

LEG. FINANCE - BILLS 1981 - 1982 1698

SB 659 - SB 666 1698

Original sponsor: Dankworth

Offered: 2/10/82
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 659 (Finance) am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act defining 'capital projects and improvements' as
7 that term is used in the Executive Budget Act; and
8 providing for an effective date."

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

10 * Section 1. AS 37.07.120 is amended by adding a new paragraph to read:

11 (7) "capital projects and improvements" means any allocation
12 or appropriation item for land acquisition, construction, or structural
13 improvement and includes engineering and design for a single project.
14 Equipment and repair costs that exceed \$50,000 shall also be classified
15 as capital projects or improvements.

16 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).

Introduced: 1/14/82
Referred: Finance

1 IN THE SENATE

BY DANKWORTH

2 SENATE BILL NO. 659

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act defining 'capital outlay' as that term is used
7 in the Executive Budget Act; and providing for an
8 effective date."

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

10 * Section 1. AS 37.07.120 is amended by adding a new paragraph to read

11 (7) "capital outlay" means any item of appropriation for land
12 acquisition, equipment, structural improvement, or construction that
13 equals or exceeds \$25,000 and includes planning, engineering, and design
14 for a single project when the proposed project cost will exceed
15 \$1,000,000.

16 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF — STATE CAPITOL

JUNEAU 92801

MEMORANDUM

TO: Senator Ed Dankworth
Chairman
Senate Finance Committee

FROM: Jay Hogan
Director
Legislative Finance

DATE: February 8, 1982

SUBJECT: Other States and SB 659

Several weeks ago we requested the legal definition of "capital project" from each of the 11 western states. To date, we have received a response from 4 states and their definitions are set out as follows:

Arizona

"We have by custom referred to capital projects as Land, Buildings and Improvements."

Hawaii

Hawaii Revised Statutes

"'Capital investment costs' means costs, beyond the research and development phase, associated with capital improvements, including the acquisition and development of land, the design and construction of new facilities, and the making of renovations or additions to existing facilities."

Idaho

The definition through use is: "building of needed structures, renovations, repairs to and remodeling of existing structures . . ."

MEMORANDUM
February 8, 1982
Page 2

Oregon

The following are used for budget purposes:

"Capital Improvement - Expenditures related to construction or remodeling costs of physical facilities with a project cost of more than \$2,500, but less than \$100,000.

Capital Construction - Expenditures limited to construction or remodeling of physical facilities with a project cost of \$100,000 or more."

COMMITTEE REPORT
SENATE

FURTHER:

Date: _____

Mr. President:

The Committee on _____ has had _____

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

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

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

Original sponsor: Dankworth

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2

CS FOR SENATE BILL NO. 659 (Finance)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act defining 'capital projects and improvements' as
7 that term is used in the Executive Budget Act; and
8 providing for an effective date."

9

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

10

* Section 1. AS 37.07.120 is amended by adding a new paragraph to read:

11

(7) "capital projects and improvements" means any allocation

12

or appropriation item for land acquisition, construction, or structural
13 improvement and includes engineering and design for a single project;
14 equipment and repair costs that exceed \$50,000 shall also be classified
15 as capital projects or improvements.

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* Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-

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070(c).

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Introduced: 1/14/82
Referred: Finance

1 IN THE SENATE

BY DANKWORTH

2 SENATE BILL NO. 659

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act defining 'capital outlay' as that term is used
7 in the Executive Budget Act; and providing for an
8 effective date."

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

10 * Section 1. AS 37.07.120 is amended by adding a new paragraph to read
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12 acquisition, equipment, structural improvement, or construction that
13 equals or exceeds \$25,000 and includes planning, engineering, and design
14 for a single project when the proposed project cost will exceed
15 \$1,000,000.

16 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).

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CSSB 659 (Fin)

1. NEW TITLE *Replace "capital outlay" with "capital projects and improvements"*
2. Replace all of (7) with:
 - (7) "capital projects and improvements" means any allocation or appropriation item for land acquisition, construction or structural improvement and includes engineering and design for a single project. Equipment and repair costs that exceed \$50,000 shall also be classified as capital projects or improvements.



Official Business

Alaska State Legislature

Senate

Committee on Finance

(Corrected)

Pouch V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

TO: Senate Finance Committee

FROM: Senator Ed Dankworth
Co-Chairman

DATE: February 9, 1982

SUBJECT: Recommended Substitute for SB 659

(7) "capital projects and improvements" means any allocation or appropriation item for land acquisition, construction, structural improvement or repair and includes engineering and design for a single project. Equipment costs that exceed \$50,000 shall also be classified as capital outlay.

COMMITTEE REPORT
SENATE

2/4/82

FURTHER: None

Date: _____

Mr. President:

The Committee on FINANCE has had SB 660

making a special appropriation to the Dept. of Health & Social Services for the Jordan Creek Birth Center

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

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

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

COMMITTEE REPORT

SENATE

FURTHER: Finance)

1/15/82

Date: 2/3/82

Mr. President:
The Committee on HEALTH, EDUCATION AND SOCIAL SERVICES has had SB 660

making a special appropriation to the Dept. of Health and Social Services for the Jordan Creek Birth Center

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

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

MEMBERS SIGNING
DO PASS

[Handwritten signatures: Tony D. Thompson, V. F. Fisher, Charles H. ...]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Handwritten signature: Charles H. ...]

CHAIRMAN

Funding Information
General Fund \$51,000
Other Funds -0-
\$51,000

Introduced: 1/15/82
Referred: Health, Education &
Social Services and Finance

1 IN THE SENATE

BY RAY

2 SENATE BILL NO. 660

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Department
7 of Health and Social Services for the Jordan Creek
8 Birth Center; and providing for an effective date."

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

10 * Section 1. The sum of \$51,000 is appropriated from the general fund to
11 the Department of Health and Social Services for payment as a grant to the
12 Jordan Creek Birth Center for operating costs and costs related to establish-
13 ment of the center.

14 * Sec. 2. The appropriation made by this Act shall be disbursed in accor-
15 dance with AS 37.05.315.

16 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).

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COMMITTEE COPY

CORRECTION

THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

Introduced: 1/15/82
Referred: Health, Education &
Social Services and Finance

Funding Information
General Fund \$51,000
Other Funds -0-
\$51,000

1 IN THE SENATE

BY RAY

2 SENATE BILL NO. 660

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Department
7 of Health and Social Services for the Jordan Creek
8 Birth Center; and providing for an effective date."

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11 the Department of Health and Social Services for payment as a grant to the
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15 dance with AS 37.05.315.

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17 070(c).

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ALASKA STATE LEGISLATURE

TWELFTH Legislature .. SECOND Session

SENATE .. BILL..... NO. 560...

By ..RAY.....

"An Act making a special appropriation to the Department of Health and Social Services for the Jordan Creek Birth Center; and providing for an effective date."

Introduced in the Senate ... 1/15/ , 19... 82

HISTORY IN THE SENATE

19	82	Read first time and referred to Committee on
1	15	HESS and Finance
2	4	Reported back with <i>HESS-3do</i> recommendation that <i>pass to Finance.</i>
		Read second time and
		Read third time and
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reconsideration
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reported correctly engrossed
		Signed by President
		Sent to House
SECRETARY OF THE SENATE		

HISTORY IN THE HOUSE

19		Read first time and referred to Committee on
		Reported back with recommendation that
		Read second time and
		Read third time and
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reconsideration
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reported correctly engrossed
		Signed by Speaker
		Returned to Senate
CHIEF CLERK OF THE HOUSE		

HISTORY IN THE SENATE

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

POSITION PAPER

SENATE BILL NO. 660

For an Act entitled: "An Act making a special appropriation to the Department of Health and Social Services for the Jordan Creek Birth Center; and providing for an effective date".

Senate Bill No. 660 provides for the appropriation of \$51,000 from general fund to the Department of Health and Social Services for payment as a grant to Jordan Creek Birth Center for operating cost and costs related to establishment of the Center.

DISCUSSION

Family Centered Birth, Inc., after completion of a study supported by the Department of Health and Social Services, concluded that many families in the Juneau community desired access to a free-standing Birth Center as an alternative to physician care and hospital delivery.

In their Certificate of Need Application Family Centered Birth, Inc. anticipates revenues to be \$100,000 the first year, \$135,000 the second year and \$200,000 the third year. Family Centered Birth, Inc. states in their application that they will not seek state or local government money to start or operate the maternity center.

The provision of a safe, alternative to hospital delivery in Juneau has been supported by the Department through technical assistance and consultation through the IPO Project, and through \$7,500 in grants to Family Centered Birth, Inc., for research in FY 81, and through \$10,000 in grants for operating cost in FY 82.

POSITION

The department supports making alternative maternity services available. The department believes that Jordan Creek Birth Center should receive this appropriation as one-time only grant to be utilized for equipment, supplies and initial operating expenses.

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

Date: Feb 1, 1982

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

Date: 2-2-82

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SENATE BILL NO. 660
 Title "An Act making a special appropriation..."
 Requested by Commissioner's Office Date 1/18/82

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected Health/Public Health
 BRU, Program, Or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 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.	51,000	0	0	0	0	0
TOTAL	51,000	0	0	0	0	0

FUNDING (Thousands of Dollars)

GENERAL FUND	51,000	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)

IV. DATE 1/20/82 PREPARED BY Vernellia Randall
 AGENCY Dept. of Health & Social Services
 Original: Legislative Finance PHONE 465-3104
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

JCC

Funding Information
General Fund \$51,000
Other Funds -0.
\$51,000

Introduced: 1/15/82
Referred: Health, Education &
Social Services and Finance

1 IN THE SENATE

BY RAY

2 SENATE BILL NO. 660

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Department
7 of Health and Social Services for the Jordan Creek
8 Birth Center; and providing for an effective date."

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

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11 the Department of Health and Social Services for payment as a grant to the
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13 ment of the center.

14 * Sec. 2. The appropriation made by this Act shall be disbursed in accor-
15 dance with AS 37.05.315.

16 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).

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Funding Information
General Fund \$51,000
Other Funds -0-
\$51,000

Introduced: 1/15/82
Referred: Health, Education &
Social Services and Finance

1 IN THE SENATE

BY RAY

2 SENATE BILL NO. 660

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

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15 dance with AS 37.05.315.

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17 070(c).

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COMMITTEE REPORT

SENATE

2/11/82

FURTHER: None

Date: _____

Mr. President:

The Committee on FINANCE has had SB 663

identification of handcrafts and other articles made in Alaska

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

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title

and recommends _____

AND attaches a "Letter of Intent" New Fiscal Note

reports it back without recommendation

referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

COMMITTEE REPORT

SENATE

Finance

FURTHER: None

1/15/82

Date: 10 FEB. '82

Mr. President:

The Committee on LABOR & COMMERCE has had SB 663
identification of handcrafts and other articles made in Alaska

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

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

FISCAL NOTE ATTACHED

MEMBERS SIGNING
DO PASS

Bettya Ahrensberg

MEMBERS HAVING
OTHER RECOMMENDATIONS:

3 - Mr. Re

Bob [unclear]
CHAPMAN
No Pass

Introduced: 1/15/82
Referred: Labor & Commerce

1 IN THE SENATE

BY DANKWORTH

2 SENATE BILL NO. 663

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 identification of handicrafts and
7 other articles made in Alaska."

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

9 * Section 1. AS 45.65.010 is amended to read:

10 Sec. 45.65.010. IDENTIFICATION SEAL FOR HANDCRAFTS AND OTHER
11 ARTICLES [HANDICRAFTS]. A person who makes an authentic handcraft
12 [ARTICLE OF HANDICRAFT] in the state or who makes an article in the
13 state may obtain an identification seal as specified in AS 45.65.030 to
14 identify the handcraft or the article. The identification seal may be
15 affixed only to authentic handcrafts and articles [OF HANDICRAFT] made
16 in the state.

17 * Sec. 2. AS 45.65.020 is amended to read:

18 Sec. 45.65.020. COMMISSIONER TO ADMINISTER CHAPTER [AS 45.65.010 -
19 45.65.070]. The commissioner is responsible for the administration of
20 this chapter [AS 45.65.010 - 45.65.070], including (1) subject to AS 45.
21 65.030, the design, [METHOD OF AFFIXING,] preparation, issuance, and
22 control of identification seals and documents; [(2) THE ISSUANCE OF
23 PERMITS TO AGENTS TO DISTRIBUTE THE SEALS AND DOCUMENTS;] (3) the super-
24 vision of the use of the seals and documents; and (4) the enforcement of
25 the civil and criminal provisions of this chapter [AS 45.65.010 - 45.65.
26 070].

27 * Sec. 3. AS 45.65.030 is amended to read:

28 Sec. 45.65.030. DESIGN OF IDENTIFICATION SEALS AND ACCOMPANYING
29 DOCUMENTS. (a) The official Native handcraft [HANDICRAFT] symbol is

COMMITTEE COPY

1 the silver hand symbol. It shall bear the words: "Authentic Native
2 handcraft [HANDICRAFT] from Alaska", and include a blank line for the
3 artist's name and the place of origin of the article. If space permits
4 on the seal, or, if not, in an accompanying document, it shall also
5 state: "This silver hand symbol is your guarantee that this is a genuine
6 article, made in Alaska, hand-crafted and finished by an Alaskan Native
7 artist or craftsman. Where possible, only Alaskan materials have been
8 used to create this article, and to a great extent only traditional
9 Native methods have been used."

10 (b) The official non-Native resident handcraft [HANDICRAFT] symbol
11 is an outline of the state in silver. It shall bear [IN BLACK LETTERS]
12 the words: "Authentic handcraft [HANDICRAFT] from Alaska", and include a
13 blank line for the artist's name and the place of origin of the article.
14 If space permits on the seal, or, if not, in an accompanying document,
15 it shall also state: "This symbol is your guarantee this is a genuine
16 article, made in Alaska, hand-crafted by an Alaska resident artist or
17 craftsman. Where possible, only Alaskan materials have been used to
18 create this article."

19 * Sec. 4. AS 45.65.030 is amended by adding a new subsection to read:

20 (c) The official made in Alaska symbol is an authentic outline of
21 the state in silver. The symbol shall bear the words: "Made in Alaska",
22 and include a blank line for the maker's name and the place of origin of
23 the article.

24 * Sec. 5. AS 45.65.060(a) is amended to read:

25 (a) A person who knowingly or wilfully [ISSUES THE DOCUMENT FOR,
26 OR] affixes or attaches the identification seal or document provided for
27 in this chapter [AS 45.65.010 - 45.65.070] to a handcraft or an article,
28 knowing that it is not an authentic handcraft or article made in the
29 state [OF HANDICRAFT], or affixes or attaches an [THE] inappropriate

1 seal [,] or [ISSUES THE INAPPROPRIATE] document, under AS 45.65.030, is
2 guilty of a misdemeanor, and upon conviction is punishable by a fine of
3 not more than \$1,000, or by imprisonment for not more than one year, or
4 by both.

5 * Sec. 6. AS 45.65.060(b) is amended to read:

6 (b) A person who knowingly or wilfully sells or offers for sale a
7 handcraft or an article with the seal or document affixed or attached
8 [AND ISSUES THE DOCUMENT], if required under AS 45.65.030, knowing that
9 it [THE ARTICLE] is not an authentic handcraft or article made in the
10 state [OF HANDICRAFT], or knowingly or wilfully sells or offers for sale
11 a handcraft or an article with the inappropriate seal or document as
12 provided in AS 45.65.030, is guilty of a misdemeanor, and upon convic-
13 tion is punishable by a fine of not more than \$1,000, or by imprisonment
14 for not more than one year, or by both.

15 * Sec. 7. AS 45.65.070(1) is amended to read:

16 (1) "authentic handcraft [HANDICRAFT] from Alaska" means an
17 article made in the state by an Alaska resident artist or craftsman,
18 from [AND CREATED WITH] Alaskan materials where possible, with at least
19 50 percent of its value derived from hand labor;

20 * Sec. 8. AS 45.65.070(2) is amended to read:

21 (2) "authentic Native handcraft" [HANDICRAFT"] means an
22 article made in the state [WHICH IS COMPOSED] wholly, or in some signi-
23 ficant respect, of natural materials [, AND WHICH IS PRODUCED, DECORATED
24 OR FASHIONED] by an Alaska Native, with at least 50 percent of its value
25 derived from hand labor;

26 * Sec. 9. AS 45.65.070 is amended by adding a new paragraph to read:

27 (5) "made in Alaska", affixed to an article as provided under
28 AS 45.65.030(c), means an article made in the state with less than 50
29 percent of its value derived from hand labor.

* Sec. 10. AS 45.65.040 and 45.65.050 are repealed.

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THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 663
 Title Identification of handcrafts and other articles made in Alaska
 Requested by Senator Mulcahy Date _____

II. FISCAL DETAIL

Agency Affected Commerce and Economic Development
 Program Category Affected Development
 BRU, Program, Or Subprogram(s) Affected Economic Enterprise
 (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		6.0	0			
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		6.0	-0-			

FUNDING (Thousands of Dollars)

GENERAL FUND		6.0	0			
FEDERAL FUNDS						
OTHER (Specify Source)						
Program receipts		3.0	3.0			

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Program costs (printing of a 2-year supply of tags and stickers) are as follows:

(1) "Made in Alaska" Stickers - 800M	\$2,500
(2) "Made in Alaska" Tags - 200M	2,500
(3) "Silver Hand" Stickers - 250M	1,000
(4) "Silver Hand" Tags (adequate supply on hand)	-0-
(5) Resident "Tags and Stickers" 50/250	-0-
	<u>\$6,000</u>

Costs will be recovered over 2-year period by charging users for the tags and stickers:

Tags (approximately 500/box) = \$2.00/box
 Stickers (approximately 250/roll) = \$1.00/roll

IV. DATE February 10, 1982 PREPARED BY Kathleen Wakefield
 AGENCY Commerce & Economic Development
 Original: Legislative Finance PHONE 465-2018
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 663
Title Identification of handcrafts and other articles made in Alaska.
Requested by Senator Mulcahy Date _____

II. FISCAL DETAIL

Agency Affected Commerce and Economic Development
Program Category Affected Development
BRU, Program, Or Subprogram(s) Affected Economic Enterprise
(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		37.5	0			
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		37.5	-0-			

FUNDING (Thousands of Dollars)

GENERAL FUND		37.5	0			
FEDERAL FUNDS						
OTHER (Specify Source)						
Program receipts		19.8	19.8			

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)
Program costs are as follows:

Printing (2-year supply, \$6,000):

(1) "Made in Alaska" Stickers - 800M	\$2,500
(2) "Made in Alaska" Tags - 200M	2,500
(3) "Silver Hand" Stickers - 250M	1,000
(4) "Silver Hand" Tags (adequate supply on hand)	-0-
(5) Resident "Tags and Stickers" 50/250	-0-
	<u>\$6,000</u>

Advertising (\$31,500):

INTRODUCE SYMBOLS TO USERS:

- (1) Establishing "Made in Alaska" public notice ads:

(Continued)

IV. DATE February 10, 1982 PREPARED BY Kath'len Wakefield
AGENCY Commerce & Economic Development
Original: Legislative Finance PHONE 465-2018
cc: Budget and Management
Prime Sponsor (First Legislator Named)
33-001 (Rev. 12/81)

FISCAL NOTE

III. ANALYSIS (Continued)

(a) design and preparation of ads	\$ 200
(b) two ads in each of Alaska's newspapers	2,800
(2) "Silver Hand" Invitation to Craftsmen	
(a) design and preparation of ads	200
(b) two ads in each of Alaska's newspapers	2,800 -- \$6,000

IN-STATE ADVERTISING

(1) Alaska Journal of Commerce (Combination story of "Alaska-made" mfg. products and new symbol)	\$4,800
(2) Anchorage and Fairbanks newspapers	1,400
(3) Alaska Industry and Alaska Construction	1,800
(4) Design, preparation and production of five ads as required above.	1,000 -- \$9,000

VISITOR ADVERTISING

(1) Alaska Host, travel guides	\$9,400
(2) Alaska Magazine - 3 issues	2,300
(3) Inflight Magazines	4,000
(4) Cruiseship Magazine	800 -- \$16,500

Costs are to be recovered over a 2-year period by charging users 2.5 cents per tag/sticker:

Tags (approximately 500/box) = \$12.50/box
 Stickers (approximately 250/roll) = \$6.25/roll

Excess of \$2.1 will help offset added administrative costs.

ALASKA STATE LEGISLATURE

THIRTEENTH Legislature SECOND Session

SENATE ...BILL..... NO. ...663..

By ...DANKWORTH.....

"An Act relating to identification of handcrafts and other articles made in Alaska."

Introduced in the Senate 1/15/..., 19...82

HISTORY IN THE SENATE

19	82	Read first time and referred to Committee on
1	15	Labor & Commerce
2	11	<i>Finance added</i>
3	11	Reported back with recommendation that <i>do pass</i>
		<i>1 No vote - to Finance</i>
		Read second time and
		Read third time and
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reconsideration
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reported correctly engrossed
		Signed by President
		Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19		Read first time and referred to Committee on
		Reported back with recommendation that
		Read second time and
		Read third time and
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reconsideration
		PASS Effective Date
		Yeas Yeas
		Nays Nays
		Absent Absent
		Excused Excused
		Reported correctly engrossed
		Signed by Speaker
		Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

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

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 663
Title Identification of handcrafts and other articles made in Alaska
Requested by Senator Mulcahy Date _____

II. FISCAL DETAIL

Agency Affected Commerce and Economic Development
Program Category Affected Development
BRU, Program, Or Subprogram(s) Affected Economic Enterprise
(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		6.0	0			
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		6.0	-0-			

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		6.0	0			
FEDERAL FUNDS						
OTHER (Specify Source)						
Program receipts		3.0	3.0			

POSITIONS

	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)

Program costs (printing of a 2-year supply of tags and stickers) are as follows:

(1) "Made in Alaska" Stickers - 800M	\$2,500
(2) "Made in Alaska" Tags - 200M	2,500
(3) "Silver Hand" Stickers - 250M	1,000
(4) "Silver Hand" Tags (adequate supply on hand)	-0-
(5) Resident "Tags and Stickers" 50/250	-0-
	<u>\$6,000</u>

Costs will be recovered over 2-year period by charging users for the tags and stickers:

Tags (approximately 500/box) = \$2.00/box
Stickers (approximately 250/roll) = \$1.00/roll

IV. DATE February 10, 1982 PREPARED BY Kathleen Wakefield
AGENCY Commerce & Economic Development
Original: Legislative Finance PHONE 465-2018
cc: Budget and Management
Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 663
Title Identification of handcrafts and other articles made in Alaska.
Requested by Senator Mulcahy Date _____

II. FISCAL DETAIL

Agency Affected Commerce and Economic Development
Program Category Affected Development
BRU, Program, Or Subprogram(s) Affected Economic Enterprise
(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		37.5	0			
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		37.5	-0-			

FUNDING (Thousands of Dollars)

GENERAL FUND		37.5	0			
FEDERAL FUNDS						
OTHER (Specify Source)						
Program receipts		19.8	19.8			

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Program costs are as follows:

Printing (2-year supply, \$6,000):

(1) "Made in Alaska" Stickers - 800M	\$2,500
(2) "Made in Alaska" Tags - 200M	2,500
(3) "Silver Hand" Stickers - 250M	1,000
(4) "Silver Hand" Tags (adequate supply on hand)	-0-
(5) Resident "Tags and Stickers" 50/250	-0-
	<u>\$6,000</u>

Advertising (\$31,500):

INTRODUCE SYMBOLS TO USERS:

- (1) Establishing "Made in Alaska" public notice ads:

IV. DATE February 10, 1982 PREPARED BY Kathleen Wakefield (Continued)

AGENCY Commerce & Economic Development

Original: Legislative Finance PHONE 465-2018

cc: Budget and Management

Prime Sponsor (First Legislator Named)

FISCAL NOTE

III. ANALYSIS (Continued)

(a) design and preparation of ads	\$ 200
(b) two ads in each of Alaska's newspapers	2,900
(2) "Silver Hand" Invitation to Craftsmen	
(a) design and preparation of ads	200
(b) two ads in each of Alaska's newspapers	2,800 -- \$6,000

IN-STATE ADVERTISING

(1) Alaska Journal of Commerce (Combination story of "Alaska-made" mfg. products and new symbol)	\$4,800
(2) Anchorage and Fairbanks newspapers	1,400
(3) Alaska Industry and Alaska Construction	1,800
(4) Design, preparation and production of five ads as required above.	1,000 -- \$9,000

VISITOR ADVERTISING

(1) Alaska Host, travel guides	\$9,400
(2) Alaska Magazine - 3 issues	2,300
(3) In-flight Magazines	4,000
(4) Cruiseship Magazine	800 -- \$16,500

Costs are to be recovered over a 2-year period by charging users 2.5 cents per tag/sticker:

Tags (approximately 500/box) = \$12.50/box
Stickers (approximately 250/roll) = \$6.25/roll

Excess of \$2.1 will help offset added administrative costs.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 663

Title An Act relating to identification of handcrafts and other articles made in

Requested by Senator Mulcahy Date Jan. 20, 1982 Alaska

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development

Program Category Affected Development

BRU, Program, Or Subprogram(s) Affected Economic Enterprise

(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		39.0	41.0	43.0		
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		39.0	41.0	43.0		

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		39.0	41.0	43.0		
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

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

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

No personal services are required. Administration can be handled by 5% of time from one existing position.

Specific program budget expenditures listed on attachment.

IV. DATE Jan. 26, 1982

PREPARED BY James R. Deagen

AGENCY Commerce & Economic Development

Original: Legislative Finance PHONE 465-2023

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

MADE IN ALASKA
IDENTIFICATION PROGRAM

PROGRAM BUDGET FY '83

	<u>Amount</u>	<u>Total</u>
I. PRINTING OF TAGS & STICKERS (to be resold to craftsmen at cost, on requests over 1,000)		
1) "Made in Alaska" Stickers - 800 M	\$2,500	
2) "Made in Alaska" Tags - 200 M	2,500	
3) "Silver Hand" Stickers - 250 M	1,000	
4) Adequate supply of "Silver Hand" tags	-0-	\$ 6,000
II. INTRODUCE "MADE IN ALASKA" SYMBOLS THROUGH ALASKA MEDIA		
1) Re-Establishing "Made in Alaska" public notice ads:		
a) design and preparation of ads	\$ 200	
b) two ads in each of Alaska newspapers	2,900	
2) "Silver Hand" Invitation to Craftsmen		
a) design and preparation of ads	300	
b) two ads in each of Alaska's newspapers	2,900	\$ 6,000
III. "MADE IN ALASKA" ADVERTISING		
1) Alaska Journal of Commerce (Combination story of Alaska made product, mfg. and new symbol) 6 @ \$800	\$4,800	
2) Anchorage and Fairbanks newspapers 4 ads @ \$350	1,400	
3) Alaska Industry and Alaska Construction and Oil 3 ads each @ \$300	1,800	
4) Design, preparation and production of the five ads as required above	1,000	\$ 9,000
IV. ADVERTISING "SILVER HAND" TO VISITORS TO STATE		
1) Alaska Host - back cover - 1 year	\$5,600	
2) Milepost - 1 column	1,100	
3) Alaska Travel Guide - 1 column	1,000	
4) Alaska Magazine - 1/2 page - 3 issues	2,300	
5) Alaska Fest - 1/6 page - monthly	2,000	
6) Take Me Away Inflight	2,000	
7) Alaska-Yukon Travel Guide - inside back	900	
8) Cruiseship Magazine - 1/4 page color	800	
9) Anchorage, Fairbanks, Juneau, Ketchikan Guides, 1/4 page	2,300	\$18,000
Total Budget FY '83 -----		\$39,000

Introduced: 1/15/82
Referred: Labor & Commerce

1 IN THE SENATE

BY DANKWORTH

2 SENATE BILL NO. 663

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 identification of handcrafts and
7 other articles made in Alaska."

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

9 * Section 1. AS 45.65.010 is amended to read:

10 Sec. 45.65.010. IDENTIFICATION SEAL FOR HANDCRAFTS AND OTHER
11 ARTICLES [HANDICRAFTS]. A person who makes an authentic handcraft
12 [ARTICLE OF HANDICRAFT] in the state or who makes an article in the
13 state may obtain an identification seal as specified in AS 45.65.030 to
14 identify the handcraft or the article. The identification seal may be
15 affixed only to authentic handcrafts and articles [OF HANDICRAFT] made
16 in the state.

17 * Sec. 2. AS 45.65.020 is amended to read:

18 Sec. 45.65.020. COMMISSIONER TO ADMINISTER CHAPTER [AS 45.65.010 -
19 45.65.070]. The commissioner is responsible for the administration of
20 this chapter [AS 45.65.010 - 45.65.070], including (1) subject to AS 45.-
21 65.030, the design, [METHOD OF AFFIXING,] preparation, issuance, and
22 control of identification seals and documents; [(2) THE ISSUANCE OF
23 PERMITS TO AGENTS TO DISTRIBUTE THE SEALS AND DOCUMENTS;] (3) the super-
24 vision of the use of the seals and documents; and (4) the enforcement of
25 the civil and criminal provisions of this chapter [AS 45.65.010 - 45.65.-
26 070].

27 * Sec. 3. AS 45.65.030 is amended to read:

28 Sec. 45.65.030. DESIGN OF IDENTIFICATION SEALS AND ACCOMPANYING
29 DOCUMENTS. (a) The official Native handcraft [HANDICRAFT] symbol is

1 the silver hand symbol. It shall bear the words: "Authentic Native
2 handcraft [HANDICRAFT] from Alaska", and include a blank line for the
3 artist's name and the place of origin of the article. If space permits
4 on the seal, or, if not, in an accompanying document, it shall also
5 state: "This silver hand symbol is your guarantee that this is a genuine
6 article, made in Alaska, hand-crafted and finished by an Alaskan Native
7 artist or craftsman. Where possible, only Alaskan materials have been
8 used to create this article, and to a great extent only traditional
9 Native methods have been used."

10 (b) The official non-Native resident handcraft [HANDICRAFT] symbol
11 is an outline of the state in silver. It shall bear [IN BLACK LETTERS]
12 the words: "Authentic handcraft [HANDICRAFT] from Alaska", and include a
13 blank line for the artist's name and the place of origin of the article.
14 If space permits on the seal, or, if not, in an accompanying document,
15 it shall also state: "This symbol is your guarantee this is a genuine
16 article, made in Alaska, hand-crafted by an Alaska resident artist or
17 craftsman. Where possible, only Alaskan materials have been used to
18 create this article."

19 * Sec. 4. AS 45.65.030 is amended by adding a new subsection to read:

20 (c) The official made in Alaska symbol is an authentic outline of
21 the state in silver. The symbol shall bear the words: "Made in Alaska",
22 and include a blank line for the maker's name and the place of origin of
23 the article.

24 * Sec. 5. AS 45.65.060(a) is amended to read:

25 (a) A person who knowingly or wilfully [ISSUES THE DOCUMENT FOR,
26 OR] affixes or attaches the identification seal or document provided for
27 in this chapter [AS 45.65.010 - 45.65.070] to a handcraft or an article,
28 knowing that it is not an authentic handcraft or article made in the
29 state [OF HANDICRAFT], or affixes or attaches an [THE] inappropriate

1 seal [,] or [ISSUES THE INAPPROPRIATE] document, under AS 45.65.030, is
2 guilty of a misdemeanor, and upon conviction is punishable by a fine of
3 not more than \$1,000, or by imprisonment for not more than one year, or
4 by both.

5 * Sec. 6. AS 45.65.060(b) is amended to read:

6 (b) A person who knowingly or wilfully sells or offers for sale a
7 handcraft or an article with the seal or document affixed or attached
8 [AND ISSUES THE DOCUMENT], if required under AS 45.65.030, knowing that
9 it [THE ARTICLE] is not an authentic handcraft or article made in the
10 state [OF HANDICRAFT], or knowingly or wilfully sells or offers for sale
11 a handcraft or an article with the inappropriate seal or document as
12 provided in AS 45.65.030, is guilty of a misdemeanor, and upon convic-
13 tion is punishable by a fine of not more than \$1,000, or by imprisonment
14 for not more than one year, or by both.

15 * Sec. 7. AS 45.65.070(1) is amended to read:

16 (1) "authentic handcraft [HANDICRAFT] from Alaska" means an
17 article made in the state by an Alaska resident artist or craftsman,
18 from [AND CREATED WITH] Alaskan materials where possible, with at least
19 50 percent of its value derived from hand labor;

20 * Sec. 8. AS 45.65.070(2) is amended to read:

21 (2) "authentic Native handcraft" [HANDICRAFT"] means an
22 article made in the state [WHICH IS COMPOSED] wholly, or in some signi-
23 ficant respect, of natural materials [, AND WHICH IS PRODUCED, DECORATED
24 OR FASHIONED] by an Alaska Native, with at least 50 percent of its value
25 derived from hand labor;

26 * Sec. 9. AS 45.65.070 is amended by adding a new paragraph to read:

27 (5) "made in Alaska", affixed to an article as provided under
28 AS 45.65.030(c), means an article made in the state with less than 50
29 percent of its value derived from hand labor.

* Sec. 10. AS 45.65.040 and 45.65.050 are repealed.

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COMMITTEE REPORT
SENATE

FURTHER: Finance

1/18/82

Date: 1 MARCH 82

Mr. President:

The Committee on LABOR & COMMERCE has had SB 665

making a supplemental appropriation to the Department of Commerce and Economic Development for the low income weatherization program

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

- my* 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:

Buttys Fabrikant
Robert Bailey
Zink

1 Bob Mulcahy
 CHAIRMAN
DO PASS

Funding Information

General Fund \$1,500,000
Other Funds -0-
\$1,500,000

Introduced: 1/18/82
Referred: Labor & Commerce
and Finance

1 IN THE SENATE

BY FERGUSON

2 SENATE BILL NO. 665

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Commerce and Economic Development for the
8 low income weatherization program; and providing for an
9 effective date."

10 * Section 1. The sum of \$1,500,000 is appropriated from the general fund
11 to the Department of Commerce and Economic Development for the low income
12 weatherization program.

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

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COMMITTEE COPY

ALASKA STATE LEGISLATURE

TWELFTH Legislature SECOND Session

SENATE BILL NO. 665

By FERGUSON

"An Act making a supplemental appropriation to the Department of Commerce and Economic Development for the low income weatherization program; and providing for an effective date."

Introduced in the Senate 1/18, 1982

HISTORY IN THE SENATE

19	82	Read first time and referred to Committee on										
1	18	L & C and Finance										
2	2	Reported back with recommendation that <i>do pass to Finance.</i>										
		Read second time and										
		Read third time and										
		<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		<p>Reconsideration</p> <table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reported correctly engrossed										
		Signed by President										
		Sent to House										
SECRETARY OF THE SENATE												

HISTORY IN THE HOUSE

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

HISTORY IN THE SENATE

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

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. SB 665 Supplemental appropriation to
 Title Dept. Commerce & Economic Development for low income weatherization program.
 Requested by _____ Date _____

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

EXPENDITURES (Thousands of Dollars)

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

FUNDING (Thousands of Dollars)

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

FULL TIME						
PART TIME						
TEMPORARY						

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

This appropriation bill for \$1,500,000 will not increase administrative costs to the Department.

IV. DATE 2/3/82 PREPARED BY Lloyd M. Pernela
 AGENCY Commerce and Economic Development
 Original: Legislative Finance PHONE 276-0508
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

Funding Information

General Fund \$1,500,000
Other Funds -0-
\$1,500,000

Introduced: 1/18/82
Referred: Labor & Commerce
and Finance

1 IN THE SENATE

BY FERGUSON

2 SENATE BILL NO. 665

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Commerce and Economic Development for the
8 low income weatherization program; and providing for an
9 effective date."

10 * Section 1. The sum of \$1,500,000 is appropriated from the general fund
11 to the Department of Commerce and Economic Development for the low income
12 weatherization program.

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

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Introduced: 1/19/82
Referred: Resources and
Finance

1 IN THE SENATE

BY FAHRENKAMP, BENNETT AND PARR

2 SENATE BILL NO. 666

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 mining loan fund (AS 27.09);
7 and providing for an effective date."

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

9 * Section 1. AS 27.09.010 is amended by adding a new subsection to read:

10 (b) The mining loan fund is a revolving fund consisting of ap-
11 propriations made to the fund by the legislature and repayments of
12 principal and interest on loans made from the fund. Money appropriated
13 to or repaid into the fund does not lapse in accordance with AS 37.25.-
14 010.

15 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
16 070(c).

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M E M O R A N D U M

DATE: March 29, 1982
TO: Representative Russ Meekins
FROM: Carl Nelson
SUBJECT: Summary of Proposed Changes

AHFC

- 1) Allow the corporation to access the international bond market. Could result in a 1% savings on interest rate on bonds.
- 2) Decrease the amount of time for notice of bond sales to 24 hours. Could save up to 1% on interest rate on bonds.
- 3) Authorize the corporation to make loans for owner-occupied tri-plexes and four-plexes.
- 4) Pending the passage of HJR71, allow the corporation to use veterans G.O. bonds for veteran loans. This would save \$34 million per year.
- 5) Allow the purchase of commitments of loans from the corporation as follows: 1% for the first six months and 1/6% per month thereafter for up to a year total.
- 6) The rural owner-occupied and non-owner-occupied programs are moved to Dept. of C&RA.
- 7) Second mortgage program - Set the limit to no more than \$90,000 at subsidized rate, counting all loans 1st, 2nd, etc.

AIDA

- 1) Authorize the corporation to make loans for multi-family housing of five units or more.

Agriculture Revolving Loan Fund

- 1) The program is expanded to allow the financing of land clearing for farming.
- 2) Institute variable-rate interest to reduce farmer's dependence on subsidized funds and make for more equitable distribution of the funds.

Division of Business Loans

Alternate Technology and Energy

- 1) In keeping with the original intent of this program the following items will no longer be eligible for these loans: fireplaces, woodstove, coal and and multi-fuel burning devices.
- 2) The loan limit is raised to \$30,000, with interest at 5% on the first \$15,000, and 15% on the remainder.

Residential Energy

- 1) The department will be able to waive the requirement for energy audits where they feel the audits are unnecessary.

Child Care Facilities

- 1) The repayment time for these loans is increased from 10 to 20 years.

Commercial Fishing Loan Fund and Fishermans Mortgage and Note Fund

- 1) The two programs will be combined.
- 2) The qualification will be clarified.

Historical Districts Loan Fund

Language from HR6

- 1) The loan limit will be raised to \$250,000.

Mining Loan Fund

- 1) Converts this program to a revolving loan fund.

Community and Regional Affairs

Division of Housing Assistance; Nonconforming Housing

- 1) AHFC's rural programs are transferred to this program.
- 2) Effective Jan. 1, 1983 the interest rate is increased to the ratchet rate.

Bills To Be Used As Vehicles

SB 593

- 1) Supplemental bond authorization for AHFC.
- 2) Liberalized AHFC second mortgage program.

SB 666

- 1) Omnibus loan package.

SB 322

- 1) Appropriations.
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SUMMARY OF CASH APPROPRIATIONS
in Millions of Dollars

	FY82 Appropriation	FY83 Proposed
<u>AHFC</u>		
Special mortgage purchase program	222.0	0.0
Mobile home program	18.0	45.0
<u>Housing Assistance Fund</u>	65.0	46.0
Dept. of C&RA includes non conforming housing and the rural programs previously in AHFC.		
<u>Agriculture Revolving Fund</u>	14.0	10.0
<u>AIDA</u>	8.0	0.0
<u>Scholarship Revolving Fund</u>	48.8	52.0
<u>Rural Electrification Revolving Loan Fund</u>	6.5	0.0
<u>Division of Business Loans</u>		
Commercial fishing	4.5	10.0
Fishermans mortgage and note	1.8	
Fisheries enhancement	8.0	17.0
Child care facilities	0.2	0.4
Residential care facilities	0.1	0.0
Alternative technology and energy	5.5	4.0
Residential energy conservation	5.5	4.5
Bulk Fuel	1.0	1.0
Historical districts	0.2	0.5
Mining	20.0	15.0
TOTAL	429.1	205.4

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 666
Title An Act relating to the mining loan fund (AS 27.09), and providing for an effective date.

Requested by Fahrenkamp, Bennett & Parr Date 1/19/82

II. FISCAL DETAIL

Agency Affected Department of Commerce & Economic Development
Program Category Affected Economic Development
BRU, Program, Or Subprogram(s) Affected Division of Loans and Veterans' Affairs
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

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

FUNDING (Thousands of Dollars)

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

POSITIONS

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

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

This bill has no effect on short term expenditures and minimal effect on long term expenditures.

IV. DATE 1/26/82

PREPARED BY: Don Hostak, Director
AGENCY Department of Commerce & Economic Development
PHONE 465-2555 Division of Loans and
Veterans' Affairs

Original: Legislative Finance
cc: Budget and Management or 465-2510
Prime Sponsor (First Legislator Named)

COMMITTEE REPORT

HOUSE

FURTHER:

(11)

Date: 3/26/82

3/18/82

Mr. Speaker:

The Committee on FINANCE has had SO 656

"An Act relating to the mining loan fund (AS 27.30); and providing for an effective date."

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

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

CH. IRMAN

Introduced: 1/19/82
Referred: Resources and
Finance

1 IN THE SENATE

BY FAHRENKAMP, BENNETT AND PARR

2 SENATE BILL NO. 666

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 mining loan fund (AS 27.09);
7 and providing for an effective date."

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

9 * Section 1. AS 27.09.010 is amended by adding a new subsection to read:

10 (b) The mining loan fund is a revolving fund consisting of ap-
11 propriations made to the fund by the legislature and repayments of
12 principal and interest on loans made from the fund. Money appropriated
13 to or repaid into the fund does not lapse in accordance with AS 37.25.-
14 010.

15 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
16 070(c).

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COMMITTEE REPORT

HOUSE

FURTHER:

Date: _____

Mr. Speaker:

The Committee on _____ has had _____

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

Original sponsors: Fahrenkamp, Bennett
and Parr

Offered: 4/1/82
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 666 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to certain state loan programs; and
7 providing for an effective date."

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

9 * Section 1. AS 03.10.020(1) is amended to read:

10 (1) make loans to individual resident farmers, homesteaders,
11 and partnerships or corporations composed of farmers and homesteaders,
12 for clearing land for agricultural purposes, development of farms, stor-
13 age and processing of farm produce, livestock and machinery and to indi-
14 viduals, partnerships or corporations, for storage and processing plants
15 for agricultural products;

16 * Sec. ?. AS 03.10.030(a) is repealed and reenacted to read:

17 (a) A farm development, chattel, or irrigation loan made under
18 this chapter

19 (1) may not exceed a term of 30 years;

20 (2) may not, when added to the outstanding balance of other
21 loans made under this chapter, exceed a total outstanding balance of
22 \$1,000,000;

23 (3) shall be secured by a real estate or chattel mortgage of
24 any priority, except that the portion of a loan that exceeds \$500,000,
25 when added to prior indebtedness that is secured by the same property,
26 must be secured by a first mortgage;

27 (4) shall bear interest at a rate that may not be less than
28 eight percent or more than the commercial rate, unless the commercial
29 rate is eight percent or less; in this paragraph "commercial rate" means

1 the prevailing rate of interest at private lending institutions in the
2 state for loans similar to those referred to in this subsection.

3 * Sec. 3. AS 03.10.030(c) is amended to read:

4 (c) A short term loan, to be amortized within one year, not to
5 exceed \$200,000 to any one borrower may be made for operating purposes,
6 except that short term loans made under this subsection for farm product
7 processing may be made for \$500,000 or less.

8 * Sec. 4. AS 03.10.030(e) is amended to read:

9 (e) An installment payment is delinquent unless it is mailed by
10 the borrower on or before the 30th [15TH] day after the date specified
11 for payment in the loan agreement or unless it is received by the depart-
12 ment on or before the 30th [15TH] day after the date specified for
13 payment in the loan agreement. If an installment payment is delinquent,
14 the director may [SHALL] assess a delinquency penalty. The delinquency
15 penalty shall be an amount equal to seven percent of the delinquent
16 payment, but the combined delinquency penalty and loan interest may not
17 exceed 15 percent.

18 * Sec. 5. AS 03.10.030 is amended by adding new subsections to read:

19 (g) A loan for clearing land may not

- 20 (1) exceed \$400,000;
21 (2) bear interest that exceeds eight percent; or
22 (3) have a term in excess of 30 years.

23 (h) The commissioner shall adopt regulations to establish other
24 terms for loans made under this chapter, consistent with the provisions
25 of this section, and may establish interest rates for loans under (a)(4)
26 of this section that

- 27 (1) encourage agricultural development;
28 (2) do not subsidize non-livable agricultural enterprises; and
29 (3) do not discriminate against existing agricultural enter-

1 prises.

2 * Sec. 6. AS 03.10.050(a) is amended to read:

3 (a) The commissioner shall administer the loan fund in conjunction
4 with the agricultural revolving loan fund board. No loan in excess of
5 \$50,000 [\$25,000] may be made by the commissioner without the approval
6 of a majority of the board.

7 * Sec. 7. AS 03.10.050 is amended by adding a new subsection to read:

8 (c) A meeting of the agricultural revolving loan fund board to act
9 on applications for loans is exempt from the public meeting requirements
10 of AS 44.62.310.

11 * Sec. 8. AS 16.10.310 is repealed and reenacted to read:

12 Sec. 16.10.310. POWERS OF THE DEPARTMENT. (a) The department may

13 (1) make loans to

14 (A) individual commercial fishermen who have been state
15 residents for a continuous period of five years immediately preced-
16 ing the date of application for a loan under AS 16.10.300 - 16.10.-
17 370 and have had a crewmember or commercial fishing license under
18 AS 16.05.480 or a permit under AS 16.43 for any one of the past
19 five years, and who actively participated in the fishery during
20 that period, for the purchase of entry permits;

21 (B) an individual who has been a state resident for a
22 continuous period of five years immediately preceding the date of
23 application for a loan under AS 16.10.300 - 16.10.370, who (i)
24 because of lack of training or lack of employment opportunities in
25 the area of residence does not have occupational opportunities
26 available other than commercial fishing; or (ii) is economically
27 dependent on commercial fishing for a livelihood and commercial
28 fishing has been a traditional way of life for him in Alaska, for
29 the repair, restoration or upgrading of existing vessels and gear,

1 for the purchase of entry permits and gear, and for the construc-
2 tion and purchase of vessels;

3 (C) corporations, partnerships, or joint ventures, 100
4 percent of which are owned by individual commercial fishermen who
5 have been state residents for a continuous period of five years
6 immediately preceding the date of application for a loan under
7 AS 16.10.300 - 16.10.370 and have had a crewmember or commercial
8 fishing license under AS 16.05.480 or a permit under AS 16.43 for
9 any one of the past five years, and who actively participated in
10 the fishery during that period, for the repair, restoration or
11 upgrading of existing vessels and gear, for the purchase of gear,
12 and for the construction and purchase of vessels;

13 (2) designate agents and delegate its powers to them as
14 necessary;

15 (3) adopt regulations necessary to carry out its functions;

16 (4) establish amortization plans for repayment of loans,
17 which may include extensions for poor fishing seasons;

18 (5) enter into agreements with private lending institutions,
19 other state agencies, or agencies of the federal government, to carry
20 out the purposes of AS 16.10.300 - 16.10.370;

21 (6) enter into agreements with other agencies or organiza-
22 tions to create an outreach program to make loans under AS 16.10.300 -
23 16.10.370 in rural areas of the state.

24 (b) The department shall consult with the Department of Fish and
25 Game on regulations and procedures established under this chapter.

26 * Sec. 9. AS 16.10.320(a) is repealed and reenacted to read:

27 (a) A loan under AS 16.10.310 - 16.10.370

28 (1) made to

29 (A) an individual described in AS 16.10.310(a)(1)(A) may

1 not exceed \$300,000;

2 (B) an individual, corporation, partnership, or joint
3 venture described in AS 16.10.310(a)(1)(B) or (C) may not exceed
4 \$100,000;

5 (2) may not exceed a term of 15 years;

6 (3) may not bear interest exceeding 10 and one-half percent;

7 (4) may be secured by a first priority lien and appropriate
8 security agreement; and

9 (5) may not exceed 75 percent of the appraised value of the
10 collateral used to secure the loan, except that a loan granted under
11 AS 16.10.333 for the purchase of an Alaska limited entry permit may not
12 exceed an amount determined in accordance with (f) or (h) of this
13 section.

14 * Sec. 10. AS 16.10.320(d) is amended to read:

15 (d) A loan may not be made to a borrower under AS 16.10.300 -
16 16.10.370 if it would result in an outstanding debt of the borrower to
17 the commercial fishing revolving loan fund in excess of \$300,000
18 [\$500,000, EXCLUDING OUTSTANDING DEBT INCURRED UNDER (c) OF THIS SECTION.
19 A BORROWER UNDER AS 16.10.300 - 16.10.370 MAY USE UP TO 49 PERCENT OF
20 THE AMOUNT BORROWED TO REFINANCE ANY OUTSTANDING LOANS OF THE BORROWER
21 REGARDLESS OF THE SOURCE OF THE LOANS, IF THE OUTSTANDING LOANS WERE
22 MADE FOR ANY OF THE PURPOSES DESCRIBED IN AS 16.10.310]. A loan to an
23 associate of the borrower is considered to be a loan to the borrower.
24 For the purposes of this section, "associate of the borrower" means

25 (1) a corporation or other organization of which the borrower
26 is an officer, director or partner, or is, directly or indirectly, the
27 beneficial owner of 10 percent or more of any class of equity securi-
28 ties;

29 (2) a person who is, directly or indirectly, the beneficial

1 owner of 10 percent or more of any class of equity securities of the
2 borrower;

3 (3) a trust or other estate in which the borrower has a
4 substantial beneficial interest or as to which the borrower serves as
5 trustee or in a similar fiduciary capacity.

6 * Sec. 11. AS 16.20.320(e) is amended to read:

7 (e) Two or more individual commercial fishermen who each satisfy
8 the requirements specified in AS 16.10.310(a)(1)(B) [AS 16.10.310(a)(1)-
9 (A)] may jointly obtain a commercial fishing loan for the construction
10 of a fishing vessel or the purchase of an existing fishing vessel.

11 Loans granted under this subsection

12 (1) may not exceed the amount specified in (a)(1) of this
13 section multiplied by the number of qualified commercial fishermen
14 applying for the loan;

15 (2) may not exceed a term of 15 years;

16 (3) shall be secured by a first priority lien and appropriate
17 security agreement;

18 (4) may not bear interest exceeding 10 [NINE] and one-half
19 percent; and

20 (5) may not exceed 75 percent of the appraised value of the
21 collateral used to secure the loan.

22 * Sec. 12. AS 16.10.320(f) is amended to read:

23 (f) Except as permitted in (h) of this section a [A] loan granted
24 under AS 16.10.333(a) for the purchase of an Alaska limited entry permit
25 may not exceed 90 percent of the appraised value of the collateral used
26 to secure the loan.

27 * Sec. 13. AS 16.10.320 is amended by adding a new subsection to read:

28 (h) A loan under AS 16.10.333(a) may be made for up to 100 percent
29 of the appraised value of the collateral used to secure the loan if the

1 borrower demonstrates that he has at least three years of experience as
2 a commercial fisherman in the fishery to which the entry permit applies;
3 as used in this paragraph, "three years of experience as a commercial
4 fisherman in the fishery" means that for an accumulated total of three
5 fishing seasons in the same fishery the person has actively participated
6 in the commercial harvest of fish under the direction of a limited entry
7 permit holder.

8 * Sec. 14. AS 16.10 is amended by adding a new section to read:

9 Sec. 16.10.325. GUARANTORS. A person may act as guarantor if the
10 borrower has insufficient collateral to secure a loan for the purposes
11 described in AS 16.10.310(a)(1)(B). The loan agreement shall specific-
12 ally describe the property of the guarantor to be used as collateral by
13 the borrower and shall be signed by the guarantor and the borrower. The
14 department shall provide the guarantor with a copy of all notices sent
15 to the borrower by the department. If the loan is for the purchase of
16 an entry permit, the guaranty by the guarantor may not constitute a
17 lien, mortgage, or encumbrance on or pledge of the entry permit.

18 * Sec. 15. AS 18.55.997 is amended to read:

19 Sec. 18.55.997. RESIDENTIAL LOANS. (a) In addition to the powers
20 authorized to a regional housing authority under AS 18.55.996, a regional
21 housing authority may, in accordance with procedures and policies adopted
22 and approved by the division of housing assistance in the Department of
23 Community and Regional Affairs [BOARD OF DIRECTORS OF THE ALASKA HOUSING
24 FINANCE CORPORATION], make loans for the purchase or development of resi-
25 dential housing in rural areas of the state. A loan shall be secured by
26 collateral in an amount acceptable to the division of housing assistance
27 in the Department of Community and Regional Affairs [BOARD OF DIRECTORS
28 OF THE ALASKA HOUSING FINANCE CORPORATION]. The rate of interest on a
29 loan authorized by this section may not exceed the interest rate on a

1 loan originated or purchased under AS 44.47.360 - 44.47.560 [AN INTEREST
2 RATE APPROVED BY THE BOARD OF DIRECTORS OF THE ALASKA HOUSING FINANCE
3 CORPORATION].

4 (b) In this section,

5 (1) "development" means the construction of a new residence
6 or the repair, remodeling, rehabilitation or expansion of an existing
7 home;

8 (2) "rural" means

9 (A) a [ANY] community in the second, third, or fourth
10 judicial district of the state with a population of 4,500 or less
11 that is not connected by road or rail to Anchorage or Fairbanks; or

12 (B) a community in the first judicial district of the
13 state with a population of 4,500 or less.

14 * Sec. 16. AS 18.56.040 is amended by adding a new subsection to read:

15 (d) Public notice of 24 hours or more shall be given before a
16 meeting of the board at which the issuance of corporation bonds is
17 authorized.

18 * Sec. 17. AS 18.56 is amended by adding a new section to read:

19 Sec. 18.56.084. INTERNATIONAL BORROWING. For the purpose of
20 obtaining access to international capital markets to borrow money for
21 the special mortgage loan purchase program (AS 18.56.098), as an addition
22 to the powers of the corporation under AS 18.56.090, the corporation may
23 (1) establish or cause to be established, subsidiary corporations in-
24 corporated in the state or in another state, or under the laws of a
25 foreign jurisdiction; (2) invest in corporations established under this
26 section; (3) issue bonds and borrow money for investments in corpora-
27 tions established under this section; (4) borrow from corporations
28 established under this section; (5) guarantee the obligations of corpora-
29 tions established under this section; (6) enter into agreements with

1 corporations established under this section or with other persons; or
2 (7) do anything otherwise necessary to facilitate access to international
3 capital markets. A guarantee under this section constitutes a bond of
4 the corporation as defined in AS 18.56.210(13).

5 * Sec. 18. AS 18.56.098(f)(4) is amended to read:

6 (4) "residence" means an owner-occupied, single-family resi-
7 dence, including a mobile home, or an owner-occupied duplex, triplex or
8 four-plex.

9 * Sec. 19. AS 18.56.098(g)(2) is amended to read:

10 (2) The interest rate on the first \$90,000 of a mortgage loan
11 for a single-family or duplex residence, on the first \$105,000 of a
12 mortgage loan for a triplex residence, and on the first \$140,000 of a
13 mortgage loan for a four-plex residence purchased with the proceeds of a
14 second or subsequent issue of taxable bonds of the corporation shall be
15 determined as follows:

16 (A) If the cost of funds of an issue of taxable bonds is
17 more than the cost of funds of the preceding issue of taxable
18 bonds, the interest rate shall be increased by an amount equal to
19 the difference between the cost of funds of the two bond issues.

20 (B) Except as provided in (C) and (D) of this paragraph
21 and (3) of this subsection, the interest rate may not be less than
22 10 percent and may not be reduced.

23 (C) If the difference between the cost of funds of an
24 issue of taxable bonds and the interest rate established for a
25 mortgage loan purchased with the proceeds of the previous issue
26 would be equal to or less than three percent, the interest rate on
27 mortgage loans purchased with the proceeds of that taxable bond
28 issue and subsequent taxable bond issues is three percent less than
29 the cost of funds of the taxable bond issue that is used to purchase

1 the mortgage loan.

2 (D) The interest rate on a mortgage loan purchased with
3 the proceeds of a taxable bond issue may not be less than 10 percent
4 unless the cost of funds of the taxable bond issue is less than 10
5 percent, in which case the interest on a mortgage loan purchased
6 with the proceeds of a taxable bond issue is equal to the cost of
7 funds.

8 * Sec. 20. AS 18.56.098(g)(3) is amended to read:

9 (3) An interest rate determined under this subsection on the
10 first \$90,000 of a mortgage loan that is not purchased from the proceeds
11 of bonds that are qualified veterans' mortgage bonds under the Mortgage
12 Subsidy Bond Tax Act of 1980 (26 U.S.C. 103(A)), as amended, shall be
13 reduced by one percentage point if the loan is made to an eligible
14 veteran under AS 18.56.101.

15 * Sec. 21. AS 18.56.098(g)(6) is amended to read:

16 (6) The interest rate on the first \$90,000 of a mortgage loan
17 for a single-family or duplex residence, on the first \$105,000 of a
18 mortgage loan for a triplex residence and on the first \$140,000 of a
19 mortgage loan for a four-plex residence purchased from the proceeds of
20 bonds that are exempt from taxation under the Mortgage Subsidy Bond Tax
21 Act of 1980 (26 U.S.C. 103(A)) is 10 percent or the cost of the funds,
22 whichever is less. A higher or lower interest rate shall be established
23 on the entire loan amount if required under the Mortgage Subsidy Bond
24 Tax Act.

25 * Sec. 22. AS 18.56.098 is amended by adding new subsections to read:

26 (i) The interest rate on the first \$90,000 of a mortgage loan
27 purchased from the proceeds of bonds that constitute qualified veterans'
28 mortgage bonds under the Mortgage Subsidy Bond Tax Act of 1980 (26
29 U.S.C. 103(A)) as amended, is the greater of (1) four percent less than

1 the cost of funds or (2) the rate for other loans to veterans under
2 AS 18.56.098(g)(3). A higher or lower interest rate shall be estab-
3 lished on the entire loan amount if required under the Mortgage Subsidy
4 Bond Tax Act of 1980.

5 (j) If the money used to purchase a mortgage loan made to a veteran
6 under this section comes from an issue of bonds of the corporation
7 guaranteed by the state each bond must be issued as part of an issue
8 substantially all of the proceeds of which are used to provide resi-
9 dences for veterans, or be issued in such other manner that may be
10 necessary to insure that the bond is a "qualified veteran's mortgage
11 bond" under the Mortgage Subsidy Bond Tax Act of 1980 (26 U.S.C. 103(A)),
12 as amended.

13 (k) The interest rate limitations of AS 45.45.010 do not apply to
14 loans purchased under this section or to loans that the corporation has,
15 in any manner, committed itself to purchase.

16 * Sec. 23. AS 18.56 is amended by adding a new section to read:

17 Sec. 18.56.102. COMMITMENTS FOR THE PURCHASE OF MORTGAGE LOANS.
18 The corporation shall offer commitments for the purchase of mortgage
19 loans at the interest rate prevailing for similar mortgage loans at the
20 time a commitment is made. The corporation shall charge a commitment fee
21 for an initial 90-day commitment of one-half percent of the amount of the
22 mortgage loan for which the commitment is purchased. A commitment made
23 under this section may be extended for a second 90-day period for an
24 additional fee of one-half percent of the amount of the mortgage loan
25 and, at the option of the corporation, for further periods of one month
26 for an additional fee of one-sixth percent of the amount of the mortgage
27 loan for each month the commitment is extended. A commitment made under
28 this section, including extensions, may not exceed one year.

29 * Sec. 24. AS 18.56.110(b) is amended to read:

1 (b) The principal and interest on these bonds or notes, except
2 state guaranteed bonds, is payable from corporation funds, excluding
3 funds in the housing development fund. The principal and interest on
4 state guaranteed bonds is payable from corporation funds, excluding
5 funds in the housing development fund, and in accordance with the terms
6 of the state guaranty of principal and interest. Bond anticipation
7 notes may be payable from the proceeds of the sale of bonds or from the
8 proceeds of sale of other bond anticipation notes or, in the event bond
9 or bond anticipation note proceeds are not available, such notes may be
10 paid from other funds or assets of the corporation. Bonds or notes may
11 be additionally secured by a pledge of a grant or contribution from the
12 federal government, or a corporation, association, institution or person,
13 or a pledge of money, income, or revenues of the corporation from any
14 source. Notes issued in anticipation of the sale of bonds that are to
15 be issued under this chapter and guaranteed as to principal and interest
16 by the state are guaranteed as to principal and interest by the state
17 and secured by the full faith, credit and resources of the state.

18 * Sec. 25. AS 18.56.110(d) is amended to read:

19 (d) Bonds or bond anticipation notes, except state guaranteed
20 bonds and bond anticipation notes, may be sold in the manner, on the
21 terms and at the price the corporation determines. State guaranteed
22 bonds and bond anticipation notes shall be sold at public sale by the
23 corporation in amounts and at times as may be approved by the state
24 bond committee, on terms and at the price fixed under the notice of
25 sale.

26 * Sec. 26. AS 27.09.010 is amended by adding a new subsection to read:

27 (b) The mining loan fund is a revolving fund consisting of ap-
28 propriations made to the fund by the legislature and repayments of
29 principal and interest on loans made from the fund. Money appropriated

1 to or repaid into the fund does not lapse in accordance with AS 37.25.-
2 010.

3 * Sec. 27. AS 29.48.110(a) is amended to read:

4 (a) In addition to existing municipal authority providing for the
5 preservation, protection, and maintenance of historic sites, the local
6 historical district commission established under AS 29.48.108, in con-
7 sultation with the Historic Sites Advisory Committee within the Depart-
8 ment of Natural Resources, may establish [A] historical districts
9 [DISTRICT] within the boundaries of the municipality.

10 * Sec. 28. AS 44.33.255(c) is amended to read:

11 (c) The duration for repayment of a loan may not exceed 20 [10]
12 years.

13 * Sec. 29. AS 44.47.370(3) is amended to read:

14 (3) purchase or participate in the purchase of nonconforming
15 and rural housing mortgage loans in accordance with AS 44.47.360 -
16 44.47.560;

17 * Sec. 30. AS 44.47.370(4) is amended to read:

18 (4) purchase or participate in the purchase of loans for
19 building materials for nonconforming and rural housing in accordance
20 with AS 44.47.360 - 44.47.560;

21 * Sec. 31. AS 44.47.380 is amended to read:

22 Sec. 44.47.380. [NONCONFORMING] HOUSING ASSISTANCE LOAN FUND.
23 There is created in the Department of Community and Regional Affairs the
24 [NONCONFORMING] housing assistance loan fund consisting of money appro-
25 priated to it by the legislature. The director shall administer the
26 [NONCONFORMING] housing assistance loan fund in accordance with AS 44.-
27 47.360 - 44.47.560 and shall use the money in the [NONCONFORMING] housing
28 assistance loan fund to originate, purchase, or participate in the pur-
29 chase of

- 1 (1) nonconforming and rural housing mortgage loans;
2 (2) loans made for building materials for nonconforming
3 and rural housing;
4 (3) loans made for renovations or improvements to nonconform-
5 ing and rural housing;
6 (4) loans made for the construction of owner-occupied noncon-
7 forming and rural housing other than loans to builders or contractors or
8 loans that compensate an owner for his labor or services in constructing
9 his own housing.

10 * Sec. 32. AS 44.47.385(a) is amended to read:

11 (a) The director may make loans from the [NONCONFORMING] housing
12 assistance loan fund only for nonconforming and rural housing loans to
13 qualified buyers for nonconforming and rural housing.

14 * Sec. 33. AS 44.47.390 is amended to read:

15 Sec. 44.47.390. LIMITATIONS ON USE OF [NONCONFORMING] HOUSING
16 ASSISTANCE LOAN FUND. The director may not use the money in the [NON-
17 CONFORMING] housing assistance loan fund to

18 (1) originate a direct loan or purchase or participate in the
19 purchase of a nonconforming or rural housing mortgage loan that [WHICH]
20 exceeds the limitations on mortgage loans purchased by the Federal
21 National Mortgage Association as to principal amount or loan-to-value
22 ratio;

23 (2) originate a direct loan or purchase or participate in the
24 purchase of a loan made for building materials for nonconforming or rural
25 housing

26 (A) that [WHICH] exceeds \$45,000 or exceeds

27 (i) 80 percent of the appraised value of the work
28 completed on the nonconforming or rural housing for which the
29 loan is made if the nonconforming or rural housing is pledged

1 as collateral for the loan; or

2 (ii) 90 percent of the value of other property which
3 is pledged as security for the loan and which is satisfactory
4 to the director as collateral;

5 (B) unless the terms of the loan agreement require
6 inspections and certifications, as required by regulations of the
7 director, at the expense of the borrower; and

8 (C) unless the period of time allowed for repayment of
9 the loan is equal to or less than 15 years;

10 (3) originate direct loans or purchase or participate in the
11 purchase of a nonconforming or rural housing mortgage loan that [WHICH]
12 is secured by real property the marketable title to which is shown in
13 accordance with AS 44.47.420(b)(2) if the total amount of outstanding
14 nonconforming and rural housing mortgage loans held by the division
15 exceeds 10 times the amount of money in the restricted title loss reserve
16 account (AS 44.47.430).

17 * Sec. 34. AS 44.47.420(a) is amended to read:

18 (a) Before the director originates or purchases a nonconforming
19 or rural housing mortgage loan in whole or in part, the director may
20 require a borrower to show marketable title to real property offered as
21 security for the loan to be purchased.

22 * Sec. 35. AS 44.47.430(b) is amended to read:

23 (b) The director may withdraw money from the restricted title loss
24 reserve account in an amount equal to the loss to the division on a
25 nonconforming or rural housing mortgage loan originated or purchased in
26 whole or in part by the division if marketable title to the real property
27 used to secure the loan was shown in accordance with AS 44.47.420(b)(2).
28 Money withdrawn from the restricted title loss reserve account under
29 this section shall be deposited in the [NONCONFORMING] housing assistance

1 loan fund.

2 * Sec. 36. AS 44.47.440 is amended to read:

3 Sec. 44.47.440. FIRE INSURANCE. Before purchasing or participat-
4 ing in the purchase of a nonconforming or rural housing mortgage loan,
5 the director may require the borrower to agree to purchase and maintain
6 fire insurance for the real property for which the loan is made in an
7 amount not less than the outstanding principal balance of the loan.

8 * Sec. 37. AS 44.47.470 is amended to read:

9 Sec. 44.47.470. APPRAISALS. Before originating or purchasing or
10 participating in the purchase of a nonconforming or rural housing mort-
11 gage loan, the director may have or may require the borrower to have an
12 appraisal made of the fair market value of the real property, including
13 structures on the real property, for which the loan is made. In conduct-
14 ing an appraisal under this section, the appraiser shall give full value
15 to insulation and other features of construction in structures on the
16 real property which add to the energy efficiency of the structures.

17 * Sec. 38. AS 44.47.510(b) is amended to read:

18 (b) Unless otherwise required by an appropriation, the director
19 shall allocate the money in the [NONCONFORMING] housing assistance loan
20 fund among the regions established under (a) of this section for the
21 purpose of originating or purchasing each type of loan described in
22 AS 44.47.380. In making an allocation under this subsection, the direc-
23 tor shall consider the past and potential lending activity of private
24 financial institutions in the region as well as the need for loans in
25 the region. The director may reallocate the money among the regions as
26 he considers necessary.

27 * Sec. 39. AS 44.47 is amended by adding a new section to read:

28 Sec. 44.47.520. LOANS FOR NON-OWNER OCCUPIED HOUSING. (a) In
29 addition to the powers authorized by AS 44.47.370 the director may adopt

1 regulations allowing the use of money in the housing assistance loan
2 fund to make loans for the purchase or development of non-owner occupied
3 housing in rural areas of the state.

4 (b) The rate of interest on a loan authorized by this section may
5 not exceed nine and one-half percent.

6 (c) In this section

7 (1) "development" means the construction of a new residence
8 or the repair, remodeling, rehabilitation, or expansion of an existing
9 residence;

10 (2) "non-owner occupied housing" means a single-family resi-
11 dence or a multi-family residence having up to eight dwelling units
12 that is not nonconforming housing, and is not occupied by the owner.

13 * Sec. 40. AS 44.47.560 is amended by adding new paragraphs to read:

14 (5) "rural" means

15 (A) a community in the second, third, or fourth judicia'
16 district of the state with a population of 4,500 or less that is
17 not connected by road or rail to Anchorage or Fairbanks; or

18 (B) a community in the first judicial district of the
19 state with a population of 4,500 or less;

20 (6) "rural housing" means housing, other than nonconforming
21 housing, that is located in a rural area of the state.

22 * Sec. 41. AS 44.88 is amended by adding a new section to read:

23 Sec. 44.88.153. MULTI-FAMILY HOUSING LOANS. (a) The authority
24 may purchase loans made for the construction of qualified multi-family
25 housing.

26 (b) A loan for qualified multi-family housing

27 (1) may not exceed the cost of the qualified multi-family
28 housing project, or 75 percent of the appraised value of the project,
29 whichever is less;

1 (2) may not be made unless at least 20 percent of the princi-
2 pal amount of the loan is retained by the originator of the loan;

3 (3) shall be in the form and contain the terms and provisions
4 with respect to term of the loan, insurance, repairs, alterations,
5 payment of taxes and assessments, default reserves, delinquency charges,
6 default remedies, acceleration of maturity, secondary liens, amortiza-
7 tion schedules, and other matters the authority may prescribe; and

8 (4) shall bear interest at a rate equal to the cost of funds
9 to the authority.

10 (c) In this section

11 (1) "cost of funds" means the true interest cost expressed as
12 a rate on tax-exempt bonds of the authority plus an additional percent-
13 age as determined by the authority to represent the allocable expenses
14 of operation, costs of issuance and loan servicing; and

15 (2) "qualified multi-family housing" means residential housing
16 of five or more dwelling units that qualifies for tax-exempt bond fi-
17 nancing under the laws of the United States.

18 * Sec. 42. AS 45.88.030(a) is amended to read:

19 (a) A loan for the development of an alternative energy system or
20 for the development or implementation of a northern technology under
21 this chapter may not exceed \$30,000 [\$10,000].

22 * Sec. 43. AS 45.88.030(e) is repealed and reenacted to read:

23 (e) The rate of interest for a loan under this section, other than
24 a loan for an alternative energy system may not exceed nine and one-half
25 percent a year on the unpaid balance of the loan. The rate of interest
26 for a loan for an alternative energy system is five percent for the
27 first \$15,000 of the loan and 15 percent for the amount of the loan that
28 exceeds \$15,000.

29 * Sec. 44. AS 45.88.500 is amended by adding a new paragraph to read:

1 (3) does not include

2 (A) a wood, coal, or multi-fuel heating stove; or

3 (B) a fireplace or fireplace insert.

4 * Sec. 45. AS 45.89.030 is amended by adding a new subsection to read:

5 (j) If, in the opinion of the department, it is not necessary to
6 conduct an energy audit to determine that a loan application meets the
7 requirements of this section, the department may waive the audit require-
8 ment for the applicant.

9 * Sec. 46. AS 45.98.040(2) is amended to read:

10 (2) state participation in a loan for the restoration, im-
11 provement, rehabilitation or maintenance of any one building or struc-
12 ture qualifying under this chapter may not exceed \$250,000 [\$100,000];

13 * Sec. 47. The following laws are repealed: AS 03.10.030(b) and (d);
14 AS 16.10.320(c) and (g), 16.10.342(b), and 16.10.560 - 16.10.720.

15 * Sec. 48. AS 44.47.410 does not apply to a rural housing mortgage loan
16 made under AS 44.47.360 - 44.47.560 until January 1, 1983. Before January 1,
17 1983, the interest rate on a rural mortgage housing loan made under AS 44.-
18 47.360 - 44.47.560 is eight and three-quarters percent. After September 15,
19 1982, the Department of Community and Regional Affairs may not make a commit-
20 ment for a rural housing mortgage loan for an interest rate that is less than
21 an interest rate determined under AS 44.47.410. A loan commitment made by
22 the Department of Community and Regional Affairs after the effective date of
23 this Act and before September 16, 1982, may not exceed six months in length.

24 * Sec. 49. (a) All right, title, and interest in the assets described in
25 (b) of this section, in an amount not to exceed the unpaid principal of those
26 assets as of July 1, 1982, and all right, title, and interest in all mort-
27 gages, notes, and other instruments of security made in connection with those
28 assets, held in the general fund on July 1, 1982, are transferred to the
29 Alaska Housing Finance Corporation for the special mortgage loan purchase

Alaska

HOUSING



FINANCE CORPORATION

April 1, 1982

The Honorable Russ Meekins, Jr.
Chairman, Loans Subcommittee
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative Meekins:

Alaska Housing Finance Corporation has requested a supplemental bond authorization for FY 82 in the amount of \$210 million and a bond authorization for FY 83 of \$875 million.

The \$592 million of bond authorization received from FY 82 was based upon an estimate of mortgage loan demand of \$855 million and did not allow for the availability of funds beyond June, 1982. The Corporation availed itself of the full \$200 million of tax exempt bonds authorized under the Mortgage Subsidy Bond Tax Act of 1980. We estimate that a minimum of \$10 million of the proceeds of those bond sales will remain uncommitted on June 30, 1981. The carryover of these funds was felt to be preferable to losing a portion of the \$200 million which is authorized for the State of Alaska during calendar years 1981 - 1983.

We currently estimate that loan approvals for FY 82 will approach \$1 billion. We anticipate that funds currently available, when combined with the \$50 million of remaining bond authorization for FY 82, would be sufficient to operate the program until early June. However, were the public to become aware that the Corporation estimates it will be out of funds without legislative relief in the form of increased bond authorization we would expect the demand to increase dramatically as it has in the past under the same circumstances.

We feel it is critical to demonstrate to the residents of the state the continuity of the financial program of the Corporation. This is of particular importance at a time when many communities anticipate record building seasons and a general strengthening of local economies. To accomplish this we desire a level of bond authorization to insure the Corporation's ability to commit to mortgage loan purchases through July, 1982 which would allow a one month cushion. It should be emphasized that this bond authorization request is not a request for additional subsidy funds for the current fiscal year.

CORRECTION

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The Honorable Russ Meekins, Jr.
Chairman, Loans Subcommittee
April 1, 1982
Page 2

The request for a bond authorization in the amount of \$875 million for FY 83 is based upon the attached schedule. This schedule indicates the sources of funds expected to be available for mortgage purchases. The schedule reflects expansion of the program to tri and four-plex financing.

If you have any questions please contact Denra Cline at 465-2301 or myself at 276-5599.

Sincerely,

Mark Cameron
Mark Cameron *by ACC*