

LEG. FINANCE - BILLS 1983 - 1984 1896

HB 360 cont. - HB 380

1896

Introduced: 4/15/83  
Referred: Judiciary and Finance

1 IN THE HOUSE

BY FLOOD

2

HOUSE BILL NO. 360

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to permits issued for games of  
7 chance and contests of skill."

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

9 \* Section 1. AS 05.15.030 is amended by adding a new subsection to  
10 read:

11 (b) In addition to the requirements of (a) of this section, an  
12 applicant for a permit to conduct an activity under AS 05.15.100(b)  
13 shall notify the law enforcement agency nearest to the location of the  
14 proposed activity of the application. The commissioner of revenue may  
15 not issue a permit for the proposed activity unless the law enforce-  
16 ment agency approves the permit.

17 \* Sec. 2. AS 05.15.100 is amended by adding a new subsection to read:

18 (b) The commissioner of revenue also may issue a permit giving a  
19 municipality or qualified organization the privilege of conducting an  
20 activity involving the use of playing cards, dice, and numbers wheels.  
21 A municipality or qualified organization may conduct only one activity  
22 a year under this subsection and must obtain a separate permit for  
23 each activity.

24 \* Sec. 3. AS 05.15.180 is amended to read:

25 Sec. 05.15.180. LIMITATIONS ON AUTHORIZED ACTIVITY. (a) Except  
26 as provided in AS 05.15.100(b), this [THIS] chapter does not authorize  
27 the use of playing cards, dice, roulette wheels, coin-operated instru-  
28 ments or machines, or other objects or instruments used, designed, or  
29 intended primarily for gaming or gambling or any other method or

1       implement not expressly authorized by the commissioner.

2               (b) With the exception of raffles, lotteries, [AND] raffle clas-  
3       sics, and other activities authorized under AS 05.15.100, no activity  
4       may be licensed under this chapter unless it existed in the state in  
5       substantially the same form and was conducted in substantially the  
6       same manner before January 1, 1959.

# COMMITTEE REPORT

## HOUSE

(11)

2/2/84

FURTHER:

Date:

2-9-84

Taken from Calendar and  
returned to:

The Committee on FINANCE has had HB 371

"An Act relating to the sale of Prudhoe Bay royalty oil by the State of Alaska to the Tesoro Alaska Petroleum Company; and providing for an effective date."

under consideration and recommends:

- do pass  do not pass
- pass with attached amendments(s)
- replace with CS for HB 371 (Fin)  same title  
 new title
- and recommends PASS. if Amended
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation  Zero Fiscal Note Attached
- referred to the Finance Committee

### MEMBERS SIGNING DO PASS

[Signature]

[Signature]

[Signature]

MILO H. FITZ

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

### MEMBERS HAVING OTHER RECOMMENDATIONS:

Albert P. Cook - Pass if amended

[Signature] - Pass if amended

[Signature] - " "

[Signature]

[Signature]

[Signature] - Pass if amended

Albert P. Cook  
CHAIRMAN

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 371 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to royalty oil contracts and approv-  
7 ing the sale of Prudhoe Bay royalty oil by the State  
8 of Alaska to the Tesoro Alaska Petroleum Company; and  
9 providing for an effective date."

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

11 \* Section 1. The "Agreement for the Sale and Purchase of Royalty Oil  
12 between the State of Alaska and Tesoro Alaska Petroleum Company," dated  
13 December 9, 1983, for the sale of Prudhoe Bay royalty oil, is hereby approv-  
14 ed and ratified.

15 \* Sec. 2. AS 38.05.183 is amended by adding a new subsection to read:

16 (f) The commissioner may not enter into a contract for the sale  
17 of royalty oil unless the contract provides that any material amend-  
18 ment to the contract that appreciably reduces the consideration receiv-  
19 ed by the state requires prior approval of the legislature.

20 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.-  
21 10.070(c).

COMMITTEE REPORT  
HOUSE

FURTHER:

(11)

Date: 1-25-84

1/20/84

The Committee on FINANCE has had HB 371

"An Act relating to the sale of Prudhoe Bay royalty oil by the State of Alaska to the Tesoro Alaska Petroleum Company; and providing for an effective date."

under consideration and recommends:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for HB 371 (FINANCE)  same title  
 new title
- and recommends Individual recommendations
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation  Zero Fiscal Note Attached
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

[Signature]

Matt Furnoel

WILLO H. FRITZ

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

[Signature] - No Rec

[Signature] (Do Not Pass)

[Signature] - No Rec

Alinda V. Do NOT PASS

[Signature] - No Rec

Pass only if amended.

[Signature]  
CHAIRMAN

STATE OF ALASKA 1984 LEGISLATIVE FISCAL NOTE

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

REQUEST

Bill/Resolution No.: CSHB 371(FIN)  
 Title: sale of Prudhoe Bay  
royalty oil to Tesoro  
 Sponsor: Rules Committee  
 Requestor: Governor  
 Date of Request: 4-19-83

FISCAL DETAIL

Agency Affected: Natural Resources  
 Program Category Affected: Management of Energy Resources  
 BRU, Program or Subprogram(s) Affected: Oil and Gas Management

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CAPITAL</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>REVENUE</b>						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: Sharon L. Barton Phone: 465-2400  
 Division: Commissioner's Office Date: 1-12-84

Approved by Commissioner: Mrs. D. Anna Dowdy Date: 1/21/84  
 Agency: Department of Natural Resources

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

12/1/83

3 Copies  
CJ

STATE OF ALASKA 1984 LEGISLATIVE JOURNAL  
FISCAL NOTE

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

REQUEST

Bill/Resolution No.: CSHB 371(FIX)  
Title: sale of Prudhoe Bay  
royalty oil to Tesoro  
Sponsor: Rules Committee  
Requestor: Governor  
Date of Request: 4-19-83

FISCAL DETAIL

Agency Affected: Natural Resources  
Program Category Affected: Management of Energy Resources  
ERU, Program or Subprogram(s) Affected: Oil and Gas Management

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
<b>CAPITAL</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
<b>REVENUE</b>						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: Sharon L. Barton Phone: 465-2400  
Division: Commissioner's Office Date: 1-12-84

Approved by Commissioner: Mrs D Anna Dowdy Date: 1/21/84  
Agency: Department of Natural Resources

Distribution (by Agency preparing fiscal note):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)

12/1/83

#1

DNR's SUGGESTED LANGUAGE CHANGE

Add a new subsection in the appropriate place, to read as follows:

Sec. 38.05.183. REQUIRED CONDITIONS. (f) The Commissioner may not enter into a contract for the sale of royalty oil unless the contract provides that any material amendment to the contract that appreciably reduces the consideration received by the state requires prior approval of the legislature.

Make appropriate technical changes.

-----  
The only change in this version from the Chair's version is use of the word "reduces" instead of "changes" in the next to last line of 38.05.183(f).

STATE OF ALASKA 1984 LEGISLATIVE LEGISLATIVE  
FISCAL NOTE

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

REQUEST

Bill/Resolution No.: CSHB 371(FIN)  
 Title: sale of Prudhoe Bay  
royalty oil to Tesoro  
 Sponsor: Rules Committee  
 Requestor: Governor  
 Date of Request: 4-19-83

FISCAL DETAIL

Agency Affected: Natural Resources  
 Program Category Affected: Management of Energy Resources  
 BRU, Program or Suoprogram(s) Affected: Oil and Gas Management

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
<b>CAPITAL</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
<b>REVENUE</b>						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: Sharon L. Barton Phone: 465-2400  
 Division: Commissioner's Office Date: 1-12-84

Approved by Commissioner: Mrs. D. Arnold, Deputy Date: 1/21/84  
 Agency: Department of Natural Resources

Distribution (by Agency preparing fiscal note):

Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

12/1/83

BC


LETTER OF INTENT  
FOR CSHB 371  
January 19, 1984


The House Resources Committee has considered CSHB 371, providing for approval of the Agreement between the State of Alaska and Tesoro Alaska Petroleum Company for the sale of a portion of Alaska's royalty oil. This Agreement must be approved by the legislature under the provisions of AS 38.06.055(a) which provides that "the commissioner of natural resources may not enter into a sale, exchange, or other disposition of oil or gas or of the rights or waiver of the rights to receive future production of royalty oil or gas under AS 38.05.183 without the prior approval of the legislature."

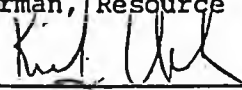
Section 19.1 of the Agreement provides that the Agreement may be "supplemented, amended or modified at any time, but only by written instrument duly executed by the parties to this Agreement." In making any such changes to the Agreement pursuant to this section, the Commissioner would be acting on behalf of the State of Alaska as one of the parties to the Agreement.

The Committee recognizes that a supplement, amendment, or modification of the Agreement could be a further "sale, exchange, or other disposition" within the meaning of AS 38.06.055(a). The Committee is also cognizant that pursuant to Section 20.1 of the Agreement, the Commissioner has the right to "grant" (consent to) an assignment of the Agreement.

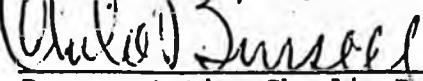
It is the intent of the Committee that it be understood that approval of CSHB 271 does not constitute prior approval of any supplement, amendment or modification or an assignment that would be a further "sale, disposition, exchange, or other disposition" within the meaning of AS 38.06.055(a) and that it is expected that any such action by the Commissioner must first be preceded by compliance with the procedures for obtaining the prior approval of the legislature.

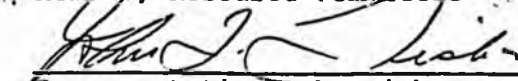
  
Representative John Ringstad  
Co-Chairman, Resource Committee

  
Representative Dick Shultz  
Co-Chairman, Resource Committee

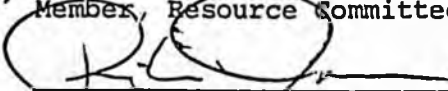
 (NO RECOMMEND)  
Representative Rick Uehling  
Vice-Chairman, Resource Committee

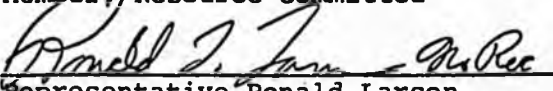
Representative John Cowdery  
Member, Resource Committee

  
Representative Charlie Bussell  
Member, Resource Committee

  
Representative John Liska  
Member, Resource Committee

Representative Anthony Vaska  
Member, Resource Committee

  
Representative Peter Goll  
Member, Resource Committee

  
Representative Ronald Larson  
Member, Resource Committee

BILL SHEFFIELD  
GOVERNOR



HB 3 71

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

April 19, 1983

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

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill which provides for legislative approval of a royalty oil contract between the state and Tesoro Alaska Petroleum Company for the sale of Prudhoe Bay royalty oil.

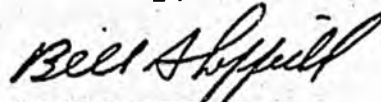
This contract is described in the findings entitled "Proposed Disposition of Royalty Oil, Tesoro Alaska Petroleum Company" issued by the Department of Natural Resources on March 16, 1983. Copies of these findings have been made available to the legislature and the public for review.

This contract is being submitted for legislative approval for two reasons. First, although this and the previous administration have consistently taken the position that the statutory requirement of legislative approval of royalty oil contracts is unconstitutional (AS 38.06.055), as a matter of comity I respect the legislature's desire to have a direct voice in major disposals of royalty oil. Therefore, this contract contains provisions requiring approval by the legislature before it becomes effective. Second, this bill would ratify the agreement for the sale of oil. This ratification would cure any procedural defect that may have occurred in the process of entering into this contract.

Although we believe that all necessary steps have been taken, the statutes and regulations governing the disposal of royalty oil represent often conflicting desires and goals, both procedural and substantive. For example, even if statutorily requiring legislative approval were constitutional, the present statutes provide, on the one hand, that the legislature is to approve the contract by enacting legislation (AS 38.06.055(a)), but, on the other

hand, they also provide that a report of the Royalty Board "shall be submitted for legislative review at the time of [sic] resolution for legislative approval of a proposed disposition of royalty oil and gas is introduced in the legislature" (AS 38.06.070(c)). Since legislative approval is required anyway as a matter of contract, I believe it only prudent to present this contract for legislative approval and ratification at this time.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sheffield". The signature is written in dark ink and is positioned above the printed name.

Bill Sheffield  
Governor

Offered: 1/20/84  
Referred: Finance

Original sponsor: Rules/Governor

1 IN THE HOUSE BY THE RESOURCES COMMITTEE  
2 CS FOR HOUSE BILL NO. 371 (Resources)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 THIRTEENTH LEGISLATURE - SECOND SESSION  
5 A BILL  
6 For an Act entitled: "An Act relating to the sale of Prudhoe Bay royalty  
7 oil by the State of Alaska to the Tesoro Alaska  
8 Petroleum Company; and providing for an effective  
9 date."  
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:  
11 \* Section 1. The "Agreement for the Sale and Purchase of Royalty Oil  
12 between the State of Alaska and Tesoro Alaska Petroleum Company," dated  
13 December 9, 1983, for the sale of Prudhoe Bay royalty oil, is hereby  
14 approved and ratified.  
15 \* Sec. 2. This Act takes effect immediately in accordance with  
16 AS 01.10.070(c).

Introduced: 4/19/83  
Referred: Resources

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 371

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the sale of Prudhoe Bay royalty  
7 oil by the State of Alaska to the Tesoro Alaska  
8 Petroleum Company; and providing for an effective  
9 date."

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

11 \* Section 1. The "Agreement for the Sale and Purchase of Royalty Oil  
12 between the State of Alaska and Tesoro Alaska Petroleum Company," dated  
13 March 16, 1983, for the sale of Prudhoe Bay royalty oil, is hereby approved  
14 and ratified.

15 \* Sec. 2. This Act takes effect immediately in accordance with  
16 AS 01.10.070(c).

# COMMITTEE REPORT

## SENATE

FURTHER:

5/3/84

Date 5/30/84

Mr. President

The Committee on FINANCE considered CSHB 371(Fin)

royalty oil contracts and approving the sale of Prudhoe Bay royalty oil by the State of Alaska to the Tesoro Alaska Petroleum Company;

and <sup>afd.</sup> (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass *W.H. Resource Letter of Intent*
- do pass with attached amendment(s)
- replace with/or adopt CS for \_\_\_\_\_
- new title \_\_\_\_\_
- same title and recommends \_\_\_\_\_
- ~~and attached <sup>House Resource</sup> "LETTER OF INTENT"~~  NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

\_\_\_\_\_  
\_\_\_\_\_  
*[Handwritten signatures]*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*[Handwritten signatures]*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*[Handwritten signature]*  
Chairman

Chairman recommendation

Offered: 1/27/84  
Referred: Rules

Original sponsor: Rules/Governor

1 IN THE HOUSE BY THE FINANCE COMMITTEE  
2 CS FOR HOUSE BILL NO. 371 (Finance)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 THIRTEENTH LEGISLATURE - SECOND SESSION  
5 A BILL  
6 For an Act entitled: "An Act relating to royalty oil contracts and approv-  
7 ing the sale of Prudhoe Bay royalty oil by the State  
8 of Alaska to the Tesoro Alaska Petroleum Company; and  
9 providing for an effective date."  
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:  
11 \* Section 1. The "Agreement for the Sale and Purchase of Royalty Oil  
12 between the State of Alaska and Tesoro Alaska Petroleum Company," dated  
13 December 9, 1983, for the sale of Prudhoe Bay royalty oil, is hereby approv-  
14 ed and ratified.  
15 \* Sec. 2. AS 38.05.183 is amended by adding a new subsection to read:  
16 (f) The commissioner may not enter into a contract for the sale  
17 of royalty oil unless the contract provides that any material amend-  
18 ment to the contract that appreciably reduces the consideration receiv-  
19 ed by the state requires prior approval of the legislature.  
20 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.-  
21 10.070(c).

BC

Case 127  
original bill

LETTER OF INTENT  
FOR CSHB 371  
January 19, 1984


The House Resources Committee has considered CSHB 371, providing for approval of the Agreement between the State of Alaska and Tesoro Alaska Petroleum Company for the sale of a portion of Alaska's royalty oil. This Agreement must be approved by the legislature under the provisions of AS 38.06.055(a) which provides that "the commissioner of natural resources may not enter into a sale, exchange, or other disposition of oil or gas or of the rights or waiver of the rights to receive future production of royalty oil or gas under AS 38.05.183 without the prior approval of the legislature."


Section 19.1 of the Agreement provides that the Agreement may be "supplemented, amended or modified at any time, but only by written instrument duly executed by the parties to this Agreement." In making any such changes to the Agreement pursuant to this section, the Commissioner would be acting on behalf of the State of Alaska as one of the parties to the Agreement.


The Committee recognizes that a supplement, amendment, or modification of the Agreement could be a further "sale, exchange, or other disposition" within the meaning of AS 38.06.055(a). The Committee is also cognizant that pursuant to Section 20.1 of the Agreement, the Commissioner has the right to "grant" (consent to) an assignment of the Agreement.

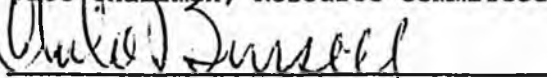
It is the intent of the Committee that it be understood that approval of CSHB 271 does not constitute prior approval of any supplement, amendment or modification or any assignment that would be a further "sale, disposition, exchange, or other disposition" within the meaning of AS 38.06.055(a) and that it is expected that any such action by the Commissioner must first be preceded by compliance with the procedures for obtaining the prior approval of the legislature.

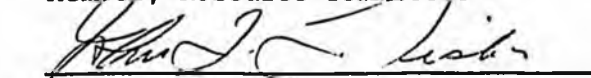
  
Representative John Ringstad  
Co-Chairman, Resource Committee

  
Representative Dick Shultz  
Co-Chairman, Resource Committee


  
Representative Rick Uehling  
Vice-Chairman, Resource Committee

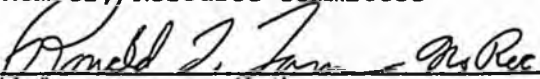
  
Representative John Cowdery  
Member, Resource Committee

  
Representative Charlie Bussell  
Member, Resource Committee

  
Representative John Liska  
Member, Resource Committee

Representative Anthony Vaska  
Member, Resource Committee

  
Representative Peter Goll  
Member, Resource Committee

  
Representative Ronald Larson  
Member, Resource Committee

adapted by House 7/6/84

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

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

**REQUEST**

Bill/Resolution No.: CSHB 371(FIX)  
 Title: sale of Prudhoe Bay  
 royalty oil to Tesoro  
 Sponsor: Rules Committee  
 Requestor: Governor  
 Date of Request: 4-19-83

**FISCAL DETAIL**

Agency Affected: Natural Resources  
 Program Category Affected: Management of Energy Resources  
 ERU, Program or Subprogram(s) Affected: Oil and Gas Management

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-

<b>CAPITAL</b>	-0-	-0-	-0-	-0-	-0-	-0-
----------------	-----	-----	-----	-----	-----	-----

<b>REVENUE</b>						
----------------	--	--	--	--	--	--

**FUNDING: (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:**

**ANALYSIS: Attach a separate page for analysis**

Prepared By: Sharon L. Barton  
 Division: Commissioner's Office

Phone: 465-2400  
 Date: 1-12-84

Approved by Commissioner: Mrs. D. Annal Deery  
 Agency: Department of Natural Resources

Date: 1/12/84

Distribution (by Agency preparing fiscal note):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

BILL SHEFFIELD  
GOVERNOR



HB 3 71

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

April 19, 1983

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

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill which provides for legislative approval of a royalty oil contract between the state and Tesoro Alaska Petroleum Company for the sale of Prudhoe Bay royalty oil.

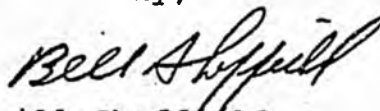
This contract is described in the findings entitled "Proposed Disposition of Royalty Oil, Tesoro Alaska Petroleum Company" issued by the Department of Natural Resources on March 16, 1983. Copies of these findings have been made available to the legislature and the public for review.

This contract is being submitted for legislative approval for two reasons. First, although this and the previous administration have consistently taken the position that the statutory requirement of legislative approval of royalty oil contracts is unconstitutional (AS 38.06.055), as a matter of comity I respect the legislature's desire to have a direct voice in major disposals of royalty oil. Therefore, this contract contains provisions requiring approval by the legislature before it becomes effective. Second, this bill would ratify the agreement for the sale of oil. This ratification would cure any procedural defect that may have occurred in the process of entering into this contract.

Although we believe that all necessary steps have been taken, the statutes and regulations governing the disposal of royalty oil represent often conflicting desires and goals, both procedural and substantive. For example, even if statutorily requiring legislative approval were constitutional, the present statutes provide, on the one hand, that the legislature is to approve the contract by enacting legislation (AS 38.06.055(a)), but, on the other

hand, they also provide that a report of the Royalty Board "shall be submitted for legislative review at the time of [sic] resolution for legislative approval of a proposed disposition of royalty oil and gas is introduced in the legislature" (AS 38.06.070(c)). Since legislative approval is required anyway as a matter of contract, I believe it only prudent to present this contract for legislative approval and ratification at this time.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill Sheffield".

Bill Sheffield  
Governor

STATE OF ALASKA LEGISLATIVE FISCAL NOTE

*Done w/ original bill*

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

**REQUEST**  
 Bill/Resolution No.: CSHB 371(FIX)  
 Title: sale of Prudhoe Bay Royalty Oil to Tesoro  
 Sponsor: Rules Committee  
 Requestor: Governor  
 Date of Request: 4-19-83

**FISCAL DETAIL**  
 Agency Affected: Natural Resources  
 Program Category Affected: Management of Energy Resources  
 Program or Subprogram(s) Affected: Oil and Gas Management

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CAPITAL</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>REVENUE</b>						

**FUNDING: (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:**

**ANALYSIS:** Attach a separate page for analysis

Prepared By: Sharon L. Barton Phone: 465-2400  
 Division: Commissioner's Office Date: 1-12-84

Approved by Commissioner: Wm D Arnold, Deputy Date: 1/12/84  
 Agency: Department of Natural Resources

Distribution (by Agency preparing fiscal note):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

# STATE OF ALASKA

## DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

May 29, 1984

The Honorable John Cowdry  
Alaska State House of Representatives  
Pouch V  
Juneau, Alaska 99811

Re: Tesoro Royalty Oil Contract

Dear Representative Cowdry:

This letter is in response to your request for an explanation of the difference between (1) the legislature conditionally approving a contract through amending the approval bills to attach a condition that must be satisfied before the contract becomes effective, which both we and the legal division of the legislative affairs office agree casts serious doubt upon the approval of the contract; and (2) the administration amending the contracts prior to final legislative approval. As with the local hire amendment, which was signed prior to the hearings in House Finance, and the proposed "Charter" amendment, which was signed on May 29 prior to its hearing in Senate Finance, amendments agreed to by the parties prior to final legislative approval become legitimate parts of the contract.

Whether legislative approval is seen as a matter of contract or as a matter of statutory law (which the Attorney General's Office believes is unconstitutional), legislative approval must be unconditional. This is due to the rule that a conditional approval constitutes a rejection of the contract as presented. Therefore, if the legislature attempted to condition its approval upon the occurrence of some event still to occur (i.e., by amending the agreement to attach a new provision), the legislature would be rejecting the contract as it was presented to that legislature.

On the other hand, the contract can be amended by the parties (here the administration and Tesoro), as long as that amended contract was approved by both the House and the Senate. Thus, even though the "Charter" amendment does not give rise to a different bill, the bill would still have to go back to the House for concurrence because there was a material change in the agreement after the House had already given its approval. In other words, the House had approved a different contract, and now

BILL SHEFFIELD, GOVERNOR

REPLY TO:

1031 W 4th AVENUE  
SUITE 200  
ANCHORAGE, ALASKA 99501  
PHONE: (907) 275-3550

1st NATIONAL CENTER  
100 CUSHMAN ST.  
SUITE 400  
FAIRBANKS, ALASKA 99701  
PHONE: (907) 452-1568

POUCH K - STATE CAPITOL  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3600

The Honorable John Cowdry  
Alaska State House of Representatives

May 29, 1984  
Page 2


needs to approve the amended contract. Once the House concurs in the amended contract, however, then both the House and the Senate have approved that amended contract by legislation, and both the contractual and statutory requirements necessary to effectuate the agreement have been satisfied.

Therefore, in one instance the legislature by conditionally accepting the contract is also conditionally rejecting a contract, and thus no approval has occurred. In the other instance, the parties by amending the contract have entered into a different agreement. But if that different agreement is approved by both the House and the Senate, then the requisite approvals have occurred and the agreement becomes effective upon signature of the bill by the governor. Therefore the parties to the agreement can materially amend the contract as long as those amendments are concurred in by both houses by action taken after the amendment of the contract.

If you have any questions, please do not hesitate to call.

Sincerely,

NORMAN C. GORSUCH  
ATTORNEY GENERAL

By:   
Robert M. Maynard  
Assistant Attorney General

RMM:jf

Amendment to the Agreement for the Sale and Purchase of Royalty Oil between the State of Alaska and Tesoro Alaska Petroleum Company (for the sale of Prudhoe Bay Royalty Oil), dated December 9, 1983:

(a) In order to induce Seller to enter into this Agreement and to perform its respective obligations from time to time hereunder, Purchaser represents and warrants to Seller that, as of the expected dates of delivery of royalty oil under this Agreement, no person(s) or entity that controlled the Charter Company as of July 1, 1981 (including, but not limited to, Mr. Raymond K. Mason) (collectively, together with the Charter Company, "Charter"), nor any persons or entities that control, are controlled by, or are under common control with, Charter as of such expected dates of delivery will own or hold any beneficial equity or ownership interest in Purchaser that was acquired through a transaction that included Purchaser or Tesoro Petroleum Corporation as a party and did not involve any public offering as defined in Section 4(2) of the Securities Act of 1933 (a "Prohibited Interest"). As used in this paragraph, the word "control" and its correlatives "controlling" and "controlled" refer to the power, directly or indirectly (including through one or more controlled entities) to cause the direction of the operations or management of another entity, whether through common management, majority ownership, by contract or otherwise. It shall be a condition precedent to Seller's performance of its respective obligations under this Agreement generally and, specifically, to deliver any royalty oil hereunder that the foregoing representation and warranty shall be true, complete and accurate on the date of such performance. Such representation and warranty shall be deemed affirmed by Purchaser in each notice to Seller requesting delivery of royalty oil and by Purchaser's acceptance of each such delivery, as if made by Purchaser and effective as of the date of each such notice and acceptance. In addition, Purchaser shall from time to time, upon written request from Seller, certify to Seller in a written instrument signed by Purchaser's chief executive officer, that to the best of Purchaser's actual knowledge, no Prohibited Interest exists as of the date of such certificate.

(b) If from time to time (1) Seller should have notice or knowledge of the existence of a Prohibited Interest, or (2) Purchaser should fail to deliver to Seller the certificate described in the preceding paragraph within 15 days after Seller's written request therefor, Seller will in each instance suspend deliveries of royalty oil hereunder by written notice to Purchaser, effective as of a date set forth in such notice but not later than the date seven calendar months after the date of such notice. No such suspension shall terminate this Agreement, or extend the term hereof, or operate to excuse or discharge Purchaser's obligations to accept and pay for deliveries of

*Jew*  
5-29-84  
*CM*

royalty oil prior to the effective date of such suspension or after such suspension is terminated by Seller. Seller's failure to suspend, or delay in suspending delivery of royalty oil shall not be deemed, or operate as, a waiver to exercise such right subsequently in the same or any other instance.

(c) If, during the pendency of any notice period with respect to any such suspension or during the period of such suspension, Purchaser shall certify to Seller in a written instrument signed by Purchaser's chief executive officer that any Prohibited Interest no longer exists and provide any explanatory information confirming such fact that Seller may reasonably request, Seller shall terminate such notice and suspension by written notice to Purchaser, effective as of a date set forth in such notice but not later than the date seven calendar months after the date of such notice. On and as of such effective date, Seller shall deliver, and Purchaser shall accept and pay for, royalty oil pursuant to such terms and conditions as would otherwise pertain hereunder as if such notice of suspension and suspension had not occurred.

*Esther C. Wennicke*  
Commissioner  
Department of Natural Resources

*MAY 29, 1984*  
Date

*William J. Cook*  
Attorney-in-Fact  
Tesoro Alaska Petroleum Company

*MAY 29, 1984*  
Date

**COMMITTEE REPORT**  
**SENATE**

2/16/84

FURTHER: FINANCE

Date \_\_\_\_\_

Mr. President

The Committee on RESOURCES considered CSHB 371(Fin)

royalty oil contracts and approving the sale of Prudhoe Bay royalty oil by the State of Alaska to the Tesoro Alaska Petroleum Company; efd.

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

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for \_\_\_\_\_
- new title \_\_\_\_\_
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Chairman recommendation

COMMITTEE REPORT  
HOUSE

FURTHER:

(11)

Date: 5/16/83

5/10/83  
Mr. Speaker:

The Committee on FINANCE has had HB 375

"An Act relating to access to certain criminal justice information."

under consideration and reports it back as follows:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for HB 375 (FIN)  same title  
 new title
- and recommends individual recommendations
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation  Zero Fiscal Note Attached
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]  
CHAIRMAN

Original sponsors: Barnes, Hayes,  
Liska, et al

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 375 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to access to certain criminal jus-  
7 tice information."

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

9 \* Section 1. AS 12.62.030(a) is amended to read:

10 (a) Except as provided in (b) and (c) of this section and in  
11 AS 12.62.035, access to specified classes of criminal justice informa-  
12 tion in criminal justice information systems is available only to  
13 individual law enforcement agencies according to the specific needs of  
14 the agency under regulations established by the commission under  
15 AS 12.62.010. Criminal justice information may be used only for law  
16 enforcement purposes or for those additional lawful purposes necessary  
17 to the proper enforcement or administration of other provisions of law  
18 as the commission may prescribe by regulations established under  
19 AS 12.62.010. No criminal justice information may be disseminated to  
20 an agency before the commission determines the agency's eligibility to  
21 receive that information.

22 \* Sec. 2. AS 12.62 is amended by adding a new section to read:

23 Sec. 12.62.035. ACCESS TO CERTAIN CRIME INFORMATION. (a)  
24 Notwithstanding any other provision of law, an interested person as  
25 defined in (d) of this section may request from the commission records  
26 of all convictions involving contributing to the delinquency of a  
27 minor and any sex crimes of a person who holds or applies for a posi-  
28 tion in which the person has or would have supervisory or disciplinary  
29 power over a minor. The commission shall authorize the disclosure of

1 the information to the requesting interested person and shall provide  
2 a copy of the information to the applicant.

3 (b) A request for records under (a) of this section may include  
4 the applicant's fingerprints and any other data specified in regula-  
5 tions established by the commission. The request shall be on a form  
6 approved by the commission, and the commission may charge a fee to be  
7 paid by the requesting person for the actual cost of processing the  
8 request. The commission shall destroy an application within six  
9 months after the requested information is sent to the requesting  
10 person and applicant.

11 (c) The commission shall adopt regulations to implement the  
12 provisions of this section.

13 (d) As used in this section

14 (1) "contributing to the delinquency of a minor" means a  
15 conviction for a violation or attempted violation of AS 11.51.130(a)-  
16 (1), (3), or (5) or for a violation or attempted violation of an  
17 offense committed outside the state if the offense would have been a  
18 crime in this state under AS 11.51.130(a)(1), (3), or (5) if committed  
19 in the state;

20 (2) "interested person" means a corporation, company,  
21 partnership, firm, association, organization, business trust, or  
22 society, as well as a natural person that employs or solicits the  
23 employment of a person to serve with or without compensation in a  
24 position in which the person has or would have supervisory or disci-  
25 plinary power over a minor;

26 (3) "sex crime" means a conviction for a violation or  
27 attempted violation of AS 11.41.410 - 11.41.455, AS 11.51.130(a)(4),  
28 or AS 11.66.100 - 11.66.130 or for a violation or attempted violation  
29 of an offense committed outside the state if the offense would have

1        been a crime in this state under one of the above sections if commit-  
2        ted in the state.  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

STATE OF ALASKA  
FISCAL NOTE

Revision Date \_\_\_\_\_, 1983

I. REQUEST

Bill/Resolution No.: HB 375  
 Title: "Act relating to access. . ."  
 Sponsor: Rep. Barnes  
 Requestor: House Judiciary

II. FISCAL DETAIL

Agency Affected: Public Safety  
 Program Category Affected: Crime & ID  
 BRU, Program of Subprogram(s) Affected: Alaska State Troopers

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
<b>TOTAL OPERATING</b>		-0-	-0-	-0-	-0-	-0-
<b>CAPITAL</b>						
<b>REVENUE</b>						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis No fiscal impact anticipated

Prepared By: Jos Mapranath Phone: 465-4336  
 Division: Administrative Services Date: 5-4-83  
 Approved by Commissioner: [Signature] Date: 5/4/83  
 Department: Public Safety

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

The following individuals are expected to testify on CS  
HB 375 (Judiciary):

Jim Wood, staff to Representative Barnes (prime  
sponsor)

SECTIONAL ANALYSIS OF CS HB 375 (Judiciary)

SECTION 1: Amends AS 12.62.030(a) to authorize the Governor's Commission on the Administration of Justice to release information in accordance with Section 2 below.

SECTION 2: Adds Section 12.62.035 to the Statutes, which would allow employers to learn of any convictions for sex crimes or contributing to the delinquency of minors on the part of employees or prospective employees (including volunteers) who would supervise minors.

Subsections make providing of fingerprints optional; provide disclaimer of State liability for negligence; provide for regulations to implement provisions of the bill; and define terms used therein.

The attached articles exemplify the need for this legislation.

FJW/rv

## *Police say teacher molested 70*

RENO, Nev. (AP)—Ninety parents trying to unravel a nightmare jammed into an auditorium to discuss the day care center they trusted—and the teacher who police say may have molested as many as 70 boys and girls.

"No one, including myself, had any comprehension of the magnitude of this case when we began," Reno Police Detective Lucky Burch said at the meeting for parents. "It's very, very sad."

The parents gathered Monday night to talk about the Papoose Palace Academy, a day care center in Reno with a mostly middle-class clientele.

Police say the abused children were as young as 2½ and as old as 12 and divided equally between boys and girls.

They allege that Stephen Boatwright, 35, described as a warm and caring teacher, well-liked by the children and their parents, was in reality a cunning child molester who sexually abused the children almost from the time the center opened in June 1979.

Boatwright was arrested April 28 for investigation of sexual assault following what police said was a three-month investigation. Unable to post \$200,000 bail, he was put in the Reno City Jail.

On Monday the district attorney's office filed four counts of sexual assault against Boatwright. On Tuesday he was brought briefly into Reno Justice Court, where he waived his right to a preliminary hearing.

# Suspects arrested in sex cases

by Jeff Berlner  
and Carl Gidlund  
Times Writers

A man who allegedly used state agencies to procure juveniles for sex has been jailed.

Police and prosecutors say he gave the youths alcohol and drugs then sexually molested them. The man acted under the guise of helping youths he had obtained through legitimate channels, police said.

Held on \$40,000 bail is Hensley L. "Pat" Patterson, 33. He is charged on two felony counts of sexual abuse of a minor, one felony count of contributing to the delinquency of a minor and five misdemeanor charges of contributing to the delinquency of a minor.

Patterson reportedly got access to the youths — all boys age 14 to 17 — through his work under the authority of the state juvenile probation office and as a state-approved foster parent.

"Patterson used state agencies as a way of maintaining contact with the boys," said Paul Olson, an assistant district attorney here who specializes in prosecuting sex crimes.

Police and prosecutors said they stopped another case of an adult man sexually molesting

See Arrest, page A-5

## Arrest

(Continued from page A-1)

male juveniles in a second unrelated arrest Friday.

In that case, Robert Elstad, 41, was jailed on \$35,000 bail and charged with six counts of sexual abuse of a minor and lewd and lascivious acts toward children.

Both men were arraigned Friday. The cases were put together by the sex crimes units of the Anchorage Police Department and the district attorney's office.

Authorities say that in addition to using state agencies to get custody of the youths, Patterson had other ways of coming into seemingly legitimate contact with young boys.

Olson said Patterson was director of the Cook Inlet Native Association Youth Center and also worked at the Fairview Community Center. In both jobs he came into contact with boys about the age of those he is accused of molesting.

A foster parent from 1973 to 1975 and again from 1977 to 1979, Patterson was given legal custody of juveniles and was an officially approved guardian, Olson said.

Patterson was a so-called "pass partner" for youths held at McLaughlin Youth Center and for youngsters on probation,

Olson said, adding that the state "juvenile probation office allowed him to be with kids on probation."

Juvenile probation officers have the power to authorize approved individuals, such as Patterson, to take the youths out of an institutional setting or out of other custodial situations and act as the guardian of the youths while they are assigned to him.

Officials at McLaughlin and in the Department of Health and Social Services could not be reached for comment Friday. However, Anchorage police Lt. George Novaky said the department's investigation began last December when a youth in custody at McLaughlin told investigators of his involvement with Patterson. The youngster provided information that led to the other boys, he said.

Although the criminal complaint against Patterson lists only five victims, Olson said it is "generally thought that more kids are involved."

The felony contributing-to-the-delinquency-of-a-minor charge alleges that Patterson induced a juvenile to commit a sex act with him. Five misdemeanor contributing-to-the-delinquency-of-a-minor charges state that Patterson supplied drugs and alcohol to the youngsters. The incidents are said to have occurred from 1979 to 1982 at Patterson's home.

In a similar case, police recently charged that the assistant director of the Boys Club of Alaska was using his job to come into contact with boys he allegedly molested sexually.

Venson Brown still faces trial on those charges. And although he has pleaded not guilty, court documents state that Brown has confessed "in substantial part" to the allegations on tape. He goes to trial next month.

Elstad, a businessman who operates a contracting firm, allegedly molested boys age 12 to 15 in incidents that occurred from 1980 through 1982. He lured the boys into his home at 6525 McGill St. without force and then sexually assaulted them, police reported.

Lt. Novaky said the department's investigation of Elstad began last October while officers were pursuing another case — not related to sexual conduct — that involved him. Investigators pursued leads that lead them to seven other alleged victims, several of whom were in McLaughlin, he said.

Patterson and Elstad face grand jury indictments and will be returned to court next week.



1 employer and shall also send a copy of the information to the appli-  
2 cant.

3 (b) Any request for records under (a) of this section shall  
4 include the applicant's fingerprints, that may be taken by the em-  
5 ployer, and any other data specified in regulations established by the  
6 commission. The request shall be on a form approved by the commis-  
7 sion, and the commission may charge a fee to be paid by the employer  
8 for the actual cost of processing the request. The commission shall  
9 destroy an application within six months after the requested informa-  
10 tion is sent to the employer and applicant.

11 (c) The commission shall adopt regulations to implement the  
12 provisions of this section.

13 (d) As used in this section

14 (1) "contributing to the delinquency of a minor" means a  
15 conviction for a violation or attempted violation of AS 11.51.130(a)-  
16 (1), (3), or (5) or for a violation or attempted violation of an  
17 offense committed outside the state if the offense would have been a  
18 crime in this state under AS 11.51.130(a)(1), (3), or (5) if committed  
19 in the state;

20 (2) "employer" means a nonprofit corporation or other  
21 organization specified by the commission that employs persons or uses  
22 the services of volunteers in positions in which the employee or  
23 volunteer has supervisory or disciplinary power over a minor;

24 (3) "sex crime" means a conviction for a violation or  
25 attempted violation of AS 11.41.410 - 11.41.455, AS 11.51.130(a)(4),  
26 or AS 11.66.100 - 11.66.130 or for a violation or attempted violation  
27 of an offense committed outside the state if the offense would have  
28 been a crime in this state under one of the above sections if commit-  
29 ted in the state.

# **CORRECTION**

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

Introduced: 4/21/83  
Referred: Judiciary and  
Finance

BY BARNES, HAYES, LISKA,  
RUSSELL AND TISCHER

1 IN THE HOUSE

2

HOUSE BILL NO. 375

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to access to certain criminal jus-  
7 tice information."

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

9 \* Section 1. AS 12.62.030(a) is amended to read:

10 (a) Except as provided in (b) and (c) of this section and in  
11 AS 12.62.035, access to specified classes of criminal justice informa-  
12 tion in criminal justice information systems is available only to  
13 individual law enforcement agencies according to the specific needs of  
14 the agency under regulations established by the commission under  
15 AS 12.62.010. Criminal justice information may be used only for law  
16 enforcement purposes or for those additional lawful purposes necessary  
17 to the proper enforcement or administration of other provisions of law  
18 as the commission may prescribe by regulations established under  
19 AS 12.62.010. No criminal justice information may be disseminated to  
20 an agency before the commission determines the agency's eligibility to  
21 receive that information.

22 \* Sec. 2. AS 12.62 is amended by adding a new section to read:

23 Sec. 12.62.035. EMPLOYER ACCESS TO CERTAIN CRIME INFORMATION.  
24 (a) Notwithstanding any other provision of law, an employer may  
25 request from the commission records of all convictions involving  
26 contributing to the delinquency of a minor and any sex crimes of a  
27 person who applies for employment or volunteers for a position in  
28 which the person would have supervisory or disciplinary power over a  
29 minor. The commission shall furnish the information to the requesting

1 employer and shall also send a copy of the information to the appli-  
2 cant.

3 (b) Any request for records under (a) of this section shall  
4 include the applicant's fingerprints, that may be taken by the em-  
5 ployer, and any other data specified in regulations established by the  
6 commission. The request shall be on a form approved by the commis-  
7 sion, and the commission may charge a fee to be paid by the employer  
8 for the actual cost of processing the request. The commission shall  
9 destroy an application within six months after the requested informa-  
10 tion is sent to the employer and applicant.

11 (c) The commission shall adopt regulations to implement the  
12 provisions of this section.

13 (d) As used in this section

14 (1) "contributing to the delinquency of a minor" means a  
15 conviction for a violation or attempted violation of AS 11.51.130(a)-  
16 (1), (3), or (5) or for a violation or attempted violation of an  
17 offense committed outside the state if the offense would have been a  
18 crime in this state under AS 11.51.130(a)(1), (3), or (5) if committed  
19 in the state;

20 (2) "employer" means a nonprofit corporation or other  
21 organization specified by the commission that employs persons or uses  
22 the services of volunteers in positions in which the employee or  
23 volunteer has supervisory or disciplinary power over a minor;

24 (3) "sex crime" means a conviction for a violation or  
25 attempted violation of AS 11.41.410 - 11.41.455, AS 11.51.130(a)(4),  
26 or AS 11.66.100 - 11.66.130 or for a violation or attempted violation  
27 of an offense committed outside the state if the offense would have  
28 been a crime in this state under one of the above sections if commit-  
29 ted in the state.

COMMITTEE REPORT  
SENATE

FURTHER:

5/27/83

Date: 6/15/83

Mr. President:

The Committee on FINANCE has had CSHB 375 (Fin) and

Access to certain criminal justice information.

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 CSHB 375 (Fin)  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note  
*Attached F.N.*
- reports it back without recommendation *6-5/4/83*
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

*W. Fischer - No rec*

*J. ... - No Rec*

*need more information*

*Mr. Smith - No Rec*

*Bob ... - No Rec*

2

*[Signature]*

CHAIRMAN *NO REC*

CL

STATE OF ALASKA  
FISCAL NOTE

Revision Date \_\_\_\_\_, 1983

I. REQUEST

Bill/Resolution No.: HB 375  
Title: "Act relating to access. . ."  
Sponsor: Rep. Barnes  
Requestor: House Judiciary

II. FISCAL DETAIL

Agency Affected: Public Safety  
Program Category Affected: Crime & ID  
AU, Program of Subprogram(s) Affected: Alaska State Troopers

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis No fiscal impact anticipated

Prepared By: Jos Mapranath Phone: 465-4336  
Division: Administrative Services Date: 5-4-83

Approved by Commissioner: [Signature] Date: 5/4/83  
Department: Public Safety

Offered: 5/27/83  
Referred: Finance

Original sponsors: Barnes, Hayes,  
Liska, et al

1 IN THE HOUSE BY THE JUDICIARY COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 375 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to access to certain criminal jus-  
7 tice information."

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

9 \* Section 1. AS 12.62.030(a) is amended to read:

10 (a) Except as provided in (b) and (c) of this section and in  
11 AS 12.62.035, access to specified classes of criminal justice informa-  
12 tion in criminal justice information systems is available only to  
13 individual law enforcement agencies according to the specific needs of  
14 the agency under regulations established by the commission under  
15 AS 12.62.010. Criminal justice information may be used only for law  
16 enforcement purposes or for those additional lawful purposes necessary  
17 to the proper enforcement or administration of other provisions of law  
18 as the commission may prescribe by regulations established under  
19 AS 12.62.010. No criminal justice information may be disseminated to  
20 an agency before the commission determines the agency's eligibility to  
21 receive that information.

22 \* Sec. 2. AS 12.62 is amended by adding a new section to read:

23 Sec. 12.62.035. ACCESS TO CERTAIN CRIME INFORMATION. (a)  
24 Notwithstanding any other provision of law, an interested person as  
25 defined in (d) of this section may request from the commission records  
26 of all convictions involving contributing to the delinquency of a  
27 minor and any sex crimes of a person who holds or applies for a posi-  
28 tion in which the person has or would have supervisory or disciplinary  
29 power over a minor. The commission shall authorize the disclosure of

1 the information to the requesting interested person and shall provide  
2 a copy of the information to the person who is the subject of the  
3 request.

4 (b) A request for records under (a) of this section shall in-  
5 clude within it the fingerprints of the person who is the subject of  
6 the request and any other data specified in regulations established by  
7 the commission. The request shall be on a form approved by the com-  
8 mission, and the commission may charge a fee to be paid by the re-  
9 questing interested person for the actual cost of processing the  
10 request. The commission shall destroy an application within six  
11 months after the requested information is sent to the requesting  
12 interested person and the person who is the subject of the request.

13 (c) The commission shall adopt regulations to implement the  
14 provisions of this section.

15 (d) As used in this section

16 (1) "contributing to the delinquency of a minor" means a  
17 conviction for a violation or attempted violation of AS 11.51.130(a)-  
18 (1), (3), or (5) or for a violation or attempted violation of an  
19 offense committed outside the state if the offense would have been a  
20 crime in this state under AS 11.51.130(a)(1), (3), or (5) if committed  
21 in the state;

22 (2) "interested person" means a corporation, company,  
23 partnership, firm, association, organization, business trust, or  
24 society, as well as a natural person, that employs or solicits the  
25 employment of a person to serve with or without compensation in a  
26 position in which the person has or would have supervisory or disci-  
27 plinary power over a minor;

28 (3) "sex crime" means a conviction for a violation or  
29 attempted violation of AS 11.41.410 - 11.41.455, AS 11.51.130(a)(4),

1 AS 11.61.101(a)(7), or AS 11.66.100 - 11.66.130 or for a violation or  
2 attempted violation of an offense committed outside the state if the  
3 offense would have been a crime in this state under one of the above  
4 sections if committed in the state.



Official Business

# Alaska State Legislature

Senate

Pouch V  
State Capitol  
Juneau, Alaska 99811

## MEMORANDUM

TO: Members, Senate Finance Committee

FROM: Senator Joe P. Josephson

DATE: June 16, 1983

RE: HB 375

The following information is the result of telephone conversations with Jack Scheiddiger, an Assistant Attorney General with the State of California.

California has similar legislation in force and it is working, but California law works through a licensing procedure, not through individual employer requests.

All persons (including teachers) who work in child care are licensed. Licensees must submit fingerprints for record review to be licensed. Employers are also licensed and can only hire licensed employees. The Department of Social Work sets the criteria for licensing.

The California Legislature is currently considering extending applicability of this law to the adult care field.

JPJ:DD:law

A M E N D M E N T

Offered in the SENATE

TO: SCS CSHB 375 (Jud)

Page 2, line 7, following "commission."

Insert: "A person who is the subject of a request for records under (a) of this section and who refuses to provide fingerprints and other information required under this section may be denied or dismissed from a position in which the person has or would have supervisory or disciplinary power over a minor."

PETITION

SECTION

1. WE, THE UNDERSIGNED ALASKAN VOTERS AND CITIZENS PETITION OUR LEGISLATORS TO ENACT LEGISLATION WHICH WOULD CHANGE SEXUAL ABUSE OF A MINOR FROM A CLASS C FELONY TO A CLASS B FELONY. AS A CLASS C FELONY, IT DOESN'T REQUIRE STIFF ENOUGH PENALTIES.
2. WE URGE THAT YOU TOUGHEN THE LAWS ON ENTICEMENT. THERE IS PRESENTLY NO LAW AGAINST SOLICITING A MINOR FOR SEXUAL FAVORS (AS LONG AS THERE IS NO BODY CONTACT), BE IT FOR PERSONAL OR COMMERCIAL INTENT. WE REQUEST THAT YOU PASS A STRONG LAW AGAINST THE SOLICITING OF MINORS FOR SEXUAL FAVORS BY ADULTS.
3. WE ALSO ASK THAT YOU PASS A BILL THAT AN EMPLOYER UPON REQUEST BE PROVIDED WITH THE CRIMINAL RECORDS OF ANYONE APPLYING FOR A POSITION WHERE THEY WOULD HAVE SUPERVISION OVER MINORS.
4. WE PETITION THAT OUR JUDGES BE DISCIPLINED WHEN THEY HAND DOWN UNREASONABLY LIGHT OR SUSPENDED SENTENCES IN CRIMINAL CASES WITHOUT JUSTIFICATION. WE BELIEVE ALASKAN JUDGES DEVIATE TOO MUCH FROM THE ALASKA CRIMINAL CODE.

WE URGENTLY PLEAD FOR PROMPT ACTION ON THESE PETITIONS BECAUSE CRIMES AGAINST OUR CHILDREN ARE OF EPIDEMIC PROPORTIONS AND CRIMINALS ARE GOING UNPUNISHED.

PRINT NAME	SIGNATURE	ADDRESS	DATE
LAURA CARROLL	Laura Carroll	2205 Bani Falls Ave Sp 79	3-21-83
Patsy Gary	Patsy Gary	825 Ivy Apt 2183-43	3-21-83
Leah... [unclear]	Leah... [unclear]	8255 Rain...	3-21-83
Young Shin Coleman	Young Shin Coleman	1224 Richardson	3-21-83
ALBERT CRABBS	Albert Crabbs	RD #1 Jewell	3-21-83
MARY A. MAHANNAH	Mary Mahannah	627 N. Park # 3	3-21-83
Theresa E. Reynolds	Theresa E. Reynolds	1227 N. Park # 3	3-21-83
Lisa Curless	Lisa Curless	645 Lytle St Apt 2	3-21-83
Yolanda Butscher	Yolanda Butscher	P.O. 694 W. 5th AK 99587	3-21-83
Jessie C...	Jessie C...	Box 303 Umanak AK 99657	3-21-83
Althea S. Lubert	Althea S. Lubert	2121 Douglas Dr-03	3-21-83
[unclear]	[unclear]	3101 W. 1st St	3-21-83
Terri Faine	Terri Faine	3315 Lakeside Pl.	3-21-83
Mary C. Bailey	Mary C. Bailey	991 Airport Hb	3-21-83
Joy L. Truwin	Joy L. Truwin	P.O. Box 1761 Kenai AK	3/21/83

NOTE: TOTAL OF 717 SIGNATURES RECEIVED

## *Police say teacher molested 70*

RENO, Nev. (AP)—Ninety parents trying to unravel a nightmare jammed into an auditorium to discuss the day care center they trusted—and the teacher who police say may have molested as many as 70 boys and girls.

"No one, including myself, had any comprehension of the magnitude of this case when we began," Reno Police Detective Lucky Burch said at the meeting for parents. "It's very, very sad."

The parents gathered Monday night to talk about the Papoose Palace Academy, a day care center in Reno with a mostly middle-class clientele.

Police say the abused children were as young as 2½ and as old as 12 and divided equally between boys and girls.

They allege that Stephen Boatwright, 35, described as a warm and caring teacher, well-liked by the children and their parents, was in reality a cunning child molester who sexually abused the children almost from the time the center opened in June 1979.

Boatwright was arrested April 28 for investigation of sexual assault following what police said was a three-month investigation. Unable to post \$200,000 bail, he was put in the Reno City Jail.

On Monday the district attorney's office filed four counts of sexual assault against Boatwright. On Tuesday he was brought briefly into Reno Justice Court, where he waived his right to a preliminary hearing.

# Suspects arrested in sex cases

by Jeff Berliner  
and Carl Gidlund  
Times Writers

A man who allegedly used state agencies to procure juveniles for sex has been jailed.

Police and prosecutors say he gave the youths alcohol and drugs then sexually molested them. The man acted under the guise of helping youths he had obtained through legitimate channels, police said.

Held on \$40,000 bail is Hensley L. "Pat" Patterson, 33. He is charged on two felony counts of sexual abuse of a minor, one felony count of contributing to the delinquency of a minor and five misdemeanor charges of contributing to the delinquency of a minor.

Patterson reportedly got access to the youths — all boys age 14 to 17 — through his work under the authority of the state juvenile probation office and as a state-approved foster parent.

"Patterson used state agencies as a way of maintaining contact with the boys," said Paul Olson, an assistant district attorney here who specializes in prosecuting sex crimes.

Police and prosecutors said they stopped another case of an adult man sexually molesting

See Arrest, page A-5

## Arrest

(Continued from page A-1)

male juveniles in a second unrelated arrest Friday.

In that case, Robert Elstad, 41, was jailed on \$35,000 bail and charged with six counts of sexual abuse of a minor and lewd and lascivious acts toward children.

Both men were arraigned Friday. The cases were put together by the sex crimes units of the Anchorage Police Department and the district attorney's office.

Authorities say that in addition to using state agencies to get custody of the youths, Patterson had other ways of coming into seemingly legitimate contact with young boys.

Olson said Patterson was director of the Cook Inlet Native Association Youth Center and also worked at the Fairview Community Center. In both jobs he came into contact with boys about the age of those he is accused of molesting.

A foster parent from 1973 to 1975 and again from 1977 to 1979, Patterson was given legal custody of juveniles and was an officially approved guardian, Olson said.

Patterson was a so-called "pass partner" for youths held at McLaughlin Youth Center and for youngsters on probation,

Olson said, adding that the state juvenile probation office allowed him to be with kids on probation.

Juvenile probation officers have the power to authorize approved individuals, such as Patterson, to take the youths out of an institutional setting or out of other custodial situations and act as the guardian of the youths while they are assigned to him.

Officials at McLaughlin and in the Department of Health and Social Services could not be reached for comment Friday. However, Anchorage police Lt. George Novaky said the department's investigation began last December when a youth in custody at McLaughlin told investigators of his involvement with Patterson. The youngster provided information that led to the other boys, he said.

Although the criminal complaint against Patterson lists only five victims, Olson said it is "generally thought that more kids are involved."

The felony contributing-to-the-delinquency-of-a-minor charge alleges that Patterson induced a juvenile to commit a sex act with him. Five misdemeanor contributing-to-the-delinquency-of-a-minor charges state that Patterson supplied drugs and alcohol to the youngsters. The incidents are said to have occurred from 1979 to 1982 at Patterson's home.

In a similar case, police recently charged that the assistant director of the Boys Club of Alaska was using his job to come into contact with boys he allegedly molested sexually.

Venson Brown still faces trial on those charges. And although he has pleaded not guilty, court documents state that Brown has confessed "in substantial part" to the allegations on tape. He goes to trial next month.

Elstad, a businessman who operates a contracting firm, allegedly molested boys age 12 to 15 in incidents that occurred from 1980 through 1982. He lured the boys into his home at 6525 McGill St. without force and then sexually assaulted them, police reported.

Lt. Novaky said the department's investigation of Elstad began last October while officers were pursuing another case — not related to sexual conduct — that involved him. Investigators pursued leads that lead them to seven other alleged victims, several of whom were in McLaughlin, he said.

Patterson and Elstad face grand jury indictments and will be returned to court next week.

Offered: 5/17/83  
For Today's Calendar

Original sponsors: Barnes, Hayes,  
Liska, et al

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 375 (Finance) am  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to access to certain criminal jus-  
7 tice information."

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

9 \* Section 1. AS 12.62.030(a) is amended to read:

10 (a) Except as provided in (b) and (c) of this section and in  
11 AS 12.62.035, access to specified classes of criminal justice informa-  
12 tion in criminal justice information systems is available only to  
13 individual law enforcement agencies according to the specific needs of  
14 the agency under regulations established by the commission under  
15 AS 12.62.010. Criminal justice information may be used only for law  
16 enforcement purposes or for those additional lawful purposes necessary  
17 to the proper enforcement or administration of other provisions of law  
18 as the commission may prescribe by regulations established under  
19 AS 12.62.010. No criminal justice information may be disseminated to  
20 an agency before the commission determines the agency's eligibility to  
21 receive that information.

22 \* Sec. 2. AS 12.62 is amended by adding a new section to read:

23 Sec. 12.62.035. ACCESS TO CERTAIN CRIME INFORMATION. (a)  
24 Notwithstanding any other provision of law, an interested person as  
25 defined in (d) of this section may request from the commission records  
26 of all convictions involving contributing to the delinquency of a  
27 minor and any sex crimes of a person who holds or applies for a posi-  
28 tion in which the person has or would have supervisory or disciplinary  
29 power over a minor. The commission shall authorize the disclosure of

1 the information to the requesting interested person and shall provide  
2 a copy of the information to the applicant.

3 (b) A request for records under (a) of this section may include  
4 the applicant's fingerprints and any other data specified in regula-  
5 tions established by the commission. The request shall be on a form  
6 approved by the commission, and the commission may charge a fee to be  
7 paid by the requesting person for the actual cost of processing the  
8 request. The commission shall destroy an application within six  
9 months after the requested information is sent to the requesting  
10 person and applicant.

11 (c) The commission shall adopt regulations to implement the  
12 provisions of this section.

13 (d) As used in this section

14 (1) "contributing to the delinquency of a minor" means a  
15 conviction for a violation or attempted violation of AS 11.51.130(a)-  
16 (1), (3), or (5) or for a violation or attempted violation of an  
17 offense committed outside the state if the offense would have been a  
18 crime in this state under AS 11.51.130(a)(1), (3), or (5) if committed  
19 in the state;

20 (2) "interested person" means a corporation, company,  
21 partnership, firm, association, organization, business trust, or  
22 society, as well as a natural person, that employs or solicits the  
23 employment of a person to serve with or without compensation in a  
24 position in which the person has or would have supervisory or disci-  
25 plinary power over a minor;

26 (3) "sex crime" means a conviction for a violation or  
27 attempted violation of AS 11.41.410 - 11.41.455, AS 11.51.130(a)(4),  
28 or AS 11.66.100 - 11.66.130 or for a violation or attempted violation  
29 of an offense committed outside the state if the offense would have

1        been a crime in this state under one of the above sections if commit-  
2        ted in the state.



Introduced: 4/26/83  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY FLOOD AND HAYES

2

HOUSE BILL NO. 379

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act establishing a seismic hazard program within  
the Department of Natural Resources; and providing  
for an effective date."

7

8

9

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

10

\* Section 1. AS 41.08.017 is amended to read:

11

Sec. 41.08.017. HYDROLOGICAL AND SEISMIC HAZARD DATA DECLARED TO

12

BE OF PUBLIC INTEREST. (a) Systematic collection, recording, evalua-  
tion, and distribution of data on the quantity, location and quality  
of water of the state in the ground, on the surface of the ground, or  
along the coasts, are in the public interest and necessary to the  
orderly domestic and industrial development of the state.

13

14

15

16

17

(b) Systematic collecting, recording, evaluation, archiving and

18

distribution of data on seismic events and engineering geology, and

19

identification of potential seismic hazards throughout the state are

20

in the public interest and necessary to orderly, safe and cost-

21

effective development in the state.

22

\* Sec. 2. AS 41.08.020(b) is amended by adding new paragraphs to read:

23

(6) collect, record, evaluate, archive and distribute data

24

on seismic events and engineering geology of the state;

25

(7) identify potential seismic hazards that might affect

26

development in the state;

27

(8) inform public officials and industry about potential

28

seismic hazards that might affect development in the state.

29

\* Sec. 3. This Act takes effect July 1, 1983.

THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 379  
Title Establishing a seismic hazard program in DNR  
Requested by House Finance Committee Date 6/12/83

II. FISCAL DETAIL

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

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

\$500,000 is provided in the FY 84 capital budget for establishment of a seismic hazard program in the Department of Natural Resources. Therefore, additional funding will not be provided in this fiscal note.

IV. DATE 6/12/83 PREPARED BY Al Adams, Chair **APA**  
AGENCY House Finance Committee  
Original: Legislative Finance PHONE 465-3706  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
33-001 (Rev. 12/82)

The following individuals may testify on HB 379:

Representative Joe Flood, prime sponsor

A representative of DNR

PROJECT	FY	100	200	300	400	500	TOTALS
1. Cook Inlet Kodiak Seismic Network RSA to Support Existing UAGI Stations	84			250			250
	85			262.5			262.5
2. Interior Alaska Seismic Network RSA to Support Existing UAGI Stations	84			50			50
	85			52.5			52.5
3. Stations in SE and SW Alaska Install 2 and Maintain 2 DGGs Stations	84		10	12.6	3.2	24.2	50
	85		10.5	13.2	3.4	25.4	52.5
4. Seismic Instrumentation in Anch. Bldg. And other Areas in '85	84		.6	1	0	16	17.6
	85		1.5	2	1.2	10	14.7
5. Cook Inlet Volcano Observatory Cooperate with USGS, UAGI, DES, NOAA	84		.6	2.4	1	1	5
	85		.6	2.5	1.1	1.1	5.3
6. Alaska Seismological Data Center Cooperate with UAGI (Fairbanks)	84	56.9	0	37	1.1	5	100
	85	59.7	0	30.8	1.2	5.3	105
7. Engineering Geological Studies in Various Municipal Areas	84		6	22	1	1	30
	85		6.3	23.0	1.1	1.1	31.5
TOTALS	84	56.9	17.2	375	6.3	47.2	502.6
	85	59.7	18.9	394.5	8.0	42.0	524.0

TABLE 1

IT SEEMS PARTICULARLY APPROPRIATE THAT YOUR MEETING IS BEING HELD IN ALASKA, AND IN A CITY WHICH WAS DEVASTATED BY ONE OF THE HISTORICALLY GREAT EARTHQUAKES EVER RECORDED. NO COMMUNITY ON EARTH HAS A GREATER INTEREST IN YOUR CONCERNS THAN ANCHORAGE. THAT INTEREST IS HEIGHTENED BY THE FACT THAT ANCHORAGE AND ALASKA ARE IN WHAT IS PROBABLY ONLY THE BEGINNING OF A CONSTRUCTION PERIOD WHICH MAY RIVAL ANY WE'VE EVER SEEN. THE PROBABILITY OF A NEW CAPITAL CITY AT WILLOW: THE LIKELIHOOD THAT WE WILL BE EXPANDING TRACKAGE FOR THE ALASKA RAILROAD: THE FACT THAT WE ARE CONSTRUCTING PUBLIC AND PRIVATE BUILDINGS IN VIRTUALLY EVERY COMMUNITY IN THE STATE: THAT NEW HARBORS, AIRPORTS, ROADS AND BRIDGES ARE IN THE OFFING IN MANY LOCATIONS: THAT WE ARE PRESENTLY PREPARING TO BUILD THE KNIK ARM CROSSING: NOT TO MENTION THE TREMENDOUS PLANS WE HAVE FOR HYDROELECTRIC DEVELOPMENT, INCLUDING THE GIANT SUSITNA PROJECT, AND THE PROBABILITY OF NEW PIPELINE PROJECTS, ALL MAKE THE RESULTS OF YOUR RESEARCH EFFORTS OF PRIMARY IMPORTANCE TO ALASKA.

AS AN ENGINEER, I CAN APPRECIATE THE SPECIAL IMPORTANCE OF YOUR WORK. I THINK ANYONE WHO IS NOT AN ENGINEER OR IN A RELATED DISCIPLINE, OR WHO WAS NOT IN ANCHORAGE IN MARCH OF 1964, CANNOT FULLY COMPREHEND THE AWESOME FORCES PENT UP IN THE EARTH WHICH IT IS YOUR MISSION TO UNDERSTAND AND TO PROTECT AGAINST IN CONSTRUCTION.

<sup>(1)</sup> BOTH SEISMIC PREDICTION AND ENGINEERING DEFENSIVELY AGAINST SEISMIC <sup>(2)</sup> DISRUPTION HAVE COME OF AGE. COMPUTERS HAVE GIVEN US THE CAPABILITY NOT ONLY OF USING PROBABILITY PREDICTION WITH RESPECT TO OCCURRENCE OF QUAKES, BUT ALSO TO MODEL POTENTIAL CONSEQUENCES. EVEN PREVIOUSLY UNACCOUNTABLE ANIMAL BEHAVIOUR IS BEING STUDIED AS A KEY TO SEISMIC UPSET.

ALTHOUGH I AM NOT PROFESSIONALLY QUALIFIED TO SPEAK ON THE MORE TECHNICAL ASPECTS OF YOUR UNDERTAKINGS, I DO HAVE AN ENGINEER'S APPRECIATION OF THEIR VALUE. YOUR RELATIVELY ESOTERIC AND TREMENDOUSLY EXCITING FIELD IS OF IMPORTANCE TO EVERY ALASKAN, FROM HOMEOWNERS TO ROAD BUILDERS, FROM INVESTORS TO CIVIL AUTHORITIES AT EVERY LEVEL. AS AN ENGINEER IN PUBLIC OFFICE, I HAVE A VERY SPECIAL INTEREST IN YOUR WORK AND IN THIS CONFERENCE, PARTICULARLY BECAUSE OF THE UNDERSTANDING I DO HAVE OF YOUR FIELD, AND OF THE INTEREST GOVERNMENT MUST NECESSARILY HAVE IN IT. IT IS OBVIOUS TO ME THAT YOUR INTEREST IN MY PARTICIPATION HERE IS THE DUAL ROLE I HAVE OF ENGINEER AND ELECTED OFFICIAL. I CAN APPRECIATE THE IMPORTANCE OF YOUR WORK MORE THAN THE AVERAGE LAYMAN MIGHT, AND I WILL HAVE AT LEAST SOMETHING TO SAY ABOUT HOW AND TO WHAT EXTENT STATE GOVERNMENT AFFECTS YOUR EFFORTS AND INTENTIONS.

BEING ON THE CONSERVATIVE SIDE OF THE POLITICAL SPECTRUM, I TEND TO RESIST GOVERNMENT INVOLVEMENT IN AREAS IN WHICH IT IS NOT ESSENTIAL, BELIEVING THAT GOVERNMENT BEST WHICH GOVERNS LEAST. IN THIS LATTER HALF OF THE TWENTIETH CENTURY, HOWEVER, GOVERNMENT IS NECESSARILY AND UNAVOIDABLY INVOLVED MORE AND MORE IN ALL OUR LIVES. AS MANKIND PROBES FURTHER INTO THE MYSTERIES OF THE EARTH AND OF THE UNIVERSE, WE FIND MORE AND MORE INTERESTS WHICH ARE BEYOND THE FINANCIAL CAPABILITIES OF PRIVATE FUNDING, AND WHICH ARE OF SUFFICIENT BROAD PUBLIC INTEREST AND IMPORTANCE THAT THEY BECOME A CONCERN OF GOVERNMENT. REGULATION FOR STANDARDIZATION, FOR THE SAKE OF BOTH PUBLIC AND PRIVATE SAFETY, HAVE COME TO BE LEGITIMATE CONCERNS OF GOVERNMENT. IT BECOMES THE RESPONSIBILITY OF THE CONSERVATIVE, IT SEEMS TO ME, TO REGULATE THE REGULATORS: TO BE SURE THAT REQUIREMENTS IMPOSED BY GOVERNMENTS ARE NOT SOMETHING WHICH MIGHT BETTER, MORE EFFICIENTLY, OR MORE

PROPERLY BE ACCOMPLISHED BY THE PRIVATE SECTOR.

IN THAT CONNECTION, THERE ARE TWO AREAS I WOULD LIKE TO DISCUSS WITH YOU. BOTH ARE SUGGESTIONS FOR YOUR CONSIDERATION. NEITHER IS A PROMISE OR A GUARANTEE.

IN ONE OF THE MOST EARTHQUAKE-PRONE REGIONS OF THE WORLD, WE DO NOT HAVE DESIGN, ENGINEERING OR CONSTRUCTION STANDARDS WHICH ARE CONSISTENT AND RELIABLE FOR BOTH PUBLIC AND PRIVATE ENTERPRISES. WE HAVE SOME VERY GENERALIZED GUIDELINES AND BASIC STANDARDS WHICH ARE COMMONLY OBSERVED, BUT NO RULE BOOK UPON WHICH ALL MAY RELY AND TO WHICH ALL MAY TURN FOR THE ANSWERS TO SOME VERY IMPORTANT QUESTIONS. THE ESTABLISHMENT OF EARTHQUAKE CONSTRUCTION STANDARDS, WHICH DOUBTLESS WOULD DIFFER IN MANY LOCAL REGIONS, GIVEN THE WIDE VARIETY OF GEOLOGY IN ALASKA AND IN THE COUNTRY, WOULD BE OF INTEREST AND VALUE TO A NUMBER OF DIVERSE CONCERNS. ARCHITECTS, ENGINEERS AND BUILDERS OBVIOUSLY WOULD HAVE A PRIMARY INTEREST. IN ADDITION, HOWEVER, INSURANCE COMPANIES, REAL ESTATE BROKERS AND FINANCIAL INSTITUTIONS WOULD HAVE AN INTEREST. AT THE CORE OF GOVERNMENT INTEREST IS PUBLIC SAFETY AND THE FINANCIAL STAKE IN THE BROAD VARIETY OF PUBLIC FACILITIES WHICH THIS STATE PRESENTLY OWNS AND OPERATES, AND THE MAJOR ADDITIONS TO THAT INDUSTRY WHICH WE WILL BE CREATING IN COMING DECADES AS ALASKA ATTEMPTS TO CATCH UP WITH ITS OLDER SISTER STATES IN DEVELOPING ITS PUBLIC INSTITUTIONS AND SERVICE SYSTEMS. OTHER STATES AS WELL, CONTINUE TO ERECT PUBLIC BUILDINGS AND FACILITIES WHICH ARE SUBJECT TO EARTHQUAKES.

OUR STATE GOVERNMENT, IN PARTICULAR THE LEGISLATURE, HAS A VESTED INTEREST IN THESE CONCERNS. IT WOULD BE OUR RESPONSIBILITY TO CONSIDER FINANCIAL ASSISTANCE FOR THE RESEARCH REQUIRED TO ESTABLISH SUCH STANDARDS.

IT WOULD BE OUR JOB TO "REGULATE THE REGULATORS" IN DETERMINING WHETHER OR HOW MUCH CONTROL, BY WAY OF STANDARDS ENFORCEMENT, WOULD BE APPROPRIATE, NECESSARY, AND NOT UNDULY RESTRICTIVE. IT WOULD BE OUR DUTY TO MONITOR THE USE OF SUCH CONTROLS, PERHAPS THROUGH THE DEVICE OF OUR SUNSET LAWS, AND BY PERIODIC AMENDMENT WHICH MIGHT BE APPROPRIATE. GIVEN THE MAGNITUDE OF THE EFFECTS OF SUCH INFORMATION AS YOUR RESEARCH CAN PRODUCE -- WHICH ALL OF US WHO WERE HERE IN 1964 CAN APPRECIATE -- IT SEEMS ENTIRELY APPROPRIATE THAT THE LEGISLATURE SHOULD BE INVOLVED ON BEHALF OF THE CITIZEN-STOCKHOLDER OF THE STATE OF ALASKA.

MY OWN RECOLLECTIONS OF THE 1964 EARTHQUAKE, IF I MAY DIGRESS, ARE VARIED: THEY RANGE FROM CONSTERNATION TO TERROR TO A LITTLE HUMOR. A SECRETARY, FLEEING THE TWO-STORY BUILDING IN WHICH MY OFFICE WAS HOUSED, WENT THROUGH A STREET DOOR JUST AS THE SECOND-STORY CONCRETE BLOCK WALL FOLDED ON ITS RE-BAR HINGES AND PINNED HER AGAINST THE WALL OF THE FIRST STORY. WHEN OTHER EMPLOYEES FROM THE BUILDING MANAGED TO SWING THE WALL BACK TO FREE HER, THEY SAW HER IMAGE IN BLOOD ON THE LOWER WALL. SHE WAS PROBABLY ONE OF THE MOST SERIOUSLY-INJURED OF THE QUAKE SURVIVORS. I HAD AN AUTOMOBILE WHICH DIED OF A CRACKED DISTRIBUTOR CAP IN FLIGHT FROM A POTENTIAL TIDAL WAVE ZONE, BUT I SURVIVED WITH FAMILY INTACT. ALMOST IMMEDIATELY AFTER THE QUAKE I WAS ASSIGNED TO A TEAM WHICH MET DAILY TO REPORT MONITORING OF POTENTIAL BUILDING SLIPPAGE, WHICH WE CHECKED WITH ELECTRONIC MEASURING INSTRUMENTS. I WAS ASSIGNED TO ANOTHER TEAM RESPONSIBLE FOR CHECKING AND CERTIFYING THE SAFETY OF PUBLIC BUILDINGS BEFORE THEIR BEING REOCCUPIED. I WAS IN THE CEILING CRAWL SPACE OF A THEATRE BUILDING A FEW DAYS LATER, WORMING ALONG ON MY BACK CHECKING TRUSS JOINTS WITH THE AID OF A FLASHLIGHT, WHEN ANOTHER QUAKE OCCURRED. I AM VERY GRATEFUL TO

THIS DAY THAT MY CLAUSTROPHOBIA QUOTIENT IS MINOR. I WOULD PROBABLY OTHERWISE HAVE HAD A HEART ATTACK. THE INEVITABLE HUMOR WHICH ARISES IN SUCH SITUATIONS WAS PROVIDED BY ONE OF MY BUSINESS PARTNERS AT THE TIME. HE RECALLS HAVING DIVED UNDER A DESK OR CONFERENCE TABLE WITH A CLIENT WHO WAS IN THE OFFICE AT THE TIME OF THE QUAKE. YEARS LATER, HIS MOST VIVID RECOLLECTION OF THE EARTHQUAKE WAS THAT THE CLIENT HAD HAD A GENEROUS PORTION OF GARLIC AT LUNCH THAT DAY.

MY OWN RECOLLECTIONS NOTWITHSTANDING, I RETURN TO CONSIDERATION OF STATE PARTICIPATION IN YOUR EFFORTS. FOR THE REASONS CITED, I INVITE YOUR INSTITUTE -- PERHAPS EVEN AT THIS WEEK'S MEETING, <sup>(1)</sup> TO CONSIDER PROPOSING STATE-ENDORSED EARTHQUAKE ENGINEERING STANDARDS, AND A PROPOSAL FOR STATE FINANCIAL ASSISTANCE FOR YOUR RESEARCH EFFORTS, <sub>(2)</sub> UPON WHICH SUCH STANDARDS WOULD NECESSARILY BE BASED.

I DELIBERATELY REFER TO "STATE ENDORSED" STANDARDS, AS OPPOSED TO PERHAPS "STATE ENFORCED" STANDARDS, FOR A NUMBER OF REASONS. AS TO STATE CONSTRUCTION, OF COURSE, AND PROJECTS INVOLVING STATE LOANS OR PARTICIPATION, SUCH STANDARDS COULD BE EXPECTED TO BE A MATTER OF SPECIFICATION. VENTURES MADE POSSIBLE THROUGH THE LOAN GUARANTEES OF THE ALASKA INDUSTRIAL DEVELOPMENT AUTHORITY WOULD PROBABLY ALSO BE AFFECTED. THE STANDARDS WOULD ALMOST CERTAINLY BE USED BY MANY PRIVATE ENTERPRISES AS WELL. THE DISTINCTION BETWEEN ENFORCEMENT AND ENDORSEMENT WOULD ALSO PROTECT THE OPTIONS AND CONTROL OF LOCAL GOVERNMENTS WITHIN THE STATE. IF OUR JOINT EFFORTS -- THOSE OF YOUR INSTITUTE AND OF STATE GOVERNMENT -- WERE TO MAKE SUCH WELL-RESEARCHED AND DEFENSIBLE STANDARDS AVAILABLE, THEY WOULD PROBABLY BECOME A BENCHMARK FOR THE CONSTRUCTION INDUSTRY, SIMPLY BECAUSE OF THE EFFECTS THEY WOULD HAVE

IN THE MARKET. SUCH STANDARDS WOULD INFLUENCE INSURANCE, FINANCING, SALE AND RESALE, AND MOST OTHER CONSIDERATIONS INVOLVING BUILDING CONSTRUCTION. THEY SHOULD, WE MAY HOPE PROMOTE REDUCTIONS IN INSURANCE PREMIUMS WHERE EARTHQUAKE INSURANCE IS AVAILABLE AND USED, AND THEY SHOULD PROMOTE EXTENSIONS OF THE LIFE EXPECTANCY OF BOTH PUBLIC AND PRIVATE CONSTRUCTION IN LARGER PROJECTS THEY SHOULD IMPROVE PUBLIC AND PRIVATE SAFETY -- AND IF EVEN ONE HUMAN LIFE WERE TO BE SAVED BY THEIR IMPLEMENTATION, THEIR VALUE WOULD HAVE BECOME IMPOSSIBLE TO QUANTIFY.

SHOULD YOUR INSTITUTE ELECT TO SEEK THE ESTABLISHMENT OF SUCH STANDARDS WITH THE ASSISTANCE OF THE LEGISLATURE, I CAN ASSURE YOU OF THE COMPETE AND WILLING COOPERATION OF MY OFFICE AND OTHER LEGISLATIVE AGENCIES. I WOULD CERTAINLY USE MY OFFICE AND ITS INFLUENCE TO HELP YOU GAIN THE COOPERATION OF APPROPRIATE ADMINISTRATIVE AGENCIES. I WOULD LOOK WITH FAVOR UPON A PROPOSAL FOR FINANCIAL PARTICIPATION IN YOUR RESEARCH EFFORTS BY THE STATE, AND WOULD EXPECT TO BE ABLE TO SUPPORT A REASONABLE PROPOSAL. SUCH A MOVE WOULD CERTAINLY BE TO THE BENEFIT OF ALL THE STATES REPRESENTED AT THIS MEETING, AND PRESUMABLY TO MOST OTHER STATES AND TO MANY FOREIGN NATIONS.

THE UNITED STATES' TRADITIONAL ROLE AS A LEADER IN PURE RESEARCH IN MANY DISCIPLINES MAKES IT APPROPRIATE THAT WE SHOULD PURSUE SUCH A COURSE, AND ALASKA'S POSITION IN THE VANGUARD OF AREAS NEEDING AND PURSUING PRIVATE, PUBLIC AND COMMERCIAL DEVELOPMENT PROPERLY PLACES IT IN THE FOREFRONT OF SUCH INVESTIGATION. I WILL LOOK FORWARD TO WORKING WITH THE APPROPRIATE COMMITTEES OF YOUR INSTITUTE, AND TO HEARING FROM YOU SHOULD YOU ELECT TO ACCEPT MY INVITATION. IF THE EFFECTS OF OUR JOINT EFFORTS REACH AS FAR AS I THINK THEY MIGHT, AND IF THEY SERVE WELL THE GOOD INTENTIONS I KNOW YOU HAVE, THEY MIGHT EVEN BE CALLED EARTHSHAKING. THANK YOU.

Purpose:

To establish a State of Alaska program in seismic hazards mitigation which will provide, in a timely manner, basic information that is critical to the safe and cost effective development of Alaska's economic, natural and recreational resources.

Background:

- Declining federal support has resulted in the closing of over 25% of the seismic stations in Alaska over the past two years.
- Present distribution of stations is uneven and not adequate for state's needs.
- Present lack of coordination results in information from Alaska seismic stations being scattered among archives in New York, Colorado, California and 4 places in Alaska.
- Future development of Alaska will require information about geologic hazards that must be collected continuously and over the long term - industry cannot and will not collect such information - it is the appropriate function of state government [Hayes].
- Wassilla Workshop on Alaskan Seismology called for DGGs program of the scope proposed.
- Hayes speech at EERI symposium promised support for seismic hazard mitigation research.

Objectives:

Listed in Table 1 are the costs to establish or maintain various seismic monitoring and/or hazard assessment projects. Together this

package would be a reasonable seismic hazard mitigation program for the State of Alaska and would go a long way toward meeting the State's responsibility to assess one of the major geological hazards in Alaska. Below are brief descriptions of each of the projects:

1. Cook Inlet - Kodiak Seismic Network

Of about 25 seismic stations established by UAGI in this area under various federal (DOE, NOAA, NSF) research grants and contracts (circles and triangles, lower left of Figure 1) 6 are now closed and 19 are now maintained under a grant from the Governor's Office (derived from the Federal Budget Impact Fund). These stations are important for monitoring the seismic and volcanic activity of the lower Cook Inlet and Kodiak Island areas. In addition to that in the subduction zone (area of contact between the Pacific and Alaskan plates) these stations monitor possible activity on three major fault systems which are important to seismic hazards assessment in the greater Anchorage area: (1) the Bruin Bay-Castle Mtn. system; (2) the Border Ranges-Eagle River system; (3) the offshore Kodiak-Montegue Island system. This network also provides a means to monitor the activity of the following volcanoes: Katmai group, Mt. Douglas, Augustine, Illiamna and Redoubt.

Useful support can be given at any level of funding between \$80,000 and \$250,000. Costs for various portions of this network are as follows: \$80 K, Cook Inlet; \$75 K, Kodiak Island; \$60 K, Alaska Peninsula. The remaining \$35 K would be used for preparation of a comprehensive seismic hazards assessment of the greater Cook Inlet region.

2. Interior Alaska Seismic Network

This network consists of about 15 stations (5 now closed) generally located along the Glen, Parks and Alaska (between Glennallen and Fairbanks)

Highways (see upper right portion of Figure 1). It monitors seismic activity in the Mat-Su Valleys, the Talkeetna Mountains, the Railbelt and major highway routes into the interior and the Fairbanks-Nenana region. Major fault systems monitored include the northeastern most corner of the Pacific-Alaska plate interface (subduction zone), the Denali and Castle Mountain Fault systems, numerous other smaller faults north of the Alaska Range and the Fairbanks seismic zone.

The Interior Alaska Seismic Network includes some of the original stations established immediately following the 1964 Good Friday Earthquake. It has been supported under grants and contracts from the federal government as well as unrestricted funds allocated to the Geophysical Institute of the University of Alaska. These latter funds now are the sole source of support for the Interior Network. The \$50 K sought would not cover all of the costs of this network but would ease the burden on the Institute overhead.

A more permanent solution to supporting this network would be to fund it through the University of Alaska, Fairbanks as a seismic laboratory for the purpose of graduate and undergraduate student education. The total annual costs of this network are about \$125 K.

### 3. Stations in SE and SW Alaska

One of the consequences of relying upon federal research grants and contracts for seismic networks to monitor earthquakes in Alaska is that the coverage is uneven and changes depending upon the priorities of the federal programs and not necessarily the needs of Alaska. Two examples of this situation are in SE and SW Alaska.

Until recently DOE and NOAA supported networks operated by Columbia University in the Pribilof Islands and around Dutch Harbor. All of these stations have been closed, save one in Dutch Harbor which is barely

supported by the Alaska Division of Geological and Geophysical Surveys (DGGS). The second example is the Hyder-Ketchikan area of southeastern-most Alaska. Notwithstanding the fact that this area is adjacent to a major plate boundary fault - the Queen Charlotte-Fairweather system - it has never been adequately instrumented to monitor the local seismic events.

The \$50 K sought here would allow the maintenance of two stations, one each in Dutch Harbor and the Kantishna Mining District and the installation and maintenance of two stations in the Hyder-Ketchikan area. The cost per station is somewhat high because DGGS does not now operate enough seismic stations to be most efficient.

#### 4. Seismic Instrumentation in Anchorage Buildings

One of the most effective ways to save lives and property in the event of a major earthquake is to have designed large buildings to an appropriate level of seismic resistance and to have carefully chosen the sites for both public buildings and private dwellings so as to avoid those areas that pose special seismic risks. Two essential kinds of data for the seismic engineering of large structures are provided by strong-motion accelerographs. These instruments can measure exactly how hard the ground vibrated at a given location and exactly how severely a given building may have been shaken in response. Ordinary seismic stations are designed to locate as many small earthquakes as possible and so are far too sensitive to measure the strong ground motion and building response during a large earthquake at distances close enough to the epicenter to cause serious damage.

A very serious problem in Alaska is the lack of strong motion accelerograph data. The seismic designs of the Trans Alaska Pipeline

System and of offshore platforms as well as the State Office Building in Anchorage have had to rely upon extrapolations from data collected in California and Japan. The geologic environment of Alaska is different enough from these regions that it is important to have data collected in Alaska to use in the design of Alaskan structures.

The Municipality of Anchorage recently took a big step forward in reinstating the Uniform Building Code requirement that certain large buildings must have strong motion accelerographs installed when they are built. To assure that the data from these instruments are maximally useful, the Division of Geological and Geophysical Surveys has proposed to the Municipality a joint program for the maintenance and processing of data from these instruments. This proposal also calls for the installation of some additional instruments to augment those that will be installed under the new Municipal Building Code.

The \$18 K sought here would support the states share of this joint program: \$16 K is for the purchase of instruments and \$1.6 K is for 1/2 the installation and maintenance costs of the first year of the program. The annual maintenance costs are expected to total about \$5 K to \$6 K with the state share being about half of this figure. The additional FY 85 funds shown would be to initiate similar programs in other municipalities such as Valdez, Kodiak, Seward, Whittier, Juneau, Palmer and Fairbanks, for examples.

Note that a major assumption in this program is that data from the various short period networks are available. These data will be important to pinpoint the specific fault which caused the strong ground motion and building response recorded by the strong motion accelerographs. Without this information much of the utility of these strong motion data will be lost.

## 5. Cook Inlet Volcano Observatory

Seismic stations are located on or nearby each of the four major volcanoes which line the western shore of Cook Inlet; viz., Augustine, Illiamna, Redoubt and Spurr. Potentially these stations could be used to warn the communities along the Inlet of an impending volcanic eruption - an event that is expected at least every 20 years from one of these four volcanoes. Such eruptions have posed serious hazards in the past, particularly to aviation and to tidewater communities.

These stations, however, are operated by three different agencies, are recorded at three different locations, for three different purposes. Since all of the stations and associated transmission equipment already exist, it is a relatively trivial matter to relocate the recording facility for some of these stations such that they are all recorded at a common place. Once this is done, then it is quite easy to monitor the activity of all of the volcanoes along Cook Inlet.

It has been proposed that the "Cook Inlet Volcano Observatory" be established at the USGS offices in Gould Hall on the Alaska Pacific University campus. A tentative agreement has been reached between all of the agencies involved: USGS, DGGG, ATWC, ADES, NWS and UAGI. Since the USGS already has assigned a person to monitor some of these volcanoes and since most of the facilities and equipment already exist, the incremental operational costs for establishing this "observatory" are minimal. The \$5 K sought here should be reduced in future years to about \$1 K or \$2 K for the DGGG share of the annual maintenance.

## 6. Alaska Seismological Data Center

Seismic stations are operated in Alaska by 13 different agencies. The data from these stations are archived in 12 different locations

ranging from New York to California and from Colorado to Fairbanks.

There is no agency in Alaska (or otherwise) which can provide ready access to all of this data. Consequently, when a specific project is proposed, as the State Office Building in Anchorage, e.g., one of the first tasks of the consultant hired to assess the seismic risks is to travel to a number of these different archival sites to collect the basic data needed for the study. Indeed, some studies simply have not been done because of the difficulties involved in assembling the data.

The total annual cost of the seismic monitoring effort in Alaska exceeds two million dollars. What we propose is to spend less than five percent of this amount to assure that the data collected is readily available in Alaska for all Alaskans to use. This is the only project in this package which requires the hiring of new personnel. The personnel service funds sought here would support 1 (full-time) geological assistant and 1 (two-thirds time) graduate student intern. The geological assistant would be charged with continuously acquiring new data, maintaining the seismic data archive, and providing routine data products such as bulletins and maps. The student intern would provide special purpose analyses of the data on an as-requested basis. Supervision and facilities for the data center would be provided through existing DGGS and UAGI program support.

#### 7. Engineering Geological Studies in Municipal Areas.

One of the questions most often asked of DGGS is a variation on "Is this site where I plan to build safe from earthquakes?" The answer to this question of course depends upon a detailed knowledge of the seismic history of the area, but it also depends, equally importantly upon an understanding of both the general geology and specific soil properties of the site in question.

This fact was dramatically demonstrated by the damage patterns of the 1964 Good Friday Earthquake in Anchorage. Most of the damage in Anchorage by that earthquake was not done as a direct result of the shaking, but as a result of the failure or liquefaction of sandy soils in the Bootlegger Clay Formation (a soil horizon found under most of the city of Anchorage). The importance of a detailed knowledge of the engineering geology of a given site was vividly illustrated by the contrast of homes which were unscathed by the 1964 earthquake standing next to piles of rubble which previously had been neighboring dwellings.

It is not, in general, the province of DGGs to do site-specific geologic studies. What we propose is a series of area-wide studies in a number of municipalities to map soil horizons, do engineering studies to characterize the general seismic properties of these soils, and to integrate this type of information with other knowledge such as water table height, slope, and expected level of seismic shaking to arrive at area-wide, general maps of the potential for foundation soil failure during future earthquakes.

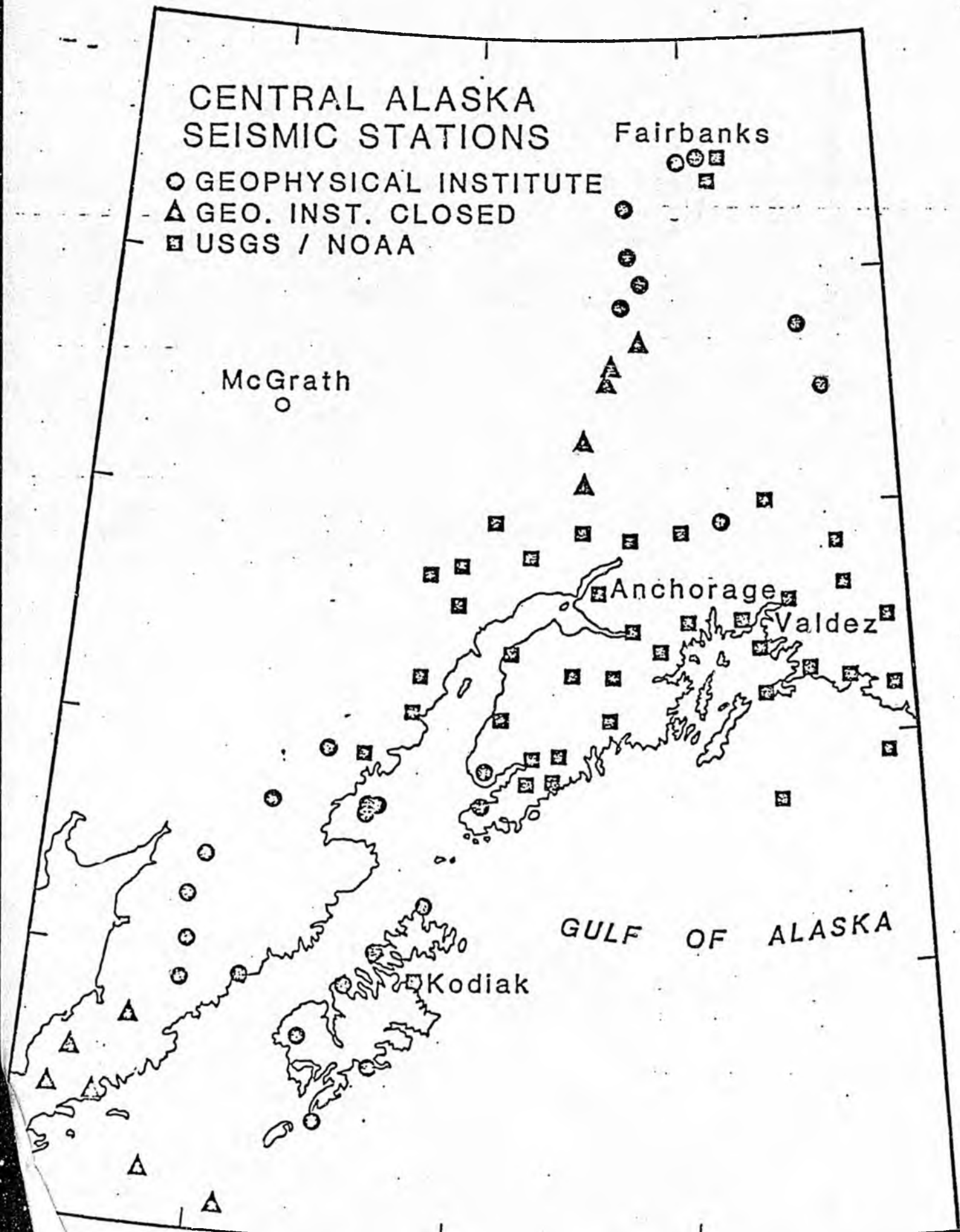
### Priorities

It is difficult to assign priorities to these projects because they are all important for different reasons. Some level of support for the Cook Inlet-Kodiak seismic network is most urgent because without this support it will close this summer. Next, I would place the Alaska Seismological Data Center since it will help to utilize those data which are being collected. Third, I would place the strong motion accelerograph program in Anchorage. Fourth I would place the support for the Interior Network and the installation and maintenance of stations in SE and SW.

-- Last, would be the Cook Inlet Volcano Observatory and the Engineering Geological Studies, only because these are derivative operations which require the existence of data collected and made available through the projects listed above.

# CENTRAL ALASKA SEISMIC STATIONS

- GEOPHYSICAL INSTITUTE
- △ GEO. INST. CLOSED
- USGS / NOAA



GULF OF ALASKA

Introduced: 4/26/83  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY FLOOD AND HAYES

2

HOUSE BILL NO. 379

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act establishing a seismic hazard program within  
7 the Department of Natural Resources; and providing  
8 for an effective date."

9

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

10

\* Section 1. AS 41.08.017 is amended to read:

11

Sec. 41.08.017. HYDROLOGICAL AND SEISMIC HAZARD DATA DECLARED TO

12

BE OF PUBLIC INTEREST. (a) Systematic collection, recording, evalua-  
13 tion, and distribution of data on the quantity, location and quality  
14 of water of the state in the ground, on the surface of the ground, or  
15 along the coasts, are in the public interest and necessary to the  
16 orderly domestic and industrial development of the state.

17

(b) Systematic collecting, recording, evaluation, archiving and  
18 distribution of data on seismic events and engineering geology, and  
19 identification of potential seismic hazards throughout the state are  
20 in the public interest and necessary to orderly, safe and cost-  
21 effective development in the state.

22

\* Sec. 2. AS 41.08.020(b) is amended by adding new paragraphs to read:

23

(6) collect, record, evaluate, archive and distribute data  
24 on seismic events and engineering geology of the state;

25

(7) identify potential seismic hazards that might affect  
26 development in the state;

27

(8) inform public officials and industry about potential  
28 seismic hazards that might affect development in the state.

29

\* Sec. 3. This Act takes effect July 1, 1983.

# Alaska House of Representatives

## MEMO



Phone: 465-3725  
Room: 214 Capitol

From the desk of CHIEF CLERK

TO: FINANCE                      DATE: 3/20/84

Please return the committee copy of  
HB 380 to us. The Sponsor  
Substitute has been sent to  
Resources.

Introduced: 4/26/83  
Referred: Resources and  
Finance

<u>Funding Information</u>	
General Fund	\$500,000
Other Funds	-0-
	<u>\$500,000</u>

1 IN THE HOUSE

BY FLOOD AND HAYES

2

HOUSE BILL NO. 380

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act making a special appropriation to the Department of Natural Resources for a seismic hazard program; and providing for an effective date."

7

8

9

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

10

\* Section 1. The sum of \$500,000 is appropriated from the general fund to the Department of Natural Resources for the seismic hazard program.

11

12

\* Sec. 2. The unexpended and unobligated portion of the appropriation made by this Act lapses into the general fund June 30, 1984.

13

14

\* Sec. 3. This Act takes effect on the effective date of a version of an Act entitled "An Act establishing a seismic hazard program within the Department of Natural Resources; and providing for an effective date." passed by the Thirteenth Legislature and enacted into law.

15

16

17