

BILLS 1981 - 1982
HB 757 cont. - HB 763

Leg. Finance

1574

1574

1 is ineligible by reason of the back pay award, shall pay into the un-
2 employment trust fund an amount equal to the amount of the deduction.
3 If an employer making a payment under this section has already reim-
4 bursed the department for the benefits under AS 23.20.276 - 23.20.277,
5 his account shall be properly credited. The insured worker's liability
6 under AS 23.20.390 shall be reduced by the amount paid by his employer
7 under this section.

8 * Sec. 17. AS 23.20 is amended by adding a new section to read:

9 Sec. 23.20.401. CHILD SUPPORT INTERCEPTION. (a) Notwithstanding
10 any other provision of this chapter, an individual filing a new claim
11 for unemployment compensation must disclose whether he owes child support
12 obligations as defined in (g) of this section. If the individual dis-
13 closes that he owes child support obligations and is determined to be
14 eligible for unemployment compensation, the department shall notify the
15 child support enforcement agency of the Alaska Department of Revenue
16 that the individual has been determined to be eligible for unemployment
17 compensation.

18 (b) The department shall deduct and withhold from unemployment
19 compensation payable to an individual who owes child support obligations
20 as defined in (g) of this section

21 (1) the amount specified by the individual to the department
22 to be deducted and withheld under this subsection, if neither (2) nor
23 (3) of this subsection is applicable;

24 (2) the amount specified in an agreement submitted to the
25 department under section 454(20)(B)(i) of the Social Security Act
26 (42 U.S.C. sec. 654(20)(B)(i)) by the child support enforcement agency
27 of the Alaska Department of Revenue, unless (3) of this subsection is
28 applicable; or

29 (3) any amount required to be deducted and withheld through

1 legal process, as defined in section 462(e) of the Social Security Act
2 (42 U.S.C. sec. 662(e)), properly served upon the department.

3 (c) The department shall pay an amount deducted and withheld under
4 (b) of this section to the child support enforcement agency of the
5 Alaska Department of Revenue.

6 (d) An amount deducted and withheld under (b) of this section
7 shall for all purposes be treated as if it were paid to the individual
8 as unemployment compensation and paid by that individual to the child
9 support enforcement agency of the Alaska Department of Revenue in satis-
10 fication of the individual's child support obligations.

11 (e) In (a) - (d) of this section, "unemployment compensation"
12 means compensation payable under this chapter, including amounts payable
13 under an agreement under a federal law providing for compensation,
14 assistance, or allowances with respect to unemployment.

15 (f) This section applies only if appropriate arrangements have
16 been made for reimbursement by the child support enforcement agency of
17 the Alaska Department of Revenue for the administrative costs incurred
18 by the department under this section.

19 (g) In this section, "child support obligations" includes only
20 obligations that are being enforced under a plan described in section 454
21 of the Social Security Act (42 U.S.C. sec. 654), which has been approved
22 by the United States Secretary of Health and Human Services under Part D
23 of Title IV of the Social Security Act.

24 * Sec. 18. AS 23.20.406 is amended by adding a new subsection to read:

25 (1) Notwithstanding (a) and (b) of this section, an individual is
26 not eligible for extended benefits unless, in the base period determined
27 with respect to his applicable benefit year, the individual has been
28 paid, for employment covered by this chapter, total wages that equal or
29 exceed 40 times the weekly benefit amount, including any allowance for

1 dependents, which is payable to him during his applicable benefit year.

2 * Sec. 19. AS 23.20.407 is amended by adding a new subsection to read:

3 (c) Notwithstanding any other provision of this chapter, if the
4 benefit year of an individual ends within an extended benefit period,
5 the remaining balance of extended benefits that the individual would,
6 but for this section, be entitled to receive in the extended benefit
7 period, with respect to weeks of unemployment beginning after the end of
8 the benefit year, shall be reduced by the number of weeks for which the
9 individual received an amount as a trade readjustment allowance within
10 the benefit year multiplied by the individual's weekly benefit amount
11 for extended benefits. However, the extended benefits may not be reduced
12 below zero.

13 * Sec. 20. AS 23.20.408(a) is amended to read:

14 (a) When an extended benefit period is to become effective in this
15 state as a result of a state [OR NATIONAL] "on" indicator, or an extend-
16 ed benefit period is to be terminated in this state as a result of
17 [EITHER] a state "off" indicator [OR A NATIONAL "OFF" INDICATOR], the
18 department shall make an appropriate public announcement.

19 * Sec. 21. AS 23.20.408(f) is amended to read:

20 (f) There is a state "on" indicator for a week if the rate of in-
21 sured unemployment under this chapter for the period consisting of that
22 week and the immediately preceding 12 weeks either:

23 (1) equaled or exceeded 120 percent of the average rate of
24 insured unemployment for the corresponding 13-week period in each of the
25 preceding two calendar years and equaled or exceeded five [FOUR] percent;
26 or

27 (2) equaled or exceeded six [FIVE] percent.

28 * Sec. 22. AS 23.20.408(g) is amended to read:

29 (g) There is a state "off" indicator for a week if, for that week

1 and the immediately preceding 12 weeks, the rate of insured unemployment
2 was either: (1) less than five [FOUR] percent; or (2) less than six
3 [FIVE] percent and was less than 120 percent of the average of the rates
4 of insured unemployment for the corresponding 13-week period in each of
5 the preceding two calendar years.

6 * Sec. 23. AS 23.20.408(h) is amended to read:

7 (h) In (f) and (g) of this section, "rate of insured unemployment"
8 means the percentage derived by dividing (1) the average weekly number
9 of individuals filing claims for regular compensation in this state for
10 weeks of unemployment with respect to the most recent 13 consecutive
11 week period, as determined by the department on the basis of its reports
12 to the United States Secretary of Labor, by (2) the average monthly
13 employment covered under this chapter for the first four of the most
14 recent six completed calendar quarters ending before the close of that
15 13-week period. Computations required by this subsection shall be made
16 by the department in accordance with regulations prescribed by the
17 United States Secretary of Labor.

18 * Sec. 24. AS 23.20.409(1) is amended to read:

19 (1) "extended benefit period" means a period which

20 (A) begins with the third week after [WHICHEVER OF THE
21 FOLLOWING WEEKS OCCURS FIRST:

22 (i) A WEEK FOR WHICH THERE IS A NATIONAL "ON"
23 INDICATOR, OR

24 (ii)] a week for which there is a state "on" in-
25 dicator; and

26 (B) ends with either of the following weeks, whichever
27 occurs later:

28 (i) the third week after the first week for which
29 there is [BOTH A NATIONAL "OFF" INDICATOR AND] a state "off"

1 indicator; or

2 (ii) the 13th consecutive week of that period;

3 * Sec. 25. AS 23.20.409 is amended by adding a new paragraph to read:

4 (6) "applicable benefit year" means, with respect to an
5 individual, the current benefit year if, at the time an initial claim
6 for extended benefits is filed, the individual has an unexpired benefit
7 year only in the state against which the claim is filed, or, in any
8 other case, the individual's most recent benefit year; the most recent
9 benefit year, for an individual who has unexpired benefit years in more
10 than one state when the initial claim for extended benefits is filed, is
11 the benefit year with the latest ending date or, if the benefit years
12 have the same ending date, the benefit year in which the latest contin-
13 ued claim for regular compensation was filed; no extended benefits are
14 payable under this section unless the "applicable benefit year" was a
15 benefit year established under this chapter.

16 * Sec. 26. AS 23.20.505(a) is amended to read:

17 (a) An individual is considered "unemployed" in a week during
18 which he performs no services and for which no wages are [REMUNERATION
19 IS] payable to him, or in a week of less than full-time work if the
20 wages [REMUNERATION] payable to him for the week are less [IS NOT MORE]
21 than one and one-third times his weekly benefit amount, excluding the
22 allowance for dependents, plus \$50.

23 * Sec. 27. AS 23.20.520(24)(B) is amended to read:

24 (B) is legally authorized in the [THIS] state in which
25 it is located to provide a program of education beyond high school;
26 and

27 * Sec. 28. AS 23.20.520(26) is amended to read:

28 (26) "vocational training or retraining course" means a
29 course of vocational or technical training or retraining in schools or

1 classes, including but not limited to, field or laboratory work and
2 related remedial or academic instruction, which is conducted as a pro-
3 gram designed to prepare individuals for [ENTRY [LEVEL] employment in
4 trades, skills or crafts; the term "vocational training or retraining
5 course" does not include a program of instruction for an individual,
6 including a transfer credit program of instruction given at a community
7 college, which is intended as credit for a degree from an institution of
8 higher education;

9 * Sec. 29. AS 23.20.526(a) is amended by adding a new paragraph to read:

10 (21) service performed as a prospective or impaneled juror in
11 a court.

12 * Sec. 30. AS 23.20.530(a) is amended to read:

13 (a) In this chapter, [UNLESS THE CONTEXT OTHERWISE REQUIRES,]
14 "wages" means all remuneration for service from whatever source, includ-
15 ing, but not limited to, insured work, noninsured work, or self-employ-
16 ment; commissions, [AND] bonuses, back pay and the cash value of all
17 remuneration in a medium other than cash shall be treated as wages;
18 gratuities customarily received by an individual in the course of his
19 service from persons other than his employing unit may be treated as
20 wages received from [FOR] his employing unit only to the extent the
21 individual reports the gratuities to his employing unit [; BACK PAY
22 AWARDED UNDER A STATUTE OF THIS STATE OR THE UNITED STATES SHALL BE
23 TREATED AS WAGES]. The reasonable cash value of remuneration in a
24 medium other than cash, and the reasonable amount of gratuities, shall
25 be estimated and determined in accordance with regulations prescribed by
26 the department; notwithstanding AS 23.20.350(a), [FOR THE PURPOSES OF AN
27 INITIAL DETERMINATION ONLY,] back-pay awards shall be allocated to the
28 weeks or quarters with respect to which the pay was earned. If the
29 remuneration of an individual is not based upon a fixed period [OF

1 DURATION] of time or if his wages are paid in irregular intervals or in
2 a manner which does not extend regularly over the period of employment,
3 [FOR THE PURPOSE OF AN INITIAL DETERMINATION ONLY,] the wages shall be
4 allocated to weeks or quarters [QUARTER] in accordance with regulations
5 prescribed by the department. The regulations shall, so far as possible,
6 produce results reasonably similar to those which would prevail if the
7 individual were paid his wages at regular intervals.

8 * Sec. 31. AS 23.20.530(b) is amended by adding a new paragraph to read:

9 (13) compensation received for inactive service performed by a
10 member of the Alaska National Guard or Naval Militia.

11 * Sec. 32. AS 23.20.350(b), 23.20.408(d), 23.20.408(e), 23.20.505(b),
12 23.20.505(c), 23.20.530(b)(11), and 23.20.530(b)(12) are repealed.

13 * Sec. 33. Section 7 of this Act applies to insured workers who establish
14 benefit years after December 31, 1982.

15 * Sec. 34. Sections 1, 2, 7, and 33 of this Act take effect January 1,
16 1983.

17 * Sec. 35. Sections 8 and 17 - 25 of this Act take effect September 26,
18 1982.

19 * Sec. 36. Sections 3 - 6, 9 - 16, and 26 - 32 of this Act take effect
20 immediately in accordance with AS 01.10.070(c).

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POSITION PAPER

CS HOUSE BILL NO. 757 (LABOR AND COMMERCE COMMITTEE)

"An Act relating to unemployment insurance; and providing for an effective date."

The state is currently facing a 1.2 million dollar sanction due to a high error rate in the food stamp program during a six-month period. The total sanctions for subsequent periods may be as high as 3 to 4 million dollars. The primary identified cause of the over payments is client failure to correctly report changes in income.

Through the successful execution of specified corrective actions the state can avoid the sanction. This bill provides for the exchange of information between the Department of Health and Social Services and the Department of Labor for the purpose of administering the food stamp program. This is one of the corrective actions mandated by the Department of Agriculture and will permit verification of employment and wages in accordance with 7 CFR 273.2 f (4)(ii). This requirement is further mandated by the Food Stamp Act as amended by Public Law 97-98 Sec. 11(e)20 (December 22, 1981) which will be placed into Department of Agriculture Regulation.

The department is concerned solely with Section 1 (f) and (g) and supports their passage as written.

Passage of this bill will permit the administration of the food stamp program more along the lines of other states with lower error rates.

RECOMMENDED BY:

Rod Betit
Rod Betit, Director

DATE:

April 9, 1982

APPROVED BY:

Helen D. Beirne
Helen D. Beirne, Commissioner

DATE:

4-11-82

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS HB 757

Title _____

Requested by Rod Betit

Date 4-9-82

II. FISCAL DETAIL

Agency Affected Health and Social Services; Labor

Program Category Affected Social Services, Division of Public Assistance

BRU, Program, Or Subprogram(s) Affected Food Stamps/PA Eligibility Determination

(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	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

FUNDING (Thousands of Dollars)

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

POSITIONS

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

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

The necessary information is already being collected and the exchange of that information is not expected to require an increased appropriation.

IV. DATE April 9, 1982

PREPARED BY Garth Patterson

AGENCY Public Assistance/Food Stamp Program

Original: Legislative Finance

PHONE 465-3360

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

JCC

POSITION PAPER

FOR HOUSE BILL NO. 757 (RULES COMMITTEE)

"An Act relating to unemployment insurance; and providing for an effective date."

The state is currently facing a 1.2 million dollar sanction due to a high error rate in the food stamp program. The primary identified cause of the over payments is client failure to correctly report changes in income.

This bill provides for the exchange of information between the Department of Health and Social Services and the Department of Labor for the purpose of administering the food stamp program. This is one of the corrective actions mandated by the Department of Agriculture and will permit verification of employment and wages in accordance with 7 CFR 273.2 f (4)(ii). This requirement is further mandated by the Food Stamp Act as amended by Public Law 97-98 Sec. 11(e)20 (December 22, 1981) which will be placed into Department of Agriculture Regulation.

The department is concerned solely with Section 1 (f) and (g) and supports their passage with one suggested change: for purposes of clarification, in paragraph (f)(1) after "wage" add the words "and employer". This will clarify any future question about whether the Department of Labor has the authority to release the source of the income or only the amount. Knowing the source of the wage is essential because income may be treated differently depending upon its source, also, follow-up verification may be required from the employer.

Passage of this bill will permit the administration of the food stamp program more along the lines of other states with lower error rates.

RECOMMENDED BY:

Rod Betit
Rod Betit, Director

DATE:

2/23/82

APPROVED BY:

Helen D. Beirne
Helen D. Beirne, Commissioner

DATE:

3-1-82

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 757
Title _____
Requested by Rod Betit Date 2-25-82

II. FISCAL DETAIL

Agency Affected Health and Social Services: Labor
Program Category Affected Social Services, Division of Public Assistance
BRU, Program, Or Subprogram(s) Affected Food Stamps/PA Eligibility Determination
(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	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

FUNDING (Thousands of Dollars)

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

POSITIONS

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

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

The necessary information is already being collected and the exchange of that information is not expected to require an increased appropriation.

IV. DATE February 25, 1982 PREPARED BY Garth Patterson
AGENCY Public Assistance/Food Stamp Program
Original: Legislative Finance PHONE 465-3360
cc: Budget and Management
Prime Sponsor (First Legislator Named)
33-001 (Rev. 12/81)

CC

THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee Substitute for House Bill #757 (L & C)
 Title "An Act relating to unemployment insurance and providing for an . . ."
 Requested by Labor and Commerce Date 4/2/82

II. FISCAL DETAIL

Agency Affected Labor
 Program Category Affected Social Services
 BRU, Program, or Subprogram(s) Affected Employment Security
 (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	94.1	103.5	113.6	125.2	131.8
200 TRAVEL		-	-	-	-	-
300 CONTRACTUAL	10.0	63.3	24.3	26.7	29.4	32.3
400 COMMODITIES		3.0	3.3	3.6	4.0	4.4
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
TOTAL	10.0	160.4	131.1	143.9	158.6	174.5

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	5.0	25.0	0	0	0	0
FEDERAL FUNDS	5.0	135.4	131.1	143.9	158.6	174.5
OTHER (Specify Fund Source)						

POSITIONS

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

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

The proposed amendments to AS 23.20.350, to increase benefit amount, will require additional programming services. Proposed AS 23.20.401, dealing with interception of UI benefits to pay child support obligations, will require expenditures for programming and forms, and one-half of a position state-wide, explaining program to claimants and dealing procedures with child support enforcement staff.

Contractual programming expenditures for the State Supplemental Benefit system, child support interception and the increase in UI benefit amount are based on an estimated 1,280 man-hours of programming time at \$40 per hour. (\$10 - FY '82, \$41.2 - FY '83)

The proposed amendment to AS 23.20.353, to implement a Supplemental State Benefit system will require state funds for data processing development costs and two and a half existing positions statewide for processing SSB claims. Assumes that the three positions will be existing positions.

IV. DATE 4/1/82 PREPARED BY Nico Bus
 AGENCY Labor
 PHONE 465-2720
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

GENERAL NOTE

I. REQUEST

Bill/Resolution No. CS for House Bill 757 (L & C)

Title "An Act relating to Unemployment Insurance and providing for an ..."

Requested by House Labor and Commerce Committee Date 4/2/82

II. FISCAL DETAIL

Agency Affected All agencies

Program Category Affected All, indirectly decreases General Fund reimb. to UI Trust Fund BRU, Program, or Subprogram(s) Affected All indirectly

(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	(105.0)	(71.0)	(73.0)	(75.0)	(76.0)
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	(105.0)	(71.0)	(73.0)	(75.0)	(76.0)

FUNDING (Thousands of Dollars)

GENERAL FUND	0	(105.0)	(71.0)	(73.0)	(75.0)	(76.0)
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Assumptions:

- Alaska will trigger off EB 5 months each year beginning Sept. 1982.
- 30% of remaining EB weeks claimed after 1981 conforming legislation will be saved by triggering off.
- Remaining EB payments plus all regular payments will increase by 1.9% because of increase in maximum WBA to \$156.
- New WBA schedule effective 1/1/83. Only half of effect felt in FY 1983.
- Approximately 26 former state employees will be covered by the new Section 8 Alaska Additional benefits for claimants denied EB because of the new 40XWBA conformity rule. 4/2/82

IV. DATE

4/2/82

PREPARED BY Nicolaas W. Bus

AGENCY Department of Labor

PHONE 465-2720

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)



14B 757

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 11, 1982

The Honorable Joe L. Hayes
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to unemployment insurance. This bill makes several significant changes to unemployment insurance law, as well as making numerous less significant changes which are considered necessary to effectuate legislative intent.

Congress' passage of the Omnibus Budget Reconciliation Act of 1981 and the Economic Recovery Tax Act of 1981 requires several changes in state law in order for the state to remain in conformity with federal requirements and to continue to receive federal money.

The bill requires the employment security division to share information regarding unemployment insurance claims with state or federal agencies which administer the food stamp program and requires those agencies to keep the information confidential.

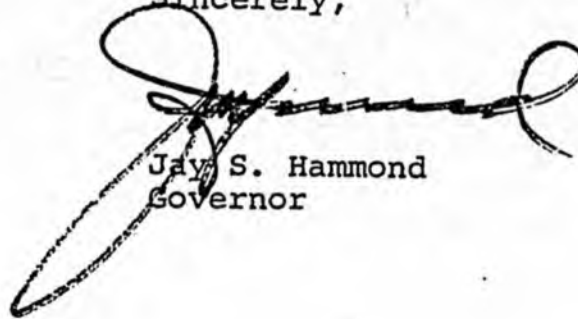
The bill requires the employment security division to withhold from payments of a claimant's benefits the amount the claimant owes for child support obligations and to pay that money to the child support enforcement agency.

The bill makes several changes regarding extended benefits which have the effect of both restricting the conditions generally under which extended benefits are payable and making more stringent the eligibility requirements for individuals wishing to receive extended benefits.

The bill prohibits disqualification of an individual while he or she attends training courses approved under the Trade Act of 1964. It also includes an increase in the unemployment insurance weekly benefit amount and changes in the duration of benefits.

In addition to the above amendments necessitated by recent federal enactments, the bill also makes other changes which the department considers necessary, including changes which correct some provisions, clarify provisions which are ambiguous, and make the statutes more uniform.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jay S. Hammond". The signature is written in dark ink and is positioned above the typed name.

Jay S. Hammond
Governor

Legislative Finance

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 758
Title "An Act relating to the energy program for Alaska."
Requested by House Resources Date 4/2/82

II. FISCAL DETAIL

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		4.0		4.0		
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	4.0	-0-	4.0	-0-	-0-

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		4.0		4.0		
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS No additional positions required.

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

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

Assume:

1. That special elections on power projects will be held simultaneously with November general elections in affected areas.
2. That the Official Election Pamphlet will be the vehicle for delivery of descriptions of each power project to each registered voter prior to the appropriate election.
3. That three elections will be held during FY 83 (at the 1982 General Election) affecting a) Terror Lake (Kodiak precincts), b) Bradley Lake (Kenai precincts), and c) Black Bear Lake (Craig, Klawock, and Hydaburg precincts).
4. That one election will be held during FY 85 (at the 1984 General Election) for the Susitna project (Anchorage, Fairbanks [Railbelt], and Valdez precincts).
5. That all expenditures, with the exception of printing costs for one additional ballot and some advertising costs, will be absorbed into the general detail budget for the Division of Elections as projected during a general election budget year.

IV. DATE 4/5/82 PREPARED BY Danith D. Arnoldt, Deputy Director
AGENCY Office of the Governor, Div. of Elections
PHONE 586-6181

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)
33-001 (Rev. 12/81)

FISCAL NOTE

III. ANALYSIS (continued)

If the Legislature deems it necessary to place these questions on special election ballots separate from the General Election in those years specified, these costs must be recalculated and will increase significantly.

Introduced: 2/11/82
Referred: Resources and
Finance

1 IN THE HOUSE

BY THE RESOURCES-COMMITTEE

2 HOUSE BILL NO. 758

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the energy program for Alaska."

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

8 * Section 1. AS 44.83.380(b) is amended to read:

9 (b) The energy program for Alaska is a program by which the au-
10 thority may acquire or construct power projects with money appropriated
11 by the legislature to the power development fund established in AS 44.-
12 83.382. A power project may be acquired or constructed as part of the
13 energy program for Alaska only if

14 (1) for a power project that will generate more than 1.5
15 megawatts of power and on which construction has not begun

16 (A) the power project is submitted to and approved by
17 the legislature in accordance with procedures set out in AS 44.-
18 83.177 - 44.83.187; and

19 (B) the authority makes the determinations required by
20 AS 44.83.394 with respect to the power project;

21 (2) for a power project that will generate more than 1.5
22 megawatts of power and on which construction has begun or is completed,
23 the authority makes the determinations required by AS 44.83.394 with re-
24 spect to the power project; and

25 (3) for a power project that will generate 1.5 megawatts
26 of power or less, on which construction has not begun, the authority
27 prepares a feasibility study for the power project in accordance with
28 AS 44.83.181 and makes the determinations required by AS 44.83.394 with
29 respect to the power project.

1 * Sec. 2. AS 44.83.382(b) is amended to read:

2 (b) The fund consists of [INCLUDES

3 (1)] money appropriated to it by the legislature [; AND

4 (2) REVENUES COLLECTED FROM THE SALE OF POWER THAT ARE NOT
5 REQUIRED BY LAW TO BE DEPOSITED INTO THE GENERAL FUND].

6 * Sec. 3. AS 44.83.384(b) is amended to read:

7 (b) Money in the fund may be used under (a) of this section only
8 for a power project that

9 (1) meets the revenue requirements of AS 44.83.394; [AND]

10 (2) provides the lowest reasonable power cost to utility
11 customers in the market area for the estimated life of the power project,
12 whether operated by itself or in conjunction with other power projects
13 in the market area, and that operates or will operate on one or more of
14 the following:

15 (A) renewable energy resources, including but not
16 limited to hydroelectric power, wind, biomass, geothermal, tidal or
17 solar energy, or a method that uses temperature differentials or
18 other physical properties of the ocean;

19 (B) coal or peat;

20 (C) energy derived from waste heat; or

21 (D) fossil fuel, including oil or natural gas; and

22 (3) has been approved by a majority of the voters in an
23 election held under AS 44.83.385.

24 * Sec. 4. AS 44.83 is amended by adding a new section to read:

25 Sec. 44.83.385. ELECTIONS ON POWER PROJECTS. (a) Before the
26 authority may use money in the power development fund established in
27 AS 44.83.382 to acquire or construct a power project, the power project
28 must be approved by a majority of the voters at an election held under
29 this section. However, the authority may use money in the power develop-

1 ment fund for a feasibility study required by AS 44.83.380(b) without
2 voter approval under this section.

3 (b) Before an election is held under this section the authority
4 shall determine in writing the amount of money from the power develop-
5 ment fund the authority intends to use to acquire or construct a power
6 project. The authority shall then provide a copy of its written deter-
7 mination, together with a description of the area that will be served by
8 the power project, to the division of elections, Office of the Lieutenant
9 Governor, the division of budget and management, Office of the Governor,
10 and to each member of the legislature. If the power project is subject
11 to review under AS 44.83.177 - 44.83.187, the authority shall prepare
12 its written determination under this subsection after the division of
13 budget and management submits its report under AS 44.83.183(c). If the
14 power project is not subject to review under AS 44.83.177 - 44.83.187,
15 the authority shall prepare its written determination under this sub-
16 section after the division of budget and management approves a deter-
17 mination under AS 44.83.394 that the power project is economically
18 feasible.

19 (c) After receipt of a written determination under (b) of this
20 section, the division of elections shall conduct a special election in
21 the area that will be served by the power project as that area is de-
22 scribed by the authority under (b) of this section. The special election
23 shall be held in accordance with the procedures in AS 29.68.090. The
24 question that the voters will decide at the special election is whether
25 the authority may acquire or construct the power project. The ballot
26 must include a statement of the amount of money determined under (b) of
27 this section to be used to acquire or construct the power project.

28 (d) The authority shall include with its written determination
29 under (b) of this section a description of the power project which

1 includes a statement of the total cost of the power project and a state-
2 ment of the anticipated social, environmental, and economic impacts of
3 the power project in the area in which the power project will be lo-
4 cated. The description shall be reviewed and approved by the division
5 of budget and management. The division of elections shall deliver the
6 description of the power project to the area in which the special elec-
7 tion will be held. The delivery shall be by individual mailings to each
8 registered voter in the area, by publication and distribution of a
9 voters' pamphlet, by publication in a newspaper of general circulation
10 in the area, or by another method that the division of elections deter-
11 mines is reasonably likely to provide the voters with notice of the
12 description. The delivery shall be completed at least three weeks
13 before the special election is conducted.

14 (e) The authority may withdraw a written determination prepared
15 under (b) of this section or a description prepared under (d) of this
16 section at any time before the special election is conducted by notifying
17 the division of elections, the division of budget and management, and
18 each member of the legislature of the withdrawal in writing.

19 (f) If, due to a substantial change in or addition to the acquisi-
20 tion or construction of a power project that has been approved by the
21 voters in a special election held under (c) of this section, the author-
22 ity determines that additional money from the power development fund is
23 necessary for the power project, the authority must seek another a
24 special election in accordance with (a) - (e) of this section before the
25 additional money may be used. For the purposes of this subsection the
26 division of budget and management shall determine whether a change in or
27 addition to the acquisition or construction of a power project is sub-
28 stantial.

29 (g) This section applies to a power project on which construction

1 has begun at the time the authority seeks to acquire the power project
2 and to other power projects to be acquired or constructed by the author-
3 ity.

4 * Sec. 5. AS 44.83.394 is amended to read:

5 Sec. 44.83.394. REVENUE REQUIREMENTS. The authority may not use
6 money in the fund for a power project [EXCEPT IN COMPLIANCE WITH AS 44.
7 83.177 - 44.83.187, AND] unless, within one year before using the money,
8 the authority determines that the power project is economically feasible
9 and the division of budget and management in the Office of the Governor
10 approves the authority's finding. In determining whether a power pro-
11 ject is economically feasible under this section, the authority may rely
12 upon a feasibility study prepared for the power project under AS 44.83.-
13 181 if that feasibility study is not more than one year old. If the
14 feasibility study is more than one year old, the authority may revise
15 the feasibility study and rely upon the revised feasibility study
16 [THAT, AFTER CONSTRUCTION, OPERATION OF THE POWER PROJECT WILL BE ABLE
17 TO PROVIDE REVENUE SUFFICIENT TO RETURN ANNUALLY TO THE STATE FIVE
18 PERCENT OF THE AMOUNT THAT THE AUTHORITY HAS SPENT FROM THE FUND FOR THE
19 POWER PROJECT].

20 * Sec. 6. AS 44.83.398(a) is amended by adding a new paragraph to read:

21 (3) to establish a rate structure for the sale of power at
22 retail to all classes of consumers including industrial consumers that
23 complies with the requirements of (h) - (k) of this section.

24 * Sec. 7. AS 44.83.398(b) is repealed and reenacted to read:

25 (b) The authority shall establish and maintain a wholesale power
26 rate applicable to a power project that it acquires or constructs under
27 the energy program for Alaska. Beginning in the year in which a power
28 project becomes functional, the authority annually shall compute the
29 wholesale power rate applicable to the power project. The authority

1 shall, by regulation, establish a method for applying a wholesale power
2 rate to various types of power projects and shall, by regulation, estab-
3 lish a procedure for the adjustment of a wholesale power rate to compen-
4 sate for an overestimate or underestimate in a previous year of the
5 amounts described in (1) and (2) of this subsection. Except for adjust-
6 ments provided by regulation under this subsection, the wholesale power
7 rate must equal the rate that the authority estimates is necessary to
8 provide

9 (1) program receipts sufficient to pay, beginning in the year
10 in which the power project becomes functional,

11 (A) operation, maintenance, and equipment replacement
12 costs, including costs of a loan attributable to this paragraph
13 under AS 44.83.399 of the power project;

14 (B) debt service on bonds issued for the power project,
15 if any; and

16 (C) safety inspections and investigations of the power
17 project by the authority; and

18 (2) a return to the state of its investment in the power
19 project, with adjustments for inflation, as provided in (f) - (h) of
20 this section, over a 33-1/3 year period, or over a period equal to
21 three-fourths of the life of the project as determined by the authority,
22 whichever is less.

23 * Sec. 8. AS 44.83.398 is amended by adding new subsections to read:

24 (f) For the purposes of (b)(2) of this section, the authority, at
25 the time it initially establishes a wholesale power rate applicable to a
26 power project, shall determine the average rate of inflation, based on
27 the federal consumer price index for the United States for the 33-year
28 period preceding the establishment of the wholesale power rate. Every
29 10 years after the initial establishment of a wholesale power rate, the

1 authority shall reevaluate the average rate of inflation for the 33-year
2 period preceding the recalculation.

3 (g) For the first year in which a wholesale power rate is in
4 effect, the authority shall determine the amount to be returned to the
5 state under (b)(2) of this section by multiplying the state's investment
6 in the power project by the quotient achieved from dividing the period
7 of time described in (b)(2) of this section into one. For each subse-
8 quent year, the authority shall determine the amount to be returned to
9 the state under (b)(2) of this section by multiplying the amount deter-
10 mined under this subsection for the preceding year by the sum of one
11 plus the average rate of inflation calculated by the authority under (f)
12 of this section. After the period of time described in (b)(2) of this
13 section, the amount to be returned to the state under (b)(2) of this
14 section is zero unless other state investments in the power project are
15 made after the wholesale power rate is initially established. For a
16 state investment in a power project made after the initial wholesale
17 power rate is established, the authority shall separately determine the
18 amount to be returned to the state under (b)(2) of this section in the
19 manner provided in this subsection.

20 (h) A rate structure established under (a)(3) of this section
21 shall consist of at least two rates. The utility shall charge the
22 lowest rate to consumers for the first 250 kilowatt hours of power used
23 during a monthly billing period. For residential consumers the utility
24 shall specify successively higher ranges of power usage to which suc-
25 cessively higher rates within its rate structure apply. A rate struc-
26 ture established under (a)(3) of this section must, to the maximum
27 extent possible, encourage efficient use of power by residential con-
28 sumers.

29 (i) The lowest rate charged to a consumer under (h) of this sec-

1 tion may not exceed an amount that represents the consumer's propor-
2 tionate share of the utility's administrative costs, the utility's costs
3 under (b)(1) of this section, the utility's cost of providing supple-
4 mental power generation within the area served by the utility, the
5 utility's distribution costs, and the utility's return on its invest-
6 ment. However, if the authority determines that a higher rate is neces-
7 sary in order to allow a utility to pay the wholesale power rate re-
8 quired by (b) of this section, the authority may authorize that higher
9 rate.

10 (j) At least two weeks before a utility establishes or amends a
11 rate structure under (a)(3) of this section, the utility shall conduct a
12 public hearing within the area served by the utility to explain the
13 proposed rate structure or amendment and to receive comments from the
14 public. The utility shall provide public notice of the hearing at least
15 two weeks before the hearing is held. The utility may provide the
16 public notice by newspaper or radio or by posting the notice within the
17 area served by the public utility.

18 (k) The authority shall adopt regulations in accordance with the
19 Administrative Procedure Act (AS 44.62) to implement (a)(3) and (h) -
20 (j) of this section.

21 (l) In this section, "the state's investment in the power project"
22 means the total amount invested by the state for the acquisition or
23 construction of a power project, including loans and grants from the
24 state, other than loans or grants made for the purposes described in
25 (b)(1) of this section and other than loans made from the proceeds of
26 bonds issued for the power project.

27 * Sec. 9. AS 44.83 is amended by adding a new section to read:

28 Sec. 44.83.399. POWER PROJECT EMERGENCY MAINTENANCE FUND. There
29 is established in the authority the power project emergency maintenance

1 fund. The power project emergency maintenance fund consists of money
2 appropriated to it by the legislature. The authority may use money in
3 the power project emergency maintenance fund to pay the cost of mainte-
4 nance, including equipment replacement, of a power project it acquires
5 or constructs under the energy program for Alaska if other appropria-
6 tions are not available or are insufficient to pay that cost. For the
7 purposes of AS 44.83.398(h), the use of money in the power project
8 maintenance fund for a power project is a loan to the power project for
9 a purpose described in AS 44.83.398(b)(1) bearing interest at nine
10 percent a year and with a term determined by the authority but not to
11 exceed 30 years. The authority shall, in its annual budget request under
12 AS 44.83.210, request an appropriation to repay a loan under this
13 section. If the appropriation is made, the use of the money is a grant
14 that is a state investment in the power project for the purposes of
15 AS 44.83.398(h).

16 * Sec. 10. The provisions of AS 44.83.384(b)(3), added by sec. 3 of this
17 Act, and AS 44.83.385, added by sec. 4 of this Act, do not apply to a power
18 project on which construction has begun before the effective date of this Act
19 notwithstanding the provisions of AS 44.83.385(g).

20 * Sec. 11. AS 44.83.390 and 44.83.398(c) are repealed.
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Original sponsor: Resources Committee

Offered: 3/31/82
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 758 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Power Authority."

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

8 * Section 1. AS 44.83.090(b) is amended to read:

9 (b) The authority is not subject to the jurisdiction of the Alaska
10 Public Utilities Commission. Except as provided in AS 44.83.398(h) -
11 (j), nothing [NOTHING] in AS 44.83.010 - 44.83.510 grants the authority
12 any jurisdiction over the services or rates of any public utility or
13 diminishes or otherwise alters the jurisdiction of the Alaska Public
14 Utilities Commission with respect to any public utility including any
15 right the commission may have to review and approve or disapprove con-
16 tracts for the purchase of electricity by a public utility.

17 * Sec. 2. AS 44.83.110 is amended by adding a new subsection to read:

18 (h) If the authority decides to covenant to issue bonds or to
19 issue bonds secured by a capital reserve fund, the bonds may not be
20 issued until 10 days after the authority has mailed notification to the
21 State Bond Committee and the Legislative Budget and Audit Committee by
22 certified mail of its intention to establish a capital reserve fund to
23 secure the bond issue. The notification shall include the amount of the
24 capital reserve fund to be established, the amount of bonds proposed to
25 be issued, and the total cost of the project for which the bonds are to
26 be issued. The notification shall be accompanied by an estimate by the
27 authority of the need to withdraw money from the capital reserve fund
28 during the term of the bond issue, the amount that it may be necessary
29 to withdraw, and the time at which withdrawals are estimated to be

1 needed. The authority shall annually prepare a revised estimate,
2 considering the same factors, and a statement of all withdrawals that
3 have occurred from the date of issuance of the bonds to the end of the
4 calendar year. The revised estimate and statement shall be submitted to
5 the State Bond Committee and the Legislative Budget and Audit Committee
6 by January 30 of the succeeding year.

7 * Sec. 3. AS 44.83.181(b)(1) is amended to read:

8 (1) information about the proposed project, including but
9 not limited to estimates of total project construction costs, total
10 project operating costs, the costs of transmission systems and reserve
11 power requirements, the timing and amount of anticipated returns from
12 the completed project, a benefit-to-cost ratio, the potential effect
13 of the project on the environment of the area which will be served by
14 the project when completed including, when appropriate, recommended
15 measures to mitigate damage to fisheries and wildlife resources and mea-
16 sures to protect or enhance fisheries and wildlife resources, and the
17 availability of alternative government financing;

18 * Sec. 4. AS 44.83.185(c) is amended to read:

19 (c) The legislature shall consider and must approve all proposed
20 new projects except proposed new projects that are exempt under AS 44.-
21 83.187. The legislature may approve a proposed new project only by
22 enacting law that authorizes the project and approves a maximum con-
23 struction cost for [AUTHORIZING] that project.

24 * Sec. 5. AS 44.83 is amended by adding a new section to read:

25 Sec. 44.83.186. FINAL COST ESTIMATE AND REAUTHORIZATION BY THE
26 LEGISLATURE. If a project is approved under AS 44.83.185(c), the
27 authority shall obtain a final cost estimate for the project from an
28 independent source qualified to make such an estimate. If the final
29 cost estimate does not exceed the cost estimate presented by the

1 authority to the legislature under AS 44.83.185 by more than five
2 percent, the authority may proceed with the construction of the project.
3 If the final cost estimate exceeds the cost estimate presented by the
4 authority to the legislature under AS 44.83.185 by more than five
5 percent, the authority shall revise its feasibility study and, if it
6 determines that the project remains feasible, the authority shall
7 submit the revised feasibility study and the independent cost estimate
8 to the legislature. A proposed project that is returned for reconsider-
9 ation by the legislature under this section may not be constructed
10 unless the legislature reauthorizes it by enacting law for that purpose.

11 * Sec. 6. AS 44.83.189 is amended by adding a new subsection to read:

12 (b) A contractor who has participated in the preparation of the
13 feasibility study for or in the engineering design of the project may
14 not participate in the construction management or the construction of
15 the project by the authority.

16 * Sec. 7. AS 44.83.380(b) is amended to read:

17 (b) The energy program for Alaska is a program by which the au-
18 thority may acquire or construct power projects with money appropriated
19 by the legislature to the power development fund established in AS 44.-
20 83.382. A power project may be acquired or constructed as part of the
21 energy program for Alaska only if

22 (1) for a power project that will generate more than 1.5
23 megawatts of power and on which construction has not begun.

24 (A) the power project is submitted to and approved by
25 the legislature in accordance with procedures set out in AS 44.-
26 83.177 - 44.83.187; and

27 (B) the authority makes the determinations required by
28 AS 44.83.394 with respect to the power project;

29 (2) for a power project that will generate more than 1.5

1 megawatts of power and on which construction has begun or is completed,
2 the authority makes the determinations required by AS 44.83.394 with re-
3 spect to the power project; and

4 (3) for a power project that will generate 1.5 megawatts
5 of power or less, on which construction has not begun, the authority
6 prepares a feasibility study for the power project in accordance with
7 AS 44.83.181 and makes the determinations required by AS 44.83.394 with
8 respect to the power project.

9 * Sec. 8. AS 44.83.382(b) is amended to read:

10 (b) The fund consists of [INCLUDES
11 (1)] money appropriated to it by the legislature [; AND
12 (2) REVENUES COLLECTED FROM THE SALE OF POWER THAT ARE NOT
13 REQUIRED BY LAW TO BE DEPOSITED INTO THE GENERAL FUND].

14 * Sec. 9. AS 44.83.384(b) is amended to read:

15 (b) Money in the fund may be used under (a) of this section only
16 for a power project that
17 (1) meets the revenue requirements of AS 44.83.394; [AND]
18 (2) provides the lowest reasonable power cost to utility
19 customers in the market area for the estimated life of the power project,
20 whether operated by itself or in conjunction with other power projects
21 in the market area, and that operates or will operate on one or more of
22 the following:

23 (A) renewable energy resources, including but not limited
24 to hydroelectric power, wind, biomass, geothermal, tidal or solar
25 energy, or a method that uses temperature differentials or other
26 physical properties of the ocean;

27 (B) coal or peat;

28 (C) energy derived from waste heat; or

29 (D) fossil fuel, including oil or natural gas; and

1 (3) has been approved by a majority of the voters in an
2 election held under AS 44.83.385.

3 * Sec. 10. AS 44.83 is amended by adding a new section to read:

4 Sec. 44.83.385. ELECTIONS ON POWER PROJECTS. (a) Before the
5 authority may use money in the power development fund established in
6 AS 44.83.382 to acquire or construct a power project, the power project
7 must be approved by a majority of the voters at an election held under
8 this section. However, the authority may use money in the power develop-
9 ment fund for a feasibility study required by AS 44.83.380(b) without
10 voter approval under this section.

11 (b) Before an election is held under this section the authority
12 shall determine in writing the amount of money from the power develop-
13 ment fund the authority intends to use to acquire or construct a power
14 project. The authority shall then provide a copy of its written deter-
15 mination, together with a description of the area that will be served by
16 the power project, to the division of elections, Office of the Lieutenant
17 Governor, the division of budget and management, Office of the Governor,
18 and to each member of the legislature. If the power project is subject
19 to review under AS 44.83.177 - 44.83.187, the authority shall prepare
20 its written determination under this subsection after the division of
21 budget and management submits its report under AS 44.83.183(c). If the
22 power project is not subject to review under AS 44.83.177 - 44.83.187,
23 the authority shall prepare its written determination under this sub-
24 section after the division of budget and management approves a deter-
25 mination under AS 44.83.394 that the power project is economically
26 feasible.

27 (c) After receipt of a written determination under (b) of this
28 section, the division of elections shall conduct a special election in
29 the area that will be served by the power project as that area is de-

1 scribed by the authority under (b) of this section. The special election
2 shall be held in accordance with the procedures in AS 29.68.090. The
3 question that the voters will decide at the special election is whether
4 the authority may acquire or construct the power project. The ballot
5 must include a statement of the amount of money determined under (b) of
6 this section to be used to acquire or construct the power project.

7 (d) The authority shall include with its written determination
8 under (b) of this section a description of the power project that
9 includes a statement of the total cost of the power project and a state-
10 ment of the anticipated social, environmental, and economic impacts of
11 the power project in the area in which the power project will be lo-
12 cated. The description shall be reviewed and approved by the division
13 of budget and management. The division of elections shall deliver the
14 description of the power project to the area in which the special elec-
15 tion will be held. The delivery shall be by individual mailings to each
16 registered voter in the area, by publication and distribution of a
17 voters' pamphlet, by publication in a newspaper of general circulation
18 in the area, or by another method that the division of elections deter-
19 mines is reasonably likely to provide the voters with notice of the
20 description. The delivery shall be completed at least three weeks
21 before the special election is conducted.

22 (e) The authority may withdraw a written determination prepared
23 under (b) of this section or a description prepared under (d) of this
24 section at any time before the special election is conducted by notify-
25 ing the division of elections, the division of budget and management,
26 and each member of the legislature of the withdrawal in writing.

27 (f) If, due to a substantial change in or addition to the acquisi-
28 tion or construction of a power project that has been approved by the
29 voters in a special election held under (c) of this section, the author-

1 ity determines that additional money from the power development fund is
2 necessary for the power project, the authority must seek another special
3 election in accordance with (a) - (e) of this section before the addi-
4 tional money may be used. For the purposes of this subsection the
5 division of budget and management shall determine whether a change in or
6 addition to the acquisition or construction of a power project is sub-
7 stantial.

8 (g) This section applies to a power project on which construction
9 has begun at the time the authority seeks to acquire the power project
10 and to other power projects to be acquired or constructed by the author-
11 ity.

12 * Sec. 11. AS 44.83.394 is amended to read:

13 Sec. 44.83.394. REVENUE REQUIREMENTS. The authority may not use
14 money in the fund for a power project [EXCEPT IN COMPLIANCE WITH AS 44.-
15 83.177 - 44.83.187, AND] unless, within one year before using the money,
16 the authority determines that the power project is economically feasible
17 and the division of budget and management in the Office of the Governor
18 approves the authority's finding. In determining whether a power pro-
19 ject is economically feasible under this section, the authority may rely
20 upon a feasibility study prepared for the power project under AS 44.83.-
21 181 if that feasibility study is not more than one year old. If the
22 feasibility study is more than one year old, the authority may revise
23 the feasibility study and rely upon the revised feasibility study
24 [THAT, AFTER CONSTRUCTION, OPERATION OF THE POWER PROJECT WILL BE ABLE
25 TO PROVIDE REVENUE SUFFICIENT TO RETURN ANNUALLY TO THE STATE FIVE
26 PERCENT OF THE AMOUNT THAT THE AUTHORITY HAS SPENT FROM THE FUND FOR THE
27 POWER PROJECT].

28 * Sec. 12. AS 44.83.398(a) is amended to read:

29 (a) The authority shall sell power produced from power projects

1 acquired or constructed under the energy program for Alaska. A utility
2 that purchases power produced by a power project of the authority shall
3 agree with the authority

4 (1) to give preference in the sale of power at retail to all
5 classes of customers [CONSUMERS] of power except industrial customers
6 [CONSUMERS];

7 (2) to charge industrial customers [CONSUMERS] of power a
8 rate determined by the authority in accordance with (d) of this section;

9 (3) to establish a rate structure for the sale of power at
10 retail to all classes of customers including industrial customers that
11 complies with the requirements of (h) - (k) of this section.

12 * Sec. 13. AS 44.83.398(b) is repealed and reenacted to read:

13 (b) The authority shall establish and maintain a wholesale power
14 rate applicable to a power project that it acquires or constructs under
15 the energy program for Alaska. Beginning in the year in which a power
16 project becomes functional, the authority annually shall compute the
17 wholesale power rate applicable to the power project. The authority
18 shall, by regulation, establish a method for applying a wholesale power
19 rate to various types of power projects and shall, by regulation, estab-
20 lish a procedure for the adjustment of a wholesale power rate to compen-
21 sate for an overestimate or underestimate in a previous year of the
22 amounts described in (1) and (2) of this subsection. Except for adjust-
23 ments provided by regulation under this subsection, the wholesale power
24 rate must equal the rate that the authority estimates is necessary to
25 provide

26 (1) program receipts sufficient to pay, beginning in the year
27 in which the power project becomes functional,

28 (A) operation, maintenance, and equipment replacement
29 costs, including costs of a loan attributable to this paragraph

1 under AS 44.83.399 of the power project;

2 (B) debt service on bonds issued for the power project,
3 if any; and

4 (C) safety inspections and investigations of the power
5 project by the authority; and

6 (2) a return to the state of its investment in the power
7 project, with adjustments for inflation, as provided in (f) - (h) of
8 this section, over a 33-1/3 year period, or over a period equal to
9 three-fourths of the life of the project as determined by the authority,
10 whichever is less.

11 * Sec. 14. AS 44.83.398(d) is amended to read:

12 (d) A rate for an industrial customer [CONSUMER] under (a)(2) of
13 this section

14 (1) may exceed the wholesale power rate determined under (b)
15 of this section;

16 (2) may not be less than the rate charged residential cus-
17 tomers [CONSUMERS].

18 * Sec. 15. AS 44.83.398 is amended by adding new subsections to read:

19 (f) For the purposes of (b)(2) of this section, the authority, at
20 the time it initially establishes a wholesale power rate applicable to a
21 power project, shall determine the average rate of inflation, based on
22 the federal consumer price index for the United States for the 33-year
23 period preceding the establishment of the wholesale power rate. Every
24 10 years after the initial establishment of a wholesale power rate, the
25 authority shall calculate the average rate of inflation for the preceding
26 33-year period and increase the wholesale power rate by a percentage
27 equal to the increase in the average rate of inflation for the preceding
28 33 years or for the preceding 10 years, whichever is less.

29 (g) For the first year in which a wholesale power rate is in

1 effect, the authority shall determine the amount to be returned to the
2 state under (b)(2) of this section by multiplying the state's investment
3 in the power project by the quotient achieved from dividing the period
4 of time described in (b)(2) of this section into one. For each subse-
5 quent year, the authority shall determine the amount to be returned to
6 the state under (b)(2) of this section by multiplying the amount deter-
7 mined under this subsection for the preceding year by the sum of one
8 plus the average rate of inflation calculated by the authority under (f)
9 of this section. After the period of time described in (b)(2) of this
10 section, the amount to be returned to the state under (b)(2) of this
11 section is zero unless other state investments in the power project are
12 made after the wholesale power rate is initially established. For a
13 state investment in a power project made after the initial wholesale
14 power rate is established, the authority shall separately determine the
15 amount to be returned to the state under (b)(2) of this section in the
16 manner provided in this subsection.

17 (h) A rate structure established under (a)(3) of this section
18 shall consist of at least three rates. The lowest rate shall be known
19 as the "equity rate" and shall be the rate charged by the utility to
20 customers for the first 250 kilowatt hours of power used during a monthly
21 billing period. For residential customers the utility shall specify
22 successively higher ranges of power usage to which successively higher
23 rates within its rate structure apply.

24 (i) The lowest rate charged to a customer under (h) of this sec-
25 tion may not exceed an amount that represents the customer's propor-
26 tionate share of the utility's non-capital costs. However, if the
27 authority determines that a higher rate is necessary in order to allow a
28 utility to pay the wholesale power rate required by (b) of this section,
29 the authority may authorize that higher rate.

1 (j) At least two weeks before a utility establishes or amends a
2 rate structure under (a)(3) of this section, the utility or the Alaska
3 Public Utilities Commission shall conduct a public hearing within the
4 area served by the utility to explain the proposed rate structure or
5 amendment and to receive comments from the public. The utility shall
6 provide public notice of the hearing at least two weeks before the
7 hearing is held. The utility may provide the public notice by newspaper
8 or radio or by posting the notice within the area served by the public
9 utility.

10 (k) In addition to the requirements of (h) - (j) of this section
11 relating to a utility's rate structure, a utility that is subject to the
12 jurisdiction of the Alaska Public Utilities Commission must comply with
13 the provisions of AS 42.05.361 - 42.05.441. Nothing in this section
14 affects the authority of the Alaska Public Utilities Commission under
15 AS 42.05.361 - 42.05.441.

16 (l) The authority shall adopt regulations in accordance with the
17 Administrative Procedure Act (AS 44.62) to implement (a)(3) and (h) -
18 (j) of this section.

19 (m) In this section,

20 (1) "the state's investment in the power project" means the
21 total amount invested by the state for the acquisition or construction
22 of a power project, including loans and grants from the state, other
23 than loans or grants made for the purposes described in (b)(1) of this
24 section and other than loans made from the proceeds of bonds issued for
25 the power project;

26 (2) "non-capital costs" means a utility's costs other than
27 costs under (b)(1)(B) and (b)(2) of this section.

28 * Sec. 16. AS 44.83 is amended by adding a new section to read:

29 Sec. 44.83.399. POWER PROJECT EMERGENCY MAINTENANCE FUND. There

1 is established in the authority the power project emergency maintenance
2 fund. The power project emergency maintenance fund consists of money
3 appropriated to it by the legislature. The authority may use money in
4 the power project emergency maintenance fund to pay the cost of mainte-
5 nance, including equipment replacement, of a power project it acquires
6 or constructs under the energy program for Alaska if other appropria-
7 tions are not available or are insufficient to pay that cost. For the
8 purposes of AS 44.83.398(h), the use of money in the power project main-
9 tenance fund for a power project is a loan to the power project for a
10 purpose described in AS 44.83.398(b)(1) bearing interest at nine percent
11 a year and with a term determined by the authority but not to exceed 30
12 years. The authority shall, in its annual budget request under AS 44.83.-
13 210, request an appropriation to repay a loan under this section. If
14 the appropriation is made, the use of the money is a grant that is a
15 state investment in the power project for the purposes of AS 44.83.-
16 398(h).

17 * Sec. 17. AS 44.83.425(4) is amended to read:

18 (4) "industrial customer [CONSUMER]" means a customer of a
19 utility which customer has a peak power demand in excess of 500 kilowatts
20 and uses the power principally for

21 (A) manufacturing;

22 (B) pipeline transportation;

23 (C) the recovery or processing of minerals;

24 (D) the processing of timber, agricultural, or seafood
25 products or their by-products; or

26 (E) the operation of facilities owned by the federal
27 government;

28 * Sec. 18. AS 44.83.390 and 44.83.398(c) are repealed.

29 * Sec. 19. The provisions of AS 44.83.384(b)(3), added by sec. 9 of this

1 Act, and AS 44.83.385, added by sec. 10 of this Act, do not apply to a power
2 project on which construction has begun before the effective date of this Act
3 notwithstanding the provisions of AS 44.83.385(g).

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FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 758
 Title Relating to the Energy Program for Alaska
 Requested by House Resources Committee Date March 20, 1982

II. FISCAL DETAIL

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0					

FUNDING (Thousands of Dollars)

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

POSITIONS

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

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

This bill has no fiscal impact upon APA operations.

IV. DATE March 24, 1982 PREPARED BY Terry McQuire
 Original: Legislative Finance AGENCY Alaska Power Authority
 cc: Budget and Management PHONE 277-7641
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

COMMITTEE REPORT

HOUSE

FURTHER:

(11)

3/31/82

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HB 758

"An Act relating to the energy program for Alaska."

under consideration and reports it back as follows:

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

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

COMMITTEE REPORT

HOUSE

3/31

FURTHER: FINANCE

(7)

2/11/82

Date: March 30, 1982

Mr. Speaker:

The Committee on RESOURCES has had HB 758

"An Act relating to the energy program for Alaska."

under consideration and reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 758 (Resources) same title
 new title
- and recommends _____

- AND attaches a "Letter of Intent" New Fiscal Note zero
- reports it back without ^{individual} recommendations,
- referred to the _____ Committee

MEMBERS SIGNING DO PASS

Anthony Vaska

John Lumsden

Eric Sutchffe

MEMBERS HAVING OTHER RECOMMENDATIONS:

Rich Halpern Do Not Pass

Ken Fanning Do Not Pass

Eric G. Sutchffe
CHAIRMAN

Sofo

Original sponsor: Resources Committee

Offered: 3/31/82
Referred: Finance

1 IN THE HOUSE BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 758 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Power Authority."

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

8 * Section 1. AS 44.83.090(b) is amended to read:

9 (b) The authority is not subject to the jurisdiction of the Alaska
10 Public Utilities Commission. Except as provided in AS 44.83.398(h) -
11 (i), nothing [NOTHING] in AS 44.83.010 - 44.83.510 grants the authority
12 any jurisdiction over the services or rates of any public utility or
13 diminishes or otherwise alters the jurisdiction of the Alaska Public
14 Utilities Commission with respect to any public utility including any
15 right the commission may have to review and approve or disapprove con-
16 tracts for the purchase of electricity by a public utility.

17 * Sec. 2. AS 44.83.110 is amended by adding a new subsection to read:

18 (h) If the authority decides to covenant to issue bonds or to
19 issue bonds secured by a capital reserve fund, the bonds may not be
20 issued until 10 days after the authority has mailed notification to the
21 State Bond Committee and the Legislative Budget and Audit Committee by
22 certified mail of its intention to establish a capital reserve fund to
23 secure the bond issue. The notification shall include the amount of the
24 capital reserve fund to be established, the amount of bonds proposed to
25 be issued, and the total cost of the project for which the bonds are to
26 be issued. The notification shall be accompanied by an estimate by the
27 authority of the need to withdraw money from the capital reserve fund
28 during the term of the bond issue, the amount that it may be necessary
29 to withdraw, and the time at which withdrawals are estimated to be

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1 needed. The authority shall annually prepare a revised estimate,
2 considering the same factors, and a statement of all withdrawals that
3 have occurred from the date of issuance of the bonds to the end of the
4 calendar year. The revised estimate and statement shall be submitted to
5 the State Bond Committee and the Legislative Budget and Audit Committee
6 by January 30 of the succeeding year.

7 * Sec. 3. AS 44.83.181(b)(1) is amended to read:

8 (1) information about the proposed project, including but
9 not limited to estimates of total project construction costs, total
10 project operating costs, the costs of transmission systems and reserve
11 power requirements, the timing and amount of anticipated returns from
12 the completed project, a benefit-to-cost ratio, the potential effect
13 of the project on the environment of the area which will be served by
14 the project when completed including, when appropriate, recommended
15 measures to mitigate damage to fisheries and wildlife resources and mea-
16 sures to protect or enhance fisheries and wildlife resources, and the
17 availability of alternative government financing;

18 * Sec. 4. AS 44.83.185(c) is amended to read:

19 (c) The legislature shall consider and must approve all proposed
20 new projects except proposed new projects that are exempt under AS 44.-
21 83.187. The legislature may approve a proposed new project only by
22 enacting law that authorizes the project and approves a maximum con-
23 struction cost for [AUTHORIZING] that project.

24 * Sec. 5. AS 44.83 is amended by adding a new section to read:

25 Sec. 44.83.186. FINAL COST ESTIMATE AND REAUTHORIZATION BY THE
26 LEGISLATURE. If a project is approved under AS 44.83.185(c), the
27 authority shall obtain a final cost estimate for the project from an
28 independent source qualified to make such an estimate. If the final
29 cost estimate does not exceed the cost estimate presented by the

1 authority to the legislature under AS 44.83.185 by more than five
2 percent, the authority may proceed with the construction of the project.
3 If the final cost estimate exceeds the cost estimate presented by the
4 authority to the legislature under AS 44.83.185 by more than five
5 percent, the authority shall revise its feasibility study and, if it
6 determines that the project remains feasible, the authority shall
7 submit the revised feasibility study and the independent cost estimate
8 to the legislature. A proposed project that is returned for reconsider-
9 ation by the legislature under this section may not be constructed
10 unless the legislature reauthorizes it by enacting law for that purpose.

11 * Sec. 6. AS 44.83.189 is amended by adding a new subsection to read:

12 (b) A contractor who has participated in the preparation of the
13 feasibility study for or in the engineering design of the project may
14 not participate in the construction management or the construction of
15 the project by the authority.

16 * Sec. 7. AS 44.83.380(b) is amended to read:

17 (b) The energy program for Alaska is a program by which the au-
18 thority may acquire or construct power projects with money appropriated
19 by the legislature to the power development fund established in AS 44.-
20 83.382. A power project may be acquired or constructed as part of the
21 energy program for Alaska only if

22 (1) for a power project that will generate more than 1.5
23 megawatts of power and on which construction has not begun

24 (A) the power project is submitted to and approved by
25 the legislature in accordance with procedures set out in AS 44.-
26 83.177 - 44.83.187; and

27 (B) the authority makes the determinations required by
28 AS 44.83.394 with respect to the power project;

29 (2) for a power project that will generate more than 1.5

1 megawatts of power and on which construction has begun or is completed,
2 the authority makes the determinations required by AS 44.83.394 with re-
3 spect to the power project; and

4 (3) for a power project that will generate 1.5 megawatts
5 of power or less, on which construction has not begun, the authority
6 prepares a feasibility study for the power project in accordance with
7 AS 44.83.181 and makes the determinations required by AS 44.83.394 with
8 respect to the power project.

9 * Sec. 8. AS 44.83.382(b) is amended to read:

10 (b) The fund consists of [INCLUDES

11 (1)] money appropriated to it by the legislature [; AND

12 (2) REVENUES COLLECTED FROM THE SALE OF POWER THAT ARE NOT
13 REQUIRED BY LAW TO BE DEPOSITED INTO THE GENERAL FUND].

14 * Sec. 9. AS 44.83.384(b) is amended to read:

15 (b) Money in the fund may be used under (a) of this section only
16 for a power project that

17 (1) meets the revenue requirements of AS 44.83.394; [AND]

18 (2) provides the lowest reasonable power cost to utility
19 customers in the market area for the estimated life of the power project,
20 whether operated by itself or in conjunction with other power projects
21 in the market area, and that operates or will operate on one or more of
22 the following:

23 (A) renewable energy resources, including but not limited
24 to hydroelectric power, wind, biomass, geothermal, tidal or solar
25 energy, or a method that uses temperature differentials or other
26 physical properties of the ocean;

27 (B) coal or peat;

28 (C) energy derived from waste heat; or

29 (D) fossil fuel, including oil or natural gas; and

1 (3) has been approved by a majority of the voters in an
2 election held under AS 44.83.385.

3 * Sec. 10. AS 44.83 is amended by adding a new section to read:

4 Sec. 44.83.385. ELECTIONS ON POWER PROJECTS. (a) Before the
5 authority may use money in the power development fund established in
6 AS 44.83.382 to acquire or construct a power project, the power project
7 must be approved by a majority of the voters at an election held under
8 this section. However, the authority may use money in the power develop-
9 ment fund for a feasibility study required by AS 44.83.380(b) without
10 voter approval under this section.

11 (b) Before an election is held under this section the authority
12 shall determine in writing the amount of money from the power develop-
13 ment fund the authority intends to use to acquire or construct a power
14 project. The authority shall then provide a copy of its written deter-
15 mination, together with a description of the area that will be served by
16 the power project, to the division of elections, Office of the Lieutenant
17 Governor, the division of budget and management, Office of the Governor,
18 and to each member of the legislature. If the power project is subject
19 to review under AS 44.83.177 - 44.83.187, the authority shall prepare
20 its written determination under this subsection after the division of
21 budget and management submits its report under AS 44.83.183(c). If the
22 power project is not subject to review under AS 44.83.177 - 44.83.187,
23 the authority shall prepare its written determination under this sub-
24 section after the division of budget and management approves a deter-
25 mination under AS 44.83.394 that the power project is economically
26 feasible.

27 (c) After receipt of a written determination under (b) of this
28 section, the division of elections shall conduct a special election in
29 the area that will be served by the power project as that area is de-

1 scribed by the authority under (b) of this section. The special election
2 shall be held in accordance with the procedures in AS 29.68.090. The
3 question that the voters will decide at the special election is whether
4 the authority may acquire or construct the power project. The ballot
5 must include a statement of the amount of money determined under (b) of
6 this section to be used to acquire or construct the power project.

7 (d) The authority shall include with its written determination
8 under (b) of this section a description of the power project that
9 includes a statement of the total cost of the power project and a state-
10 ment of the anticipated social, environmental, and economic impacts of
11 the power project in the area in which the power project will be lo-
12 cated. The description shall be reviewed and approved by the division
13 of budget and management. The division of elections shall deliver the
14 description of the power project to the area in which the special elec-
15 tion will be held. The delivery shall be by individual mailings to each
16 registered voter in the area, by publication and distribution of a
17 voters' pamphlet, by publication in a newspaper of general circulation
18 in the area, or by another method that the division of elections deter-
19 mines is reasonably likely to provide the voters with notice of the
20 description. The delivery shall be completed at least three weeks
21 before the special election is conducted.

22 (e) The authority may withdraw a written determination prepared
23 under (b) of this section or a description prepared under (d) of this
24 section at any time before the special election is conducted by notify-
25 ing the division of elections, the division of budget and management,
26 and each member of the legislature of the withdrawal in writing.

27 (f) If, due to a substantial change in or addition to the acquisi-
28 tion or construction of a power project that has been approved by the
29 voters in a special election held under (c) of this section, the author-

1 ity determines that additional money from the power development fund is
2 necessary for the power project, the authority must seek another special
3 election in accordance with (a) - (e) of this section before the addi-
4 tional money may be used. For the purposes of this subsection the
5 division of budget and management shall determine whether a change in or
6 addition to the acquisition or construction of a power project is sub-
7 stantial.

8 (g) This section applies to a power project on which construction
9 has begun at the time the authority seeks to acquire the power project
10 and to other power projects to be acquired or constructed by the author-
11 ity.

12 * Sec. 11. AS 44.83.394 is amended to read:

13 Sec. 44.83.394. REVENUE REQUIREMENTS. The authority may not use
14 money in the fund for a power project [EXCEPT IN COMPLIANCE WITH AS 44.-
15 83.177 - 44.83.187, AND] unless, within one year before using the money,
16 the authority determines that the power project is economically feasible
17 and the division of budget and management in the Office of the Governor
18 approves the authority's finding. In determining whether a power pro-
19 ject is economically feasible under this section, the authority may rely
20 upon a feasibility study prepared for the power project under AS 44.83.-
21 181 if that feasibility study is not more than one year old. If the
22 feasibility study is more than one year old, the authority may revise
23 the feasibility study and rely upon the revised feasibility study
24 [THAT, AFTER CONSTRUCTION, OPERATION OF THE POWER PROJECT WILL BE ABLE
25 TO PROVIDE REVENUE SUFFICIENT TO RETURN ANNUALLY TO THE STATE FIVE
26 PERCENT OF THE AMOUNT THAT THE AUTHORITY HAS SPENT FROM THE FUND FOR THE
27 POWER PROJECT].

28 * Sec. 12. AS 44.83.398(a) is amended to read:

29 (a) The authority shall sell power produced from power projects

1 acquired or constructed under the energy program for Alaska. A utility
2 that purchases power produced by a power project of the authority shall
3 agree with the authority

4 (1) to give preference in the sale of power at retail to all
5 classes of customers [CONSUMERS] of power except industrial customers
6 [CONSUMERS];

7 (2) to charge industrial customers [CONSUMERS] of power a
8 rate determined by the authority in accordance with (d) of this section;

9 (3) to establish a rate structure for the sale of power at
10 retail to all classes of customers including industrial customers that
11 complies with the requirements of (h) - (k) of this section.

12 * Sec. 13. AS 44.83.393(b) is repealed and reenacted to read:

13 (b) The authority shall establish and maintain a wholesale power
14 rate applicable to a power project that it acquires or constructs under
15 the energy program for Alaska. Beginning in the year in which a power
16 project becomes functional, the authority annually shall compute the
17 wholesale power rate applicable to the power project. The authority
18 shall, by regulation, establish a method for applying a wholesale power
19 rate to various types of power projects and shall, by regulation, estab-
20 lish a procedure for the adjustment of a wholesale power rate to compen-
21 sate for an overestimate or underestimate in a previous year of the
22 amounts described in (1) and (2) of this subsection. Except for adjust-
23 ments provided by regulation under this subsection, the wholesale power
24 rate must equal the rate that the authority estimates is necessary to
25 provide

26 (1) program receipts sufficient to pay, beginning in the year
27 in which the power project becomes functional,

28 (A) operation, maintenance, and equipment replacement
29 costs, including costs of a loan attributable to this paragraph

1 under AS 44.83.399 of the power project;

2 (B) debt service on bonds issued for the power project,
3 if any; and

4 (C) safety inspections and investigations of the power
5 project by the authority; and

6 (2) a return to the state of its investment in the power
7 project, with adjustments for inflation, as provided in (f) - (h) of
8 this section, over a 33-1/3 year period, or over a period equal to
9 three-fourths of the life of the project as determined by the authority,
10 whichever is less.

11 * Sec. 14. AS 44.83.398(d) is amended to read:

12 (d) A rate for an industrial customer [CONSUMER] under (a)(2) of
13 this section

14 (1) may exceed the wholesale power rate determined under (b)
15 of this section;

16 (2) may not be less than the rate charged residential cus-
17 tomers [CONSUMERS].

18 * Sec. 15. AS 44.83.398 is amended by adding new subsections to read:

19 (f) For the purposes of (b)(2) of this section, the authority, at
20 the time it initially establishes a wholesale power rate applicable to a
21 power project, shall determine the average rate of inflation, based on
22 the federal consumer price index for the United States for the 33-year
23 period preceding the establishment of the wholesale power rate. Every
24 10 years after the initial establishment of a wholesale power rate, the
25 authority shall calculate the average rate of inflation for the preceding
26 33-year period and increase the wholesale power rate by a percentage
27 equal to the increase in the average rate of inflation for the preceding
28 33 years or for the preceding 10 years, whichever is less.

29 (g) For the first year in which a wholesale power rate is in

1 effect, the authority shall determine the amount to be returned to the
2 state under (b)(2) of this section by multiplying the state's investment
3 in the power project by the quotient achieved from dividing the period
4 of time described in (b)(2) of this section into one. For each subse-
5 quent year, the authority shall determine the amount to be returned to
6 the state under (b)(2) of this section by multiplying the amount deter-
7 mined under this subsection for the preceding year by the sum of one
8 plus the average rate of inflation calculated by the authority under (f)
9 of this section. After the period of time described in (b)(2) of this
10 section, the amount to be returned to the state under (b)(2) of this
11 section is zero unless other state investments in the power project are
12 made after the wholesale power rate is initially established. For a
13 state investment in a power project made after the initial wholesale
14 power rate is established, the authority shall separately determine the
15 amount to be returned to the state under (b)(2) of this section in the
16 manner provided in this subsection.

17 (h) A rate structure established under (a)(3) of this section
18 shall consist of at least three rates. The lowest rate shall be known
19 as the "equity rate" and shall be the rate charged by the utility to
20 customers for the first 250 kilowatt hours of power used during a monthly
21 billing period. For residential customers the utility shall specify
22 successively higher ranges of power usage to which successively higher
23 rates within its rate structure apply.

24 (i) The lowest rate charged to a customer under (h) of this sec-
25 tion may not exceed an amount that represents the customer's propor-
26 tionate share of the utility's non-capital costs. However, if the
27 authority determines that a higher rate is necessary in order to allow a
28 utility to pay the wholesale power rate required by (b) of this section,
29 the authority may authorize that higher rate.

1 (j) At least two weeks before a utility establishes or amends a
2 rate structure under (a)(3) of this section, the utility or the Alaska
3 Public Utilities Commission shall conduct a public hearing within the
4 area served by the utility to explain the proposed rate structure or
5 amendment and to receive comments from the public. The utility shall
6 provide public notice of the hearing at least two weeks before the
7 hearing is held. The utility may provide the public notice by newspaper
8 or radio or by posting the notice within the area served by the public
9 utility.

10 (k) In addition to the requirements of (h) - (j) of this section
11 relating to a utility's rate structure, a utility that is subject to the
12 jurisdiction of the Alaska Public Utilities Commission must comply with
13 the provisions of AS 42.05.361 - 42.05.441. Nothing in this section
14 affects the authority of the Alaska Public Utilities Commission under
15 AS 42.05.361 - 42.05.441.

16 (l) The authority shall adopt regulations in accordance with the
17 Administrative Procedure Act (AS 44.62) to implement (a)(3) and (h) -
18 (j) of this section.

19 (m) In this section,

20 (1) "the state's investment in the power project" means the
21 total amount invested by the state for the acquisition or construction
22 of a power project, including loans and grants from the state, other
23 than loans or grants made for the purposes described in (b)(1) of this
24 section and other than loans made from the proceeds of bonds issued for
25 the power project;

26 (2) "non-capital costs" means a utility's costs other than
27 costs under (b)(1)(B) and (b)(2) of this section.

28 * Sec. 16. AS 44.83 is amended by adding a new section to read:

29 Sec. 44.83.399. POWER PROJECT EMERGENCY MAINTENANCE FUND. There

1 is established in the authority the power project emergency maintenance
2 fund. The power project emergency maintenance fund consists of money
3 appropriated to it by the legislature. The authority may use money in
4 the power project emergency maintenance fund to pay the cost of mainte-
5 nance, including equipment replacement, of a power project it acquires
6 or constructs under the energy program for Alaska if other appropria-
7 tions are not available or are insufficient to pay that cost. For the
8 purposes of AS 44.83.398(h), the use of money in the power project main-
9 tenance fund for a power project is a loan to the power project for a
10 purpose described in AS 44.83.398(b)(1) bearing interest at nine percent
11 a year and with a term determined by the authority but not to exceed 30
12 years. The authority shall, in its annual budget request under AS 44.83.-
13 210, request an appropriation to repay a loan under this section. If
14 the appropriation is made, the use of the money is a grant that is a
15 state investment in the power project for the purposes of AS 44.83.-
16 398(h).

17 * Sec. 17. AS 44.83.425(4) is amended to read:

18 (4) "Industrial customer [CONSUMER]" means a customer of a
19 utility which customer has a peak power demand in excess of 500 kilowatts
20 and uses the power principally for

21 (A) manufacturing;

22 (B) pipeline transportation;

23 (C) the recovery or processing of minerals;

24 (D) the processing of timber, agricultural, or seafood
25 products or their by-products; or

26 (E) the operation of facilities owned by the federal
27 government;

28 * Sec. 18. AS 44.83.390 and 44.83.398(c) are repealed.

29 * Sec. 19. The provisions of AS 44.83.384(b)(3), added by sec. 9 of this

1 Act, and AS 44.83.385, added by sec. 10 of this Act, do not apply to a power
2 project on which construction has begun before the effective date of this Act
3 notwithstanding the provisions of AS 44.83.385(g).
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Introduced: 2/11/82
Referred: Resources and
Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 HOUSE BILL NO. 758

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the energy program for Alaska."

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

8 * Section 1. AS 44.83.380(b) is amended to read:

9 (b) The energy program for Alaska is a program by which the au-
10 thority may acquire or construct power projects with money appropriated
11 by the legislature to the power development fund established in AS 44.-
12 83.382. A power project may be acquired or constructed as part of the
13 energy program for Alaska only if

14 (1) for a power project that will generate more than 1.5
15 megawatts of power and on which construction has not begun

16 (A) the power project is submitted to and approved by
17 the legislature in accordance with procedures set out in AS 44.-
18 83.177 - 44.83.187; and

19 (B) the authority makes the determinations required by
20 AS 44.83.394 with respect to the power project;

21 (2) for a power project that will generate more than 1.5
22 megawatts of power and on which construction has begun or is completed,
23 the authority makes the determinations required by AS 44.83.394 with re-
24 spect to the power project; and

25 (3) for a power project that will generate 1.5 megawatts
26 of power or less, on which construction has not begun, the authority
27 prepares a feasibility study for the power project in accordance with
28 AS 44.83.181 and makes the determinations required by AS 44.83.394 with
29 respect to the power project.

1 * Sec. 2. AS 44.83.382(b) is amended to read:

2 (b) The fund consists of [INCLUDES

3 (1)] money appropriated to it by the legislature [; AND

4 (2) REVENUES COLLECTED FROM THE SALE OF POWER THAT ARE NOT
5 REQUIRED BY LAW TO BE DEPOSITED INTO THE GENERAL FUND].

6 * Sec. 3. AS 44.83.384(b) is amended to read:

7 (b) Money in the fund may be used under (a) of this section only
8 for a power project that

9 (1) meets the revenue requirements of AS 44.83.394; [AND]

10 (2) provides the lowest reasonable power cost to utility
11 customers in the market area for the estimated life of the power project,
12 whether operated by itself or in conjunction with other power projects
13 in the market area, and that operates or will operate on one or more of
14 the following:

15 (A) renewable energy resources, including but not
16 limited to hydroelectric power, wind, biomass, geothermal, tidal or
17 solar energy, or a method that uses temperature differentials or
18 other physical properties of the ocean;

19 (B) coal or peat;

20 (C) energy derived from waste heat; or

21 (D) fossil fuel, including oil or natural gas; and

22 (3) has been approved by a majority of the voters in an
23 election held under AS 44.83.385.

24 * Sec. 4. AS 44.83 is amended by adding a new section to read:

25 Sec. 44.83.385. ELECTIONS ON POWER PROJECTS. (a) Before the
26 authority may use money in the power development fund established in
27 AS 44.83.382 to acquire or construct a power project, the power project
28 must be approved by a majority of the voters at an election held under
29 this section. However, the authority may use money in the power develop-

1 went fund for a feasibility study required by AS 44.83.380(b) without
2 voter approval under this section.

3 (b) Before an election is held under this section the authority
4 shall determine in writing the amount of money from the power develop-
5 ment fund the authority intends to use to acquire or construct a power
6 project. The authority shall then provide a copy of its written deter-
7 mination, together with a description of the area that will be served by
8 the power project, to the division of elections, Office of the Lieutenant
9 Governor, the division of budget and management, Office of the Governor,
10 and to each member of the legislature. If the power project is subject
11 to review under AS 44.83.177 - 44.83.187, the authority shall prepare
12 its written determination under this subsection after the division of
13 budget and management submits its report under AS 44.83.183(c). If the
14 power project is not subject to review under AS 44.83.177 - 44.83.187,
15 the authority shall prepare its written determination under this sub-
16 section after the division of budget and management approves a deter-
17 mination under AS 44.83.394 that the power project is economically
18 feasible.

19 (c) After receipt of a written determination under (b) of this
20 section, the division of elections shall conduct a special election in
21 the area that will be served by the power project as that area is de-
22 scribed by the authority under (b) of this section. The special election
23 shall be held in accordance with the procedures in AS 29.68.090. The
24 question that the voters will decide at the special election is whether
25 the authority may acquire or construct the power project. The ballot
26 must include a statement of the amount of money determined under (b) of
27 this section to be used to acquire or construct the power project.

28 (d) The authority shall include with its written determination
29 under (b) of this section a description of the power project which

1 includes a statement of the total cost of the power project and a state-
2 ment of the anticipated social, environmental, and economic impacts of
3 the power project in the area in which the power project will be lo-
4 cated. The description shall be reviewed and approved by the division
5 of budget and management. The division of elections shall deliver the
6 description of the power project to the area in which the special elec-
7 tion will be held. The delivery shall be by individual mailings to each
8 registered voter in the area, by publication and distribution of a
9 voters' pamphlet, by publication in a newspaper of general circulation
10 in the area, or by another method that the division of elections deter-
11 mines is reasonably likely to provide the voters with notice of the
12 description. The delivery shall be completed at least three weeks
13 before the special election is conducted.

14 (e) The authority may withdraw a written determination prepared
15 under (b) of this section or a description prepared under (d) of this
16 section at any time before the special election is conducted by notifying
17 the division of elections, the division of budget and management, and
18 each member of the legislature of the withdrawal in writing.

19 (f) If, due to a substantial change in or addition to the acquisi-
20 tion or construction of a power project that has been approved by the
21 voters in a special election held under (c) of this section, the author-
22 ity determines that additional money from the power development fund is
23 necessary for the power project, the authority must seek another a
24 special election in accordance with (a) - (e) of this section before the
25 additional money may be used. For the purposes of this subsection the
26 division of budget and management shall determine whether a change in or
27 addition to the acquisition or construction of a power project is sub-
28 stantial.

29 (g) This section applies to a power project on which construction

1 has begun at the time the authority seeks to acquire the power project
2 and to other power projects to be acquired or constructed by the author-
3 ity.

4 * Sec. 5. AS 44.83.394 is amended to read:

5 Sec. 44.83.394. REVENUE REQUIREMENTS. The authority may not use
6 money in the fund for a power project [EXCEPT IN COMPLIANCE WITH AS 44.
7 83.177 - 44.83.187, AND] unless, within one year before using the money,
8 the authority determines that the power project is economically feasible
9 and the division of budget and management in the Office of the Governor
10 approves the authority's finding. In determining whether a power pro-
11 ject is economically feasible under this section, the authority may rely
12 upon a feasibility study prepared for the power project under AS 44.83.-
13 181 if that feasibility study is not more than one year old. If the
14 feasibility study is more than one year old, the authority may revise
15 the feasibility study and rely upon the revised feasibility study
16 [THAT, AFTER CONSTRUCTION, OPERATION OF THE POWER PROJECT WILL BE ABLE
17 TO PROVIDE REVENUE SUFFICIENT TO RETURN ANNUALLY TO THE STATE FIVE
18 PERCENT OF THE AMOUNT THAT THE AUTHORITY HAS SPENT FROM THE FUND FOR THE
19 POWER PROJECT].

20 * Sec. 6. AS 44.83.398(a) is amended by adding a new paragraph to read:

21 (3) to establish a rate structure for the sale of power at
22 retail to all classes of consumers including industrial consumers that
23 complies with the requirements of (h) - (k) of this section.

24 * Sec. 7. AS 44.83.398(b) is repealed and reenacted to read:

25 (b) The authority shall establish and maintain a wholesale power
26 rate applicable to a power project that it acquires or constructs under
27 the energy program for Alaska. Beginning in the year in which a power
28 project becomes functional, the authority annually shall compute the
29 wholesale power rate applicable to the power project. The authority

1 shall, by regulation, establish a method for applying a wholesale power
2 rate to various types of power projects and shall, by regulation, estab-
3 lish a procedure for the adjustment of a wholesale power rate to compen-
4 sate for an overestimate or underestimate in a previous year of the
5 amounts described in (1) and (2) of this subsection. Except for adjust-
6 ments provided by regulation under this subsection, the wholesale power
7 rate must equal the rate that the authority estimates is necessary to
8 provide

9 (1) program receipts sufficient to pay, beginning in the year
10 in which the power project becomes functional,

11 (A) operation, maintenance, and equipment replacement
12 costs, including costs of a loan attributable to this paragraph
13 under AS 44.83.399 of the power project;

14 (B) debt service on bonds issued for the power project,
15 if any; and

16 (C) safety inspections and investigations of the power
17 project by the authority; and

18 (2) a return to the state of its investment in the power
19 project, with adjustments for inflation, as provided in (f) - (h) of
20 this section, over a 33-1/3 year period, or over a period equal to
21 three-fourths of the life of the project as determined by the authority,
22 whichever is less.

23 * Sec. 8. AS 44.83.398 is amended by adding new subsections to read:

24 (f) For the purposes of (b)(2) of this section, the authority, at
25 the time it initially establishes a wholesale power rate applicable to a
26 power project, shall determine the average rate of inflation, based on
27 the federal consumer price index for the United States for the 33-year
28 period preceding the establishment of the wholesale power rate. Every
29 10 years after the initial establishment of a wholesale power rate, the

1 authority shall reevaluate the average rate of inflation for the 33-year
2 period preceding the recalculation.

3 (g) For the first year in which a wholesale power rate is in
4 effect, the authority shall determine the amount to be returned to the
5 state under (b)(2) of this section by multiplying the state's investment
6 in the power project by the quotient achieved from dividing the period
7 of time described in (b)(2) of this section into one. For each subse-
8 quent year, the authority shall determine the amount to be returned to
9 the state under (b)(2) of this section by multiplying the amount deter-
10 mined under this subsection for the preceding year by the sum of one
11 plus the average rate of inflation calculated by the authority under (f)
12 of this section. After the period of time described in (b)(2) of this
13 section, the amount to be returned to the state under (b)(2) of this
14 section is zero unless other state investments in the power project are
15 made after the wholesale power rate is initially established. For a
16 state investment in a power project made after the initial wholesale
17 power rate is established, the authority shall separately determine the
18 amount to be returned to the state under (b)(2) of this section in the
19 manner provided in this subsection.

20 (h) A rate structure established under (a)(3) of this section
21 shall consist of at least two rates. The utility shall charge the
22 lowest rate to consumers for the first 250 kilowatt hours of power used
23 during a monthly billing period. For residential consumers the utility
24 shall specify successively higher ranges of power usage to which suc-
25 cessively higher rates within its rate structure apply. A rate struc-
26 ture established under (a)(3) of this section must, to the maximum
27 extent possible, encourage efficient use of power by residential con-
28 sumers.

29 (i) The lowest rate charged to a consumer under (h) of this sec-

1 tion may not exceed an amount that represents the consumer's propor-
2 tionate share of the utility's administrative costs, the utility's costs
3 under (b)(1) of this section, the utility's cost of providing suppl-
4 mental power generation within the area served by the utility, the
5 utility's distribution costs, and the utility's return on its invest-
6 ment. However, if the authority determines that a higher rate is neces-
7 sary in order to allow a utility to pay the wholesale power rate re-
8 quired by (b) of this section, the authority may authorize that higher
9 rate.

10 (j) At least two weeks before a utility establishes or amends a
11 rate structure under (a)(3) of this section, the utility shall conduct a
12 public hearing within the area served by the utility to explain the
13 proposed rate structure or amendment and to receive comments from the
14 public. The utility shall provide public notice of the hearing at least
15 two weeks before the hearing is held. The utility may provide the
16 public notice by newspaper or radio or by posting the notice within the
17 area served by the public utility.

18 (k) The authority shall adopt regulations in accordance with the
19 Administrative Procedure Act (AS 44.62) to implement (a)(3) and (h) -
20 (j) of this section.

21 (l) In this section, "the state's investment in the power project"
22 means the total amount invested by the state for the acquisition or
23 construction of a power project, including loans and grants from the
24 state, other than loans or grants made for the purposes described in
25 (b)(1) of this section and other than loans made from the proceeds of
26 bonds issued for the power project.

27 * Sec. 9. AS 44.83 is amended by adding a new section to read:

28 Sec. 44.83.399. POWER PROJECT EMERGENCY MAINTENANCE FUND. There
29 is established in the authority the power project emergency maintenance

1 fund. The power project emergency maintenance fund consists of money
2 appropriated to it by the legislature. The authority may use money in
3 the power project emergency maintenance fund to pay the cost of mainte-
4 nance, including equipment replacement, of a power project it acquires
5 or constructs under the energy program for Alaska if other appropria-
6 tions are not available or are insufficient to pay that cost. For the
7 purposes of AS 44.83.398(h), the use of money in the power project
8 maintenance fund for a power project is a loan to the power project for
9 a purpose described in AS 44.83.398(b)(1) bearing interest at nine
10 percent a year and with a term determined by the authority but not to
11 exceed 30 years. The authority shall, in its annual budget request under
12 AS 44.83.210, request an appropriation to repay a loan under this
13 section. If the appropriation is made, the use of the money is a grant
14 that is a state investment in the power project for the purposes of
15 AS 44.83.398(h).

16 * Sec. 10. The provisions of AS 44.83.384(b)(3), added by sec. 3 of this
17 Act, and AS 44.83.385, added by sec. 4 of this Act, do not apply to a power
18 project on which construction has begun before the effective date of this Act
19 notwithstanding the provisions of AS 44.83.385(g).

20 * Sec. 11. AS 44.83.390 and 44.83.398(c) are repealed.
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FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 758
 Title Relating to the Energy Program for Alaska
 Requested by House Resources Committee Date March 20, 1982

II. FISCAL DETAIL

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

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0					

FUNDING (Thousands of Dollars)

GENERAL FUND	0					
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME	0					
PART TIME						
TEMPORARY						

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

This bill has no fiscal impact upon APA operations.

IV. DATE March 24, 1982 PREPARED BY Terry McQuire
 AGENCY Alaska Power Authority
 Original: Legislative Finance PHONE 277-7641
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

ALASKA STATE LEGISLATURE

TWELFTH Legislature SECOND... Session

HOUSE ... BILL NO. 758

By THE RESOURCES COMMITTEE

"An Act relating to the energy program for Alaska."

Energy program

Introduced in the House .2/11....., 19.82

HISTORY IN THE HOUSE

19 82	Read first time and referred to Committee on Resources and Finance												
Feb 11	Reported back with recommendation that												
	Read second time and												
	Read third time and												
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	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												
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	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.

Gov
081

<u>Funding Information</u>	
General Fund	\$40,609,000
Other Funds	-0-
	<u>\$40,609,000</u>

Introduced: 2/12/82
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR (for
the Alaska Court System)

1 IN THE HOUSE

2 HOUSE BILL NO. 763

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making an FY 83 capital appropriation to the
7 Alaska Court System; and providing for an effective
8 date."

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

10 * Section 1. The sum of \$40,609,000 is appropriated from the general fund
11 to the Alaska Court System, to be allocated as follows:

- 12 \$33,229,000 construct addition to Anchorage Court Building
- 13 933,800 purchase and implement statewide records auto-
14 mation system
- 15 219,200 purchase and implement regional microfilming
16 system
- 17 6,227,000 plan and construct court building in Palmer

18 * Sec. 2. The appropriation made by sec. 1 of this Act is for capital
19 projects and is subject to AS 37.25.020.

20 * Sec. 3. This Act takes effect July 1, 1982.

29 COMMITTEE COPY

Letter

JAY S. HAMMOND
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 12, 1982

The Honorable Joe L. Hayes
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18 of the Alaska Constitution, I am transmitting a bill making an FY 83 capital appropriation to the Alaska Court System, to build an addition to the Anchorage Court Building, build a court building in Palmer, purchase and implement a statewide records automation system, and purchase and implement a regional microfilming system.

Since the Alaska Court System is not a "state agency" for the purposes of the Executive Budget Act (see, specifically, AS 37.07.120(1)), this bill is not necessarily a recommendation of the governor but is being transmitted to you to facilitate legislative action and as a courtesy to the Court System.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Jay S. Hammond".

Jay S. Hammond
Governor

ALASKA STATE LEGISLATURE

TWELFTH Legislature **SECOND** Session

HOUSE ...BILL..... NO. ...763.

By **THE RULES COMMITTEE BY....**
REQUEST OF THE GOVERNOR (for
the Alaska Court System)

"An Act making an FY 83 capital
appropriation to the Alaska
Court System; and providing
for an effective date."

FY 83 capital appro/Ak court
system

Introduced in the House .2./15...., 19. 82

HISTORY IN THE HOUSE

19	82	Read first time and referred to Committee on										
Feb	12	Finance										
		Reported back with recommendation that										
		Read second time and										
		Read third time and										
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		Sent to Senate										
CHIEF CLERK OF THE HOUSE												

HISTORY IN THE SENATE

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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.

Funding Information
General Fund \$40,609,000
Other Funds -0-
\$40,609,000

Introduced: 2/12/82
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR (for
the Alaska Court System)

1 IN THE HOUSE

2 HOUSE BILL NO. 763

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making an FY 83 capital appropriation to the
7 Alaska Court System; and providing for an effective
8 date."

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

10 * Section 1. The sum of \$40,609,000 is appropriated from the general fund
11 to the Alaska Court System, to be allocated as follows:

12 \$33,229,000 construct addition to Anchorage Court Building

13 933,800 purchase and implement statewide records auto-
14 mation system

15 219,200 purchase and implement regional microfilming
16 system

17 6,227,000 plan and construct court building in Palmer

18 * Sec. 2. The appropriation made by sec. 1 of this Act is for capital
19 projects and is subject to AS 37.25.020.

20 * Sec. 3. This Act takes effect July 1, 1982.
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JAY S. HAMMOND
GOVERNOR



HB 763

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 12, 1982

The Honorable Joe L. Hayes
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18 of the Alaska Constitution, I am transmitting a bill making an FY 83 capital appropriation to the Alaska Court System, to build an addition to the Anchorage Court Building, build a court building in Palmer, purchase and implement a statewide records automation system, and purchase and implement a regional microfilming system.

Since the Alaska Court System is not a "state agency" for the purposes of the Executive Budget Act (see, specifically, AS 37.07.120(1)), this bill is not necessarily a recommendation of the governor but is being transmitted to you to facilitate legislative action and as a courtesy to the Court System.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Jay S. Hammond".

Jay S. Hammond
Governor