the value of implementing a statewide nonjudicial dispute
5 resolution program modeled on the pilot project.

6 * Sec. 2. SELECTION OF PILOT PROJECT. The Department of Community and
7 Regional Affairs shall select a citizens arbitration and mediation project,
8 under the provisions of AS 37.05.315(d), to be a pilot project in nonjudicial
9 dispute resolution.

10 * Sec. 3. MATCHING MONEY. The legislature may appropriate money for the
11 operation of a citizens arbitration and mediation project on a dollar-for-
12 dollar basis to match money raised by the project.

13 * Sec. 4. REPORTING. If money is appropriated to establish a citizens
14 arbitration and mediation project as a state pilot project, and is accepted
15 by the project, the project shall prepare a complete report on its activi-
16 ties, including statistical summaries, to be presented to the legislature by
17 February 2, 1982.

18 * Sec. 5. This Act takes effect immediately in accordance with AS 10.10.-
19 070(c).

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Introduced: 3/25/81
Referred: Judiciary and
Finance

1 IN THE HOUSE

BY CLOCKSIN AND PHILLIPS

2 HOUSE BILL NO. 395

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act designating the Anchorage Citizens Arbitration
7 and Mediation Project, Inc., as a state pilot project
8 in nonjudicial dispute resolution; and providing for
9 an effective date."

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

11 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that

12 (1) for most Alaskans, mechanisms for the resolution of minor
13 disputes are unavailable, inaccessible, ineffective, expensive, or unfair;

14 (2) inadequacies in existing dispute resolution mechanisms result
15 in inadequately resolved disputes and grievances;

16 (3) the heavy emphasis in Alaska on formal judicial dispute
17 resolution, even in small claims proceedings, has limited exploration of the
18 possibility of alternative dispute resolution mechanisms; and

19 (4) faced with court delays, the intimidating nature of formal
20 court proceedings and prohibitively expensive attorney fees, most minor
21 disputes, or disputes in which a money judgment is not appropriate, go
22 unresolved, leading to citizen dissatisfaction with the dispute resolution
23 system provided by the state.

24 (b) The purpose of this Act is to

25 (1) designate the Anchorage Citizens Arbitration and Mediation
26 Project, Inc., as a pilot project in community-based, nonjudicial dispute
27 resolution;

28 (2) allow the appropriation of matching money to Anchorage
29 Citizens Arbitration and Mediation Project, Inc., so that the project can

1 perform its stated function of dispute resolution; and

2 (3) provide for the gathering of information on the usefulness of
3 the Anchorage Citizens Arbitration and Mediation Project, Inc., as a means
4 of nonjudicial dispute and grievance resolution, to be studied by the legis-
5 lature to determine the value of implementing a statewide nonjudicial dispute
6 resolution program modeled on the pilot project.

7 * Sec. 2. DESIGNATION OF PILOT PROJECT. The Anchorage Citizens Arbitra-
8 tion and Mediation Project, Inc., a nonprofit corporation, is designated a
9 pilot project in nonjudicial dispute resolution.

10 * Sec. 3. MATCHING MONEY. The legislature may appropriate money for the
11 operation of the Anchorage Citizens Arbitration and Mediation Project, Inc.,
12 on a dollar for dollar basis to match money raised by the project.

13 * Sec. 4. REPORTING. If money is appropriated to the Anchorage Citizens
14 Arbitration and Mediation Project, Inc., and is accepted by the project, the
15 project shall prepare a complete report on its activities, including statis-
16 tical summaries, to be presented to the legislature by February 2, 1982.

17 * Sec. 5. This Act takes effect immediately in accordance with AS 10.10.-
18 070(c).

Funding Information
General Fund \$25,000
Other Funds -0-
\$25,000

Introduced: 3/25/81
Referred: Judiciary and
Finance

1 IN THE HOUSE

BY CLOCKSIN AND PHILLIPS

2 HOUSE BILL NO. 396

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 Community and Regional Affairs as a matching
8 grant to the Anchorage Citizens Arbitration and Media-
9 tion Project, Inc.; and providing for an effective
10 date."

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

12 * Section 1. An amount not in excess of \$25,000 is appropriated from the
13 general fund to the Department of Community and Regional Affairs to be
14 distributed as a dollar for dollar matching grant to be paid to the Anchorage
15 Citizens Arbitration and Mediation Project, Inc., to match money raised by
16 the project to establish a pilot project in nonjudicial dispute resolution.

17 * Sec. 2. The unexpended and unobligated portion of the appropriation
18 made by this Act lapses into the general fund June 30, 1982.

19 * Sec. 3. This Act takes effect on the effective date of an Act designa-
20 ting the Anchorage Citizens Arbitration and Mediation Project, Inc., as a
21 pilot project in nonjudicial dispute resolution.

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Original Sponsors: Clocksin and Phillips

Offered: 4/27/81
Referred: Finance

Funding Information
General Fund \$25,000
Other Funds -0-
\$25,000

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

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CS FOR HOUSE BILL NO. 396 (Judiciary)

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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TWELFTH LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act making a special appropriation to the Department of Community and Regional Affairs as a matching grant to a citizens arbitration and mediation project; and providing for an effective date."

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

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* Section 1. An amount not in excess of \$25,000 is appropriated from the general fund to the Department of Community and Regional Affairs to be distributed as a dollar-for-dollar matching grant to be paid to a citizens arbitration and mediation project to match money raised by the project to establish a pilot project in nonjudicial dispute resolution.

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* Sec. 2. The unexpended and unobligated portion of the appropriation made by this Act lapses into the general fund June 30, 1982.

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* Sec. 3. This Act takes effect on the effective date of an Act authorizing a state pilot project in nonjudicial dispute resolution.

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COMMITTEE REPORT

HOUSE

427

3/25/81

FURTHER: FINANCE

(7)

Date: _____

Mr. Speaker:

The Committee on JUDICIARY has had HB 396

"An Act making a special appropriation to the Department of Community and Regional Affairs as a matching grant to the Anchorage Citizens Arbitration and Mediation Project, Inc.; 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 396 (jid) same title new title
and recommends that it do pass

[] 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:

[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
R. L. E. Bellini Do Pass

[Signature]
CHAIRMAN

asper
12-1184

Original Sponsors: Clocksin and Phillips

Offered: 4/27/81
Referred: Finance

Funding Information	
General Fund	\$25,000
Other Funds	-0-
	<u>\$25,000</u>

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 396 (Judiciary)
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 Community and Regional Affairs as a matching
8 grant to a citizens arbitration and mediation project;
9 and providing for an effective date."

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

11 * Section 1. An amount not in excess of \$25,000 is appropriated from the
12 general fund to the Department of Community and Regional Affairs to be
13 distributed as a dollar-for-dollar matching grant to be paid to a citizens
14 arbitration and mediation project to match money raised by the project to
15 establish a pilot project in nonjudicial dispute resolution.

16 * Sec. 2. The unexpended and unobligated portion of the appropriation
17 made by this Act lapses into the general fund June 30, 1982.

18 * Sec. 3. This Act takes effect on the effective date of an Act authoriz-
19 ing a state pilot project in nonjudicial dispute resolution.

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12-1184

Funding Information
General Fund \$25,000
Other Funds -0-
\$25,000

Introduced: 3/25/81
Referred: Judiciary and
Finance

1 IN THE HOUSE

BY CLOCKSIN AND PHILLIPS

2 HOUSE BILL NO. 396

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 Community and Regional Affairs as a matching
8 grant to the Anchorage Citizens Arbitration and Media-
9 tion Project, Inc.; and providing for an effective
10 date."

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

12 * Section 1. An amount not in excess of \$25,000 is appropriated from the
13 general fund to the Department of Community and Regional Affairs to be
14 distributed as a dollar for dollar matching grant to be paid to the Anchorage
15 Citizens Arbitration and Mediation Project, Inc., to match money raised by
16 the project to establish a pilot project in nonjudicial dispute resolution.

17 * Sec. 2. The unexpended and unobligated portion of the appropriation
18 made by this Act lapses into the general fund June 30, 1982.

19 * Sec. 3. This Act takes effect on the effective date of an Act designa-
20 ting the Anchorage Citizens Arbitration and Mediation Project, Inc., as a
21 pilot project in nonjudicial dispute resolution.

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29 COMMITTEE COPY

ALASKA STATE LEGISLATURE

TWELFTH Legislature FIRST... Session

HOUSE BILL..... NO. 396

By CLOCKSIN AND PHILLIPS.....

"An Act making a special appropriation to the Department of Community and Regional Affairs as a matching grant to the Anchorage Citizens Arbitration and Mediation Project, Inc.; and providing for an effective date."

Spec. appro. Anch. Cit. Arbit. and Media. Project

Introduced in the House ... 3/25, 19... 81

HISTORY IN THE HOUSE

19 81	Read first time and referred to Committee on Judiciary and Finance												
Mar. 25	Reported back with recommendation that												
	Read second time and												
	Read third time and												
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
PASS	Effective Date												
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Absent	Absent												
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	<table border="0"> <tr> <td colspan="2">Reconsideration</td> </tr> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	Reconsideration		PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
Reconsideration													
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	Reported correctly engrossed Signed by Speaker Sent to Senate												

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19	Read first time and referred to Committee on												
	Reported back with recommendation that												
	Read second time and												
	Read third time and												
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
PASS	Effective Date												
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	<table border="0"> <tr> <td colspan="2">Reconsideration</td> </tr> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	Reconsideration		PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
Reconsideration													
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	Reported correctly engrossed Signed by President 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.

HB 396

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB NO. 396 & Mediation Project, Inc.
Title A special appropriation to DC&RA as matching grant to Anch. Citizens Arbitration
Requested by House C & RA Committee Date March 31, 1981

II. FISCAL DETAIL

Agency Affected Department of Community and Regional Affairs
Program Category Affected Development
BRU, Program, or Subprogram(s) Affected Local Government Assistance
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		-0-				
200 TRAVEL		-0-				
300 CONTRACTUAL		-0-				
400 COMMODITIES		-0-				
500 EQUIPMENT		-0-				
600 LAND & STRUCTURES		-0-				
700 GRANTS, CLAIMS, ETC.		-0-				
TOTAL		-0-				

FUNDING (Thousands of Dollars)

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

POSITIONS

FULL TIME		-0-				
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)
No administrative costs assuming that existing Department of Community and Regional Affairs Legislative Grant administrative positions remain in Governor's FY 82 budget.

IV. DATE March 31, 1981 PREPARED BY Mckie Campbell
AGENCY Department of Community & Regional Affairs
PHONE 465-4735

Original: Legislative Finance
cc: Budget and Management

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. House Bill 401
 Title An Act Authorizing Participation by Magistrates in the Judicial Retirement System
 Requested by Representative Miller Date 5-7-81

II. FISCAL DETAIL
 Agency Affected Administration - Division of Retirement and Benefits
 Program Category Affected Labor Services
 BRU, Program, or Subprogram(s) Affected PERS & JRS
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS	0	494.5	494.5	494.5	494.5	494.5
TOTAL	0	494.5	494.5	494.5	494.5	494.5

FUNDING (Thousands of Dollars)

GENERAL FUND		405.0	405.0	405.0	405.0	405.0
FEDERAL FUNDS		(6.8)	(6.8)	(6.8)	(6.8)	(6.8)
VETERAN'S FUND		(.3)	(.3)	(.3)	(.3)	(.3)
FISH & GAME FUND		(.9)	(.9)	(.9)	(.9)	(.9)
HIGHWAY FUND		(1.9)	(1.9)	(1.9)	(1.9)	(1.9)
AIRPORT FUND		(4.3)	(4.3)	(4.3)	(4.3)	(4.3)
CAPITAL FUND		(12.6)	(12.6)	(12.6)	(12.6)	(12.6)
PERS						
TRS						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

This is a summary of pages 2 and 3.

IV. DATE 5-7-81 PREPARED BY Paul B. Arnoldt, Director
 AGENCY Division of Retirement & Benefits
 PHONE 465-4460

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Representative Haugen
 Office of the Governor (Keith Specking)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

Revised: 5-7-81
Page 2 of 3 pages

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 401
Title An Act Authorizing Participation by Magistrates in the Judicial Ret. System
Requested by Representative Miller Date 5-7-81

II. FISCAL DETAIL

Agency Affected Administration-Division of Retirement and Benefits
Program Category Affected Labor Services
BRU, Program, or Subprogram(s) Affected 02-96-8-01-02-07 (JRS)
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
100 Benefits	-0-	642.7	642.7	642.7	642.7	642.7
TOTAL	-0-	642.7	642.7	642.7	642.7	642.7

FUNDING (Thousands of Dollars)

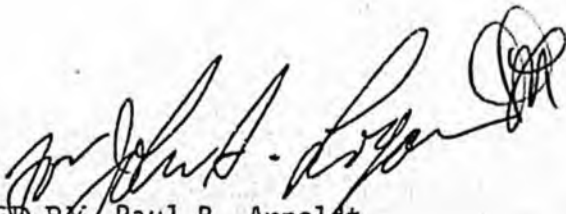
GENERAL FUND	-0-	642.7	642.7	642.7	642.7	642.7
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

1. Estimate approximately 47 Magistrates would be affected.
2. Estimate the average service per affected member to be approximately 5 years.
3. To fund this bill, the State contribution rate would be 60.71% of the FY82 covered payroll by Magistrates.
4. Estimated FY82 covered payroll for Magistrates to be \$1,058,574 (Assumes no annual increase).



IV. DATE 5-7-81 PREPARED BY Paul B. Arnold
AGENCY Division of Retirement and Benefits
PHONE 485-4460
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named) Representative Haugen

FISCAL NOTE.

I. REQUEST

Bill/Resolution No. House Bill 401
 Title An Act Authorizing Participation by Magistrates in the Judicial Ret. System
 Requested by Representative Miller Date 5-7-81

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement and Benefits
 Program Category Affected Labor Services
 BRU, Program, or Subprogram(s) Affected 02-96-8-01-01 (PERS)
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS	-0-	(148.2)	(148.2)	(148.2)	(148.2)	(148.2)
TOTAL	-0-	(148.2)	(148.2)	(148.2)	(148.2)	(148.2)

FUNDING (Thousands of Dollars)

GENERAL FUND	(121.4)	(121.4)	(121.4)	(121.4)	(121.4)
FEDERAL FUNDS	(6.8)	(6.8)	(6.8)	(6.8)	(6.8)
VETERAN'S FUND	(.3)	(.3)	(.3)	(.3)	(.3)
FISH & GAME FUND	(.9)	(.9)	(.9)	(.9)	(.9)
HIGHWAY FUND	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)
AIRPORT FUND	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)
CAPITAL FUND	(12.6)	(12.6)	(12.6)	(12.6)	(12.6)
PERS					
TRS					

POSITIONS NONE

FULL TIME					
PART TIME					
TEMPORARY					

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

1. This bill would reduce the State contribution to PERS and increase the cost of the JRS.
2. The reduced State contribution to PERS will be 14.00% of covered payroll for Magistrates (estimated to be \$1,058,574 in FY 82--and assumes no annual increase).

IV. DATE 5-7-81 PREPARED BY Paul R. Arnoldt, Director
 AGENCY Division of Retirement & Benefits
 PHONE 465-4460

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Representative Haugen
 Office of the Governor (Keith Specking)

COMMITTEE REPORT

HOUSE

5/8

FURTHER: FINANCE

3/25/81

(5)

Date: 5-6-81

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 401

"An Act authorizing participation by magistrates in the judicial retirement system; 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:

[Signature]

John Miller

Miller

[Signature]

CHAIRMAN

Introduced: 3/25/81
Referred: State Affairs and
Finance

BY HAUGEN AND ZHAROFF
BY REQUEST

1 IN THE HOUSE

2 HOUSE BILL NO. 401

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing participation by magistrates in
7 the judicial retirement system; and providing for an
8 effective date."

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

10 * Section 1. AS 22.25.010(g) is amended to read:

11 (g) The word "justice" means a supreme court justice, and the
12 word "judge," unless the context clearly indicates otherwise, means a
13 judge of the court of appeals, a superior court judge or district court
14 judge or a magistrate.

15 * Sec. 2. AS 39.35.680(21)(C)(vi) is amended to read:

16 (vi) justices of the supreme court or judges of the
17 court of appeals or of the superior or district courts or
18 magistrates of the district courts of Alaska;

19 * Sec. 3. Notwithstanding AS 39.35.240, a person serving as a magistrate
20 on July 1, 1981, may withdraw from the public employees' retirement system
21 (AS 39.35) and receive a refund of the balance of his employee contribution
22 account and his employee savings account.

23 * Sec. 4. A person who is serving as a magistrate on July 1, 1981, may
24 receive prior service credit under AS 22.25 for service rendered as a magis-
25 trate of the Alaska court system before the effective date of this Act if he
26 (1) withdraws from the public employees' retirement system (AS 39.35); (2)
27 receives a refund of all contributions made under AS 39.35; (3) elects to
28 receive service credit under AS 22.25 for prior service as a magistrate; and
29 (4) makes retroactive contributions for service as a magistrate after

COMMITTEE COPY

-1-

HB 401

SA *Handwritten Note* 5/8

1 January 3, 1959, including service before July 1, 1978. Retroactive contri-
2 butions under this section shall be at the rate of seven percent of the
3 salary the magistrate received during the period for which contributions are
4 made. To be effective, an election under (3) of this section must be made
5 on or before June 30, 1982.

6 * Sec. 5. Notwithstanding the amendment to AS 39.35.680(21)(C)(vi) made
7 in sec. 2 of this Act, a person serving as a magistrate on July 1, 1981, may
8 receive retirement benefits from the public employees' retirement system for
9 covered service before July 1, 1981, if a refund of public employees' retire-
10 ment system contributions is not made to the magistrate.

11 * Sec. 6. The amendments to AS 22.25.010(g) and AS 39.35.680(21)(C)(vi)
12 made in secs. 1 and 2 of this Act apply only to a magistrate who retires
13 from state service after June 30, 1981.

14 * Sec. 7. This Act takes effect July 1, 1981.
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FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 401 (Page 1 of 3)

Title An Act Authorizing Participation by Magistrates in the Judicial Ret. System

Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement and Benefits

Program Category Affected Labor Services

BRU, Program, or Subprogram(s) Affected PERS & JRS

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

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS	-0-	1,049.6	1,049.6	1,049.6	1,049.6	1,049.6
TOTAL	-0-	1,049.6	1,049.6	1,049.6	1,049.6	1,049.6

FUNDING (Thousands of Dollars)

GENERAL FUND		1,106.5	1,106.5	1,106.5	1,106.5	1,106.5
FEDERAL FUNDS		(14.5)	(14.5)	(14.5)	(14.5)	(14.5)
VETERAN'S FUND		(.6)	(.6)	(.6)	(.6)	(.6)
FISH & GAME FUND		(1.9)	(1.9)	(1.9)	(1.9)	(1.9)
HIGHWAY FUND		(4.1)	(4.1)	(4.1)	(4.1)	(4.1)
AIRPORT FUND		(9.1)	(9.1)	(9.1)	(9.1)	(9.1)
CAPITAL FUND		(26.7)	(26.7)	(26.7)	(26.7)	(26.7)
PERS						
TRS						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

This is a summary of pages 2 and 3

IV. DATE 5/5/81

PREPARED BY Paul R. Arnoldt, Director
 AGENCY Division of Retirement & Benefits
 PHONE 465-4460

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named) Representative Haugen
 Office of the Governor (Keith Specking)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 401 (Page 2 of 3)
 Title An Act Authorizing Participation by Magistrates in the Judicial Ret. System
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration-Division of Retirement and Benefits
 Program Category Affected Labor Services
 BRU, Program, or Subprogram(s) Affected 02-96-8-01-02-07 (JRS)
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
100 Benefits	-0-	1,364.2	1,364.2	1,364.2	1,364.2	1,364.2
TOTAL	-0-	1,364.2	1,364.2	1,364.2	1,364.2	1,364.2

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	1,364.2	1,364.2	1,364.2	1,364.2	1,364.2
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

1. Estimate approximately 83 Magistrates would be affected.
2. Estimate the average service per affected member to be approximately 5 years.
3. To fund this bill, the State contributions rate would be 60.71% of the FY82 covered payroll for Magistrates.
4. Estimated FY82 covered payroll for Magistrates to be \$2,247,000 (assumes no annual increase).

IV. DATE 5/5/81 PREPARED BY Paul B. Arnoldt
 AGENCY Division of Retirement and Benefits

I. REQUEST
 Bill/Resolution No. House Bill 401 (Page 3 of 3)
 Title An Act Authorizing Participation by Magistrates in the Judicial Ret. System
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement and Benefits

Program Category Affected Labor Services

BRU, Program, or Subprogram(s) Affected 02-96-8-01-01 (PERS)

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

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS	-0-	(314.6)	(314.6)	(314.6)	(314.6)	(314.6)
TOTAL	-0-	(314.6)	(314.6)	(314.6)	(314.6)	(314.6)

FUNDING (Thousands of Dollars)

GENERAL FUND	(257.7)	(257.7)	(257.7)	(257.7)	(257.7)	(257.7)
FEDERAL FUNDS	(14.5)	(14.5)	(14.5)	(14.5)	(14.5)	(14.5)
VETERAN'S FUND	(.6)	(.6)	(.6)	(.6)	(.6)	(.6)
FISH & GAME FUND	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)
HIGHWAY FUND	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)
AIRPORT FUND	(9.1)	(9.1)	(9.1)	(9.1)	(9.1)	(9.1)
CAPITAL FUND	(26.7)	(26.7)	(26.7)	(26.7)	(26.7)	(26.7)
PERS						
TRS						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

1. This bill would reduce the State contribution to PERS and increase the cost of the Judicial Retirement System.
2. The reduced State contribution to PERS will be 14.00% of covered payroll for magistrates (estimated to be \$2,247,000 in FY 82--and assumes no annual increase).

IV. DATE 5/5/81 PREPARED BY Paul B. Arnoldt, Director
 AGENCY Division of Retirement & Benefits
 PHONE 465-4460

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Representative Haugen
 Office of the Governor (Keith Specking)

ALASKA STATE LEGISLATURE

TWELFTH Legislature FIRST Session

HOUSE BILL NO. 401

By HAUGEN AND ZHAROFF BY REQUEST

"An Act authorizing participation by magistrates in the judicial retirement system; and providing for an effective date."

Magistrates/judicial retirement system

Introduced in the House 3/25, 1981

HISTORY IN THE HOUSE

1981	Read first time and referred to Committee on																		
Mar. 25	State Affairs and Finance Reported back with recommendation that																		
	Read second time and																		
	Read third time and																		
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused								
PASS	Effective Date																		
Yeas	Yeas																		
Nays	Nays																		
Absent	Absent																		
Excused	Excused																		
	<table border="0"> <tr> <td colspan="2">Reconsideration</td> </tr> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td colspan="2">Reported correctly engrossed</td> </tr> <tr> <td colspan="2">Signed by Speaker</td> </tr> <tr> <td colspan="2">Sent to Senate</td> </tr> </table>	Reconsideration		PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused	Reported correctly engrossed		Signed by Speaker		Sent to Senate	
Reconsideration																			
PASS	Effective Date																		
Yeas	Yeas																		
Nays	Nays																		
Absent	Absent																		
Excused	Excused																		
Reported correctly engrossed																			
Signed by Speaker																			
Sent to Senate																			
CHIEF CLERK OF THE HOUSE																			

HISTORY IN THE SENATE

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

HISTORY IN THE HOUSE

19	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.

Introduced: 3/25/81
Referred: State Affairs and
Finance

BY HAUGEN AND ZHAROFF
BY REQUEST

1 IN THE HOUSE

2 HOUSE BILL NO. 401

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing participation by magistrates in
7 the judicial retirement system; and providing for an
8 effective date."

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

10 * Section 1. AS 22.25.010(g) is amended to read:

11 (g) The word "justice" means a supreme court justice, and the
12 word "judge," unless the context clearly indicates otherwise, means a
13 judge of the court of appeals, a superior court judge or district court
14 judge or a magistrate.

15 * Sec. 2. AS 39.35.680(21)(C)(vi) is amended to read:

16 (vi) justices of the supreme court or judges of the
17 court of appeals or of the superior or district courts or
18 magistrates of the district courts of Alaska;

19 * Sec. 3. Notwithstanding AS 39.35.240, a person serving as a magistrate
20 on July 1, 1981, may withdraw from the public employees' retirement system
21 (AS 39.35) and receive a refund of the balance of his employee contribution
22 account and his employee savings account.

23 * Sec. 4. A person who is serving as a magistrate on July 1, 1981, may
24 receive prior service credit under AS 22.25 for service rendered as a magis-
25 trate of the Alaska court system before the effective date of this Act if he
26 (1) withdraws from the public employees' retirement system (AS 39.35); (2)
27 receives a refund of all contributions made under AS 39.35; (3) elects to
28 receive service credit under AS 22.25 for prior service as a magistrate; and
29 (4) makes retroactive contributions for service as a magistrate after

1 January 3, 1959, including service before July 1, 1978. Retroactive contri-
2 butions under this section shall be at the rate of seven percent of the
3 salary the magistrate received during the period for which contributions are
4 made. To be effective, an election under (3) of this section must be made
5 on or before June 30, 1982.

6 * Sec. 5. Notwithstanding the amendment to AS 39.35.680(21)(C)(vi) made
7 in sec. 2 of this Act, a person serving as a magistrate on July 1, 1981, may
8 receive retirement benefits from the public employees' retirement system for
9 covered service before July 1, 1981, if a refund of public employees' retire-
10 ment system contributions is not made to the magistrate.

11 * Sec. 6. The amendments to AS 22.25.010(g) and AS 39.35.680(21)(C)(vi)
12 made in secs. 1 and 2 of this Act apply only to a magistrate who retires
13 from state service after June 30, 1981.

14 * Sec. 7. This Act takes effect July 1, 1981.
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FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 401
 Title An Act Authorizing Participation by Magistrates in the Judicial Ret. System
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement and Benefits
 Program Category Affected Labor Services
 BRU, Program, or Subprogram(s) Affected PERS & JRS
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS	-0-	1,049.6	1,049.6	1,049.6	1,049.6	1,049.6
TOTAL	-0-	1,049.6	1,049.6	1,049.6	1,049.6	1,049.6

FUNDING (Thousands of Dollars)

GENERAL FUND		1,106.5	1,106.5	1,106.5	1,106.5	1,106.5
FEDERAL FUNDS		(14.5)	(14.5)	(14.5)	(14.5)	(14.5)
VETERAN'S FUND		(.6)	(.6)	(.6)	(.6)	(.6)
FISH & GAME FUND		(1.9)	(1.9)	(1.9)	(1.9)	(1.9)
HIGHWAY FUND		(4.1)	(4.1)	(4.1)	(4.1)	(4.1)
AIRPORT FUND		(9.1)	(9.1)	(9.1)	(9.1)	(9.1)
CAPITAL FUND		(26.7)	(26.7)	(26.7)	(26.7)	(26.7)
PERS						
TRS						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

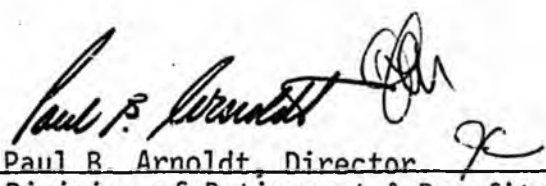
This is a summary of pages 2 and 3

IV. DATE 5/5/81 PREPARED BY Paul B. Arnoldt, Director

AGENCY Division of Retirement & Benefits
 PHONE 465-4460

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Representative Haugen
 Office of the Governor (Keith Specking)

HB 401



FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 401
Title An Act Authorizing Participation by Magistrates in the Judicial Ret. System
Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration-Division of Retirement and Benefits
Program Category Affected Labor Services
BRU, Program, or Subprogram(s) Affected 02-96-8-01-02-07 (JRS)
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
100 Benefits	-0-	1,364.2	1,364.2	1,364.2	1,364.2	1,364.2
TOTAL	-0-	1,364.2	1,364.2	1,364.2	1,364.2	1,364.2

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	1,364.2	1,364.2	1,364.2	1,364.2	1,364.2
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

1. Estimate approximately 83 Magistrates would be affected.
2. Estimate the average service per affected member to be approximately 5 years.
3. To fund this bill, the State contributions rate would be 60.71% of the FY82 covered payroll for Magistrates.
4. Estimated FY82 covered payroll for Magistrates to be \$2,247,000 (assumes no annual increase).

Paul B. Arnoldt

IV. DATE 5/5/81 PREPARED BY Paul B. Arnoldt
AGENCY Division of Retirement and Benefits
PHONE 465-4460
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named) Representative Haugen

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 401

Title An Act Authorizing Participation by Magistrates in the Judicial Ret. System

Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement and Benefits

Program Category Affected Labor Services

BRU, Program, or Subprogram(s) Affected 02-96-8-01-01 (PERS)

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

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS	-0-	(314.6)	(314.6)	(314.6)	(314.6)	(314.6)
TOTAL	-0-	(314.6)	(314.6)	(314.6)	(314.6)	(314.6)

FUNDING (Thousands of Dollars)

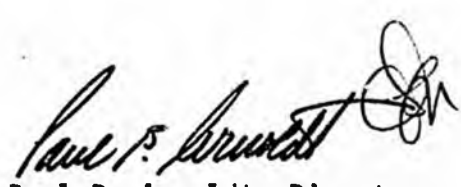
GENERAL FUND	(257.7)	(257.7)	(257.7)	(257.7)	(267.7)
FEDERAL FUNDS	(14.5)	(14.5)	(14.5)	(14.5)	(14.5)
VETERAN'S FUND	(.6)	(.6)	(.6)	(.6)	(.6)
FISH & GAME FUND	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)
HIGHWAY FUND	(4.1)	(4.1)	(4.1)	(4.1)	(4.1)
AIRPORT FUND	(9.1)	(9.1)	(9.1)	(9.1)	(9.1)
CAPITAL FUND	(26.7)	(26.7)	(26.7)	(26.7)	(26.7)
PERS					
TRS					

POSITIONS NONE

FULL TIME					
PART TIME					
TEMPORARY					

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

1. This bill would reduce the State contribution to PERS and increase the cost of the Judicial Retirement System.
2. The reduced State contribution to PERS will be 14.00% of covered payroll for magistrates (estimated to be \$2,247,000 in FY 82--and assumes no annual increase).



IV. DATE 5/5/81 PREPARED BY Paul B. Arnoldt, Director
 AGENCY Division of Retirement & Benefits
 PHONE 465-4460

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named) Representative Haugen
 Office of the Governor (Keith Specking)

Finance
Referral
Waived 4/16/81-
Bill Picked
up by
Chief Clerk's
Office

Introduced: 3/25/81
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY ROGERS, GARDINER, MEEKINS
AND RANDOLPH

2 HOUSE BILL NO. 405

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the presidential party primary
7 election."

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

9 * Section 1. AS 15.25 is amended by adding a new section to read:

10 Sec. 15.25.245. PRESIDENTIAL PARTY PRIMARY ELECTION. (a) Not-
11 withstanding the provisions of AS 15.25.220(c), if a political party
12 has established a rule that restricts participation in the national
13 convention delegate selection process to voters who have declared
14 publicly their preference for that political party, the director shall
15 prepare and distribute a separate presidential party primary election
16 ballot for each political party. The names of the candidates shall be
17 rotated as provided for the general election ballot.

18 (b) A person voting in an election held under AS 15.25.220 for a
19 presidential candidate of a political party whose rules restrict parti-
20 cipation in the national convention delegate selection process to
21 voters who have declared their preference for that political party
22 publicly may not vote for a candidate of that political party for
23 president without declaring publicly his political party preference for
24 that party with the election judge on the day of the presidential party
25 primary election.

26 (c) A person who declines to declare a party preference under (b)
27 of this section may not receive the ballot of a party whose rules
28 restrict participation in the national convention delegate selection
29 process to voters who declare their party preference for that party.

Rec'd after bill
rep. out 4-13-82

POSITION PAPER
CS for HOUSE BILL NO. 412 (HESS)

"An Act relating to dental disease prevention programs in schools."

WHAT THE BILL DOES: This bill recognizes that dental disease is the most prevalent ill health condition among Alaskans and that effective prevention must begin during early childhood. No amount of insurance coverage or dental health manpower can lessen this burden on society unless it is accompanied by a prevention program of this nature.

The education program and preventive services specified in this bill are clearly outlined and would be effective in decreasing the incidence of caries and peridontal disease. The program is optional both for school districts and for individuals within a participating district. In general, this bill will allow any community where public interest in dental disease prevention is of sufficiently high priority to have the elementary school set up the program.

DEPARTMENTAL POSITION: The Department supports this bill.

Recommended by: E. S. Rabeau
E. S. Rabeau, M.D., Director
Division of Public Health

Date: April 1, 1982

Approved by: Helen D. Beirne
Helen D. Beirne, Commissioner
Department of Health &
Social Services

Date: 4-5-82

Fiscal Detail for FY 85

Personal Services starting in FY 85

State Dental Officer, Rg. 26A, 6 mo. @ \$4,725	\$28,350
Clerk Typist III, Rg. 8B, 6 mo. @ \$1,530	<u>9,180</u>

Total Salaries	\$37,530
----------------	----------

Benefits:

ASB: 6.13% of	\$2,301
Verible Benefits @ 16.63	6,241
Health Insurance: 12 mos. @ \$183	<u>2,196</u>

\$10,738

Total Personal Services	\$48,268
-------------------------	----------

Travel:	\$ 3,600
---------	----------

Contractual Services:

Space Rental: 300 sq. ft. @ \$1.50 x 4 mo.	\$1,800
Communications: \$100 mo. x 4	400
Other	<u>400</u>

Total Contractual	\$ 2,600
-------------------	----------

Supplies:

Scientific: \$100 mo. x 4	\$ 400
Office: \$50 mo. x 4	<u>200</u>

Total Supplies	\$ 600
----------------	--------

Equipment:

1 ea. Executive Desk	\$ 275
1 ea. Executive Chair	175
1 ea. Typist Desk	460
1 ea. Typist Chair	120
2 ea. File Cabinet, 4 Dr., Ltr. @ 275	550
1 ea. Typewriter, IBM Selectric	<u>1,100</u>

Total Equipment	<u>\$2,700</u>
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TOTAL ADMINISTRATIVE COSTS	\$55,968
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Grants to School Districts:

Est. 25,000 participants @ \$3	<u>100,000</u>
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TOTAL COSTS in FY 1985	\$155,968
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THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS for House Bill No. 4]2 (HESS)
 Title "An Act relating to Dental Disease Prevention Program in Schools"
 Requested by House HESS Date 4/2/82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected Health/Public Health
 BRU, Program, Or Subprogram(s) Affected Family Health
 (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	0	0	0	48.0	49.0	50.0
200 TRAVEL	0	0	0	3.6	3.8	4.2
300 CONTRACTUAL	0	0	0	2.6	5.9	6.1
400 COMMODITIES	0	0	0	0.0	1.4	1.5
500 EQUIPMENT	0	0	0	2.7	0.5	0.5
600 LAND & STRUCTURES	0	0	0	0.0	0.0	0.0
700 GRANTS, CLAIMS, ETC.	0	0	0	100.0	150.0	200.0
TOTAL	0	0	0	159.9	210.6	262.3

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	0	0	75.0	155.9	210.6	262.3
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	0	0	0	1.0	1.0	1.0
PART TIME						
TEMPORARY						

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

This Fiscal Note is based on the assumption this program will start service delivery in school year 1983-84. The grant programs offered in public schools would take several years to reach the maximum level. The affected grades (K-6) in school year 1981-82 have 49,682 children. This analysis assumes that 50% of them would be included in this program in the school year 83-84, with a gradual increase after that.

This program can only be effectively administered if the Department has the professional and clerical staff needed to conduct it. Since this program would take several years to reach full implementation, the Department proposes to administer the program with existing staff until the start of FY 85. At that time a half-time public health dentist and half-time clerk would be hired.

IV. DATE April 1, 1982 PREPARED BY David A. Spence (Joanne Clark)
 AGENCY _____
 Original: Legislative Finance PHONE _____
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

COMMITTEE REPORT

HOUSE

4/2/82

FURTHER:

(11)

Date: 4-7-82

Mr. Speaker:

The Committee on FINANCE has had HB 412

"An Act relating to dental disease prevention programs in schools; eff date

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

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HR 412 (HESS) same title
 new title
- and recommends without recommendation
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

Don Carter

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Change - none

Don Carter

What / Give to the

Trust / better in not pass

and file none

Adapt? (to) no Rec.

At 7:00 pm

Adapt. Carter

CHAIRMAN

Original sponsor: Buchholdt

Offered: 4/2/82
Referred: Finance

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2

CS FOR HOUSE BILL NO. 412 (HESS)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to dental disease prevention programs

7

in schools; and providing for an effective date."

8

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

9

* Section 1. LEGISLATIVE FINDINGS. The legislature finds that an over-

10

whelming percentage of children in the state have dental disease in the form

11

of dental caries and periodontal disease. Dental disease in childhood can

12

and does result in significant lifetime disability, pain, missing teeth, and

13

the need for dentures. Poor nutrition in childhood is a major contributing

14

factor in lifetime dental disability. The legislature also finds that dental

15

disease in children and the resultant abnormalities in adults can be prevented

16

by education and treatment programs for children. It is the intent of the

17

legislature in enacting this Act to establish a dental disease prevention

18

program for children under 13 years of age that will be financed and have

19

standards established at the state level but that will be operated at the

20

local level.

21

* Sec. 2. AS 18 is amended by adding a new chapter to read:

22

CHAPTER 09. DENTAL DISEASE PREVENTION PROGRAM FOR CHILDREN.

23

Sec. 18.09.010. DENTAL DISEASE PREVENTION PROGRAM IN THE SCHOOLS.

24

(a) A school district or regional educational attendance area may offer

25

a dental disease prevention program for school children under 13 years

26

of age. The program shall include

27

(1) educational programs that promote dental health and are

28

focused on development of personal practices by pupils; the educational

29

programs shall include instruction in the causes and prevention of

1 dental diseases, nutrition and dental health, and the need for regular
2 dental examinations and appropriate repair of existing defects;

3 (2) preventive services, including plaque control and super-
4 vised application of topical or systemic prophylactic agents, or both,
5 for caries prevention; services may include an information program for
6 parents in nutrition and in the use of topical and systemic flouride
7 treatment; services may not include dental restoration, orthodontics, or
8 extraction of teeth.

9 (b) An act performed or service provided under this chapter that
10 constitutes the practice of dentistry or dental hygiene shall be per-
11 formed, provided by, or subject to the supervision of a dentist licensed
12 in accordance with the provisions of AS 08.36 or AS 08.32.

13 Sec. 18.09.020. ADVISORY BOARD. A school district or regional
14 educational attendance area may establish an advisory board consisting
15 of representatives from education, dental professions, and parent groups,
16 or may use an existing health advisory body to advise on dental health
17 programs under this chapter. An advisory board or body shall hold a
18 public meeting at least twice a year so that interested persons may
19 provide testimony on the dental health needs of the community.

20 Sec. 18.09.030. STANDARDS. The Department of Health and Social
21 Services shall by regulation establish standards for the dental disease
22 prevention program.

23 Sec. 18.09.040. PROGRAM PROPOSALS. A school district or regional
24 educational attendance area in cooperation with a local advisory board
25 or body shall submit a proposal for a dental disease prevention program
26 to the department by July 1 of each year. The proposal shall include
27 the methods by which the program will be implemented in the school
28 district or regional educational attendance area.

29 Sec. 18.09.050. APPROVAL OF PROGRAM. The department shall review

1 program proposals submitted under AS 18.09.040 and approve those pro-
2 grams that meet standards established under AS 18.09.030. The depart-
3 ment shall reimburse a school district or regional educational attend-
4 ance area that has an approved program for expenses incurred for the
5 programs and services described in AS 18.09.010.

6 Sec. 18.09.060. JOINT PROGRAMS. The school district or regional
7 educational attendance area may contract with public and private non-
8 profit agencies, as well as with other school districts and regional
9 educational attendance areas, in conducting a dental disease prevention
10 program.

11 Sec. 18.09.070. ASSISTANCE FROM DEPARTMENT OF EDUCATION. The
12 Department of Education may assist the department and school districts
13 and regional educational attendance areas in developing in-service
14 training programs in dental health and dental disease prevention for
15 teachers and parents of children under 13 years of age. The technical
16 content of the training programs shall meet standards set by the depart-
17 ment under AS 18.09.030.

18 Sec. 18.09.080. WITHDRAWAL BY PARENT. The parent or guardian of a
19 child may withdraw the child from participation in all or a portion of a
20 dental disease prevention program by giving written notice to the school
21 district or regional educational attendance area.

22 Sec. 18.09.090. PARTICIPATION BY PRIVATE SCHOOLS. The standards
23 established by the department under AS 18.09.030 shall include proce-
24 dures by which a child in a private school in the state may receive the
25 benefits of the dental disease prevention program.

26 Sec. 18.09.100. REPORTS. (a) By January 1 of each year the
27 school district or regional educational attendance area shall submit to
28 the department a report on a dental disease prevention program estab-
29 lished by this chapter. The report shall contain information specified

1 by the department and shall include the number of children who

2 (1) participated in the program;

3 (2) were examined;

4 (3) required dental care;

5 (4) were treated;

6 (5) require further treatment.

7 (b) By February 1 of each year the department shall submit to the
8 legislature a report on all activities under the dental disease preven-
9 tion program including a summary of the information submitted under (a)
10 of this section.

11 Sec. 18.09.110. DEFINITION. In this chapter, "department" means
12 the Department of Health and Social Services.

13 * Sec. 3. (a) The Department of Health and Social Services shall, by
14 March 1, 1983, adopt regulations required by AS 18.09.030.

15 (b) The initial program proposals of the school districts and regional
16 educational attendance areas under AS 18.09 shall be filed with the Depart-
17 ment of Health and Social Services by July 1, 1983.

18 (c) A school district or regional educational attendance area shall
19 submit the initial report under AS 18.09.100(a) by January 1, 1984.

20 (d) The Department of Health and Social Services shall submit the
21 initial report under AS 18.09.100(b) by February 1, 1984.

22 * Sec. 4. The Legislative Budget and Audit Committee shall conduct an
23 evaluation of the dental disease prevention program provided by sec. 2 of
24 this Act during the fourth year of the program. The committee shall evaluate
25 the cost effectiveness of the program and the impact of the program on state
26 expenditures for medical and dental care. The committee shall submit its
27 report to the legislature by January 15, 1988.

28 * Sec. 5. This Act takes effect July 1, 1982.

29

Introduced: 3/26/81
Referred: Health, Education &
Social Services and Finance

1 IN THE HOUSE

BY BUCHHOLDT

2 HOUSE BILL NO. 412

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to dental disease prevention programs
7 in schools; and providing for an effective date."

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

9 * Section 1. LEGISLATIVE FINDINGS. The legislature finds that an over-
10 whelming percentage of children in the state have dental disease in the form
11 of dental caries and periodontal disease. Dental disease in childhood can
12 and does result in significant lifetime disability, dental pain, missing
13 teeth, and the need for dentures. Poor nutrition in childhood is a major
14 contributing factor in lifetime dental disability. The legislature also
15 finds that dental disease in children and the resultant abnormalities in
16 adults can be prevented by education and treatment programs for children.
17 It is the intent of the legislature in enacting this Act to establish for
18 children in kindergarten through sixth grade a dental disease prevention
19 program which will be financed and have standards established at the state
20 level but which will be operated at the local level.

21 * Sec. 2. AS 18 is amended by adding a new chapter to read:

22 CHAPTER 9. DENTAL DISEASE PREVENTION PROGRAM FOR CHILDREN.

23 Sec. 18.09.010. DENTAL DISEASE PREVENTION PROGRAM IN THE SCHOOLS.

24 (a) A school district or regional educational attendance area may
25 offer a dental disease prevention program for school children in kinder-
26 garten through sixth grade. The program shall include

27 (1) educational programs that promote dental health and are
28 focused on development of personal practices by pupils; the educational
29 programs shall include the causes and prevention of dental diseases,

1 nutrition and dental health, and the need for regular dental examination
2 with appropriate repair of existing defects;

3 (2) preventive services that include plaque control and
4 supervised application of topical prophylactic agents for caries preven-
5 tion; services do not include dental restoration, orthodontics, or
6 extraction of teeth.

7 (b) An act performed or service provided under this chapter that
8 constitutes the practice of dentistry shall be performed or provided by
9 or be subject to the supervision of a dentist licensed in accordance
10 with the provisions of AS 08.36.

11 Sec. 18.09.020. ADVISORY BOARD. An advisory board, including
12 representatives from education, dental professions, and parent groups
13 may be established by a school district or regional educational attend-
14 ance area or an existing health advisory body may be used to advise on
15 dental health programs under this chapter. An advisory board shall
16 hold a public meeting at least twice a year so that interested persons
17 may provide testimony on the dental health needs of the community.

18 Sec. 18.09.030. STANDARDS. The standards of the dental disease
19 prevention program shall be determined by the department in accordance
20 with this chapter.

21 Sec. 18.09.040. PROGRAM PROPOSALS. The school district or re-
22 gional educational attendance area in cooperation with a local advisory
23 board shall submit a proposal for a dental disease prevention program
24 to the department annually by July 1. The proposal shall include the
25 methods by which the program will be implemented in the school district
26 or regional educational attendance area.

27 Sec. 18.09.050. APPROVAL OF PROGRAM. The department shall review
28 program proposals submitted under AS 18.09.040 and approve those pro-
29 grams that meet standards established under AS 18.09.030. The depart-

CORRECTION

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

1 nutrition and dental health, and the need for regular dental examination
2 with appropriate repair of existing defects;

3 (2) preventive services that include plaque control and
4 supervised application of topical prophylactic agents for caries preven-
5 tion; services do not include dental restoration, orthodontics, or
6 extraction of teeth.

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26 or regional educational attendance area.

27 Sec. 18.09.050. APPROVAL OF PROGRAM. The department shall review
28 program proposals submitted under AS 18.09.040 and approve those pro-
29 grams that meet standards established under AS 18.09.030. The depart-

Introduced: 3/26/81
Referred: Health, Education &
Social Services and Finance

1 IN THE HOUSE

BY BUCHHOLDT

2 HOUSE BILL NO. 412

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to dental disease prevention programs
7 in schools; and providing for an effective date."

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

9 * Section 1. LEGISLATIVE FINDINGS. The legislature finds that an over-
10 whelming percentage of children in the state have dental disease in the form
11 of dental caries and periodontal disease. Dental disease in childhood can
12 and does result in significant lifetime disability, dental pain, missing
13 teeth, and the need for dentures. Poor nutrition in childhood is a major
14 contributing factor in lifetime dental disability. The legislature also
15 finds that dental disease in children and the resultant abnormalities in
16 adults can be prevented by education and treatment programs for children.
17 It is the intent of the legislature in enacting this Act to establish for
18 children in kindergarten through sixth grade a dental disease prevention
19 program which will be financed and have standards established at the state
20 level but which will be operated at the local level.

21 * Sec. 2. AS 18 is amended by adding a new chapter to read:

22 CHAPTER 9. DENTAL DISEASE PREVENTION PROGRAM FOR CHILDREN.

23 Sec. 18.09.010. DENTAL DISEASE PREVENTION PROGRAM IN THE SCHOOLS.

24 (a) A school district or regional educational attendance area may
25 offer a dental disease prevention program for school children in kinder-
26 garten through sixth grade. The program shall include

27 (1) educational programs that promote dental health and are
28 focused on development of personal practices by pupils; the educational
29 programs shall include the causes and prevention of dental diseases,

1 ment shall reimburse a school district or regional educational attend-
2 ance area with an approved program \$3 a year for each participating
3 child for expenses incurred for the programs and services described in
4 AS 18.09.010.

5 Sec. 18.09.060. JOINT PROGRAMS. The school district or regional
6 educational attendance area may contract with other public and private
7 nonprofit agencies, as well as with other school districts and regional
8 educational attendance areas, in conducting a dental disease prevention
9 program.

10 Sec. 18.09.070. ASSISTANCE FROM DEPARTMENT OF EDUCATION. The
11 Department of Education may assist the department and school districts
12 and regional educational attendance areas in developing in-service
13 training programs in dental health and dental disease prevention for
14 kindergarten through sixth grade teachers. The technical content of
15 the training programs shall meet standards set by the department under
16 AS 18.09.030.

17 Sec. 18.09.080. WITHDRAWAL BY PARENT. The parent or guardian of
18 a child may give written notice to a school district or regional educa-
19 tional attendance area withdrawing a child from participation in a
20 dental disease prevention program. The notice may disapprove the
21 child's participation in all or any portion of the program.

22 Sec. 18.09.090. PARTICIPATION BY PRIVATE SCHOOLS. The standards
23 established by the department under AS 18.09.030 shall include proce-
24 dures under which a child in a private school in the state may receive
25 the benefits of the dental disease prevention program.

26 Sec. 18.09.100. REPORTS. (a) On January 1 of each year the
27 school district or regional educational attendance area shall submit to
28 the department a report on a dental disease prevention program estab-
29 lished by this chapter. The report shall contain information specified

1 by the department and shall include the number of participating child-
2 ren, the number of children examined, the number of children requiring
3 dental care, the number of children treated, and the number of children
4 requiring further treatment.

5 (b) On February 1 of each year the department shall submit to the
6 legislature a report on all activities under the dental disease preven-
7 tion program including a summary of the information submitted under (a)
8 of this section.

9 Sec. 18.09.110. DEFINITION. In this chapter, "department" means
10 the Department of Health and Social Services.

11 * Sec. 3. (a) The initial standards adopted by the Department of Health
12 and Social Services under AS 18.09.030 shall be published in regulations of
13 the department by March 1, 1982.

14 (b) The initial program proposals of the school districts and regional
15 educational attendance areas under AS 18.09 shall be filed with the Depart-
16 ment of Health and Social Services by July 1, 1982.

17 (c) The initial reports under AS 18.09.100(a) are due from a school
18 district or regional educational attendance area on January 1, 1983.

19 (d) The initial report from the Department of Health and Social Ser-
20 vices to the legislature under AS 18.09.100(b) is due February 1, 1983.

21 * Sec. 4. The Legislative Budget and Audit Committee shall conduct an
22 evaluation of the dental disease prevention program provided by AS 18.09 as
23 enacted in sec. 2 of this bill during the fourth year of the program. The
24 evaluation shall include the cost effectiveness of the program and the
25 impact of the program on state expenditures for medical and dental care.
26 The report shall be submitted to the legislature on or before January 1,
27 1987.

28 * Sec. 5. Sections 1 and 2 of this Act take effect July 1, 1981.

POSITION PAPER
HOUSE BILL NO. 412

"An Act relating to dental disease prevention programs in schools."

WHAT THE BILL DOES: This bill recognizes that dental disease is the most prevalent ill health condition among Alaskans and that effective prevention must begin during early childhood. No amount of insurance coverage or dental health manpower can lessen this burden on society unless it is accompanied by a prevention program of this nature.

The education program and preventive services specified in this bill are clearly outlined and would be effective in decreasing the incidence of caries and periodontal disease. The program is optional both for school districts and for individuals within a participating district. In general, this bill will allow any community where public interest in dental disease prevention is of sufficiently high priority to have the elementary school set up the program.

SUGGESTIONS: The specification on p. 3, line 2, of \$3 per year for each participating child may not be advisable. Experience may show the necessary added cost to a school district may be more...or less than this. This flexibility would be allowed if there were language that empowered the Department to reimburse the costs of this service.

On p. 4, lines 1-3 specify reporting of much clinical dental information that would not ordinarily be gathered in school education and prevention programs. It would be preferable to gather this information on a sampling basis when indicated.

Recommended by: E. S. Rabeau
E. S. Rabeau, M.D., Director
Division of Public Health

Date: March 23, 1982

Approved by: Helen D. Beirne
Helen D. Beirne, Commissioner
Department of Health &
Social Services

Date: 3/25/82

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. House Bill No. 412
 Title "An act relating to Dental Disease Prevention Program in Schools."
 Requested by Commissioner's Office Date 03/23/82

II. FISCAL DETAIL
 Agency Affected Department of Health and Social Services
 Program Category Affected Health/Public Health
 BRU, Program, Or Subprogram(s) Affected Family Health
 (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	0	0	32.2	64.0	96.0	102.5
200 TRAVEL	0	0	1.8	3.6	5.0	6.0
300 CONTRACTUAL	0	0	2.6	5.2	6.0	6.7
400 COMMODITIES	0	0	.6	1.3	1.4	1.6
500 EQUIPMENT	0	0	2.7	0.5	0.5	0.5
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	75.0	100.0	150.0	200.0
TOTAL	0	0	114.9	174.6	258.9	317.3

FUNDING (Thousands of Dollars)

GENERAL FUND	0	0	115.3	174.6	258.9	317.3
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME	0	0	0.6	1.3	2.0	2.0
PART TIME						
TEMPORARY						

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

This Fiscal Note is based on the assumption this program will start service delivery in school year 1983-84. The grant programs offered in public schools would take several years to reach the maximum level. The affected grades (K-6) in school year 1981-82 have 49,682 children. This analysis assumes that 50% of them would be included in this program in the school year 83-84, with a gradual increase after that.

This program can only be effectively administered if the Department has the professional and clerical staff needed to conduct it. Since this program would take several years to reach full implementation, the Department proposes to add staff on a part-time basis starting in FY 84 and to reach full staffing at 2.0 FTE in FY 86. These line 100 figures are based on 1/3 staffing level in FY 84, 2/3 in FY 85 and full-time staff in FY 86. The detailed analysis on the next page reflects the part-time (1/3) staffing of these two positions. The subsequent two years are proportional to 2/3 and full-time respectively.

IV. DATE 03/23/82 PREPARED BY David Spence, M.D.

AGENCY Dept. Health & Social Services

Original: Legislative Finance PHONE 465-3100

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

JCC

Personal Services:

State Dental Officer, Rg. 26A, 12 mo. @ \$4,725 x 1/3 =	\$18,900
Clerk Typist III, Rg. 8B, 12 mo. @ \$1,530 x 1/3 =	<u>6,120</u>
Total Salaries	\$25,020

Benefits:

ASB: 6.13% of \$49,886	\$1,534
Verible Benefits @ 16.63	4,161
Health Insurance: 8 mos. @ \$183	<u>1,464</u>
	\$ 7,159

Total Personal Services \$32,179

Travel: \$ 1,800

Contractual Services:

Space Rental: 300 sq. ft. @ \$1.50 x 4 mo. \$1,800	
Communications: \$100 mo. x 4	400
Other	<u>400</u>
Total Contractual	\$ 2,600

Supplies:

Scientific: \$100 mo. x 4	\$ 400
Office: \$50 mo. x 4	<u>200</u>
Total Supplies	\$ 600

Equipment:

1 ea. Executive Desk	\$ 275
1 ea. Executive Chair	175
1 ea. Typist Desk	460
1 ea. Typist Chair	120
2 ea. File Cabinet, 4 Dr., Ltr. @ 275	550
1 ea. Typewriter, IBM Selectric	<u>1,100</u>
Total Equipment	<u>\$2,700</u>

TOTAL ADMINISTRATIVE COSTS \$39,879

Grants to School Districts:

Est. 25,000 participants @ \$3	<u>75,000</u>
--------------------------------	---------------

TOTAL COSTS \$114,879

011208

Original sponsor: Buchholdt

Offered: 4/2/82
Referred: Finance

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2

CS FOR HOUSE BILL NO. 412 (HESS)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to dental disease prevention programs
7 in schools; and providing for an effective date."

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

9 * Section 1. LEGISLATIVE FINDINGS. The legislature finds that an over-
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11 of dental caries and periodontal disease. Dental disease in childhood can
12 and does result in significant lifetime disability, pain, missing teeth, and
13 the need for dentures. Poor nutrition in childhood is a major contributing
14 factor in lifetime dental disability. The legislature also finds that dental
15 disease in children and the resultant abnormalities in adults can be prevented
16 by education and treatment programs for children. It is the intent of the
17 legislature in enacting this Act to establish a dental disease prevention
18 program for children under 13 years of age that will be financed and have
19 standards established at the state level but that will be operated at the
20 local level.

21 * Sec. 2. AS 18 is amended by adding a new chapter to read:

22 CHAPTER 09. DENTAL DISEASE PREVENTION PROGRAM FOR CHILDREN.

23 Sec. 18.09.010. DENTAL DISEASE PREVENTION PROGRAM IN THE SCHOOLS.

24 (a) A school district or regional educational attendance area may offer
25 a dental disease prevention program for school children under 13 years
26 of age. The program shall include

27 (1) educational programs that promote dental health and are
28 focused on development of personal practices by pupils; the educational
29 programs shall include instruction in the causes and prevention of

1 dental diseases, nutrition and dental health, and the need for regular
2 dental examinations and appropriate repair of existing defects;

3 (2) preventive services, including plaque control and super-
4 vised application of topical or systemic prophylactic agents; or both,
5 for caries prevention; services may include an information program for
6 parents in nutrition and in the use of topical and systemic flouride
7 treatment; services may not include dental restoration, orthodontics, or
8 extraction of teeth.

9 (b) An act performed or service provided under this chapter that
10 constitutes the practice of dentistry or dental hygiene shall be per-
11 formed, provided by, or subject to the supervision of a dentist licensed
12 in accordance with the provisions of AS 08.36 or AS 08.32.

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14 educational attendance area may establish an advisory board consisting
15 of representatives from education, dental professions, and parent groups,
16 or may use an existing health advisory body to advise on dental health
17 programs under this chapter. An advisory board or body shall hold a
18 public meeting at least twice a year so that interested persons may
19 provide testimony on the dental health needs of the community.

20 Sec. 18.09.030. STANDARDS. The Department of Health and Social
21 Services shall by regulation establish standards for the dental disease
22 prevention program.

23 Sec. 18.09.040. PROGRAM PROPOSALS. A school district or regional
24 educational attendance area in cooperation with a local advisory board
25 or body shall submit a proposal for a dental disease prevention program
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27 the methods by which the program will be implemented in the school
28 district or regional educational attendance area.

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2 grams that meet standards established under AS 18.09.030. The depart-
3 ment shall reimburse a school district or regional educational attend-
4 ance area that has an approved program for expenses incurred for the
5 programs and services described in AS 18.09.010.

6 Sec. 18.09.060. JOINT PROGRAMS. The school district or regional
7 educational attendance area may contract with public and private non-
8 profit agencies, as well as with other school districts and regional
9 educational attendance areas, in conducting a dental disease prevention
10 program.

11 Sec. 18.09.070. ASSISTANCE FROM DEPARTMENT OF EDUCATION. The
12 Department of Education may assist the department and school districts
13 and regional educational attendance areas in developing in-service
14 training programs in dental health and dental disease prevention for
15 teachers and parents of children under 13 years of age. The technical
16 content of the training programs shall meet standards set by the depart-
17 ment under AS 18.09.030.

18 Sec. 18.09.080. WITHDRAWAL BY PARENT. The parent or guardian of a
19 child may withdraw the child from participation in all or a portion of a
20 dental disease prevention program by giving written notice to the school
21 district or regional educational attendance area.

22 Sec. 18.09.090. PARTICIPATION BY PRIVATE SCHOOLS. The standards
23 established by the department under AS 18.09.030 shall include proce-
24 dures by which a child in a private school in the state may receive the
25 benefits of the dental disease prevention program.

26 Sec. 18.09.100. REPORTS. (a) By January 1 of each year the
27 school district or regional educational attendance area shall submit to
28 the department a report on a dental disease prevention program estab-
29 lished by this chapter. The report shall contain information specified

1 by the department and shall include the number of children who

2 (1) participated in the program;

3 (2) were examined;

4 (3) required dental care;

5 (4) were treated;

6 (5) require further treatment.

7 (b) By February 1 of each year the department shall submit to the
8 legislature a report on all activities under the dental disease preven-
9 tion program including a summary of the information submitted under (a)
10 of this section.

11 Sec. 18.09.110. DEFINITION. In this chapter, "department" means
12 the Department of Health and Social Services.

13 * Sec. 3. (a) The Department of Health and Social Services shall, by
14 March 1, 1983, adopt regulations required by AS 18.09.030.

15 (b) The initial program proposals of the school districts and regional
16 educational attendance areas under AS 18.09 shall be filed with the Depart-
17 ment of Health and Social Services by July 1, 1983.

18 (c) A school district or regional educational attendance area shall
19 submit the initial report under AS 18.09.100(a) by January 1, 1984.

20 (d) The Department of Health and Social Services shall submit the
21 initial report under AS 18.09.100(b) by February 1, 1984.

22 * Sec. 4. The Legislative Budget and Audit Committee shall conduct an
23 evaluation of the dental disease prevention program provided by sec. 2 of
24 this Act during the fourth year of the program. The committee shall evaluate
25 the cost effectiveness of the program and the impact of the program on state
26 expenditures for medical and dental care. The committee shall submit its
27 report to the legislature by January 15, 1988.

28 * Sec. 5. This Act takes effect July 1, 1982.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
Bill/Resolution No. CS for House Bill No. 412 (HESS) Page 1 of 2
Title "An Act relating to Dental Disease Prevention Program in Schools."
Requested by House HESS Date 4/1/82

II. FISCAL DETAIL
Agency Affected Department of Health and Social Services
Program Category Affected Health/Public Health
BRU, Program, Or Subprogram(s) Affected Family Health
(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	0	0	0	48.0	49.0	50.0
200 TRAVEL	0	0	0	3.6	3.8	4.2
300 CONTRACTUAL	0	0	0	2.6	5.9	6.1
400 COMMODITIES	0	0	0	0.0	1.4	1.5
500 EQUIPMENT	0	0	0	2.7	0.5	0.5
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	75.0	100.0	150.0	200.0
TOTAL	0	0	75.0	155.9	210.6	262.3

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	0	0	75.0	155.9	210.6	262.3
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	0	0	0	1.0	1.0	1.0
PART TIME						
TEMPORARY						

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

This Fiscal Note is based on the assumption this program will start service delivery in school year 1983-84. The grant programs offered in public schools would take several years to reach the maximum level. The affected grades (K-6) in school year 1981-82 have 49,682 children. This analysis assumes that 50% of them would be included in this program in the school year 83-84, with a gradual increase after that.

This program can only be effectively administered if the Department has the professional and clerical staff needed to conduct it. Since this program would take several years to reach full implementation, the Department proposes to administer the program with existing staff until the start of FY 85. At that time a half-time public health dentist and half-time clerk would be hired.

IV. DATE 4/1/82 PREPARED BY David A. Spence, M.D.
AGENCY Dept. of Health & Social Services
Original: Legislative Finance PHONE 465-3100
cc: Budget and Management
Prime Sponsor (First Legislator Named)

Fiscal Detail for FY 85

CSHB 412(HESS) Page 2 of 2

Personal Services starting in FY 85

State Dental Officer, Rg. 26A, 6 mo. @ \$4,725	\$28,350
Clerk Typist III, Rg. 8B, 6 mo. @ \$1,530	<u>9,180</u>

Total Salaries \$37,530

Benefits:

ASB: 6.13% of -	\$2,301
Verible Benefits @ 16.63	6,241
Health Insurance: 12 mos. @ \$183	<u>2,196</u>

\$10,738

Total Personal Services \$48,268

Travel: \$ 3,600

Contractual Services:

Space Rental: 300 sq. ft. @ \$1.50 x 4 mo.	\$1,800
Communications: \$100 mo. x 4	400
Other	<u>400</u>

Total Contractual \$ 2,600

Supplies:

Scientific: \$100 mo. x 4	\$ 400
Office: \$50 mo. x 4	<u>200</u>

Total Supplies \$ 600

Equipment:

1 ea. Executive Desk	\$ 275
1 ea. Executive Chair	175
1 ea. Typist Desk	460
1 ea. Typist Chair	120
2 ea. File Cabinet, 4 Dr., Ltr. @ 275	550
1 ea. Typewriter, IBM Selectric	<u>1,100</u>

Total Equipment \$2,700

TOTAL ADMINISTRATIVE COSTS \$55,968

Grants to School Districts:

Est. 25,000 participants @ \$3	<u>100,000</u>
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TOTAL COSTS in FY 1985 \$155,968

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

sent w/sfc
version
6/17/81

CSHB 413

FISCAL NOTE

I. REQUEST
Bill/Resolution No. CSHB 413 (Judiciary)
Title An Act relating to the Alaska Commercial Fishing and Agriculture Bank
Requested by _____ Date 5/4/81

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

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE 5/4/81 PREPARED BY Willis F. Kirkpatrick Director of Banking
AGENCY Dept. of Commerce & Economic Development
PHONE 465-2521

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

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

CSHB 413

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. CSHB 413 (Judiciary)
 Title An Act relating to the Alaska Commercial Fishing and Agriculture Bank
 Requested by _____ Date 5/4/81

II. FISCAL DETAIL
 Agency Affected Department of Commerce & Economic Development
 Program Category Affected Public Protection
 BRU, Program, or Subprogram(s) Affected Financial Institutions
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE 5/4/81 PREPARED BY Willis F. Kirkpatrick Director of Banking
 AGENCY Dept. of Commerce & Economic Development
 PHONE 465-2521
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

2/1
HB 413

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. H B 413
 Title An Act relating to the Alaska Commercial Fishing & Agriculture Bank
 Requested by Rep. Brown Date 4/13/81

II. FISCAL DETAIL

Agency Affected Administration
 Program Category Affected General Government
 BRU, Program, or Subprogram(s) Affected Retirement

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

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

This bill will result in no charge to the Retirement System. Employees of the Bank are now in PERS and all contributions are made by the Bank and its employees.

IV. DATE 4/13/81 PREPARED BY Ken Humphreys
 AGENCY Administration
 PHONE 465-4460

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

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

HB 413

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 413

Title An Act Relating to the Alaska Commercial Fishing and Agriculture Bank

Requested by _____ Date 4/7/81

II. FISCAL DETAIL

Agency Affected Department of Commerce & Economic Development

Program Category Affected Public Protection

BRU, Program, or Subprogram(s) Affected Financial Institutions

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

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

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

POSITIONS

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

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

IV. DATE 4/7/81

PREPARED BY Willis F. Kirkpatrick, Director of Banking
AGENCY Dept. of Commerce & Economic Development
PHONE 465-2521

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

Original sponsor: Gardiner

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 413 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Commercial Fishing and
7 Agriculture Bank; and providing for an effective
8 date."

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

10 * Section 1. AS 44.81.010(a) is amended to read:

11 Sec. 44.81.010. ALASKA COMMERCIAL FISHING AND AGRICULTURE BANK.

12 (a) There is established the Alaska Commercial Fishing and Agriculture
13 Bank. [THE BANK IS A PUBLIC CORPORATION AND GOVERNMENT INSTRUMENTALITY
14 IN THE DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT BUT HAS A LEGAL
15 EXISTENCE INDEPENDENT OF AND SEPARATE FROM THE STATE.] The exercise by
16 the bank of the powers conferred by this chapter is considered to be
17 for a public purpose [AN ESSENTIAL GOVERNMENTAL FUNCTION OF THE STATE].
18 Except as otherwise provided in this chapter, the bank is subject to
19 the provisions of AS 10.15.005 - 10.15.600. The bank is exempt from
20 the provisions of the Alaska Banking Code (AS 06.05) in the exercise of
21 powers granted by this chapter.

22 * Sec. 2. AS 44.81.070(c) is amended to read:

23 (c) The president may hire employees of the bank reasonably
24 necessary for the efficient performance of the functions of the bank.
25 Subject to the approval of the board of directors, the president may
26 also contract for and engage the services of professional and technical
27 advisors. The board of directors shall prescribe the duties and compen-
28 sation of employees of the bank. Employees of the bank are not em-
29 ployees of the state and are not considered to be employees of a public

1 organization for the purposes of AS 39.30.150 -39.30.180 or AS 39.35.

2 * Sec. 3. AS 44.81.110 is amended to read:

3 Sec. 44.81.110. COMPENSATION OF BOARD MEMBERS. Members of the
4 board receive compensation and are entitled to per diem and travel
5 allowances at a rate determined by the board for each day the board
6 meets if they attend the meeting [AND ARE ENTITLED TO PER DIEM AND
7 TRAVEL ALLOWANCES AS PROVIDED BY LAW FOR MEMBERS OF STATE BOARDS AND
8 COMMISSIONS].

9 * Sec. 4. AS 44.81.160 is amended to read:

10 Sec. 44.81.160. PLEDGE OF THE STATE. The state pledges to and
11 agrees with any lender to the bank [THE HOLDERS OF THE BONDS ISSUED
12 UNDER THIS CHAPTER] and with the federal agency or regional institution
13 of the federal farm credit system which loans or contributes funds in
14 respect of a project, that the state will not limit or alter the rights
15 and powers vested in the bank by this chapter to fulfill the terms of
16 any contract made by the bank with the lender to the bank [HOLDERS] or
17 federal agency or regional institution of the federal farm credit
18 system, or in any way impair the rights and remedies of the lender to
19 the bank or federal agency or regional institution of the federal farm
20 credit system [HOLDERS UNTIL THE BONDS, TOGETHER WITH INTEREST ON THEM
21 WITH INTEREST ON UNPAID INSTALLMENTS OF INTEREST, AND ALL COSTS AND
22 EXPENSES IN CONNECTION WITH ANY ACTION OR PROCEEDING BY OR ON BEHALF OF
23 THE HOLDERS, ARE FULLY MET AND DISCHARGED]. The bank is authorized to
24 include this pledge and agreement of the state, insofar as it refers to
25 a lender to the bank [HOLDERS OF BONDS OF THE BANK] in a contract with
26 the maker of a loan [HOLDERS], and insofar as it relates to a federal
27 agency or regional institution of the federal farm credit system, in a
28 contract with a federal agency or regional institution of the federal
29 farm credit system.

1 * Sec. 5. AS 44.81.200 is amended to read:

2 Sec. 44.81.200. REPORTS AND PUBLICATIONS. The board of director
3 shall publish an annual report to the bank's members [SHAREHOLDERS].
4 The report shall be made available to the public and shall include
5 financial statements audited by independent outside auditors, [A STATE-
6 MENT OF THE AMOUNT OF MONEY RECEIVED BY THE BANK FROM EACH SOURCE
7 DURING THE PERIOD COVERED,] a statement of the bank's investments, a
8 description of the bank's loan [INVESTMENT] activity during the period
9 covered by the report, an analysis of economic and other effects of
10 loan [INVESTMENT] decisions on the state's commercial fishing and
11 agriculture industries, and any other information which the board
12 believes would be of interest to the governor, the legislature, and the
13 public, or which the legislature requests the board to include. The
14 board may also publish such other reports as it considers desirable to
15 carry out its purposes.

16 * Sec. 6. AS 44.81.210(a) is amended by adding a new paragraph to read:

17 (22) accept the pledge of a limited entry permit as security
18 for a loan made under this chapter for the repair, restoration, or
19 improvement of a commercial fishing vessel or commercial fishing gear,
20 or for the construction or purchase of a commercial fishing vessel,
21 subject to the conditions set out in AS 44.81.230 - 44.81.250 on pledge
22 of limited entry permits.

23 * Sec. 7. AS 44.81.220 is amended to read:

24 Sec. 44.81.220. TRANSITION. Notwithstanding the provisions of
25 AS 10.15.005, upon [UPON] the repurchase of all the nonvoting, preferred
26 shares initially issued by the bank and purchased by agencies of the
27 state, the provisions of this chapter lapse and the bank may proceed to
28 operate solely as a private cooperative corporation under the terms of
29 its bylaws and [SUBJECT TO] the provisions of AS 10.15.010 - 10.15.600

1 [AS 10.15.005 - 10.15.600].

2 * Sec. 8. AS 44.81 is amended by adding new sections to read:

3 Sec. 44.81.260. DATA REGARDING RECORDS OF THE BANK. (a) Except
4 as provided in (b) of this section, the directors, officers, and em-
5 ployees of the bank shall hold in strict confidence all information
6 regarding the business records of the bank, including information as to
7 the character, credit standing, and property of members and applicants
8 for loans. They shall not exhibit or quote from the bank's business
9 records, including documents regarding personnel of the bank or pertain-
10 ing to members or applicants for loans.

11 (b) The requirements of (a) of this section are subject to the
12 following exceptions:

13 (1) The legislative audit division has access to the records
14 of the bank to perform an audit authorized under AS 44.81.270.

15 (2) The board of directors or the president of the bank
16 shall supply statistical and other impersonal information pertaining to
17 members, applicants, and loans in response to requests from the legisla-
18 ture or a state agency or members of the federal farm credit system and
19 may provide similar information upon request to a responsible private
20 organization.

21 (3) Information concerning members may be given for the
22 confidential use of a member of the federal farm credit system or other
23 financial institution in contemplation of the extension of credit or
24 the collection of loans.

25 (4) Impersonal information based solely on transactions or
26 experience with a member, such as amounts of loans, terms, and payment
27 records may be given by the bank for the confidential use of a reliable
28 organization in contemplation of the extension of credit.

29 (5) Credit information concerning a member may be given where

1 the member consents to it in writing.

2 (6) In litigation between a member (or his successor in
3 interest) and the bank, any competent evidence may be introduced with
4 respect to relevant statements made orally or in writing by or to the
5 member or his successor.

6 Sec. 44.81.270. POWERS OF LEGISLATIVE AUDITOR TO AUDIT BANK. The
7 legislative auditor may cause the bank to be audited in the manner and
8 under the conditions prescribed by AS 24.20.271 for audits performed by
9 the legislative audit division. The legislative audit division has
10 free access to all books and papers of the bank which relate to its
11 business and books and papers kept by a director, officer, or employee
12 relating to or upon which a record of its business is kept, and may
13 summon witnesses and administer oaths or affirmations in the examination
14 of the directors, officers, or employees of the bank or any other
15 person in relation to its affairs, transactions, and conditions, and
16 may require and compel the production of records, books, papers, con-
17 tracts, or other documents by court order if not voluntarily produced.

18 Sec. 44.81.280. PROHIBITION ON RELEASE OF INFORMATION. The
19 legislative auditor and his employees may not disclose information
20 acquired by them in the course of an audit of the bank concerning the
21 particulars of the business or affairs of a borrower of the bank or
22 another person, unless the information is required to be disclosed by
23 law or under a court order.

24 * Sec. 9. FINDINGS. The legislature finds that

25 (1) the Alaska Commercial Fishing and Agriculture Bank has been
26 established in the form of a cooperative for the purpose of providing capital
27 to Alaska's commercial fishermen and farmers and assisting in the development
28 of fishing and agriculture in the state;

29 (2) the state has invested \$32 million in the bank to assist in

1 accomplishing its purposes;

2 (3) the state has an interest in assuring that its money is being
3 used in a manner so that the bank will accomplish those purposes which the
4 legislature intended in establishing the bank;

5 (4) audit of the bank by the state can best be accomplished by
6 use of the legislative audit division to complement the audit conducted by
7 the bank's independent outside auditors;

8 (5) there is an expectation of privacy guaranteed by the Consti-
9 tution of the State of Alaska which inures to the members of the bank, both
10 as borrower and as capital shareholder with an equity interest in the bank,
11 which can be protected through adherence to established methods of bank
12 examination.

13 * Sec. 10. AS 44.81.080, 44.81.120, 44.81.130, 44.81.140, 44.81.150,
14 44.81.170, and 44.81.180 are repealed.

15 * Sec. 11. This Act takes effect immediately in accordance with AS 01.-
16 10.070(c).

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Alaska Commercial Fishing and Agriculture Bank

Testimony - May 28, 1981

Senate Finance Committee

Mr. Chairman, Senators:

My name is Paul Huppert and I am vice chairman of the board of directors of the Commercial Fishing and Agriculture Bank.

I appreciate the opportunity of presenting CFAB's position on the proposed legislation before you.

To understand CFAB's development and current operations one must also understand that the instructions given to the original board of directors of CFAB were to form and to operate a private, self-governed lending co-operative. One must also understand that those original directors were not involved in the passage of the legislation and had no economic interest in the organization's creation.

This mandate to ~~to~~ the board to create a private organization is still clear in the minds of those that attended the first meeting of the board. Those in attendance included representatives of the Farm Credit System, the Legislature, the Governors Office and representatives from various state departments. They expressed that the intent was for the state to provide liberal early support to enable the co-operative to get off to a quick start but from that point forward CFAB was to stand on its own.

These identical instructions were given to the co-operative's original management staff. It is on this basis that both the Board of Directors and the Management have structured CFAB into its current form of organization. It is an organization intended to survive and evolve in form and structure to meet the needs of the changing industries it serves. It operates today to serve not only the present but also the future. Many of its activities are undertaken not only to build

industry expertise but also the framework of acceptance among both the national and international markets with which it must deal within the coming few years.

Having been patterned after the Farm Credit System and relying upon the Bank for Co-operatives for its principal source of funds, and additionally, having recruited its founding management from large commercial banks, it is natural that we have tended to pattern our operations after theirs in terms of personnel policies, levels and types of expenses, forms of activities and emphasis on forward planning. These differ markedly from the formation and operation of a state agency or other government programs. CFAB also differs in that it does not seek yearly appropriations from the legislature but must provide for its own administrative expenses from sound business practices that produce necessary funds for its operations and are responsible to its member shareholders.

In addition to the financial help provided in the form of stock purchases, the original legislation attempted to provide the co-operative with expanded sources of cheap outside money through access to the bond market. This necessitated bonding language, and tax exemptions being added to the statute which in turn gave CFAB the aura of closer state ties. While well intentioned, the language did not accomplish its purpose; but rather clouded public perception of the organization, created a conflict between public and private responsibilities imposed by dual ownership, and placed the Board of Directors in the nearly unresolvable position of violating one responsibility or the other. This conflict surfaced in the challenge for salary and bonus information and resulted in the board abiding by the original instructions while seeking the legislation correction before you. The conflicting statute and the resulting unfavorable coverage more importantly put our relationship with the Farm Credit System in jeopardy. This is our principal source of loan funds and central to our existence. By law they can only deal with member owned and member controlled co-operatives. They have provided oral and written testimony to this effect to both house and senate committees.

The bill before you seeks to remove extraneous bonding language and in so doing

to clarify CFAB's existence as a private co-operative.

An ammendment to the original bill submitted by the United Fishermen of Alaska allows CFAB to take limited entry permits as collateral for related fishing loans. It was recently discovered that CFAB's legislation was not ammended at the time the Limited entry statute was ammended creating this ommission. For most fishermen the limited entry permit is their most valuable asset. Their inability to use it as collateral for fishing related loans is a serious detriment.

We realize that the involvement of peripheral organizations such as CFAB in the state's PERS program is under study in both the house and the senate. The result of that study my remove CFAB from the program in any event. We ask that CFAB not be singled out before that study is completed. If it is deemed that CFAB should not participate in the PERS program, we request that we be given until the end of 1981 to secure alternate coverage.

Finally, the legislation before you addresses the State's oversight of CFAB

The Board and the Management have never felt that the State should be precluded from oversight. With \$32 million invested, the need to be assured of CFAB's economic viability and ability to repay the states investment, as well as, its success in addressing the needs for which it was created are both accepted and supported. Those needs are partially addressed in the original legislation through provision for two state seats on the Board of Directors and the requirement that an annual audit be performed by an independent firm of national CPA's and reported to the governor and the legislature. We have recognized the need for and desire for seperate inspections. At the same time the Board is keenly aware of the Co-operatives need for confidentiality of its records, customers, and business plans.

We, therefore, have suggested that CFAB be audited by the State Banking Department.

It is felt that they are more familiar with an organization such as CFAB and complete their examinations against standards of performance more closely applicable to a lending co-operative. This recommendation has the concurrence of the bank for co-operatives. The banking department has agreed to complete the audit and CFAB has agreed to bear the expense.

We have also suggested that CFAB present statistical data on areas of performance of interest to members of the legislature; such as, loan amounts loan size, geographic disbursement, approval and declination rates, and the various purpose of loans. If desired, this material could be audited by our CPA's prior to submission.

We are aware that some legislators want to retain legislative audit rather than using the bank auditors. While we do not want to take serious issue with this desire, we would like to comment on our concerns. The Board of directors is seriously concerned with confidentiality as it applies to our borrowers, shareholders, and our ability to conduct business. We are not concerned with confidentiality to hide anything from the public.

The imposition of a legislative audit without some control over the information obtained by the auditor and disseminated by him, places greater control and power in the hands of the auditor than in the hands of the Board of Directors. The directors of the co-operative are prohibited from disclosing information about the affairs of the organization; the auditor makes them all public. It is the board of directors that represent the shareholders--including the state of alaska, and it is the private shareholders that bear the entire risk of the operation. It seems more prudent to place the right of disclosure of a legislative audit, if one is needed, in the hands of the Budget and Audit

Committee, after examination of the audit and the board's reply, according to the conditions imposed upon normal bank audits. The audit document itself is a report; the evaluation of that report should rest with the committee. This is the practice with audits applied to other lenders.

As a point of current information, CFAB is completing its 13th month of operation with 206 members and an increase of 129 from year's end. These 206 members have collectively invested nearly 4 1/2 million dollars of their own money in their co-operative. Currently these 206 member/shareholders represent total loan volume of 30 million dollars. We expect to double the number of members by the end of this year and to reach a peak loan volume of \$80 million by the same time.

I am pleased to report that CFAB has completed its first repurchase of the states class C stock. Ten percent of the original \$2 million has been repurchased. The Board is keenly aware that our mandate is to repurchase the entire \$32,000,000 within 20 years and we will accomplish this in the most timely manner possible.

In conclusion, I would like to say that I have been a director of a telephone co-operative for 15 years and am currently the president of the Board. We have at this time \$35,000,000 of federal REA moneys invested in that co-operative. That investment is supervised by submission of an audit completed by independent CPA's selected by the co-operative but approved by officials of the REA.

Thank you for your time and consideration.

JAMES L. FAIKS

April 29, 1981

Senator Arliss Sturgulewski
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Arliss:

Jan and I are ~~opposed to SB388~~ regarding CFAB now in the Senate Resources Committee.

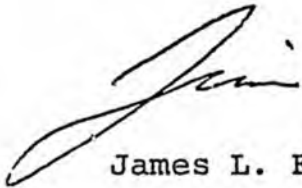
CFAB is a business created and funded by the state and is actively competing with the private sector. Any legislation involving CFAB should be to curtail its damaging activities, not to promote it.

CFAB has been given the following advantages: state capitalization, tax exemption, employee benefits, regulation free, lower interest rates. They have a tremendous and unfair advantage.

CFAB must be prohibited from making direct loans, and instead provide secondary loans as was the original intent.

An extremely dangerous precedent is at stake: should the state set up businesses to directly compete with its citizens? I think not.

Sincerely,



James L. Faiks

JLF/dan

AMENDMENT #2

OFFERED IN THE HOUSE:

BY: FANNING

TO: Committee Substitute HOUSE BILL No. 413 (JUD)

SENATE BILL No. _____

PAGE: 6

LINE: 5

Insert new section 9 and renumber succeeding sections.

Section 9 AS 44.81.210 (a)(1) is amended to read:

(1) purchase or insure [MAKE] variable rate or fixed rate loans to individuals who are residents and who are engaged in commercial agriculture or fishing, including harvesters, processors, suppliers and marketers, or to corporations, partnerships or joint ventures engaged in commercial agriculture or fishing, the majority interest of which is beneficially owned by residents of the state and a majority of the owners of which are residents of the state, if the recipient of the loan is a member of the bank; however, the bank may purchase or insure [MAKE] a loan under this paragraph to a corporation, partnership, or joint venture for the purchase of a new or existing fishing vessel or for the repair or renovation of an existing fishing vessel, the primary purpose of which is to commercially harvest fishery resources, only if the corporation, partnership, or joint venture is wholly owned and controlled by residents of the state and if the recipient of the loan is a member of the bank.

Fanned

Original sponsor: Gardiner

Offered: 4/29/81
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 413 (Judiciary) am
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Commercial Fishing and
7 Agriculture Bank; and providing for an effective
8 date."

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

10 * Section 1. AS 44.81.010(a) is amended to read:

11 Sec. 44.81.010. ALASKA COMMERCIAL FISHING AND AGRICULTURE BANK.

12 (a) There is established the Alaska Commercial Fishing and Agriculture
13 Bank. [THE BANK IS A PUBLIC CORPORATION AND GOVERNMENT INSTRUMENTALITY
14 IN THE DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT BUT HAS A LEGAL
15 EXISTENCE INDEPENDENT OF AND SEPARATE FROM THE STATE.] The exercise by
16 the bank of the powers conferred by this chapter is considered to be
17 for a public purpose [AN ESSENTIAL GOVERNMENTAL FUNCTION OF THE STATE].
18 Except as otherwise provided in this chapter, the bank is subject to
19 the provisions of AS 10.15.005 - 10.15.600. The bank is exempt from
20 the provisions of the Alaska Banking Code (AS 06.05) in the exercise
21 of powers granted by this chapter.

22 * Sec. 2. AS 44.81.070(c) is amended to read:

23 (c) The president may hire employees of the bank reasonably
24 necessary for the efficient performance of the functions of the bank.
25 Subject to the approval of the board of directors, the president may
26 also contract for and engage the services of professional and technical
27 advisors. The board of directors shall prescribe the duties and
28 compensation of employees of the bank. Employees of the bank are not
29 employees of the state but are considered to be employees of a public

1 organization for purposes of AS 39.30.150 - 39.30.180 and AS 39.35.
2 The State of Alaska will not incur any liability for contributions to
3 the public employees retirement system for the bank or its employees.

4 * Sec. 3. AS 44.81.110 is amended to read:

5 Sec. 44.81.110. COMPENSATION OF BOARD MEMBERS. Members of the
6 board receive compensation not to exceed \$250 as [AT A RATE] determined
7 by the board for each day the board meets if they attend the meeting
8 [AND ARE ENTITLED TO PER DIEM AND TRAVEL ALLOWANCES AS PROVIDED BY LAW
9 FOR MEMBERS OF STATE BOARDS AND COMMISSIONS].

10 * Sec. 4. AS 44.81.160 is amended to read:

11 Sec. 44.81.160. PLEDGE OF THE STATE. The state pledges to and
12 agrees with any lender to the bank [THE HOLDERS OF THE BONDS ISSUED
13 UNDER THIS CHAPTER] and with the federal agency or regional institution
14 of the federal farm credit system which loans or contributes funds in
15 respect of a project, that the state will not limit or alter the rights
16 and powers vested in the bank by this chapter to fulfill the terms of
17 any contract made by the bank with the lender to the bank [HOLDERS] or
18 federal agency or regional institution of the federal farm credit
19 system, or in any way impair the rights and remedies of the lender to
20 the bank or federal agency or regional institution of the federal farm
21 credit system [HOLDERS UNTIL THE BONDS, TOGETHER WITH INTEREST ON THEM,
22 WITH INTEREST ON UNPAID INSTALLMENTS OF INTEREST, AND ALL COSTS AND
23 EXPENSES IN CONNECTION WITH ANY ACTION OR PROCEEDING BY OR ON BEHALF OF
24 THE HOLDERS, ARE FULLY MET AND DISCHARGED]. The bank is authorized to
25 include this pledge and agreement of the state, insofar as it refers to
26 a lender to the bank [HOLDERS OF BONDS OF THE BANK] in a contract with
27 the maker of a loan [HOLDERS], and insofar as it relates to a federal
28 agency or regional institution of the federal farm credit system, in a
29 contract with a federal agency or regional institution of the federal

1 farm credit system.

2 * Sec. 5. AS 44.81.200 is amended to read:

3 Sec. 44.81.200. REPORTS AND PUBLICATIONS. The board of direc-
4 tors shall publish an annual report to the bank's members
5 [SHAREHOLDERS]. The report shall be made available to the public and
6 shall include financial statements audited by independent outside
7 auditors, [A STATEMENT OF THE AMOUNT OF MONEY RECEIVED BY THE BANK FROM
8 EACH SOURCE DURING THE PERIOD COVERED,] a statement of the bank's
9 investments, a description of the bank's loan [INVESTMENT] activity
10 during the period covered by the report, an analysis of economic and
11 other effects of loan [INVESTMENT] decisions on the state's commercial
12 fishing and agriculture industries, and any other information the board
13 believes would be of interest to the governor, the legislature and the
14 public. The board may also publish such other reports as it considers
15 desirable to carry out its purposes.

16 * Sec. 6. AS 44.81.210(a) is amended by adding a new paragraph to read:

17 (22) use Alaska limited entry permits as security for loans
18 under (1) of this subsection for the repair, restoration, or upgrading
19 of existing vessels and gear, for the purchase of entry permits and
20 gear, and for the construction and purchase of vessels; the provisions
21 of AS 44.81.230 - 44.81.250 apply to Alaska limited entry permits
22 pledged as security for loans in accordance with this paragraph.

23 * Sec. 7. AS 44.81 is amended by adding new sections to read:

24 Sec. 44.81.260. DATA REGARDING RECORDS OF THE BANK. (a) Except
25 as provided in (b) of this section, the directors, officers, and em-
26 ployees of the bank shall hold in strict confidence all information
27 regarding the business records of the bank, including information as to
28 the character, credit standing and property of members and applicants
29 for loans. They shall not exhibit or quote from the bank's business

1 records, including documents regarding personnel of the bank or pertain-
2 ing to members or applicants for loans.

3 (b) The requirements of (a) of this section are subject to the
4 following exceptions:

5 (1) Examiners and other authorized representatives of the
6 commissioner of commerce and economic development and other authorized
7 regulatory agencies have free access to all information, records and
8 files.

9 (2) The board of directors or the president of the bank
10 shall supply members' names and their loan amounts and the salaries,
11 benefits and bonuses of all employee positions and statistical and
12 other impersonal information pertaining to members, employees, and
13 loans in response to requests from the public.

14 (3) Information concerning members may be given for the
15 confidential use of a member of the federal farm credit system or other
16 financial institution in contemplation of the extension of credit or
17 the collection of loans.

18 (4) Impersonal information based solely on transactions or
19 experience with a member, such as amounts of loans, terms, and payment
20 records may be given by the bank for the confidential use of a reliable
21 organization in contemplation of the extension of credit.

22 (5) Credit information concerning a member may be given when
23 the member consents to it in writing.

24 (6) In litigation between a member (or his successor in
25 interest) and the bank, any competent evidence may be introduced with
26 respect to relevant statements made orally or in writing by or to the
27 member or his successor.

28 Sec. 44.81.270. POWERS OF COMMISSIONER OF COMMERCE AND ECONOMIC
29 DEVELOPMENT TO EXAMINE BANK. The commissioner of commerce and economic

1 development may cause the bank to be examined in the manner and under
2 the conditions prescribed by the Alaska Banking Code (AS 06.05) for
3 examination of state banks. The commissioner or his examiner have free
4 access to all books and papers of the bank which relate to its business
5 and books and papers kept by a director, officer, or employee relating
6 to or upon which a record of its business is kept, and may summon
7 witnesses and administer oaths or affirmations in the examination of
8 the directors, officers, or employees of the bank or any other person
9 in relation to its affairs, transactions, and conditions, and may re-
10 quire and compel the production of records, books, papers, contracts,
11 or other documents by court order if not voluntarily produced.

12 Sec. 44.81.280. PROHIBITION ON RELEASE OF INFORMATION. The
13 commissioner of commerce and economic development, his examiner, and
14 his employees may not divulge information acquired by them in the
15 process of examination conducted under AS 44.81.270, except insofar as
16 the information is necessary by law or under court order.

17 * Sec. 8. FINDINGS. The legislature finds that

18 (1) the Alaska Commercial Fishing and Agriculture Bank has been
19 established in the form of a cooperative for the purpose of providing
20 capital to Alaska's commercial fishermen and farmers and assisting in the
21 development of fishing and agriculture in the state;

22 (2) the state has invested \$32 million in the bank to assist in
23 accomplishing its purposes;

24 (3) the state has an interest in assuring that its money is being
25 used in a manner so that the bank will accomplish those purposes which the
26 legislature intended in establishing the bank;

27 (4) audit and examination of the bank by the state can best be
28 accomplished by use of bank examiners of the Department of Commerce and
29 Economic Development to complement the audit conducted by the bank's inde-

1 pendent outside auditors;

2 (5) there is an expectation of privacy guaranteed by the Consti-
3 tution of the State of Alaska which inures to the members of the bank, both
4 as borrower and as capital shareholder with an equity interest in the bank,
5 which can be protected through adherence to established methods of bank
6 examination.

7 * Sec. 9. AS 44.81.080, 44.81.120, 44.81.130, 44.81.140, 44.81.150,
8 44.81.170, 44.81.180, and 44.81.220 are repealed.

9 * Sec. 10. This Act takes effect immediately in accordance with AS 01.-
10 10.070(c).

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SCS CS HB 413 (FIN.)

"An Act relating to the Alaska Commercial Fishing and Agriculture Bank; and providing for an effective date."

1. Attached is a summary provided by CFAB of SB 388/HB 413 as introduced by the sponsor.
2. The Senate Resources Committee added two amendments, one of a technical nature. The other amendment allows CFAB to use limited entry permits as security for loans for vessels, gear, and permits.
3. The suggested Senate Finance Committee substitute offers changes to the Senate Resources Committee bill. The changes, detailed on the attached page, are for three purposes.
 - A. First, the original changes offered to CFAB's enabling legislation identify the bank solely as a "private cooperative," no longer an "instrumentality of the state," and not subject to the Banking Code or to legislative oversight. The rationale for the amendments proposed for SB 358/HB 413 are that so long as CFAB is capitalized by \$32 million of the State's money, the Legislature has a responsibility to the people of the State to see that those funds are used for the public purposes for which they were appropriated. At CFAB's request, audit by the Division of Legislative Audit was substituted for audit by the Department of Commerce and Economic Development.
 - B. Secondly, coverage of CFAB employees by the PERS system is deleted. This was done for two reasons: if CFAB is a private cooperative and not a public agency, it does not fit the definition for eligibility to PERS and, if allowed to remain in PERS, could jeopardize the tax exempt status of PERS.
 - C. The third amendment changes the existing "transition" provision, so that after the State's investment is returned, the bank will conduct business under its own bylaws and the State Cooperative Act, exclusive of the section prohibiting banking by cooperatives.

Interest groups, CFAB Board members, and CFAB's attorney, as well as the Vice President of The Spokane Bank for Cooperatives (CFAB's federal funding source) have all reviewed the amendments proposed in SCS CS HB 413 (Fin) and have raised no serious objections.

Attachment

ADDITIONS TO CS SB 388 (Res) proposed in SCS CSHB 413 (Fin)

Page 1, line 28 and following: CFAB employees are removed from coverage by PERS

Page 3, line 13: addition of "or which the legislature requests the board to include."

Page 3, line 24 and following: Inclusion and correction of "transition" provision.

Page 5, line 6 and following: substitution of Legislative Audit Division for Department of Commerce and Economic Development as auditors.

Page 5, line 19: substitution of Legislative Audit Division for Department of Commerce and Economic Development.

Page 6, line 6: substitution of Legislative Audit Division for Department of Commerce and Economic Development.

SUMMARY OF A BILL CONCERNING THE
ALASKA COMMERCIAL FISHING AND AGRICULTURE BANK
AND RELATING TO THE RELATIONSHIP OF THE BANK WITH THE STATE

By Frank Homan, Member, Board of Directors

The Bill now before the Legislature as SB 388, is designed to make clear what many believe to be the intent of the original drafters of the legislation which created the Alaska Commercial Fishing and Agriculture Bank ("CFAB") i.e., that CFAB was intended to exist as a private, cooperative corporation while filling a crucial need of the State in making capital available to commercial fishermen and farmers, thereby assisting with the development of fishing and agriculture in the state.

Unfortunately, the founders of CFAB apparently also hoped to create an entity with the ability to raise capital by issuing tax-exempt bonds. Thus, they include many features in what is now AS 44.81 which are common and essential to legislative acts which create authorities of the State which are designed to raise capital in the tax-exempt market. Among such authorities in Alaska are the Alaska Industrial Development Authority, Alaska Municipal Bond Bank, the Alaska Housing Finance Corporation and the Alaska Power Authority. The effect of such "bonding" language has been confusion as to the status of CFAB. Is it an instrumentality of the State or a private cooperative institution? Recent events indicate that the distinction should now be made clear.

In any event, the State has never had the form of control over CFAB so that CFAB could be considered a "constituted

authority" as required by Section 103 of the Internal Revenue Code and the Treasury Regulations thereunder for the issuance of tax-exempt bonds. Little is, therefore, lost by removal of the language in AS 44.81 intended to assist the sale of CFAB bonds. This Bill, of course, retains all of CFAB's ability to raise capital by contracting other types of debt.

A section by section summary of the proposed legislation follows:

Section 1 of the Bill makes it clear that CFAB serves a public purpose (filling an unmet need in the state by providing capital to commercial fishermen and farmers so that Alaska's fishing and agriculture industries may develop), while removing language from AS 44.81.010(a) which seems to indicate that CFAB is some kind of an instrumentality of the State. Language added to AS 44.81.010(a) also makes it clear that CFAB is not engaged in "banking" as contemplated by the Alaska Banking Code, as it seems clear that the Legislature intended that CFAB serve a different function than that of the commercial banks in the state. Regulation under the Alaska Banking Code would be inappropriate.

Section 2 clarifies the status of employees of CFAB. They are not employees of the State, but it does seem desirable, as with employees of many political subdivisions of the State, that CFAB employees be allowed to avail themselves of membership in the Public Employees Retirement System and the supplementary employee benefits on withdrawal from social security (to the extent that they may be eligible for the latter program).

Section 3 makes certain that members of the CFAB Board of Directors continue to be eligible for per diem and travel allowances.

Section 4 of the Bill amends AS 44.81.160, Pledge of the State, by removing a number of references to bonds and holders of bonds, while retaining the State's pledge to other creditors of CFAB that it will not take an action which might be considered to jeopardize the terms of a CFAB contract with that creditor.

Section 5 of the proposed Bill contains two housekeeping matters which are not necessarily connected with the purposes of the other amendments proposed in the Bill. The first of these is a change in terminology from "shareholders" to "members" which was overlooked in legislation passed by the Second Session of the Eleventh Legislature. The second change is an attempt to clarify the information which the Legislature expects will be contained in the annual report of CFAB. This change has been suggested by, among others, CFAB's independent outside auditors and as proposed uses language more appropriate to CFAB's activities.

Section 6 provides for confidentiality of CFAB's records while allowing for necessary disclosures to various agencies and government groups. It also provides for an audit of CFAB by the bank examiners. This is designed to provide for audit oversight at the State level.

Section 7 adds legislative findings necessary to establish intent and legislative history.

Section 8 repeals the several sections listed below:

AS 44.81.080 which classified CFAB employees in the exempt service.

AS 44.81.120, AS 44.81.130, AS 44.81.140, AS 44.81.150 which detailed the sale of tax-exempt bonds.

AS 44.81.170, AS 44.81.180 which classified CFAB as exempt from taxation and allows state agencies to purchase CFAB bonds.

AS 44.81.220 which provided that after repayment to the State CFAB would revert to the cooperative statutes. Removal of that will allow CFAB to continue to operate under this statute.