

LEG. FINANCE - BILLS 1983 - 1984 1951

HB 593 - HB 599 1951

# COMMITTEE REPORT

## HOUSE

(11)

FURTHER:

3/1/84

Date:

3/13/84

The Committee on FINANCE has had HB 593

"An Act relating to fines imposed in criminal cases."

under consideration and recommends:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for HB 593 (Tun)  same title  
 new title
- and recommends DO PASS
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation  Zero Fiscal Note Attached  
2-21-84
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

Walter J. ...  
T. H. ...  
Walt Furysare  
Al ...  
Tom ...  
MILO A. FRITZ

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

J. ...  
...

Walter J. ...  
CHAIRMAN

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

HB 593

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

REQUEST

Bill/Resolution No. CSHB 593 (2nd)  
Title: Fines imposed in  
Criminal Cases  
Sponsor: Liska, Barnes, Bussell  
Requestor: \_\_\_\_\_  
Date of Request: \_\_\_\_\_

FISCAL DETAIL

Agency Affected: Alaska Court System  
Program Category Affected: \_\_\_\_\_  
Administration of Justice  
BRU, Program or Subprogram(s) Affected: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: Richard Barrier Phone: 264-0545  
Division: Alaska Court System Date: 2/21/84

Approved by Commissioner: [Signature] Date: 2/21/84  
Agency: Alaska Court System

Distribution (by Agency preparing fiscal note):

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

12/1/83

Offered: 3/1/84  
Referred: Finance

Original sponsors: Liska, Barnes  
and Bussell

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2

CS FOR HOUSE BILL NO. 593 (Judiciary)

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 surcharges imposed in criminal cases."

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8

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

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\* Section 1. AS 12.55.015(a) is amended by adding a new paragraph to read:

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(9) impose a surcharge as required by AS 12.55.035(e).

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\* Sec. 2. AS 12.55.035 is amended by adding a new subsection to read:

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(e) Regardless of whether a fine is imposed under this section,

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the court shall order the defendant as part of the sentence to pay a

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surcharge of \$10 upon each conviction for an infraction, violation or

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misdemeanor offense, and \$20 upon each conviction for a felony

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offense. The surcharge imposed under this subsection may not be

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suspended.

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\* Sec. 3. It is the intent of the legislature that an amount equivalent

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to the surcharge imposed under AS 12.55.035(e) be appropriated annually to

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the crime victim compensation fund (AS 18.67.162).

# Alaska State Legislature

## COMMITTEES

Vice Chairman — Judiciary  
Vice Chairman — Legislative  
Regulations Review  
Resources  
Finance Sub Committee on Labor



While in Session  
Pouch V  
State Capitol  
Juneau, Alaska 99811  
(907) 465-3733

Home - District 15  
Star Route Box 421  
Eagle River, Alaska 99577  
(907) 688-2526

## House of Representatives

John J. Liska

February 22, 1984

### MEMORANDUM

TO: Judiciary Committee

FROM: Representative John J. Liska

REFERENCE: HB 593, "An Act relating to fines imposed in criminal cases"

A. Copy of HB 593

B. Reference Section 2 of HB 593.

We felt it essential to the bill to include this section. President has been set in many places in Alaska Statutes where there are direction or instructions as to the use of funds, even though we can not designate what the funds shall be used for. Reference is made to Sec. 16.05.130 attached.

C. Program Review of other States.

Showing -

1. Funding Source
2. Total Revenues
3. Specific Provisions
4. Experienced insufficient funds
5. Changes in Costs and Funding

D. Letter of support from Violent Crimes Compensation Board.

JJL/tm

Sec. 16.05.120. Disbursement of funds. Upon authorization of the commissioner, disbursements from the fish and game fund shall be paid by the proper state officer on presentation of vouchers signed by the commissioner or an authorized representative, and approved by the proper state officer. (§ 17 art I ch 94 SLA 1959)

Sec. 16.05.130. Diversion of funds prohibited. Funds accruing to the state from sport fishing, hunting, and trapping licenses or permit fees may not be diverted to a purpose other than the protection, propagation, investigation, and restoration of sport fish and game resources and the expenses of administering of the sport fish and game divisions of the department. (§ 18 art I ch 94 SLA 1959; am § 2 ch 41 SLA 1979)

Effect of amendments. — The 1979 amendment substituted "sport fishing, hunting, and trapping licenses" for "sport fishing and hunting licenses."

Opinions of attorney general. — The primary, if not the sole, purpose of this section is to make possible the procurement of federal matching money. A provision for nondiversion of funds is a condition precedent to obtaining federal

assistance under 16 U.S.C. §§ 669, 777. 1959 Op. Att'y Gen., No. 10.

A temporary use of money in the fish and game fund under particular circumstances, wherein repayment is to be made pursuant to a contract with the federal government, is not a diversion within the meaning of this section. 1959 Op. Att'y Gen., No. 10.

Sec. 16.05.140. Assent to provisions of federal aid acts. The state assents to the Federal Aid to Wildlife Restoration Act of September 2, 1937 (16 USC, 669-669j), to the Federal Aid in Fish Restoration Act of August 9, 1950 (16 USC, 777-777k), to any amendment, revision or modification of either act, and to any other federal aid act which may be enacted to benefit the state. It is desired that the department participate in the federal aid programs on the same basis as other states. (§ 20 art I ch 94 SLA 1959)

Sec. 16.05.150. Enforcement authority. The following persons are peace officers of the state and they shall enforce this chapter:

- (1) an employee of the department authorized by the commissioner;
- (2) a police officer in the state;
- (3) any other person authorized by the commissioner. (§ 21 art I ch 94 SLA 1959)

Opinions of attorney general. — Where the military does not assign sufficient personnel to enforce fish and game laws on military reservations, state game officials as well might enforce them, possibly by deputizing state game officials as federal marshals, since 10 U.S.C. 2671(c) makes violation of state fish and game laws a federal offense. 1964 Op. Att'y Gen., No. 2.

Since state fish and game laws operate on a federal military reservation, not only

as federal law but also as state law, both the federal and state officers may enforce these laws. 1964 Op. Att'y Gen., No. 2.

State officers should have full access to military reservations in Alaska, subject to safety and military security requirements, to enforce laws and manage and harvest fish and game resources. 1964 Op. Att'y Gen., No. 2.

There is no provision in the Alaska Statutes or the Alaska Constitution which would operate to deprive the commissioner

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PROGRAM REVIEW

Funding Source	Total Revenues	Specific Provisions	Experienced Inefficient Funds	Changes in Costs & Funding
General Revenues	\$ 319,300 <sup>1</sup>	None	Yes	Because of increasing medical costs, inflation and more claims, benefits are increasing but admin. costs are remaining stable.
Penalty Assessment	17,075,379	All felonies and most misdemeanors are assessed a \$4 penalty for every \$10 fine; 24.58% of these monies go to the victim compensation; the balance goes to victim witness and rape crisis centers	Yes	This is the first year that the program received no general fund support and was funded solely from fines & penalties. \$2,620,860 worth of claims were carried over from previous year, leaving \$10,149,281 for payment of claims in '81-87. Additional spending authority granted to cover \$2.5 million shortfall this year.
Fines	1,100,000	Fines are assessed as follows: \$15 on all motor vehicle and DUI offenses & misdemeanors \$20 on all felony convictions	No	Bill pending to allow program to invest funds in short term interest-bearing accounts (presently remains in general fund with interest reverting to that fund).
Fines & penalties Forfeitures Restitution	343,317 <sup>2</sup>	[REDACTED]	Yes	Surcharge increased from 10% to 1982.
Fines & penalties	2,200,000 <sup>3</sup>	\$10 additional court cost and surcharge on all criminal penalties	No	Court costs & surcharges now will be assessed on criminal traffic offenses. Program estimates that this will provide 30% more revenue.
General Revenues	598,000	None	No	Asked legislature for a \$300,000 revolving fund in 1981 but it did not pass.
General Revenues Supplemental Approp.	2,300,000	None	Yes	None

ALASKA

CALIFORNIA

CONNECTICUT

DELAWARE

FLORIDA

HAWAII

ILLINOIS

*These are 1981 figures or rather program review -*

PROGRAM REVIEWS

Funding Source	Total Revenue	Specific Provisions	Experienced Insufficient Funds	Changes in Costs & Funding
General Revenue Fines & penalties	50,000 (Administration) 900,000 (Benefits)	\$15 on class A misdemeanors & all felons (no traffic violations) 10% of salaries of prisoners on work release	No	Indiana has had a rollercoaster history of funding: 1978 Appropriation - \$200,000 1979                                 \$1 1980                                 \$0 1981 - Changed affiliation \$1 Under new legislation, effective July 1982, the program will be self-supporting without any general appropriation. Also under the new law, interest on the victim compensation fund will revert to that fund rather than to the general fund as in the past.
General Revenue	239,452	None	No	Bill pending to assess a penalty fee of \$25 on all felons & \$10 on all misdemeanors to augment revenue from the general fund. The state made a projection as to the amount that would be collected & subtracted that much from the general appropriation so that funding remains stable.
General Revenue Fines & penalties	366,000	\$10 for all offenses for which imprisonment may be imposed	Yes	Legislation establishing fines effective July 15, 1982.
General Revenue Court Costs	\$2,004,763 (only \$318,230 was collected thru court cost)	\$10 on all conviction	Yes	None
General Revenue	905,967	None	Yes	Legislation pending to allow for payment of some or all of any fine imposed on a convicted offender to the victim of that crime. Bill also pending to allow for monies collected under Son of Sam provision to revert to the victim compensation fund if no civil action is brought by victim.
General Revenue Supplemental Approp.	1,990,800	None	Yes	None

INDIANA

KANSAS

KENTUCKY

MARYLAND

MASSACHUSETTS

MICHIGAN

PROGRAM REVIEWS

Funding Source	Total Revenues	Specific Provisions	Experienced Insufficient Funds	Changes in Costs & Funding
<ul style="list-style-type: none"> <li>• General Revenues</li> <li>• Restitution</li> <li>• Refunds</li> <li>• Fines &amp; Penalties</li> </ul>	573,089	See "changes"	Yes	<ul style="list-style-type: none"> <li>• Anticipate that funding will decrease due to state government cutbacks.</li> <li>• Legislature passed surcharge provision stipulating that 10% of a fine (or \$40, whichever is greater) on every misdemeanor, gross misdemeanor &amp; felony conviction should be collected &amp; divided up among victim services. An additional \$5 is assessed for traffic violations. These funds will, however, be used to reimburse the general fund &amp; thus only those monies in excess of the appropriation will go directly to victim compensation.</li> <li>• Program would like to mandate minimum monetary penalties on offenders.</li> <li>• Would also like to see a % of wages earned by prisoners go to victim compensation.</li> </ul>
<ul style="list-style-type: none"> <li>• Fines &amp; Penalties</li> <li>• Restitution</li> </ul>	370,834	<ul style="list-style-type: none"> <li>• 10% of fines &amp; bail forfeitures assessed by highway patrol on all motor vehicle violations</li> </ul>	No	<ul style="list-style-type: none"> <li>• Established new penalty assessment procedure in 1981 - Prior to that date the victim comp. fund received 6% of all fines for moving traffic violations (incl. cities &amp; towns).</li> </ul>
<ul style="list-style-type: none"> <li>• General Revenues</li> <li>• Supplemental Approp.</li> </ul>	115,000	None	Yes	<ul style="list-style-type: none"> <li>• Program was set up in 1979 with a 3-year test period established before appropriation would be made, but there has been no problem in getting supplemental appropriations as needed.</li> <li>• However, because of state fiscal crunch governor requested 33 decrease in victim compensation budget last year and will probably effect similar decreases in the future.</li> </ul>
<ul style="list-style-type: none"> <li>• Bond Forfeitures</li> <li>• "Son-of-Sam" monies</li> </ul>	70,000	<ul style="list-style-type: none"> <li>• Bond forfeitures on all felony cases</li> <li>• Half the earnings from "Son-of-Sam" provisions</li> </ul>	---	None

MINNESOTA

MONTANA

NEBRASKA

NEVADA

## PROGRAM REVIEWS

Funding Source	Total Revenue	Specific Provisions	Experienced Insufficient Funds	Changes in Costs & Funding
<ul style="list-style-type: none"> <li>•General Revenue</li> <li>•Fines &amp; Penalties</li> </ul>	\$2,300,000 Approx.	<ul style="list-style-type: none"> <li>•Court costs of \$25 assessed on any simple assault or any crime; in cases of injury or death to a victim the judge can impose any fine up to a max. of \$10,000. Money comes directly to victim comp. office &amp; is deposited in treasury account.</li> </ul>	Yes	<ul style="list-style-type: none"> <li>•Court costs imposed effective Feb 6, 1980 but because of problems in collecting fines they did not begin to come in until 1981. Program has hired a court monitor to oversee collection of the penalties; so far in 1982, \$600,000 has accumulated.</li> <li>•Proposal pending also to assess a fine of \$10 on juvenile convictions, as well as \$25 on all convictions for disorderly conduct.</li> <li>•Budget increased by \$1 million in 1979 (appropriation).</li> </ul>
•General Revenue	\$1,800,000	None	—	None
•General Revenue	6,800,000 <sup>9</sup>	None	—	<ul style="list-style-type: none"> <li>•Legislation was proposed in 1982 to allow for the proceeds of sale of abandoned property held by law enforcement to be paid into victim compensation fund.</li> <li>•Also proposed in 1982 a more rigorous restitution statute.</li> <li>•Have also proposed minimum mandatory monetary penalties on persons convicted of crimes.</li> <li>•Also proposing that 1/2 of all monies earned by convicted arsoners be used for victim compensation.</li> </ul>
•General Revenue	\$311,068 <sup>10</sup>	None	No	None
<ul style="list-style-type: none"> <li>•Fines &amp; Penalties</li> <li>•Supplemental Approp.</li> </ul>	5,310,189	<ul style="list-style-type: none"> <li>•Additional court costs of \$3 (see "Changes") are assessed on any person who is convicted of or pleads guilty to any offense other than a non-moving traffic violation.</li> </ul>	Yes	<ul style="list-style-type: none"> <li>•Legislation eff. Nov. 15, 1981 provided that court cost be raised to \$10 until June 30, 1983 at which time it will revert back to \$3 unless action is taken to keep it at higher rate.</li> <li>•In 1980 the legislature specified that court costs apply also to juveniles &amp; that defendant out on bail is required to pay.</li> </ul>

NEW JERSEY

NEW MEXICO

NEW YORK

NORTH  
DAKOTA

OHIO

## PROGRAM REVIEWS

Funding Source	Total Revenue	Specific Provisions	Experienced Inadequate Funds	Changes in Costs & Funding
•General Revenue (Alain) for period 10/14/81 to 6/82 •Fines & Penalties (Collected thru 2/82) •Restitution Fund	\$ 30,000 46,022	•Fines & Penalties are to be assessed on pleas & convictions as follows: \$5 - misdemeanors (excluding traffic) \$25 - non-violent felonies \$25-\$10,000 (judicial discretion) on violent felonies Project that these assessments will bring in \$250,000/year •Restitution fund - statute provides that any monies left in the fund over 3 years will revert to victim compensation fund; expecting to receive \$30,000 to \$35,000/year	---	None
•General revenue •Restitution	1,761,000	•\$1,480,000 benefits, 281,000 admin. •Program is running on \$45,000/month less than appropriated •Unique restitution statute allows program to recoup costs from third parties, such as drinking establishments, who may be held responsible for the criminal acts of its patrons & must carry liability insurance	---	None
Fines & penalties	\$1,861,397 (collected) \$1,311,000 (budget)	• \$10 fine is assessed on any Title 18 criminal conviction. While this \$ goes into the general fund from which the victim compensation receives an appropriation the program is really self-supporting through imposition of court costs.	No	• Anticipate that their revenues will increase because the crime rate is going up.

OKLAHOMA

OREGON

PENNSYLVANIA

PROGRAM REVIEWS				
Funding Source	Total Revenue	Specific Provisions	Experienced Insufficient Funds	Changes in Costs & Funding
Fines & penalties	\$972,723	<ul style="list-style-type: none"> <li>• Court costs are imposed on criminal convictions as follows:               <ol style="list-style-type: none"> <li>1. \$10 on misdemeanors with penalty of less than 1 year incarceration;</li> <li>2. \$30 on felonies w/ penalty up to 5 years;</li> <li>3. \$50 on felonies w/penalty of more than 5 years</li> </ol> </li> </ul>	No	None
Fines & penalties	\$1,141,631	<ul style="list-style-type: none"> <li>• Offenders on parole pay \$5/month</li> <li>• Court costs: (1) \$21 in Circuit Court; (2) \$10 Sessions Court</li> </ul>	Yes	<ul style="list-style-type: none"> <li>• 1980 legislature included convictions in Sessions Court (less severe crimes) in court costs levies.</li> <li>• Taxing provision used to be "crimes against person or property"; now reads any criminal conviction except \$500 fine and no incarceration (eff. 1981).</li> </ul>
Fines & penalties	\$1,129,520	<ul style="list-style-type: none"> <li>• Court costs are assessed as follows:               <ol style="list-style-type: none"> <li>1. \$15 on all felony convictions &amp;</li> <li>2. \$10 on all Class A &amp; B misdemeanors (penalties of more than \$200 fine or incarceration)</li> </ol> </li> </ul>	Yes	<ul style="list-style-type: none"> <li>• Legislature does not meet again until 1983--at that time they will probably pass bill including Class C misdemeanors in levying fines.</li> </ul>
General revenues	\$125,000	<ul style="list-style-type: none"> <li>• Benefits only</li> </ul>	Yes	<ul style="list-style-type: none"> <li>• Considering possibility of setting up special rates; no formal action yet.</li> </ul>
Fines & penalties	\$450,673 <sup>16</sup>	<ul style="list-style-type: none"> <li>• \$15 court cost assessed on individuals convicted of any felony or Class 1 &amp; 2 misdemeanor (not including drunken driving, disorderly conduct, or traffic offenses)</li> </ul>	Yes	<ul style="list-style-type: none"> <li>• Fee raised to \$15 from \$10 in 1981.</li> <li>• Have go-ahead from legislature to propose that interest from victim comp. fund revert to that special fund rather than general fund.</li> </ul>

RHODE ISLAND

TENNESSEE

TEXAS

VIRGIN ISLANDS

VIRGINIA

PROGRAM REVIEWS

Funding Source	Total Revenue	Specific Provisions	Experienced Insufficient Funds	Changes in Costs & Funding
<ul style="list-style-type: none"> <li>• General revenues</li> <li>• Fines &amp; penalties</li> </ul>	\$2,500,000	<ul style="list-style-type: none"> <li>• \$50 felony or gross misdemeanor convictions</li> <li>• \$25 misdemeanor</li> <li>• Includes juveniles</li> <li>• Had not be convicted of victim-involved crime</li> </ul>	Yes	<ul style="list-style-type: none"> <li>• Old legislation provided for \$25 fine or 10% of other fine (whichever is greater) to be assessed on victim-involved felony or gross misdemeanor.</li> <li>• New legislation contains monitoring &amp; enforcement provisions.</li> <li>• New legislation is predicated on proposition that program will be self-supporting.</li> </ul>
Fines & penalties	\$318,000	<ul style="list-style-type: none"> <li>• \$3 court cost imposed on any felony or misdemeanor conviction, including moving traffic violations.</li> <li>• Anticipate that they will be collecting between \$30,000 &amp; \$40,000/month.</li> </ul>	—	None
General revenues	\$1,788,000	<ul style="list-style-type: none"> <li>• \$1,583,000--benefits</li> <li>• \$205,000--admin.</li> </ul>	No	<ul style="list-style-type: none"> <li>• 1980 passed victim/witness bill of rights adding separate additional appropriation of \$572,000 in '81 for v/w services to be administered by victim comp. program.</li> </ul>

WASHINGTON

WEST VIRGINIA

WISCONSIN

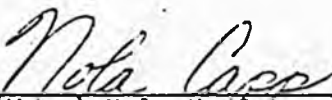
DEPARTMENT OF PUBLIC SAFETY  
VIOLENT CRIMES COMPENSATION BOARD  
POSITION PAPER - HB 593

SUPPORT

February 17, 1984

This bill would impose a 20% penalty on any court fine a defendant is sentenced to pay. An amount equivalent to the 20% penalty collected would be appropriated annually to the crime victim compensation fund.

The Violent Crimes Compensation Board supports this bill. This is similar to legislation passed in other states and in effect makes offenders pay for compensation to innocent victims.

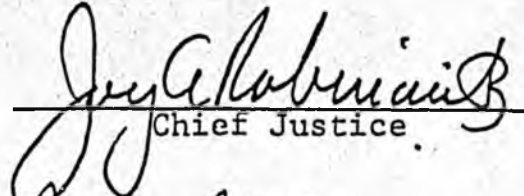
  
\_\_\_\_\_  
(Mrs.) Nola K. Capp  
Administrator

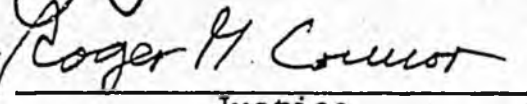
IT IS ORDERED:

Parts A and B of the Uniform Traffic Bail Schedule  
are amended as set forth on the attached schedule.

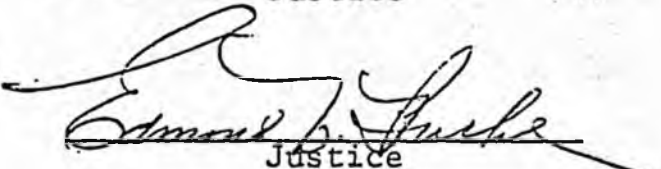
DATED: September 27, 1979

EFFECTIVE DATE: October 15, 1979

  
Chief Justice

  
Justice

  
Justice

  
Justice

  
Justice

[INFORMATIONAL NOTE: The Uniform Traffic Bail  
Schedule was adopted by Supreme Court Order  
No. 200, effective March 15, 1975, and has  
been twice amended previously (effective August  
1, 1975, and January 15, 1978).]

Distribution:

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A. Amenable Optional/Mail-In

14AAC10.030(D2)	Expired Parking Meter	\$ 2
11AAC12.020	Speed 10-19MPH Over Posted Limit-State Parks	2MI
11AAC12.020	Speed 3-9MPH Over Posted Limit-State Parks	2MI
13AAC02.275(B)	Speed 10-19MPH Over Posted Limit	2MI
13AAC02.275(B)	Speed 3-9MPH Over Posted Limit	2MI
13AAC02.280(A-D)	Altered Limits 3-9MPH Over Posted Limit	2MI
13AAC02.280(A-D)	Altered Limits 10-19MPH Over Posted Limit	2MI
13AAC02.325(B,C,E)	Spd Lim Tow/Min Lght/Sch Bus Yel Lgh-10-19MPH	2MI
13AAC02.325(B,C,E)	Spd Lim Tow/Min Lght/Sch Bus Yel Lgh- 3- 9MPH	2MI
13AAC02.325(F)	Overweight/Size Speed Viol 10-19MPH Over	2MI
13AAC02.325(F)	Overweight/Size Speed Viol 3-9MPH Over	2MI
14AAC10.030(A2,C3)	Speed 10-19MPH Over Prescribed Limits	2MI
14AAC10.030(A2,C3)	Speed 3-9MPH Over Prescribed Limits	2MI
17AAC25.080(A)	Permit Vio-Speed 10-19MPH Over Authorized Spd	2MI
17AAC25.080(A)	Permit Vio-Speed 3-9MPH Over Authorized Speed	2MI
14AAC10.030(D1,D3)	Illegal Parking/Abandoning Vehicle	5
AS05.30.010	Operating An Unregistered Snowmachine	10
AS05.30.040(B)	Failure To Display Numbered Registration Decal	10
AS05.30.100	Snowmachine Oper To Report Accidents	10
AS19.25.030	Damages To Obstructions, Signs & Construction	10
AS28.10.081(B)	Certificate Of Registration Carried In Veh	10
AS28.10.451	Violate Registration/Title Requirements	10
AS28.10.461	Plates/Decals/Permits Must Be Prop Displayed	10
AS28.10.461	Certificate Of Registration Carried In Veh	10
AS28.10.471	Oper Veh With Suspended/Revoked/Expired Reg	10
AS28.10.481	Improper Use Of Evidence of Registration/ Title	10
AS28.15.281(B)	Permitting Unauthorized Person To Drive	10
AS28.35.140	Obstructing Or Blocking Traffic	10
13AAC02.015	Pedestrian Control Signal	10

A. Amenable Optional/Mail-In

13AAC02.030(A)	Display Of Unauthorized Signs, Signals, Markings	10
13AAC02.150(A,B)	Pedestrians Subject To Traffic Regulations	10
13AAC02.155(B)	Pedestrian To Exercise Due Caution	10
13AAC02.160(A-F)	Ped Crossing At Other Than Crosswalks	10
13AAC02.175(A-E)	Ped Use Sdwlk/Lt Edge Rdwy/Not Interfere/Slp	10
13AAC02.180	Ped Not To Distract Drivers When Solicit Rides	10
13AAC02.190(B)	Do Not Use White Cane/Guide Dog Unless Blind	10
13AAC02.255(B)	Heavy Equipment To Give Notice Of RR Crossing	10
13AAC02.340(A-D)	Stopping/Standing/Parking On Hwy/Other Loc	10
13AAC02.365(A-G)	Additional Parking Regulations	10
13AAC02.367(D)	Not To Stop/Stand/Park In Loading Zone	10
13AAC02.372(B)	Position Of Bus Stopping To Load/Unload Pass	10
13AAC02.372(C)	Taxicab Restrictions On Standing/Parking	10
13AAC02.372(D)	Stop/Stand In Bus Stop/Taxi Stand	10
13AAC02.377(C-F)	Parking Meter Violations	10
13AAC02.395(B-E)	Special Bicycle Violations	10
13AAC02.400(A-H)	Riding Bicycles On Roadways/Bike Paths	10
13AAC02.420(A-C)	Parking of Bicycles	10
13AAC02.445	Snowmobile Violation	10
13AAC02.455(A-G)	Snowmobile Operation On Hwy/Other Locations	10
13AAC02.480	Requirements For Unattended Motor Vehicle	10
13AAC02.482(A)	Bicycles/Pedestrians Not To Travel Prohib Area	10
13AAC02.482(B)	Non-Motorized Veh To Yield To Traffic On Rdwy	10
13AAC02.495(D-F)	Opening Doors/Riders Outside Or In Trailer	10
13AAC02.497(C)	Permit Requirements For Funeral Procession	10
13AAC02.505(A-C)	Animals On Highway	10
13AAC02.520(B)	Improper Stopping/Parking At Emergency Scene	10
13AAC02.532	RR Trains Not To Block Roadways	10
13AAC04.003	Minimum Equip Required For Sale/Rnt/Lease Loan	10

A. Amenable Optional/Mail-In

13AAC04.004(A-C)	Sale Or Use Of Equipment	10
13AAC04.005	Disconnection/Alteration of Equipment	10
13AAC04.009(A-C)	Prohibited Practices-Inspection/Repair	10
13AAC04.015(A)	Lights In Good Working Order/Not Obstructed	10
13AAC04.210(A)	Failure To Give Audible Warning As Required	10
13AAC04.240(A-C)	Flares/Other Warning Devices Requirements	10
13AAC04.245(A-H)	Display Of Warning Lights/Devices	10
13AAC04.250(A,D)	Requirements For Transporting Hazardous Mat	10
13AAC04.250(B)	Give Notice Of Transporting Hazardous Material	10
13AAC04.252(A-C)	Slow Moving Vehicle Emblem Requirements	10
13AAC04.260(A,B)	Television/Headset In MV Restrictions	10
13AAC04.275(A-E)	Connections/Safety Devices-Towed Vehicles	10
13AAC04.320(C)	Bicycle Headlight Requirements	10
13AAC04.335(B)	Bicycle Reflector Requirements	10
13AAC04.340(B)	Bicycle Brakes	10
13AAC04.350(A)	Helmet Required-Minors/Passengers	10
13AAC04.350(B)	Eye-Protective Device Req When No Windscreen	10
13AAC04.350(C)	Minimum Equip For Rent/Lease/Loan Of Motorcycl	10
13AAC04.400(A,B)	Snowmobile/Off Hwy Veh Lights And Reflectors	10
13AAC04.405	Snowmobile/Off Hwy Veh Brakes	10
13AAC04.410	Snowmobile/Off Hwy Veh Throttle	10
13AAC04.415(A,B)	Snowmobile/Off Hwy Veh Muffler/Emiss Controls	10
13AAC04.420(A,B)	Snowmobile/Off Hwy Veh Other Equipment	10
14AAC10.030(B1-B4)	For-Hire Vehicles Must Obtain Permit	10
14AAC10.030(B5)	For-Hire Vehicles Not To Solicit Passengers	10
14AAC10.030(C4)	Ramp Operator's Permit Req For Ramp Operation	10
14AAC10.420(A)	Permit Req For Oper On Landing Area/Apron/Etc	10
14AAC10.420(B)	Operate Veh For Disposing Garbage/Waste Mat	10
14AAC10.440(B)	Vehicles To Have Proper Identification	10
13AAC02.325(F)	Overlength-Special Structures	10FT
17AAC25.030(E)	Load Extension Limit-Front/Rear	10FT

A. Amenable Optional/Mail-In

AS28.15.011	Driving With Expired License	15
AS28.15.121	Driving In Violation Of Restricted License	15
AS28.35.180	Disobedience To Signal Of Police Officer	15
11AAC12.020	Obedience To Traf Cont Devices-State Parks	15
11AAC12.100	Driving In A Closed Area-State Parks	15
13AAC02.005(A)	Obedience To Traffic Control Devices	15
13AAC02.010(A3B)	Turning On Red Signal When Prohibited	15
13AAC02.010(B)	Position Of Vehicle Stopping At Intersection	15
13AAC02.025	Lane Use Control Signals	15
13AAC02.050(A1,2)	Failure To Drive On Right Side Of Roadway	15
13AAC02.050(B)	Veh Not To Use Lt Lane At Less Than Speed Lim	15
13AAC02.055(A)	Improper Overtaking On Right	15
13AAC02.060(A)	Limitations On Driving Left Of Center	15
13AAC02.065(A)	Improper Overtaking On The Left	15
13AAC02.075(B)	Passing/Driving Left Of Center In No Pass Zone	15
13AAC02.080(B,C)	Wrong Way On One-Way Roadway	15
13AAC02.085(A,B)	Improper Lane Change	15
13AAC02.095(A)	Driving Over, Across, Within Barrier/Median	15
13AAC02.095(A)	Stay On Right Side Of Divided Hwy	15
13AAC02.095(C)	Improper Entry/Exit-Controlled-Access Hwy	15
13AAC02.107	Drive Nearest Rt Edge On Narrow/Winding Roadway	15
13AAC02.130(B)	Improper Position Of Veh Stopping At Stop Sign	15
13AAC02.140(C)	Driver of Emer Veh Not To Disregard Safety	15
13AAC02.155(E)	Not To Drive Within/Through Safety Zone	15
13AAC02.200(A-C)	Improper Position/Method Turning At Intersect	15
13AAC02.205(A,B)	U-Turn Only When Safe/Not On Hill Crst/Curve	15
13AAC02.210	Improper Start From Parked/Stopped/Standing	15
13AAC02.215(A-F)	Signals Required Turn/Stop/Slowing-Discon Aftr	15
13AAC02.257	Give Warn W/Horn When Vis Restrict-Al/Drwy/Bldg	15

A. Amenable Optional/Manual-111

13AAC02.257	Position Of Vehicle Stopping-Ally/Drwy/Bldg	15
13AAC02.265	Stop When Traffic May Be Obstructed	15
13AAC02.275(A)	Basic Speed-Reasonable & Prudent For Road Conditions	15
13AAC02.295	Impede Traffic/Drive Less Than Min Speed Limit	15
13AAC02.325(A)	Limitation On Motor-Driven Cycles At Night	15
13AAC02.425(A-D)	Special Motorcycle Violations	15
13AAC02.427(A)	MV Not To Deprive Motorcycle Of Full Lane Use	15
13AAC02.427(A)	Motorcycles More Than Two Abreast	15
13AAC02.427(B)	Motorcycle Passing In Same Lane As Other MV	15
13AAC02.482(A)	Driving A Motor Vehicle Where Prohibited	15
13AAC02.485(A, B)	Limitation On Backing	15
13AAC02.487	Driving On Sidewalk (Motor Vehicle)	15
13AAC02.495(A-C)	Obstructing Driver's View/Control Of Vehicle	15
13AAC02.497(A)	Interfering With Funeral Procession	15
13AAC02.497(B)	Requirements For Drivers In Funeral Procession	15
13AAC02.505(D, E)	Drivers Of MV To Exercise Due Care Regard Anim	15
13AAC02.515	Coasting Prohibited	15
13AAC02.517(A-G)	Requirements For Emergency Vehicles	15
13AAC02.520(C)	Crossing Fire Hose	15
13AAC02.530(D)	Haul/Drag Damage Causing Material On Highway	15
13AAC02.545(A)	Drinking While Driving	15
13AAC02.545(B)	Drivers To Exercise Due Care To Avoid Collusion	15
13AAC04.066(B, C)	Submit To Roadside Vehicle Inspection	15
13AAC04.010	Illuminate Lights As Required	15
13AAC04.020(E1, E2)	Headlight Dimming Requirement	15
13AAC04.070(E)	Parking Lights Not Used When Veh In Motion	15
13AAC04.095(D, G, I)	Flashing Yellow Lights Used When Required	15
13AAC04.097(A)	Use Of Flashing Red Light-School Bus	15
13AAC04.100(A-H)	Improper Use of Flashing Blue Lights	15

13AAC04.145(A-E)	Improper Use Of Auxiliary/Spot Lights	15
13AAC04.225(A,B)	View Not To Be Obstructed	15
13AAC04.247(D)	Improper Use Of Signs/Stop Arm On School Bus	15
13AAC04.320(D)	Lights Turned On When On Hwy-Motor Driven Cycl	15
13AAC08.140	Unlawful Use Of Classified License	15
14AAC10.030(A1)	Operate Veh In Accordance With General Rules	15
14AAC10.030(A1)	Obedience To Traffic Control Devices	15
14AAC10.030(C1)	Improper Operation On Runways, Taxiways, Etc.	15
14AAC10.030(E)	Improper Operation Of Veh Inside Buildings	15
17AAC25.080(A)	Permit Viol-Hours Of Operation	20
13AAC02.010 (A1A,A1B)	Fty To Vehicle In Intersect After Green Signal	25
13AAC02.010 (A1A,A1b)	Fty To Pedestrian In Cross Walk After Green Signal	25
13AAC02.010(A3A)	Stop For Steady Red Traffic Signal	25
13AAC02.010(A3B)	Fty When Turning Right/Left On Red Signal	25
13AAC02.010(A3C)	Stop For Steady Red Arrow	25
13AAC02.020(A1)	Fty After Stopping For Flashing Red Signal	25
13AAC02.020(A1)	Stop For Flashing Red Signal	25
13AAC02.050(A3)	Fty Driving Left Of Obstructed Roadway	25
13AAC02.050(B)	Turn Off Required With 5 Or More Veh Behind	25
13AAC02.055(B)	Return To Lane Only When Clear	25
13AAC02.065(A)	Fty To Overtaking Vehicle	25
13AAC02.065(B)	Fty To On-Coming Traffic When Passing	25
13AAC02.070	Fty 1/2 Roadway To On-Coming Vehicle	25
13AAC02.090(A-C)	Following Too Closely	25
13AAC02.120(A,B)	Fty To Veh On Right At Unsigned Intersection	25
13AAC02.125	Fty When Turning Left	25
13AAC02.130(B)	Failure To Stop For Stop Sign	25

A. Amenable Optional/Mail-in

13AAC02.130(B,C)	Fty After Stopping Or At Yield Sign	25
13AAC02.135(B)	Fty When Entering Rdwy From Non-Roadway	25
13AAC02.155(A)	Fty To Pedestrian In Crosswalk	25
13AAC02.155(C)	Vehicle Not To Pass Veh Stopped For Pedestrian	25
13AAC02.190(A)	Fty To Ped With White Cane/Guide Dog	25
13AAC02.240(A,B)	Obedience To Train Signals And Barriers	25
13AAC02.250(A)	Certain Veh To Stop At All RR Crossings	25
13AAC02.255(C)	Heavy Equipment To Stop At RR Crossing	25
13AAC02.257	Stop Emerging From Alley/Driveway/Building	25
13AAC02.260(D)	Fty To Children Crossing Road To/From Sch Bus	25
13AAC02.520(A)	Follow Emergency Veh Closer Than 500 Ft	25
13AAC02.325(F)	Overwidth-Special Structures	25FT
17AAC25.020(A)	Exceed Maximum Width Of 8 Ft	25FT
17AAC25.020(B)	Load Extending Beyond Allowable Limit	25FT
17AAC25.030(A)	Exceed Maximum Height Of 13 Ft 6 In	50
17AAC25.030(B-D)	Exceed Maximum Length	50
17AAC25.040(A,B)	Confinement/Shifting Of Load	50
17AAC25.050	Drawbar/Other Connection Req For Towing Veh	50
17AAC25.070(B-D)	Enforce Procedures/Driver Req To Stop For Off	50
17AAC25.080(A-J)	Permit Required For Excess Size/Weight	50
17AAC25.090(A-G)	Signs/Pilot Veh Required For Over Sz/Wt/Ld	50
17AAC25.100(A-C)	Road Closures And Restrictions	50
13AAC02.325(F)	Overweight-Special Structures	.05LB
17AAC25.060(1-3)	Exceed Maximum Gross Weight	.05LB
AS42.10.050	Operating W/O Common/Contract Carrier Permit	100
AS42.10.113	Vehicle Identification Requirements	100
AS42.10.130	Oper W/O Common/Contract/Temp Carrier Permit	100
AS42.10.240	Weight Fees	100
AS42.15.061	Oper W/O Cert Of Public Convenience (Buses)	100

D. MANDATORY VEHICLE APPEARANCE

AS05.30.080(1-4)	Snowmachine Equipment Required	**
AS28.15.011	Driver Must Have A Valid License	**
AS28.15.131	License To Be Carried And Displayed	**
AS28.35.155	Operating With Studded Tires When Prohibited	**
13AAC04.002	Unlawful To Drive Unsafe Vehicle	***
13AAC04.020(A-G)	Headlight Requirements	**
13AAC04.025(A, C)	Taillight Requirements	**
13AAC04.030(A)	Reflector Requirements	**
13AAC04.035(A, C)	Stop Light Requirements	**
13AAC04.037(A-C)	Turn Light Requirements	**
13AAC04.040(A-O)	Additional Lighting Requirements	**
13AAC04.070(A-D)	Parking Light Requirements	**
13AAC04.090(A-G)	Additional Lights Required For Emergency Vehicle	**
13AAC04.095(C-I)	Flashing Yellow Vehicular Light Requirements	**
13AAC04.097(A-C)	Special School Bus Lighting Equipment	**
13AAC04.145(A-E)	Restrictions On Lighting Equipment	**
13AAC04.205(A-C)	Brake Requirements	**
13AAC04.210(A-D)	Horn/Warning Device Requirements	**
13AAC04.215(A, B)	Muffler Requirements	**
13AAC04.220(A-C)	Mirror Requirements	**
13AAC04.225(A-C)	Windshield And Wiper Requirements	**
13AAC04.230(A-E)	Tire Restrictions And Requirements	**
13AAC04.247(A-C)	Color/Special Equipment On School Buses	**
13AAC04.255(B-D)	Air-Conditioning Equipment Requirements	**
13AAC04.257	Emission Control System Requirement	**
13AAC04.267(A, B)	Anti-Spray Device Requirements	**
13AAC04.270(A, C)	Safety Belt Requirements	**
13AAC04.272	Energy Absorption System Requirements	**
13AAC04.320(A, B)	Motorcycle Headlight Requirements	**

B. Manditory Court Appearance

13AAC04.325(A)	Bicycle Taillight Requirements	**
13AAC04.325(A,B)	Motorcycle Taillight Requirements	**
13AAC04.330(A,B)	Motorcycle Stop/Turn Light Requirements	**
13AAC04.335(A)	Motorcycle Reflector Requirements	**
13AAC04.340(A)	Motorcycle/Motor-Driven Cycle Brake Req	**
13AAC04.345(A)	Motorcycle Passenger Carrying Requirements	**
13AAC04.345(B)	Motorcycle Handlebar Requirements	**
13AAC04.355(A,B)	Other Motorcycle Equipment Required	**
13AAC08.030	Sch Bus Driver Permit/OL Req In Pos/Displayed	**
AS11.20.590(B)	Littering From A Motor Vehicle	***
AS28.35.245	Motorcycle Helmet Required-Minor Drivers	***
11AAC12.020	Speed 20MPH Or More Over Limit-State Parks	***
13AAC02.140(A,B)	Fty To Authorized Emergency Vehicle	***
13AAC02.260(A)	Stop For School Bus Flashing Red Lights	***
13AAC02.275(B)	Speed 20MPH Or More Over Posted Limit	***
13AAC02.280(A-D)	Altered Limits 20MPH Or More Over Posted Limit	***
13AAC02.325(B,C,E)	Spd Lim Tow/Min Lght/Sch Bus Yel Lgt-19MPH	***
13AAC02.325(D)	Speeding School Zone/Playground Crosswalk	***
13AAC02.325(F)	Overweight/Size Speed Vio 20MPH Or More Over	***
13AAC02.330(A)	Racing On Highways	***
13AAC02.530(A,B)	Littering/Depositing Material On Highway	***
13AAC04.007(C,D)	Not To Move Unsafe Veh Unless Authorized	***
13AAC04.227(A,B)	Steering Assem/Wheel Align/Body Condition	***
14AAC10.030(A2,C3)	Speed 20MPH Or More Over Prescribed Limits	***
14AAC10.030(C2)	Vehicle To Be In Safe Operating Condition	***
17AAC25.080(A)	Permit Viol-Speed 20MPH Or More Over Auth Spd	***

\*\* Corrected and Dismissed or Appears in Court.  
 \*\*\* Manditory

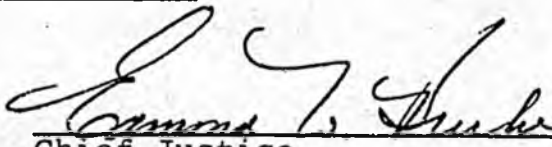
Amendment No. 4 - 11/30/81  
Amending the Uniform Traffic  
Bail Schedule.

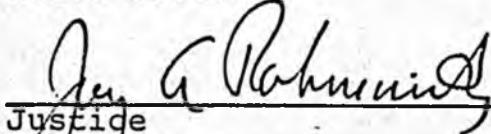
IT IS ORDERED:

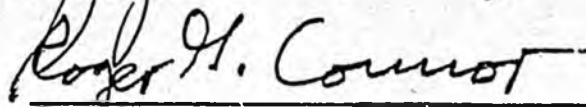
Parts A and B of the Uniform Traffic Bail Schedule are amended to reflect the deletions, additions, and revisions set forth on the attached "Revisions to Uniform Bail Schedule".

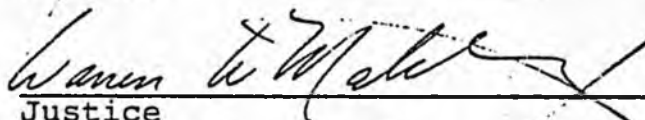
DATED: November 30, 1981

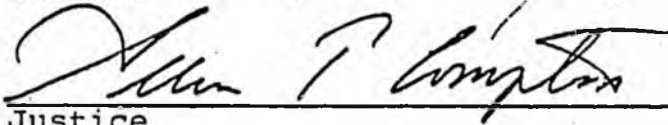
EFFECTIVE DATE: January 4, 1982

  
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Chief Justice

  
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Justice

  
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Justice

  
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Justice

  
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Justice

[INFORMATIONAL NOTE: The Uniform Traffic Bail Schedule was adopted by Supreme Court Order No. 200, effective March 15, 1975, and has been amended three times previously (effective August 1, 1975, January 15, 1978, and October 15, 1979). The schedule to which the amendments in this order refer, is set forth in full in Supreme Court Order No. 385, dated September 27, 1979 and effective October 15, 1979.]

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1. 17 AAC 25.080

- a. Part A, Page 1: Change both references to 17 AAC 25.080(A) to read "13 AAC 20.200(A)".
- b. Part A, Page 7: Change 17 AAC 25.080(A-J) to read "13 AAC 20.200(A-H)".
- c. Part B, Page 2: Change 17 AAC 25.080(A) to read "13 AAC 20.200(A)".

3AAC62.030	APPLICATION FOR EMPLOYMENT	50
3AAC62.035	INVESTIGATION AND INQUIRIES	50
3AAC62.040	ANNUAL REVIEW OF DRIVING RECORD	50
3AAC62.045	RECORD OF VIOLATIONS	50
3AAC62.060	PHYSICAL QUALIFICATIONS FOR DRIVERS-MEDICAL CERT	100
3AAC62.080	DRIVER QUALIFICATION FILES	50
3AAC62.085	DRIVERS FURNISHED BY OTHER CARRIERS-CERTIFICATION	50
3AAC62.090	FORMS AND INSTRUCTIONS	50
3AAC62.102	ILL OR FATIGUED OPERATOR	150
3AAC62.108	SCHEDULES TO CONFORM WITH SPEED LIMITS	50
3AAC62.110	PRE-TRIP EQUIPMENT INSPECTION AND USE	50
3AAC62.112	PRE-TRIP EMERGENCY EQUIP INSPECTION AND USE	50
3AAC62.114	SAFE LOADING	50
3AAC62.116	CORRECTIVE LENSES TO BE WORN	50
3AAC62.118	HEARING AID TO BE WORN	50
3AAC62.120	RR GRADE CROSSINGS; STOPPING REQUIRED	50
3AAC62.122	HAZARDOUS CONDITIONS; EXTREME CAUTION	150
3AAC62.124	EMERGENCY SIGNALS; STOPPED VEHICLES	50
3AAC62.126	DISPLAY OF WARNING DEVICES WHEN VEH DISABLED	50
3AAC62.128	EMERGENCY SIGNALS; FLAME PRODUCING	50
3AAC62.130	OBSCURED LAMPS OR REFLECTORS	50
3AAC62.134	CARRIER NOTIFICATION	50
3AAC62.136	IGNITION OF FUEL; PREVENTION	50
3AAC62.138	UNAUTHORIZED PERSONS NOT TO BE TRANSPORTED	50
3AAC62.140	DRIVING BY UNAUTHORIZED PERSON	100
3AAC62.142	RIDING WITHIN CLOSED VEH WITHOUT PROPER EXITS	50
3AAC62.144	LAMP OR FLAG ON PROJECTING LOAD	50
3AAC62.146	CONFINEMENT OF LOADS	50
3AAC62.148	TRAILERS AND TOWED VEHICLES	50
3AAC62.150	SAFETY CHAIN ON TOWED VEHICLE	50
3AAC62.152	FLASHING AMBER WARN LIGHT ON TOWING VEHICLE	50
3AAC62.154	WHITE LIGHT TO REAR PROHIBITED	50
3AAC62.232	OBSCURED VISION	50
3AAC62.250	TELEVISIONS RECEIVERS	150
3AAC62.255	GENERAL RULES	50
3AAC62.256	SECUREMENT SYSTEMS	50
3AAC62.257	FRONT-END STRUCTURE	50
3AAC62.310	MAXIMUM DRIVING AND ON-DUTY TIME	100
3AAC62.320	DRIVER'S DAILY LOG	100
3AAC62.330	DRIVERS DECLARED "OUT OF SERVICE"	150
3AAC62.410	INSPECTION AND MAINTENANCE	50
3AAC62.420	LUBRICATION	50
3AAC62.430	VEHICLES CONDITION REPORT BY DRIVER	50
3AAC62.500 (D)	VEH TRANSPORTING HAZARDOUS MATERIAL/PASSENGERS	300
3AAC62.505	LOADING AND UNLOADING	50
3AAC62.510	ATTENDANCE AND SURVEILLANCE OF VEHICLES	50
3AAC62.515	PARKING	50
3AAC62.520	ROUTES	50
3AAC62.525	FIRES	50
3AAC62.530	SMOKING	50
3AAC62.535	FUELING	50

3AAC62.560	INSTRUCTIONS AND DOCUMENTS	100
3AAC62.565	SHIPPING PAPERS	100
3AAC62.570	SHIPPING PAPER ACCESSIBILITY	50
3AAC62.575	PLACARDING REQUIREMENTS	50
3AAC62.580	GENERAL SPECIFICATIONS FOR PLACARDS	50
3AAC62.585	SPECIFICATIONS FOR PLACARDS	50
3AAC62.600	CARRIER TO REQUIRE OBSERVANCE OF DRIVER	50
3AAC62.610	COMPLIANCE WITH AND KNOWLEDGE OF REGULATIONS	50
3AAC62.620	UNSAFE OPERATIONS FORBIDDEN (CARRIER)	50
3AAC62.625 (C)	INSPECTION OF MOTOR VEH IN OPERATIONS (CARRIER)	50
3AAC62.625 (D)	INSPECTION OF MOTOR VEH IN OPERATIONS	50
3AAC62.630	REQUIRED TO GIVE INFO/COOPERATE WITH AGENT	150
3AAC62.635	MINIMUM EQUIP ON RENTED OR LEASED VEHICLES	50
3AAC62.640	REQUIRE PROOF OF GROSS UNLADEN WEIGHT	50
3AAC62.645	EQUIPMENT TO BE PROPERLY MAINTAINED	50
3AAC62.650	AIDING OR ABETTING VIOLATIONS	100

3AAC62.020	QUALIFICATION OF DRIVERS	***
3AAC62.025	DISQUALIFICATION OF DRIVERS	***
3AAC62.050	ROAD TEST - CERTIFICATION	***
3AAC62.055	WRITTEN EXAMINATION - CERTIFICATION	***
3AAC62.106	INTOXICATING LIQUOR	***
3AAC62.202	LAMPS AND REFLECTORS, TRUCKS	**
3AAC62.203	LAMPS AND REFLECTORS, TRUCK TRACTORS	**
3AAC62.204	LAMPS/REFLECTORS, SEMITRAILERS & FULL TRAILERS	**
3AAC62.205	LAMPS AND REFLECTORS, POLE TRAILERS	**
3AAC62.206	LAMPS/REFLECTORS, DRIVEAWAY-TOWAWAY COMBINATION	**
3AAC62.207	REQUIREMENTS FOR TURN SIGNALING SYSTEMS	**
3AAC62.208	CLEARANCE LAMPS TO INDICATE EXTREME WIDTH/HT	**
3AAC62.209	COMBINATION OF LIGHTING DEVICES AND REFLECTORS	**
3AAC62.210	REQUIREMENTS FOR HEAD LAMPS	**
3AAC62.211	MOUNTING REQUIREMENTS - OTHER LAMPS	**
3AAC62.212	WIRING TO BE PROTECTED	**
3AAC62.213	GROUNDING	**
3AAC62.214	BATTERY INSTALLATION	**
3AAC62.215	OVERLOAD PROTECTIVE DEVICES	**
3AAC62.216	DETACHABLE ELECTRICAL CONNECTIONS	**
3AAC62.217	WIRING, INSTALLATION	**
3AAC62.218	REQUIRED BRAKE SYSTEMS	**
3AAC62.219	BRAKE PERFORMANCE	**
3AAC62.220	BRAKES REQUIRED ON ALL WHEELS	**
3AAC62.221	BREAKAWAY AND EMERGENCY BRAKING	**
3AAC62.222	BRAKE TUBING AND HOSE, ADEQUACY	**
3AAC62.223	BRAKE TUBING AND HOSE, CONNECTIONS	**
3AAC62.224	BRAKE LINING	**
3AAC62.225	BRAKES TO BE OPERATIVE	**
3AAC62.226	SINGLE VALVE TO OPERATE ALL BRAKES	**
3AAC62.227	RESERVOIRS REQUIRED	**
3AAC62.228	WARNING DEVICES AND GAUGES	**
3AAC62.229	WINDSHIELD REQUIRED	**
3AAC62.230	WINDOW CONSTRUCTION	**
3AAC62.231	SAFETY GLAZING MATERIAL IN MOTOR VEHICLE	**
3AAC62.233	ALL FUEL SYSTEMS	**
3AAC62.234	LIQUID FUEL TANKS	**
3AAC62.235	COUPLING DEVICES AND TOWING METHODS	**
3AAC62.236	COUPLING/TOWING, DRIVEAWAY-TOWAWAY OPERATIONS	**
3AAC62.237	TRAILERS AND TOWED VEHICLES	**
3AAC62.238	ANTI-SPRAY DEVICE	**
3AAC62.239	DEFROSTING DEVICE	**
3AAC62.240	EXHAUST SYSTEM	**
3AAC62.241	FLOORS	**
3AAC62.242	HEATERS	**
3AAC62.243	HORN	**
3AAC62.244	REAR-END PROTECTION	**
3AAC62.245	REAR-VISION MIRRORS	**
3AAC62.246	SLEEPER BERTHS	**
3AAC62.247	SPEEDOMETER	**
3AAC62.248	STEERING MECHANISM	**
3AAC62.249	SUSPENSION	**

3AFC62.251	TIRES	**
3AAC62.252	SHEELS	**
3AAC62.253	WINDSHIELD WIPERS	**
3AAC62.254	EMERGENCY EQUIPMENT	**
3AAC62.620	UNSAFE OPERATIONS FORBIDDEN (DRIVER)	***
3AAC62.625 (C)	INSPECTION OF MOTOR VEH IN OPERATIONS (DRIVER)	***

Offered: 3/1/84  
Referred: Finance

Original sponsors: Liska, Barnes  
and Bussell

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2

CS FOR HOUSE BILL NO. 593 (Judiciary)

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 surcharges imposed in criminal  
7 cases."

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

9 \* Section 1. AS 12.55.015(a) is amended by adding a new paragraph to  
10 read:

11 (9) impose a surcharge as required by AS 12.55.035(e).

12 \* Sec. 2. AS 12.55.035 is amended by adding a new subsection to read:

13 (e) Regardless of whether a fine is imposed under this section,  
14 the court shall order the defendant as part of the sentence to pay a  
15 surcharge of \$10 upon each conviction for an infraction, violation or  
16 misdemeanor offense, and \$20 upon each conviction for a felony  
17 offense. The surcharge imposed under this subsection may not be  
18 suspended.

19 \* Sec. 3. It is the intent of the legislature that an amount equivalent  
20 to the surcharge imposed under AS 12.55.035(e) be appropriated annually to  
21 the crime victim compensation fund (AS 18.67.162).

Introduced: 2/9/84  
Referred: Judiciary and  
Finance

1 IN THE HOUSE

BY LISKA, BARNES AND BUSSELL

2

HOUSE BILL NO. 593

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 fines imposed in criminal cases."

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

8 \* Section 1. AS 12.55.035 is amended by adding a new subsection to  
9 read:

10 (e) If a defendant is sentenced to pay a fine, the clerk of the  
11 court shall increase the fine by a penalty of 20 percent of the actual  
12 fine imposed, excluding any amount that is suspended.

13 \* Sec. 2. It is the intent of the legislature that an amount equivalent  
14 to the 20 percent penalty collected under AS 12.55.035(e) be appropriated  
15 annually to the crime victim compensation fund (AS 18.67.162).



Introduced: 2/9/84  
Referred: Judiciary and  
Finance

BY BUSSELL, COWDERY, FRITZ,  
FURNACE, HURLBERT, LINDAUER, LISKA,  
MARTIN, PESTINGER AND WARD

1 IN THE HOUSE

2

HOUSE BILL NO. 595

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 retirement benefits for an admin-  
istrative director of the Alaska Court System; and  
providing for an effective date."

7

8

9

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

10

\* Section 1. AS 39.35.158 is repealed and reenacted to read:

11

Sec. 39.35.158. ADMINISTRATIVE DIRECTOR OF COURTS. An adminis-  
trative director of the Alaska court system is included in the system  
and is entitled to credited service for employment as administrative  
director.

12

13

14

15

\* Sec. 2. AS 22.25.012 and AS 39.35.680(21)(C)(vii) are repealed.

16

\* Sec. 3. This Act takes effect immediately in accordance with AS 01.-

17

10.070(c).

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

HB 595

Revision Date: \_\_\_\_\_  
(Page 1 of 2)

REQUEST

Bill/Resolution No.: HB 595  
Title: "An Act relating to JRS"

FISCAL DETAIL

Agency Affected: Ak. Court System  
Program Category Affected: JRS & PERS

Sponsor: Busnell  
Requestor: \_\_\_\_\_  
Date of Request: \_\_\_\_\_

BRU, Program or Subprogram(s) Affected: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
Operating						
100 Personal Svcs						
100 Rtmnt & Bnfts	-0-	-0-	-0-	-0-	-0-	(111.5)
200 Travel						
300 Contractual						
400 Supplies						
500 Equipment						
600 Land & Struct						
700 Grants, Claims						
700 TRS Match						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	(111.5)

CAPITAL

REVENUE

FUNDING: (Thousands of Dollars)

General Fund	-0-	-0-	-0-	-0-	-0-	(111.5)
Federal Funds						
Other						
Total						

POSITIONS:

Full-Time						
Part-Time						
Temporary						

SOURCE OF FUNDS TO OFFSET IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: J.K. Humphreys Phone 465-4460  
Division: Retirement & Benefits Date: 2-22-84

Approved by Commissioner: Lisa Rudd Date: 2/22/84  
Agency: Department of Administration

Distribution (by Agency preparing fiscal note):

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

House Bill 595  
Fiscal Note Analysis  
Prepared by Division of Retirement & Benefits  
Department of Administration

February 22, 1984

IV Analysis: This bill will replace the administrative director of the Alaska Court System in retirement coverage under the Public Employees' Retirement System (PERS). Even though the bill will take effect immediately, the incumbent would be entitled to continued coverage under the Judicial Retirement System (JRS).

We have assumed that the incumbent would remain in his position until June 30, 1988 when he would have approximately 15 years of JRS service. We have assumed that the present annual salary of \$79,600 will increase at a rate of 8% per year and that the contribution rates for the PERS and the JRS will remain constant through 1989 at the FY 85 level (13.80% PERS and 109.14% JRS).

The savings shown represent the savings to the State under the JRS less the cost to the State under the PERS.

Revised Position Paper

HB 595

In consideration of points raised by the Alaska Court System and the fact that this bill relates primarily to the internal affairs of the court system, the Department of Administration will maintain a neutral stand on this legislation which would remove the position of Administrative Director of the Alaska Court System from the Judicial Retirement System and replace it in the Public Employees' Retirement System.

Even though it would not affect the status of the incumbent, passage of the bill would mean that, in future, only judges would enjoy the superior benefits of the judicial system.

J. K. Humphreys EA  
J.K. Humphreys, Director, Division of Retirement & Benefits

4/10/84  
Date

Lisa Rudd  
Lisa Rudd, Commissioner, Department of Administration

4/12/84  
Date

STATE OF ALASKA  
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907.465.3800

MEMORANDUM

February 1, 1984

SUBJECT: Retirement benefits for administrative  
director of court  
(Work Order No. 13-1894)

TO: Representative Charlie Bussell

FROM: *LHA* Linn H. Asper  
Legislative Counsel

I have redrafted the above-referenced work order to delete section 3 of the original draft, as you have requested. That section made the Act apply only to an administrative director employed after the effective date of the Act. I included the section for informational purposes because the result indicated in the section is the result that is dictated by the case of Hammond v. Hoffbeck, 627 P.2d 1052 (Alaska, 1981). In that case it was held that an employee's retirement benefits are guaranteed as a matter of contract and constitutional right and that the employee's retirement plan may not be changed in a way that disadvantages the employee without providing offsetting additional advantages. Thus, under the law, the benefits due an incumbent administrator of courts or an administrator who takes office before the Act becomes effective may not be changed in the way that this bill indicates, whether or not the bill contains a section similar to the one that you have requested be removed.

LHA:ojb  
J3/038

PUBLIC EMPLOYEES RETIREMENT SYSTEM / TEACHERS' RETIREMENT SYSTEM / JUDICIAL RETIREMENT SYSTEM / ELECTED PUBLIC OFFICIALS RETIREMENT SYSTEM / NATIONAL GUARD RETIREMENT SYSTEM  
 A COMPARISON - MAY, 1983

	<u>PERS</u>	All Other	TRS	<u>JRS</u>	EPORS	NGRS
Benefit Multiplier	PO/F 2% on years 1-10 2½% on years over 10	2%	2%	5%	5% membership 2% other creditable service	\$100.00 x no. of month NGRS service
Vesting	5 years	5 years	8 years	5 years	5 years	5 NG out of 20 HIL
Normal Retirement Age	55 w/5 years service OR 20 years PO/F service	55 w/ 5 years service OR 30 years service	55 w/8 years membership service; OR 5 years membership service and 3 years AK BIA; OR 15 years credited service if hired prior to 7/1/75, last 5 years membership service; OR at any age: 20 years membership service; OR 20 years combined mem- bership and AK BIA, last 5 years membership service; OR 25 years credited service, last 5 years membership service.	60 w/ 5 years service	60 w/ 5 years service	N/A
Conditional Retirement	55 w/2 years service if if vested in the TRS	55 w/2 years service if vested in the TRS	55 w/2 years membership service if vested in the PERS	N/A	N/A	N/A
Employee Contributions	5%	4.25%	7%	7% for Judges hired after 7/01/78; 0% for Judges hired before 7/01/78	7%	N/A
Employer Cont. (actuarially determined)	22.36% consolidated rate; FY 83	12.71% consolidated rate; FY 83	8.45%; FY 83	104.78%; FY 83 and FY 84	Unfunded System, Annual Appropriation	Funded System, \$1,202, FY 83 and FY 84
Nonmembership Service	Military (max. of 5 years)  Territorial Service (must have 3 years service w/State after 1961)  Temporary Service	Military (max. of 5 years)  Territorial Service (must have 3 years service w/State after 1961)  Temporary Service	Military (max. of 5 years)  Outside (max. of 10 years; military & outside not to exceed 10 years)  AK BIA (no max.)	Magistrate Pre 7/01/67  N/A  N/A	PERS Covered Employment	N/A
COLA	10% (or \$50.) if domiciled in AK	10% (or \$50.) if domiciled in AK	10% if domiciled in AK	NO	NO	NO
Post Retirement Pension Adjustments	Ad Hoc	Ad Hoc	Ad Hoc	Benefits Increase with Last Position's Salary Increase	Benefits Increase With Last Positions Salary Increase	NO
Health Insurance Coverage After Retirement	Yes	Yes	Yes	Yes	Yes	NO

**Sec. 22.25.012. Retirement benefits of administrative director.**

(a) An administrative director of the Alaska court system appointed under art. IV, sec. 16 of the state constitution is entitled to retirement benefits under this chapter on the terms and conditions applicable to a superior court judge appointed after July 1, 1978, except that an administrative director may receive retirement benefits only with service as administrative director for 10 or more years.

(b) An administrative director who vacates the office of administrative director for any reason and who has not at that time accrued 10 years of credited service under this chapter is entitled to a refund of contributions to the judicial retirement system together with interest.

(c) An administrative director who withdraws from the judicial retirement system under (b) of this section is eligible for membership in the public employees' retirement system (AS 39.35) and shall receive credited service in that system for service rendered as administrative director. To be eligible for membership in the public employees' retirement system under this subsection, the administrative director must contribute to the public employees' retirement system

(1) the amount that would have been contributed if the administrative director had been a member during the period of the membership in the judicial retirement system; and

(2) any contributions for service as administrative director refunded from the public employees' retirement system at the time the administrative director became a member of the judicial retirement system.

(§ 7 ch 146 SLA 1980)

Editor's notes. — This section was drafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

Section 50, ch. 146, SLA 1980 provides: "A person who is serving as administrative director of the Alaska court system on the effective date of AS 22.25.012 as enacted in sec. 7 of this Act [July 1, 1980] shall receive prior service credit under AS 22.25 for service rendered as administrative director of the Alaska court system before the effective date of AS 22.25.012 if

he withdraws from the public employees' retirement system (AS 39.35), receives a refund of his contributions made under AS 39.35, elects to receive service credit under AS 22.25 for prior service as administrative director and makes retroactive contributions for prior service as administrative director including service before July 1, 1978. Retroactive contributions made under this section are calculated at seven percent of the base annual salary of a superior court judge in effect during the period for which contributions are made."

**Sec. 22.25.020. Retirement pay.** A retired justice or judge eligible for retirement pay shall receive from the date of eligibility until death a monthly compensation equal to five percent per year of service, to a maximum of 75 percent, of the monthly salary authorized for justices and judges, respectively, at the time each retirement payment is made.

(§ 1 ch 102 SLA 1963; am § 11 ch 83 SLA 1967)

Title 39  
Public Officers

Editor's note. — The obsolete section was derived from § 4, ch. 52, SLA 1979.

Sec. 39.35.158. Administrative director of courts. An administrative director of the Alaska court system who withdraws from the judicial retirement system under AS 22.25.012 is eligible for membership in the system and shall receive credited service in the system for service rendered as administrative director. To be eligible for membership in the system under this subsection, the administrative director must contribute to the system

(1) the amount he would have contributed if he had been a member during the period of his membership in the judicial retirement system; and

(2) any contributions for services as administrative director refunded to him by the system at the time he became a member of the judicial retirement system. (§ 30 ch 146 SLA 1980)

### Article 3. Contributions by Employees.

Section	Section
160. Amount of employee contributions	210. [Repealed]
170. Employment contributions mandatory	220. [Repealed]
180. Voluntary contributions by employee	230. Refund upon death of retired employee
190. [Repealed]	240. Withdrawal of voluntary contributions
200. Refund upon termination of employment for reason other than death	

Sec. 39.35.160. Amount of employee contributions. (a) While participating in the system each peace officer and each fireman shall contribute five per cent and every other employee shall contribute four and one-quarter per cent of his compensation to the public employees' retirement system.

(b) Repealed by § 6 ch 135 SLA 1980 and § 39 ch 146 SLA 1980. (§ 8a ch 143 SLA 1960; am § 2 ch 235 SLA 1968; am § 3 ch 35 SLA 1969; am § 5 ch 109 SLA 1970; am § 5 ch 159 SLA 1972; am § 2 ch 58 SLA 1979; § 6 ch 135 SLA 1980; § 39 ch 146 SLA 1980)

Effect of amendments. — The 1979 amendment substituted the language beginning "be considered to have agreed" for "pay the appropriate social security contribution" in subsection (b).

The first and second 1980 amendments, retroactive to January 1, 1980, repealed subsection (b).

Editor's note. — Section 2, ch. 123, SLA 1976, purported to amend subsection (a) of this section. Section 25, ch. 123, SLA 1976, provided: "Sections 2 and 3 of this Act become effective on July 1, 1976 if approved by a majority of the votes cast in

a special election conducted by the Public Employees Retirement Board to be held among active members of the retirement system. During the conduct of this election, the division shall remain impartial and take no position on the question." The amendment was rejected by the public employees.

Section 1, ch. 58, SLA 1979, purported to amend subsection (a) of this section. Section 9 of ch. 58 provided that the amendment take effect on January 1, 1980, if approved by a majority of the votes cast in a special election conducted before

Title 39  
Public Officers

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Sec. 39.35.680. Definitions. In this chapter, unless the context otherwise requires,

(1) "active member" means an employee who is employed by an employer, is receiving compensation for seasonal, permanent full-time, or permanent part-time services, and is making contributions to the system;

(2) "actuarial adjustment" means equality in value of the aggregate expected payments under two different forms of pension payments, considering expected mortality and interest earnings on the basis of tables adopted from time to time by the board;

(3) "administrator" means the person appointed by the commissioner of administration under AS 39.35.050;

(4) "average monthly compensation" means the result obtained by dividing the compensation earned by an employee during a considered period by the number of months, including fractional months, for which compensation was earned; the considered period consists of the three consecutive calendar years during the period of credited service which yields the highest average, or if the employee does not have three consecutive calendar years, his period of credited service; an employee must have at least 115 days of credited service in the last calendar year in order to be used as part of the three consecutive calendar years;

(5) "beneficiary" means a person designated by an employee to receive benefits that may be due from the system upon the employee's death;

(6) "board" means the Public Employees Retirement Board;

(7) "calendar year" means the period beginning on January 1 and ending on December 31;

(8) "compensation" means the total remuneration earned by an employee for personal services rendered, including cost-of-living differentials, but does not include retirement benefits, welfare benefits, per diem, expense allowances, or medical leave or annual leave not used by the employee;

(9) "credited service" means the number of years, including fractional years, recognized for computing benefits that may be due from the system;

(10) "deferred vested member" means an inactive member who meets the five-year credit service requirement to qualify for a retirement benefit;

(11) "dependent child" means an unmarried child of an employee, including one adopted, who is dependent upon the employee for support and who is either (A) under 19 years old or (B) under 23 years old and registered at and attending on a full-time basis an accredited educational or technical institution recognized by the Department of Education; age restrictions set out in this paragraph do not apply to a child

Title 40  
Public Records  
and Records

Title 41  
Public Resources

Title 42  
Public Utilities  
and Carriers

Title 39  
Public Office

benefit from the system;

(13) "early retirement" means retirement for a member who is at least 50 years old and has a minimum of five years credited service;

(14) [Effective until January 1, 1981] "elected official" means a member whose compensation results from personal services rendered as an elected representative and who elects coverage under AS 39.35.125;

[Effective January 1, 1981] "elected official" means a person whose compensation results from personal services rendered to an employer as an elected representative;

(15) "employee contribution account" means the account maintained by the system to record the mandatory contributions of each employee, including interest and adjustments to the account in accordance with AS 39.35.100;

(16) "employee savings account" means the account maintained by the system to record the voluntary contributions of each employee, including interest and adjustments to the account in accordance with AS 39.35.100;

(17) "employer" means the State of Alaska or a political subdivision or public organization of the state which participates in the system;

(18) "fiscal year" means the period beginning on July 1 and ending on June 30 of the following calendar year;

(19) "former member" means an employee who is terminated and who has received a total refund of the balance of his employee contribution account, or who has requested in writing a refund of the balance in his employee contribution account, or who is eligible for a refund under AS 39.35.200(b);

(20) "inactive member" means an employee who is terminated and who has not received a refund from the system or an employee on leave-without-pay status or layoff status;

(21) "member" or "employee"

(A) means a person eligible to participate in the system and who is covered by the system;

(B) includes

- (i) active member;
  - (ii) inactive member;
  - (iii) vested member;
  - (iv) deferred vested member;
  - (v) non-vested member;
  - (vi) disabled member;
  - (vii) retired member;
- (C) does not include
- (i) former members;

Title 39  
Public Office

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§ 39.35.680

PUBLIC OFFICERS AND EMPLOYEES

§ 39.35.680

- (ii) persons compensated on a contractual or fee basis;
- (iii) casual or emergency workers or nonpermanent employees as defined in AS 39.25.200;
- (iv) persons covered by the Alaska Teachers' Retirement System;
- (v) employees of the division of marine transportation engaged in operating the state ferry system who are covered by a union or group retirement system to which the state makes contributions; and
- (vi) justices of the supreme court or judges of the court of appeals or of the superior or district courts of Alaska;
- (vii) the administrative director of courts appointed under art. IV, sec. 16 of the state constitution unless he becomes a member under AS 39.35.158;

(D) may include employees of the division of marine transportation excluded under (C)(v) of this paragraph provided that

- (i) the State of Alaska formally agrees to their inclusion through the process of collective bargaining; and
- (ii) no collective bargaining agreement has the effect of obligating contributions made by the state under AS 39.30.150 in the event the state resumes participation in the federal social security system;

(22) "military service" means active duty service in the armed forces of the United States;

(23) "nonoccupational disability" means a physical or mental condition which, in the judgment of the administrator, presumably permanently prevents an employee from satisfactorily performing his usual duties for his employer or the duties of another position or job which his employer makes available and for which the employee is qualified by training or education, not including a condition resulting from a cause which the board, in its regulations has excluded;

(24) "non-vested member" means an active or inactive member who does not meet the five-year credited service requirement to qualify for a retirement benefit;

(25) "normal retirement" means retirement for a member who is at least 55 years old and has a minimum of five years credited service, or who is any age and has 30 years or more of credited service, or a peace officer or fireman who is any age and has 20 years or more of credited service;

(26) "occupational disability" means a physical or mental condition which, in the judgment of the administrator, presumably permanently prevents an employee from satisfactorily performing his usual duties for his employer; however, the proximate cause of the condition must be a bodily injury sustained, or a hazard undergone, while in the performance and within the scope of the employee's duties and not the proximate result of the wilful negligence of the employee;

(27) "Peace off. "

Title 40  
Public Records  
and Recorders

Title 41  
Public Resources

Title 42  
Public Utilities  
and Carriers



ALASKA STATE LEGISLATURE  
HOUSE OF REPRESENTATIVES  
RESEARCH AGENCY

Pouch Y, State Capitol  
Juneau, Alaska 99811  
(907) 465-3991

March 8, 1983

MEMORANDUM

TO: Representative Charlie Bussell

FROM: Leslie Longenbaugh, <sup>LL</sup> Research Staff

RE: Retirement Benefits for Administrators of Unified State Court  
Systems  
Research Request 83-77

Joe Brewer asked that we find out the number of states that have unified court systems similar to Alaska's and provide information about the retirement benefits that these states offer to the administrative directors of their court systems.

Unified Court Systems

According to a 1978 book published by the National Institute of Law Enforcement and Criminal Justice,<sup>1</sup> Alaska's court system ranks third, behind Hawaii and Colorado, among the fifty states in its degree of unification. Idaho and Rhode Island follow Alaska on the list.

The four aspects of court unification identified by the Institute include a centralized budget and state financing, centralized rule-making, centralized management, and consolidation and simplification of the trial court structure. Alaska ranked first in centralized management, eighth in centralized budgeting, ninth in consolidation and simplification, and twenty-second in centralized rule-making.

Retirement Benefits

The National Center for State Courts<sup>2</sup> published in January 1983 a survey of the compensation offered to court administrators in all states. I have attached a copy of the survey results.

---

<sup>1</sup>Larry Berkson and Susan Carbon, Court Unification: History, Politics and Implementation, National Institute of Law Enforcement and Criminal Justice, U. S. Department of Justice, August 1978.

<sup>2</sup>National Center for State Courts, Marilyn Roberts, Director, Research and Information Service, 300 Newport Avenue, Williamsburg, Virginia, 23185; telephone: 804/253-2000.

Representative Bussell

March 8, 1983

Page 2

Below is a brief summary of the court administrators' retirement benefits in the five states with the most unified court systems.<sup>3</sup>

Hawaii. Hawaii's court administrator enrolls in the state employees' retirement system. S/he may retire with full benefits at age 55 after ten years' service, and will collect an annual sum equal to .02 times the average of the three highest years' compensation, times the total number of years served. Judges, irrespective of age at retirement, receive up to 75 percent of their average final compensation.

Colorado. Like his or her counterpart in Hawaii, Colorado's court system administrator enrolls in the state public employees' retirement plan. All court employees, including judges, participate in this retirement system, which allows retirement with benefits after thirty-five years, or after twenty years at age 60 or thirty years at age 55. The benefits equal 50 percent of the average compensation of any three years, plus one percent for each year served in excess of twenty years, for a maximum benefit of 70 percent of the average compensation. The administrator contributes eight percent of his/her gross annual income and the state 12.2 percent to the retirement fund.

Alaska. Alaska's court administrator is entitled to the same retirement benefits as State superior court judges, except that, as in Hawaii, the administrator must have served ten years before s/he may claim retirement benefits at age 55. The administrator contributes seven percent of his or her salary toward retirement. Benefits are computed at the rate of five percent of the final salary per year of service, with a maximum retirement benefit of 75 percent of the final salary.

Idaho. Idaho's court administrator does not participate in the state's judicial retirement system. Instead, s/he is enrolled in the law enforcement section of the state employees' plan. The administrator may retire with five years' service at age 65, or may opt for early retirement, also with five years, at age 55. The annual benefits are equal to one and two-thirds percent of the average monthly salary for each month of credited service. The administrator contributes 5.22 percent of gross annual income toward retirement.

<sup>3</sup>According to Marilyn Roberts of the National Center for State Courts, there is no reason to believe that the 1978 ratings would be very different today, because few state court systems have unified further than they were in 1978.

Representative Bussell  
March 8, 1983  
Page 3

Rhode Island. Rhode Island's court administrator participates in the general state employees' retirement system. S/he may retire at age 60 with 10 years' service, at 70 after fifteen years, or after thirty-five years regardless of age. The maximum retirement benefit for the court administrator is equal to 80 percent of his or her former salary. Employees contribute six percent of their gross salary to the retirement fund.

\* \* \*  
Please call if you have any questions or further needs for research.

LL

Attachment: National Center for State Courts, "State Court Administrator Compensation Survey," January 1983, 8 pages.

STATE COURT ADMINISTRATOR COMPENSATION SURVEY

STATE	Judge Salaries Supreme Court		Court Administrator Salary	Retirement	Disability	Insurance A. Life B. Health C. Dental	Holidays (days/yr.)	Vacation (days/yr.)	Sick Leave (days/yr.)	A. Administrative Leave B. Allowances for Professional Dues and/or Tuition	A. Reimbursement for Expenses (other than A. State Car	Other
	CJ	AJ										
Alabama	38,300	38,000	31,610	State Plan, employee contributes 5%. May retire at 60 with 10 years service or after 10 years.	Disability provisions provided in State Employee's Retirement plan. Ten years of service required.	A. None B. State health plan includes major medical & hospitalization. C. None	up to 13	13	13	A. Allowed for continuing education. B. Allowances given for dues.	A. Travel: 20¢/mile Other: Per Diem under 12 hrs. - \$ 5 12-24 hrs. - \$15 overnight - \$20 actual expenses reimbursed for out-of-state trips. B. Available.	
Alaska	77,760 to 88,646	77,760 to 88,646	73,260									
American Samoa	38,356	64,191	16,616	Government Retirement Plan; no judicial retirement plan.	Government Disability Plan	A. None B. None C. None (residents receive free medical & dental care)		0 - 3 yrs. = 13 3 - 15 yrs. = 19 1/2 over 15 yrs. = 26	13	A. Depends on workload & budget restrictions.	B. Not available.	
Arizona	47,500	47,500	30,000	State Employees Plan. 7% mandatory contribution from employee in addition to FICA. State contributes 7%.	Disability income policy paid for by the state for total disability after 6 months.	A. \$5,000 policy provided by state. Employee may purchase additional units of \$5,000 up to salary level at nominal cost. B. Various state group policies and plans available. State pays majority of monthly premium. C. Group coverage offered.	11	20	As needed. No sick leave accrual policy.	A. No formal policy. B. Supreme Court pays SBA and State Bar dues and tuition fees for special conferences, and educational programs.	A. In-state: \$40 maximum per diem. 20¢ per mile for car. Out-of-state: \$35 maximum per diem. Coach airfare. B. Not available.	
Arkansas	54,932	50,333	38,462	Eligible for Judicial Retirement System.	Disability Retirement provisions; 10 years of service required.	A. Eligible for group term life.	11	Depends on length of service.	12	A. Allowed for educational conferences. B. Tuition paid.	A. Necessary travel expenses reimbursed at 35¢/mile. \$42 for meals & lodging per day for in-state travel. \$37 for out-of-state travel. B. Available for travel in official capacity.	1 - Deferred Compensation Plan.
California	82,034	77,326	66,665	State and employee funded retirement plan. May retire at 50 with 5 years service.	Accidental Disability of Ordinary Disability benefits. Plan paid entirely by state. Disability retirement after 5 years service.	A. \$5,000 policy thru Public Employees' Retirement System. B. Variety of plans available. State contributes at least 75%. C. Plan fully paid by state.	12	No formal schedule	No formal schedule	A. Allowed for continuing education. B. Allowed.	A. \$56 per day plus transportation cost while on state business. B. Available.	1 - Deferred Compensation Plan.
Colorado	38,936	35,800	31,132	State Public Employees' Retirement Association. Employee contributes 8%, State contributes 12.25%.	Disability provisions under State Public Employees' Retirement Association.	A. \$5,000 policy provided by State. Additional coverage available at employee's expense. B. State pays \$42.12 per month toward coverage. Employee pays \$19 to \$149 depending on plan. C. Optional plan available at employee's expense.	11	0 - 2 yrs. = 12 2 - 11 yrs. = 15 11 - 16 yrs. = 18 over 16 yrs. = 21	15 Can accrue to a maximum of 180 days.	A. Allowed for professional activities. B. State pays for education and dues of one organization.	A. Regulated by Job Department fiscal rules.	Can accrue vacation days up to a maximum of two years normal allowance.

STATE	Judge Salaries		Court	Admin-istrator Salary	Retirement	Disability	Insurance	Holidays (day/yr.)	Vacation (day/yr.)	Sick Leave (day/yr.)	A. Administrative Leave		Other
	Supreme Court	All									A. No reimbursement for loss of salary to spouse upon death.	B. State Cor.	
Connecticut	35,388	50,800	93,172	State plan, employee contribution is 5% of two-thirds salary. No service years.	A. Group Life based on gross salary. B. State Plan - contributory on with Major Medical. C. Plan covers 80% of actual cost of lodging.	12	Unlimited	A. Allowed B. 15 days for compensation during absence C. 15 days for non-accidental death	A. Allowed B. State pays for compensation C. State pays for compensation	A. Face amount: \$100,000 B. 15 days for non-accidental death C. 15 days for non-accidental death	12	Unlimited	A. Face amount: \$100,000 B. 15 days for non-accidental death C. 15 days for non-accidental death
Delaware	37,200	58,600	83,800	State Employees Plan (after 5 years) 5% after 5 years 5% after 5 years 5% after 5 years 5% after 5 years	A. Term life insurance, paid annually by employee B. After one year for every state basic plan. C. Available but employee must pay cost.	11	Unspecified, paid when taken.	A. Allowed B. 15 job related, fullon paid and receipt paid leave. C. None	A. Reimbursed at 100% if state plan plan. B. None	A. Reimbursed at 100% if state plan plan. B. None	11	Unspecified, paid when taken.	A. Reimbursed at 100% if state plan plan. B. None
District of Columbia	67,370	88,870	83,270	Civil Service Retirement System, employee contribution 5%, benefit according to length of service.	A. Federal Employees Group Life Plan, actual rate of base coverage equals 15 yrs. and up to 20. B. Federal Employees Group Term Life Insurance	11	0 - 5 yrs. = 13 5 - 10 yrs. = 19 1/2 15 yrs. and up to 26	A. At administrator's discretion, travel reimbursement \$200/day maximum plus 125 food, travel allowance for personal car use. B. No allowance for reimbursement of 200/day maximum plus 125 food, travel allowance for personal car use. C. Not available.	A. At administrator's discretion, travel reimbursement \$200/day maximum plus 125 food, travel allowance for personal car use. B. No allowance for reimbursement of 200/day maximum plus 125 food, travel allowance for personal car use. C. Not available.	A. At administrator's discretion, travel reimbursement \$200/day maximum plus 125 food, travel allowance for personal car use. B. No allowance for reimbursement of 200/day maximum plus 125 food, travel allowance for personal car use. C. Not available.	11	0 - 5 yrs. = 13 5 - 10 yrs. = 19 1/2 15 yrs. and up to 26	A. Federal Employees Group Term Life Insurance
Florida	65,805	65,805	67,234	State Retirement System, employee contribution 10.93%, benefit according to length of service.	A. Accidental Death & Dismemberment Plan, State pays 2/3 coverage multiplied by salary by non-factor. B. State Plan, Blue Cross/Blue Shield, State pays 70-75% dependents also eligible.	20	Allowed as required.	A. Hours of courses at travel expenses at any state university 20%/mile, other expenses up to 100/day. B. Allowances for days cost of seminars at the discretion of the Chief Justice. C. Available	A. Reimbursed for travel expenses at any state university 20%/mile, other expenses up to 100/day. B. Allowances for days cost of seminars at the discretion of the Chief Justice. C. Available	A. Reimbursed for travel expenses at any state university 20%/mile, other expenses up to 100/day. B. Allowances for days cost of seminars at the discretion of the Chief Justice. C. Available	20	Allowed as required.	A. Accidental Death & Dismemberment Plan, State pays 2/3 coverage multiplied by salary by non-factor. B. State Plan, Blue Cross/Blue Shield, State pays 70-75% dependents also eligible.
Georgia	35,462	35,462	44,928	Not part of judicial retirement plan. Not under any retirement plan. Contribution.	A. Term life plan through private company. B. State employee plan, employee contributes 0.5%.	12	0 - 5 yrs. = 15 5 - 10 yrs. = 18 10 yrs. & up = 21	A. Not granted. B. 10 days allowance for dues or tuition. C. 10 days allowance for dues or tuition.	A. Food \$16/day actual lodging 20%/mile. B. Only for official business.	A. Food \$16/day actual lodging 20%/mile. B. Only for official business.	12	0 - 5 yrs. = 15 5 - 10 yrs. = 18 10 yrs. & up = 21	A. Term life plan through private company. B. State employee plan, employee contributes 0.5%.
Idaho	47,300	47,300	44,900	Law enforcement section of the state employees plan, retire at 60, not part of judicial retirement system.	A. Policy with benefits like holidays B. State employee plan, Blue Shield coverage, free for administrator, \$45/month for family coverage. C. No dental coverage.	22 1/2	12	A. At administrator's discretion, at same rate as other state employees. B. State pays tuition. C. Available	A. Travel reimbursed at same rate as other state employees. B. State pays tuition. C. Available	A. Travel reimbursed at same rate as other state employees. B. State pays tuition. C. Available	22 1/2	12	A. Policy with benefits like holidays B. State employee plan, Blue Shield coverage, free for administrator, \$45/month for family coverage. C. No dental coverage.
Hawaii	36,430	33,460	30,470	State Employees Retirement System, retire at 55 with 10 years service.	A. N.C. Optional plans available. B. State employee plan, Blue Shield coverage, free for administrator, \$45/month for family coverage. C. No dental coverage.	21	21	A. As required. B. Allowed. C. Assigned full-time.	A. Per diem out-of-state, 120/day per diem, plus 130/day actual lodging for state employees. B. State pays tuition. C. Available	A. Per diem out-of-state, 120/day per diem, plus 130/day actual lodging for state employees. B. State pays tuition. C. Available	21	21	A. N.C. Optional plans available. B. State employee plan, Blue Shield coverage, free for administrator, \$45/month for family coverage. C. No dental coverage.

STATE	Judge Salaries Supreme Court		Court Administrator Salary	Retirement	Disability	Insurance A. Life B. Health C. Dental	Holidays (days/yr.)	Vacation (days/yr.)	Sick Leave (days/yr.)	A. Administrative Leave B. Allowance for Professional Dues and/or Tuition	A. Reimbursement for Expenses from the Job B. State Car	Other
	CJ	AJ										
Illinois	66,900	66,900	61,900	Member of Judicial Retirement System. Retire at 60 with 20 years; pension = 85% of last day's salary.	Disabled provisions in Retirement Plan.	A. State term policy. B. State Blue Cross/Blue Shield, no cost to employee.	13	At administrator's discretion.	At administrator's discretion.	A. At administrator's discretion. B. State pays all tuition and dues connected with educational courses & seminars.	A. Reimbursed for all actual & necessary travel, hotel, & food expenses; travel at 70¢/mile.	
Indiana	47,244	47,244	43,000	General State Employees Retirement Plan.	State Employee Plan. Same qualifications as under social security. 5 years service required.	A. State plan B. State plan C. State plan	State holidays	up to 21	Provided as needed.	A. Allowed.	A. All out-of-pocket expenses reimbursed.	
Iowa	62,100	57,100	40,800	State Public Employees Plan, mandatory; employee contributes 3.75%.	State employee disability plan. 90 days sick leave threshold. Social security supplemented plan provides 60% salary after 3 years service, 40% after 2, 20% after one.	A. Group Life Plan B. Free Health Insurance	11	1 - 4 yrs. = 14 5 - 11 yrs. = 21 12 - 19 yrs. = 28 20 - 24 yrs. = 30 over 24 yrs. = 33	10	A. Allowed if approved by Chief Justice.	A. Travel reimbursed at 22¢/mile, up to 125¢/night for lodging, \$14/day for food. B. Available upon request.	
Kansas	53,250	50,306	46,000	State Retirement System, employee contributes 4%, not part of judicial retirement system.	Disability/Death Benefit	A. Optional Group term policy. B. Group Health Insurance.	Same as non-judicial employees.	Same	Same	A. As needed and allowed by Chief Justice. B. As approved by the Chief Justice.	A. Actual & necessary expenses reimbursed.	1 - Workmen's Compensation 2 - Unemployment Compensation
Kentucky	55,630	54,337	42,851	State Employees Plan	Disability provisions under State Employees Retirement Plan.	A. Free 15,000 life for employee. B. Free Blue Cross/Blue Shield for administrator, low cost coverage for family at group rates.	10	12	12	A. Allowed for free training programs given by Chief Justice.	A. Travel expenses while in travel status reimbursed. B. Available.	1 - Workmen's Compensation 2 - Unemployment Compensation 3 - Credit Union 4 - Outstanding Performance Salary
Louisiana	66,566	66,566	60,169	Same plan as judges, employee contributes 11%. Retire at 55 with 12 years or with 18 years at any age. Benefit calculated at 5 1/2% a year of service x average of highest 3 year's salary.	Disability Pension, benefit is minimum of 50% of salary.	A. State plan, employee pays half. B. State plan, employee pays half family coverage.	Basic holidays.	28	no restrictions	A. Discretionary matter. B. Funds for dues to 3 or 4 professional organizations.	A. Actual travel expenses reimbursed. B. Available.	
Maine	42,286	40,392	39,260	Eligible for State Plan, employee must contribute 6.5%, retire at 60, benefits based on highest 3 year's salary.	No disability pay policy.	A. Group plan B. State Blue Cross/Blue Shield & Major Medical.	10	30	No formal policy.	A. Allowed. B. Tuition paid, dues paid for 2 memberships.	A. Travel reimbursed at 20¢/mile. B. Not available.	
Maryland	64,000	62,500	57,500	State Employees System, employee contributes 5% of his salary above social security base. Retire at 62 with 5 years, or 63 with 4 years, or 64 with 3 years, or 65 with 2 years, or at any age with 30 years; not part of judicial retirement system.	Pension equals 2/3 of final salary if totally disabled by on-the-job accident.	A. After 1 year, sum equal to annual salary. B. Blue Cross/Blue Shield & Major Medical, state pays 90%, maximum lifetime benefit equals \$250,000. C. No dental plan.	34 plus all election days throughout state	0 - 5 yrs. = 10 6 - 10 yrs. = 15 11 - 20 yrs. = 20 21 yrs. & up = 25	15 (at retirement can convert into creditable service)	A. Allowed B. Tuition paid if allowed in state budget; no allowance for dues.	A. Actual travel expenses at 19¢/mile, actual lodging reimbursed, meals: breakfast = \$3.00 lunch = \$3.75 dinner = \$4.25 B. Available	

STATE	Judge Salaries Supreme Court		Court Administrator Salary	Retirement	Disability	Insurance A. Life B. Health C. Dental	Holidays (days/yr.)	Vacation (days/yr.)	Sick Leave (days/yr.)	A. Administrative Leave B. Allowance for Professional Dues and/or Tuition	A. Reimbursement for Expenses (on-the- job) B. State Car	Other
	CJ	AJ										
Massachusetts	62,000	59,000	56,000	State retirement system, retire at 55 or with 20 years.	Disability Provision & Accidental Disability benefits for job-related injuries.	A. Basic state plan, employee pays \$2,000. B. Group State plan	11	0-4.5 yrs. = 20.4 4.5-9.5 yrs. = 25.2 9.5 & up = 30	30	A. Allowed, but no formal policy. B. Tuition paid; no allowance for dues.	A. Reimbursed for business travel at 10¢/mile, meals at \$11 per diem, other actual expenses.	
Michigan	69,000	69,000	62,410	Judges' Retirement System, employee contributes 3.5%. Retire at 60 or over with 12 years or at 55 with 18 years.	Long term disability income protection, entitled to 2/3 of pay up to \$3,000/month, premiums based on accumulated sick leave.	A. Term policy, benefit equals 2 x annual salary rounded to next 1,000 state pays premium. B. Blue Cross/Blue Shield includes dental, optical & major medical, state pays 90%.	12	13 plus 2 for every 5 years service, also gets 2 days extra annual leave for every 5 years.	13	A. At discretion of the court. B. Tuition paid.	A. Reimbursed travel at 26 1/2¢/mile. B. Access to State Motor Pool.	1 - Accidental Death Benefit if death in line of duty, benefit equals \$50,000. 2 - Longevity pay with at least 6 years.
Minnesota	59,000	58,000	47,000	Retirement plan for agency heads, employee contributes 4%.	Disability Benefits	A. State pays for \$35,000 coverage, group plan. B. State plan, include dependent coverage up to base figure. C. State plan.	18 plus 1 floating day.	0 - 3 yrs. = 21 3 - 5 yrs. = 24.5 5 - 8 yrs. = 28 8 - 12 yrs. = 31.5 12 yrs. & up = 35	14, increases at rate of 1/2 day/ pay period up to 25 days.	A. Allowed if job-related.	A. Actual expenses reimbursed at 24¢/mile; meal allowances: breakfast = \$4.50 lunch = \$5.50 dinner = \$9.50 B. Available	
Mississippi	47,000	46,000	41,000	Public Employees' Plan, state & employee contribute.	Disability benefits from Public Employees' Retirement System.	A. Group term available. B. Hospitalization & insurance program paid by state.	National & state holidays.	Provided by statute.	Provided by statute.	A. Not allowed.	A. Actual expenses for official travel. B. Not available.	
Missouri	54,340	51,840	40,000	State plan, state pays. Retire at 60 with 15 years; Benefit equals 1 1/4% x average highest 3 year's salary x years of service.	Disability pension after 5 years, if 5th disabled or more, benefit equals 1 1/4% of average salary x years of service.	B. Group plan available cost is \$10.70 for individual, \$65.40 for family.	11	1 - 10 yrs. = 15 10 - 16 yrs. = 18 16 yrs. & up = 21	15	A. At administrator's discretion. B. Tuition/registration paid. Professional dues as approved as budget item.	A. Reimbursed travel at 17¢/mile. Actual expenses. 123 maximum meal allowances. B. Two cars available to office.	1 - Deferred Compensation Plan 2 - Death Benefit 3 - Fun. al Leave
Montana	48,204	47,023	38,818	All judicial personnel are part of the state retirement system. Employees contribute \$1 and state contributes \$5. Employees' share may be withdrawn upon termination with interest.	State employee disability plan.	A. State Plan B. Blue Cross Medical Benefits, \$100 deductible in any benefit year. C. Dental expenses, policy underwritten by Blue Cross.	10	15	15	A. No specific policy. B. Some professional dues and tuition paid.	A. Most job-related expenses reimbursed.	1 - Accidental Death & Dismemberment Benefit
Nebraska*	48,315	46,115	38,640	State Employees System, not part of judicial retirement system.	None	A. \$10,000 free insurance, group term benefit to 3 times annual salary. B. State plan, state pays 75%. C. No plan.	National and state holidays (11).	Taken as needed.	Taken as needed.	A. As needed. B. Professional administration dues paid. Tuition/registration items paid.	A. Reimbursed for all actual expenses. B. Available	1 - Deferred Compensation 2 - Accidental Death
Nevada	47,250	47,250	30,250	Mandatory state system. Employee contributes 8% of salary which is matched by the state. Requires 20 years service to collect.	Provided through state retirement program. Temporary disability covered only by sick leave.	A. \$10,000 policy provided. B. State plan. Cost employee about \$55/month. C. Provided employee only.	8	14 days	Earned at a rate of 40 hours per payday.	A. Available. No defined limit. B. No specific allowance. As funding permits.	A. Per Diem: In-state: \$21 food and \$26.50 lodging. Out-of-state: \$21 food and up to \$30 lodging. Mileage at 24¢ per mile up to 75 miles, 12¢/mile thereafter. B. Available through state motorpool. No car specifically assigned to the administrator.	



STATE	Judges Salaries		Court Administrator Salary	Retirement	Disability	Insurance	Holidays (days/yr.)	Vacation (days/yr.)	Sick Leave (days/yr.)	Administrative Leave A. Allowances for Professional Dues and/or Tuition	Reimbursement for Expenses (other Job)	Other
	CJ	AL										
Oregon	54,037	55,100	43,440	Public Employees System; employee contributes 1%, retiree at age 60. Not part of Judicial Retirement System.	State employees short-term disability insurance program in addition to disability provisions under the Public Employees Retirement System.	A. State pays policy equaling annual salary. B. State pays for im- C. State pays for im- dividual & de-	State holidays.	At discretion of Chief Justice.	At discretion of Chief Justice.	A. At discretion of Chief Justice. B. Pay dues for COSCA.	A. Reimbursement for necessary expenses. B. Available.	1 - Death Benefits.
Pennsylvania	67,000	64,500	60,000	State Employee's Retirement System. Mandatory 5% contribution. Benefit equal 2% of final average salary (3 highest yrs.) a number of yrs. of service. Eligible after 10 yrs. of service or after 5 yrs. of service after age 60.	State retirement plan provides partial income protection for long term disability after 3 years service. Woman's Compensation provided for work-related illness or injury if the Court Administrator is not a member of the Judiciary. Current statutes exclude Workman's Compensation if the Court Administrator is appointed or elected member of the Judiciary.	A. \$20,000 straight term policy provided by state. Coverage automatically reduced to \$15,000 at age 65 and to \$10,000 at age 70. B. Fully state-paid comprehensive policy provided for im- dividual, spouse, and children to age 19. \$100,000 major medical require 20% co-payment by employee allowable charges up to \$2,000. Coverage continues following retirement and is normally fully paid by the state as part of an employee's retirement benefits. C. State-paid dental insurance is provided for employee, spouse and children to age 19.	11 Additional days as declared by Chief Justice.	Earned at a rate of 1.33 days per month with accrual allowed to a maximum of 200 days. 30% of unused sick leave paid at retirement.	A. An expense account is provided for job-related expenses. B. None provided.	1 - Leave Program includes an allowance for two personal leave days per year. 2 - Health insurance package includes specialized programs offering coverage for prescription drugs, vision care, and hearing aid services and supplies.		
Puerto Rico	36,600	36,000	34,600	Government Employees System; employee contributes 4 1/2%, retiree at 55 with 10 years.	Disability Pension, must have 10 years.	B. Total premium paid by agency. C. Total premium paid by agency.	Commonwealth holidays.	30	18	A. Allowed B.	A. Reimbursed for approved expenses. B. Available for official use.	1 - Christmas bonus of salary up to 16,000.
Rhode Island	50,499 to 80,394	49,186 to 59,023	40,016 to 55,296	State Plan, Retiree at 65 with 20 years or 70 with 15 years. Benefit equals 75% of salary.	Disability Insurance included in health insurance plan.	B. State Blue Cross/Blue Shield. A. State pays premium for \$3,000 policy health plan. B. State pays \$35.96 for standard benefits.	12	15	15	A. Allowed. B. Dues or tuition not paid by state.	A. Reimbursed for travel at 2 1/2/mile. meals not to exceed \$12; actual hotel costs.	1 - Workman's Compensation 2 - Unemployment Insurance
South Carolina	66,579	56,944	45,456	State Plan. Employee contributes 7%. Retiree at 30 years.	Disability provisions in State Retirement Plans. Provides 5% of highest 5 years plus 10% for each dependent to maximum of 90%.	A. Optional Term Life. B. State pays for State Blue Cross/Blue Shield, employee pays for family coverage.	9	Accrual rate 12 days up to maximum of 30.	15	A. None. B. Allowances for non-legal administrative organizations.	A. Reimbursed auto travel at 2 1/2/mile. Actual mileage per diem: meals, \$14.50 im-state; lodging, 120 im-state, 145 out-of-state. d. Available.	1 - Grant Union
South Dakota	46,900	46,900	42,767	State Plan; employee contributes 5%, vesting after 5 years.	Disability provisions in State Retirement Plans. Provides 5% of highest 5 years plus 10% for each dependent to maximum of 90%.	A. Optional Term Life. B. State pays for State Blue Cross/Blue Shield, employee pays for family coverage.	9	Accrual rate 12 days up to maximum of 30.	15	A. None. B. Allowances for non-legal administrative organizations.	A. Reimbursed auto travel at 2 1/2/mile. Actual mileage per diem: meals, \$14.50 im-state; lodging, 120 im-state, 145 out-of-state. d. Available.	1 - Grant Union

STATE	Judges Salaries Supreme Court		Court Admin- istrator Salary	Retirement	Disability	Insurance A. Life B. Health C. Dental	Holidays (days/yr.)	Vacation (day/yr.)	Sick Leave (days/yr.)	A. Administrative Leave B. Allowances for Professional Dues and/or Tuition	A. Reimbursement for Expenses Inher- ent to Job B. State Car	Other
	CJ	AJ										
Tennessee	67,500	65,000	62,500	State Judge's Retirement Plan.		A. State group plan. B. State group plan. C. State group plan.	State holidays.	Determined by state according to length of service.	Determined by state according to length of service.	A. At Court's discretion. B. Allowance for professional dues & tuition.	A. Reimbursed for all actual & necessary expenses. B. Available	
Texas	71,900	71,400	67,600	20% of base salary after 10 years--1.5% added for each additional year of service.	State employee disability plan.	A. State employee plan. B. State employee plan. C. None.	14	10	18	A. Not allowed. B. None allowed.	A. Travel expenses reimbursed. B. Not available.	
Utah	50,500	50,000	45,000	State Plan. Retire at 65 or at any age with 30 years, vesting in four years. All state funded.	Disability retirement provisions after 10 years.	A. Coverage for \$18,000 cost administrator \$3.60/month. B. State plan, cost equals \$25.40/month.	12	1 - 5 yrs. = 12 5 - 10 yrs. = 13 10 yrs. & up = 18	12	A. Reasonable leave allowed. B. Limited payment of professional dues.	A. Reimbursed for actual & necessary travel expenses associated with position.	
Vermont*	47,300	45,100	42,900	State plan. Contributory (5%) and non-contributory options. Can retire at 55 with 10 years service or at any age with 30 years service.	Disability retirement provisions after 10 years service. (No minimum requirement for job-related disability.)	A. State employees plan. Coverage for \$42,900 for administrator. State pays 75% of cost. B. State plan. Basic benefits and major medical. State pays 75% of cost for employee and all eligible dependents. C. State employees plan. State pays 100% of premium.	13	Negotiable with Supreme Court.	Negotiable with Supreme Court.	A. Negotiable with Supreme Court. B. At discretion of the Supreme Court and Court Administrator.	A. Travel reimbursement at 22¢/mile. Maximum in-state meal allowance: \$3.25 breakfast, \$3.30 lunch, \$10.30 dinner. Maximum out-of-state meal allowance: \$4.50 breakfast, \$5.00 lunch, \$12.75 dinner. Actual lodging expenses. B. Not available.	
Virginia*	64,000	61,400	57,000	Member of Judicial Retirement Plan System. Employee contributes 3%; retire at 60 with 30 years. Weighted service of 3.5 years credit for one year service.	Disability Retirement Plan	A. Mandatory Term Policy Benefit equals 2 times annual salary, double indemnity for accidental death. B. Commonwealth pays for Blue Cross/Blue Shield Plan, group rates for family coverage. C. State Employees Plan.	11	0 - 5 yrs. = 12 5 - 9 yrs. = 13 10 - 19 yrs. = 18 20 yrs. & up = 21	15	A. Decisions made on individual basis. B. Tuition/registration items paid.	A. No travel allowance. Reimbursed for business trip expenses. B. Not available.	
Virgin Islands	--	--	35,310	Yes (unspecified)	Unspecified	A. Yes B. Yes C. Yes	26	26	13	A. Available. B. Allowances made.	A. None. B. Yes.	
Washington	51,500	51,500	40,700	State Public Employees' Retirement System. Eligible after 25 years service or after 5 years service if age 55 or over. Two contribution options.	State Disability Plan.	B. State Employees Plan. C. State Employees Plan.	11	1 yr. = 12 2 yrs. = 13 3, 4 yrs. = 14 5, 6, 7 yrs. = 15 8, 9, 10 yrs. = 16 11, 12, 13 yrs. = 17 14, 15, 16 yrs. = 18 17, 18, 19 yrs. = 19 20, 21, 22 yrs. = 20 23, 24, 25 yrs. = 21 26 yrs. & up = 22	12	A. Allowed B. Full or partial payment of tuition may be approved, or per diem.	A. Reimbursed for actual expenses from official business. B. Available.	
West Virginia	49,000	49,000	46,000	Public Employees System, benefit based on 3 highest salary years, not part of judicial retirement system.	Disability Benefits.	A. \$20,000 Policy optional. B. Public Employees Insurance Board, includes hospitalization & major medical. C. None	13	1 - 5 yrs. = 15 5 yrs. & up = 18	18	A. Allowed. B. State pays tuition & dues with approval of Supreme Court.	A. Reimbursed for travel at 21¢/mile. B. Not available.	

STATE	Judges Salaries Supreme Court		Court Administrator Salary	Retirement	Disability	Insurance A. Life B. Health C. Dental	Holidays (days/yr.)	Vacation (days/yr.)	Sick Leave (days/yr.)	A. Administrative Leave B. Allowances for Professional Dues and/or Tuition	A. Reimbursement for Expenses In-the- Job B. State Car	Other
	CJ	AJ										
Wisconsin	63,324	16,016	51,372	State Plan. Employee contributes 1.5%, retire at 62. Benefit equals average monthly earnings of 3 highest salary years + .018 x years of service.	Disability Income Insurance Available.	A. Group term policy, benefit equals annual salary. Employer pays 75%.	10 1/2	25	13, unlimited ac- cumulation at re- tirement or death, balance converted to pay health insurance premium.	A. Allowed. B. Negotiable.	A. Reimbursed at fixed rate/allow. B. Depends on avail- ability.	1 - Length of service pay.
Wyoming	63,900	63,900	35,725	State System. Employee contributes 3.71%. Not part of Judicial Retirement System.	No Disability Plan.	A. State Plan. Bene- fits & Cost depends on age. B. Fully paid personal medical coverage.	10	0 - 4 yrs. = 15 4 - 9 yrs. = 18 9 - 14 yrs. = 21 over 14 yrs. = 24	12	A. Allowed. B. Tuition paid subject to approval by Chief Justice.	A. Reimbursed per diem: in-state w/ lodging = \$50 in-state w/o lodging Out-of-state w/o lodging = \$25 B. Limited use for out- -of-town travel.	1 - Longevity pay \$30/ month for each 5 years.

\*Indicates revision 11/30/82

Introduced: 2/9/84  
Referred: Judiciary and  
Finance

BY BUSSELL, COWDERY, FRITZ,  
FURNACE, HURLBERT, LINDAUER, LISKA,  
MARTIN, PESTINGER AND WARD

1 IN THE HOUSE

2 HOUSE BILL NO. 595

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 retirement benefits for an admin-  
7 istrative director of the Alaska Court System; and  
8 providing for an effective date."

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

10 \* Section 1. AS 39.35.158 is repealed and reenacted to read:

11 Sec. 39.35.158. ADMINISTRATIVE DIRECTOR OF COURTS. An adminis-  
12 trative director of the Alaska court system is included in the system  
13 and is entitled to credited service for employment as administrative  
14 director.

15 \* Sec. 2. AS 22.25.012 and AS 39.35.680(21)(C)(vii) are repealed.

16 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.-  
17 10.070(c).

COMMITTEE REPORT  
HOUSE

(11)

FURTHER:

2/9/84

Date: 3-12-84

The Committee on FINANCE has had HB 599

"An Act relating to the investment policy of the Alaska permanent fund board; 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 \_\_\_\_\_  same title
- and recommends \_\_\_\_\_  new title
- AND attaches a "Letter of Intent"  New Fiscal Note 3295.1
- reports it back without recommendation  Zero Fiscal Note Attached
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

\_\_\_\_\_  
*[Signature]*  
 \_\_\_\_\_  
 OWEN FURNACE  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

\_\_\_\_\_  
*[Signature]* - NO REC.  
 \_\_\_\_\_  
 T.H. [Signature] " "  
 \_\_\_\_\_  
 [Signature] " "  
 \_\_\_\_\_  
 [Signature] DO NOT PASS  
 \_\_\_\_\_  
 [Signature] (NO REC)  
 \_\_\_\_\_  
 [Signature] (NO REC)

\_\_\_\_\_  
*[Signature]*  
 \_\_\_\_\_  
 CHAIRMAN

Introduced: 2/9/84  
Referred: Finance

BY COWDERY, HAYES, BARNES,  
BUSSELL, LINDAUER, WARD,  
TISCHER, BETTISWORTH, FRITZ,  
LISKA AND ABOOD

1 IN THE HOUSE

2

HOUSE BILL NO. 599

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 investment policy of the  
Alaska permanent fund board; and providing for an  
effective date."

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

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\* Section 1. FINDINGS AND INTENT. The legislature finds that strict application of the "prudent man rule" investment policy by the Alaska permanent fund board overemphasizes conservative investment policy to the exclusion of many sound investments that could be made within the state. While the legislature does not intend for permanent fund money to be invested in imprudent investments, the growth of the state economy must be encouraged by requiring that a portion of the Alaska permanent fund be invested in the state.

\* Sec. 2. AS 37.13.120(1) is repealed and reenacted to read:

(1) Notwithstanding the provisions of (a) of this section the board shall invest at least 10 and not more than 20 percent of the assets of the corporation within the state in each financial year of the corporation until at least 50 percent of the assets of the corporation are invested within the state.

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



**Alaska Permanent Fund Corporation**

Pouch 4-1000 Juneau, Alaska 99802

TEL 907/465-2047 TLX 099-46-323

**FISCAL NOTE - HOUSE BILL 599**

The House Bill 599 impact on operations essentially involves a conversion of existing investments (primarily U.S. Government bonds, bills and notes) to investments in Alaska. The U. S. Government securities are purchased, held and sold in large blocks -- tens or hundreds of millions. Individual Alaskan investments, by contrast, will be extremely small. Thus we would expect that many more loan transactions and accounting entries would be required.

It is extremely difficult to project actual impact since the mix of Alaskan investments (loans, stocks, bonds, mortgages, equity real estate) cannot be immediately ascertained.

It would not be unreasonable to assume that operating costs would parallel those of AIDA and perhaps equal a third or half of AHFC. If this assumption is valid, projected costs are as set forth on the enclosed form.

IMPACT ON EARNINGS

An effort to place a large amount of investment funds into a narrow non-diversified market has the effect of forcing investments to be made at lower than market returns. In other words, a high supply of funds matched to a low demand results in lower yields. Each one percent drop on a \$5 billion fund equals diminished earnings of \$50,000,000.

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

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

**REQUEST**

Bill/Resolution No.: HB599  
 Title: An Act Relating to the Investment Policy of the APFC Board  
 Sponsor: Cowdery et al.  
 Requestor: House Finance  
 Date of Request: 3/6/84

**FISCAL DETAIL**

Agency Affected: Revenue  
 Program Category Affected: Alaska Permanent Fund Corporation  
 BRU, Program or Subprogram(s) Affected: Alaska Permanent Fund Corporation

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

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
<b>OPERATING</b>						
100 PERSONAL SERVICES		1932.6	1990.6	2050.3	2111.8	2175.2
200 TRAVEL		134.2	138.2	142.3	146.6	151.0
300 CONTRACTUAL		1226.8	1263.6	1301.5	1340.5	1380.7
400 SUPPLIES		60.6	62.4	64.3	66.2	68.2
500 EQUIPMENT		41.2	42.4	43.7	45.0	46.3
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>3395.4</b>	<b>3497.2</b>	<b>3602.1</b>	<b>3710.1</b>	<b>3821.4</b>
<b>CAPITAL</b>						
<b>REVENUE</b>						

**FUNDING: (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER Program Receipts		3395.4	3497.2	3602.1	3710.1	3821.4
<b>TOTAL</b>		<b>3395.4</b>	<b>3497.2</b>	<b>3602.1</b>	<b>3710.1</b>	<b>3821.4</b>

**POSITIONS:**

FULL-TIME		41.0	41.0	41.0	41.0	41.0
PART-TIME		-0-	-0-	-0-	-0-	-0-
TEMPORARY						

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

Program Receipts: Alaska Permanent Fund Corporation

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

Prepared By: Peter A. Bushie Phone: 465-2047  
 Division: Alaska Permanent Fund Corporation Date: 3/7/84

Approved by Commissioner: \_\_\_\_\_ Date: \_\_\_\_\_  
 Agency: \_\_\_\_\_

**Distribution (by Agency preparing fiscal note):**

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

12/1/83

PREPARED TESTIMONY OF DAVE ROSE, EXECUTIVE DIRECTOR OF THE ALASKA  
PERMANENT FUND CORPORATION, BEFORE THE HOUSE FINANCE COMMITTEE,  
REGARDING HOUSE BILL 599

MARCH 8, 1984

Mr. Chairman, Members:

Thank you for inviting me to testify on House Bill 599 which would compel that the prudent-man rule be waived for Alaskan investments, and at least 50 percent of the principal of the Permanent Fund be incrementally invested in Alaska.

I would like to break my presentation into two parts:

First, the current status of investments in Alaska, and

Second, the practical effect of HB 599, should it be adopted and accepted by the electorate.

Alaska Statute 37.13.120(a) provides:

"The prudent-man rule shall be applied by the board in the management and investment of Alaska permanent fund assets. The prudent-man rule as applied to investments of the corporation means that in making investments the board shall exercise the judgment and care under the circumstances then prevailing which an institutional investor of ordinary prudence, discretion, and intelligence exercises in the management of large investments entrusted to it not in regard to speculation but in regard to the permanent disposition of funds, considering probable safety of capital as well as probable income."

Alaska Statute 37.13.120(1) provides:

"The board shall invest the assets of the corporation in in-state investments to the extent in-state investments are available if the in-state investments

(1) have a risk level and expected yield comparable to alternate investment opportunities; and

(2) are included in the list of permissible investments in (g) of this section."

The Trustees have attempted to comply with both of these provisions. Today, the investment profile in Alaska is as follows:

HOME MORTGAGE PROGRAM. Under this program \$80 million has been made available for the purchase of owner occupied single-family, duplex, tri-plex and four-plex home mortgages. Loans are underwritten by Alaskan financial institutions and are purchased by the Fund. The banks service the loans which are made for a 15 to 30-year term, at variable rates which are adjusted annually. Certain loan to value ratios apply.

Market rates apply -- today's rate is 12.25 percent. Since this program does not employ the use of a general fund subsidy, it is not as popular as the Alaska Housing Finance Corporation program which is subsidized. It is popular, however, to borrowers whose loans exceed the AHFC limits and to borrowers who desire longer-term mortgages.

As indicated earlier, \$80 million is available. Our books currently show that loans outstanding equal \$33,335,000. Additionally, since the program was started, an additional \$9,076,000 has been loaned and paid off.

CORPORATE BOND PROGRAM. Alaska Statute 37.13.120(g)(8) provides that the Fund may invest in corporate debt securities which are rated "AA" or better by a nationally recognized rating service. To this end, we currently hold \$21,500,000 of taxable mortgage-backed bonds issued by AHFC. We are prepared to purchase more of this debt if rates are competitive and if the bonds are offered domestically. We cannot buy Eurobonds as they are issued by a foreign corporation.

BANK CERTIFICATES OF DEPOSIT. The Fund has been a purchaser of certificates of deposits issued by Alaskan financial institutions. As of this date, we have no debt of this type in our portfolio. On March 23, the Trustees will consider for adoption an extensive Alaskan Bank CD program which may provide up to \$200 million in actual and stand-by credit. This program has the following characteristics:

- It will be open continuously;
- Term will be three years;
- Interest rates will float quarterly;
- There will be 100 percent collateralization;

Alaskan loans may be used as collateral;  
Collateral will be held and valued by a Trustee.

PURCHASE OF FEDERALLY GUARANTEED PORTIONS OF LOANS. The Fund can be a purchaser of those portions of loans which are federally guaranteed. In other words, it could buy 90 percent of an SBA loan -- the guaranteed portion. To date the Alaska Industrial Development Authority has an active program which is meeting the total statewide need. If AIDA could no longer solely meet the need, the Fund could step in and fill the void.

EQUITIES. The Fund does not consider its common stock portfolio -- or any portion of it -- to be Alaskan investments. It should be noted, however, that many of the corporations involved operate within Alaska and contribute significantly to Alaskan employment and economic development. (To name just a very few: SOHIO, ARCO, EXXON, Humana Hospitals, IBM.)

Thus you have a recap of what we are doing in Alaska at this point in time. We believe you should look at our activity in juxtaposition to AHFC and AIDA -- two very financially powerful and professionally-run agencies which adequately meet housing and business loan demands of Alaskans. Indeed, at this point in time, your Permanent Fund is not experiencing any significant

bank or borrower demand for its funds.

This leads to the second portion of my presentation -- Specific comment on HB 599.

This legislation does not meet a demonstrated need or fill a demonstrated void. It has the potential effect of destroying the banking system within our state, destroying the equilibrium within the private sector and utilizing the Fund for social and political purposes. It could destroy the concept of managing the Fund as an inviolate trust under the prudent-investor rule and finally could destroy the Fund itself.

Allow me to elaborate:

The approximate net worth of all of the banks in our state is \$400 million. This would be dwarfed by the infusion into the economy of \$2.5 billion. The Fund -- particularly if it made direct loans -- could supplant rather than supplement the banking system. Under statutory mandate to invest in loans, the Fund would have little alternative but to reduce both its standards of quality and its rates in order to compete for business. If the Fund is forced to do so, borrowers would flock to the Fund as the central bank of Alaska, and existing institutions would be forced to either close their doors or invest their funds outside of Alaska. More importantly, long-term structural damage could be done to the banking system which could impair the formation of capital. This would be to our collective detriment in the future since the Fund will not continuously be available to serve as a

central lending bank.

I am concerned about the potential to destroy the equilibrium of the private sector. A mandate to invest, regardless of market supply and demand, has the following consequences:

The Fund competes with other Alaskan investors for equity ownership. It outbids the private sector in order to meet its statutory mandate.

The Fund finances shopping centers and office buildings and competes with marginal producers, forcing them out of business.

The Fund finances shopping centers and office buildings and creates glut. Thus all investors -- including the Fund -- do poorly.

Of deep concern is the question of whether or not a mandate to invest forces the Fund -- for lack of alternative Alaskan investments -- to invest in social and political public projects which do not offer market returns and which involve substantial risks.

The Fund could be forced to invest at tax-exempt rates, far below market yields.

The Fund could be forced to invest in hydroelectric projects where there are no rates in effect or contracts to purchase power and thus no

ability to a revenue return after operations.

The Fund could be forced to become involved in sectional and community disputes by financing a legislative hall in Juneau, an office building in Anchorage, a jail in Seward.

The Fund could be used as a means to expand the State capital budget to fund "overflow" projects which are not funded by priority and consensus.

The mandate to invest should not be used to obviate the prudent-investor rule which guarantees that the Fund will operate as an inviolate trust with proper regard given to diversification, liquidity, probable safety of capital and probable income.

For all of the above reasons, I am concerned that the mandate to invest may destroy the Fund itself. The mandate may create the charge to disregard ordinary prudence and to disregard the exercise of discretion and care usually found in a sophisticated institutional investor. Once the prudent-investor rule is set aside, the Fund corpus is placed in jeopardy, losses occur, risk increases, and it evolves into a social and political tool of government. When the Fund loses its financial integrity, you no longer have a Permanent Fund.

##

## Participating Lenders

Alaska Continental Bank  
Alaska Federal Savings & Loan  
Alaska Mutual Bank  
Alaska National Bank of the North  
Alaska Pacific Mortgage Co.  
Alaska Statebank  
B. M. Behrends Bank  
City Mortgage Co.  
Fedalaska Federal Credit Union  
First Alaska Mortgage & Escrow  
First Bank  
First Federal Savings & Loan  
First Interstate Bank of Alaska  
First National Bank of Anchorage  
First National Bank of Fairbanks  
General Electric Mortgage Co.  
Home Savings & Loan  
Kissell Mortgage Co.  
Lomas & Nettleton Mortgage Co.  
Mt. McKinley Mutual Savings Bank  
National Bank of Alaska  
Peninsula Savings & Loan  
Peoples Bank & Trust  
Security National Bank  
United Bank Alaska



*Information contained in this pamphlet  
is subject to change. Consult your  
participating lender.*

Alaska Permanent Fund Corporation  
801 W. Tenth • Suite 302  
Pouch 4-1000  
Juneau, Alaska 99802

Telephone  
(907) 465-2047



**Alaska Permanent Fund  
Corporation**

**HOME  
MORTGAGES**

The Alaska Permanent Fund Corporation provides "adjustable rate" home mortgage financing in all parts of Alaska through private lending institutions. The commitment of the Alaska Permanent Fund Corporation is to provide a stable, additional source of funding to credit-worthy, eligible borrowers.

### **How to Find Out About Alaska Permanent Fund Corporation Home Mortgages**

Talk to any participating lender listed on the last page of this pamphlet for latest information.

### **How to Secure an Alaska Permanent Fund Corporation Mortgage**

The lender will determine if you are eligible for home mortgage financing and if your income is sufficient to make the monthly mortgage payment. All mortgages are originated for the Alaska Permanent Fund Corporation by participating lenders; the Alaska Permanent Fund Corporation does not make direct mortgage loans.

### **Housing Eligible for Mortgage Financing**

The Alaska Permanent Fund Corporation finances only permanent mortgages on new or existing homes consisting of single-family, duplex, tri-plex and four-plex. *All housing financed must be owner-occupied.*

### **Mortgage Amounts, Term and Down Payment**

Maximum Term—30 years.

Minimum Term—15 years.

10% down payment required for single-family dwelling loans up to \$150,000.00.

20% down payment required for single-family dwelling loans up to \$150,000.00.

20% down payment required for two-plex, tri-plex, and four-plex dwelling loans regardless of amount.

### **Adjustable Interest Rate**

Initial interest rate is the rate of the Federal Home Loan Bank Board Series of Loans Recently Closed on Existing Homes (FHLBB) prevailing at the time the Alaska Permanent Fund Corporation makes a final commitment to purchase, plus  $\frac{1}{2}$  of 1%.

The interest rate on a conventional adjustable rate mortgage purchased by the Alaska Permanent Fund Corporation will be adjusted once each year as of March 1 or September 1, whichever is nearer the anniversary of the loan closing date, on the basis of annual change of the FHLBB Series for Loans Recently Closed on Existing Houses; however, no change may increase or decrease the interest rate by more than 2% in the interest rate, the excess change in the index will be carried over and used as a basis for a subsequent adjustment during any year when the adjustment to that interest rate would otherwise be less than 2%.

### **Other Information**

- Lenders are permitted to charge an origination fee to borrowers.
- The Alaska Permanent Fund Corporation will charge a 1% commitment fee for a six-month commitment.
- Mortgages may not be assumed by another borrower.
- The selection of any mortgage will be made on the basis of its individual merits and its suitability as part of the investment portfolio.
- No refinancing.



**Alaska Permanent Fund Corporation**  
Pouch 4-1000 Juneau, Alaska 99802  
TEL 907/465-2047 TLX 099-46-323

March 6, 1984

The Honorable Al Adams  
Chairman, House Finance Committee  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Dear Representative Adams:

You have inquired as to what programs are in place--and what is planned for the future--with respect to Alaska Permanent Fund Corporation investments in Alaska.

Programs in Place

1. The Trustees have allocated \$80 million for investments in home mortgages (owner occupied, one to four units). These are offered at market rates, thirty-year term, floating rate adjusted once annually. Currently, about \$30 million has been utilized and \$50 million is available. The program has been in existence for about two years. Use of the program has been minimal since the Alaska Housing Finance Corporation provides subsidized rather than market rates. Our program is popular with those seeking housing loans over AHFC limits and with those wishing to avoid AHFC step-up rates and the AHFC shorter maturity.
2. The Fund is a purchaser of AHFC taxable bonds backed by Alaskan home mortgages. When market yields are satisfactory, we have purchased up to ten percent of an AHFC bond issue. Our current

Representative Al Adams  
March 6, 1984  
Page 2

holdings are \$21.5 million. The Fund cannot buy foreign bonds and cannot participate in AHFC Eurobond transactions.

#### New Program - March 1984

The Trustees have been working on a program which could place up to \$200 million in Alaskan banks for use in our local economy. Under this plan, the Fund would purchase certificates of deposit from banks and would accept Alaska loans as collateral. The program has been finalized and will be before the Trustees for adoption at their next meeting on March 23, 1984. Action on this program was tabled from the last meeting when representatives of one of Alaska's largest banks testified that most banks were awash with funds and the program would not be used. The Trustees believe the program should be put into place now, even though major banks do not need the funds, so that when funds are needed, a well designed rather than "balancing wire" program will be available.

#### On the Drawing Board

The Trustees have retained a consultant to draw a comprehensive plan for real estate investing. A component of the plan will address Alaskan properties. It is anticipated that a preliminary report will be available at the March meeting. Hopefully, we will be able to address ways of investing which (1) will not compete with private sector Alaskan investors; (2) will not create new projects (shopping centers and office buildings) which, through competition, will force marginal producers into financial stress; (3) will not create glut which could result in poor earnings to both the Fund and the private sector.

#### Standby Program

The Fund can be a purchaser of those portions of loans which are federally guaranteed (i.e., it could buy 90% of an SBA loan--the guaranteed portion). To date the Alaska Industrial Development Authority has an active program and is meeting the total statewide need. If AIDA could no longer solely meet the need, the Fund could assist on a participating basis with AIDA.

I am sure you appreciate our desire to invest within Alaska in such a manner that (1) we do not destroy the long-term formation of capital and along with

Representative Al Adams  
March 6, 1984  
Page 3

it the banking system; (2) we do not destroy the equilibrium of the competitive private sector; or (3) we do not utilize the Fund as a social or political tool through hidden subsidization rather than utilize it as a sound, economics-driven savings account for all of our people.

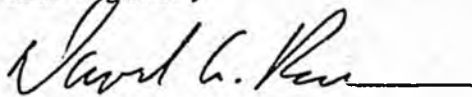
Investing in Alaska is a challenge which will be met. It will take time and the exercise of great care. I'm confident that we can do it.

Attached please find the following additional information relative to Fund investments and status:

1. Outline of the Alaska Bank Certificates of Deposit Program
2. Home Mortgages brochure
3. Investment Objectives and Strategies
4. Investment profile as of January 31, 1984
5. Recap of Realized Rates of Return since inception of the Fund
6. Recap of Net Income since inception of the Fund
7. Recap of Total Assets by year
8. Fiscal Note - HB 599

I will be available to testify on HB 599 on Thursday, March 8, 1984. In the interim, please contact me if I can be of further assistance.

Warm regards,



David A. Rose  
Executive Director

DAR/aef  
Enclosures

RESOLUTION OF THE BOARD OF TRUSTEES  
OF THE ALASKA PERMANENT FUND CORPORATION  
PERTAINING TO INITIATION OF A CERTIFICATE OF DEPOSIT PURCHASE  
PROGRAM FOR ALASKAN FINANCIAL INSTITUTIONS

RESOLUTION 83-13

WHEREAS, a portion of the Permanent Fund portfolio is generally invested in short-term United States Treasury Bills; and

WHEREAS, this asset allocation provides acceptable yields to the Fund; and

WHEREAS, the same return can be generated by initiation of a collateralized certificate of deposit purchase program; and

WHEREAS, such a program may assist economic development of the State of Alaska while providing market rates of return and minimal risk;

NOW THEREFORE BE IT RESOLVED that the Trustees adopt the attached guidelines which set forth an "ALASKA BANK CERTIFICATES OF DEPOSIT PROGRAM"; and

BE IT FURTHER RESOLVED that the Trustees direct the Executive Director to implement said program; and

BE IT FURTHER RESOLVED that the Trustees will address the amount of funds to be allocated to the program as part of each quarterly investment review.

PASSED AND APPROVED by the Board of Trustees of the Alaska Permanent Fund Corporation, this 2nd day of December, 1983.

---

Steve Cowper, Chairman  
Board of Trustees  
Alaska Permanent Fund Corporation

ATTEST:

---

David A. Rose, Executive Director

Revised 11/29/83

ALASKA PERMANENT FUND  
ALASKA BANK CERTIFICATES OF DEPOSIT PROGRAM

POLICY

The Alaska Permanent Fund will purchase certificates of deposit issued by Alaskan banks at floating interest rates for certificates of deposit for a three-year term. Amount of certificates of deposit to be purchased and interest rate paid are predetermined by established guidelines. Floating rates are utilized to provide maximum protection in volatile markets to the Fund.

PURPOSE

To make funds available to Alaskan banking institutions, as required, on an open and continuous basis in an effort to make funds available to accommodate an expansion of the Alaska economy. It is not intended that these funds will be used for arbitrage operations, although it is recognized that a portion may be temporarily utilized for that purpose. While not mandatory, this program envisions that banks will make floating rate loans which minimize risks to banks and borrowers.

PROGRAM GUIDELINES

1. Funds will be available on a continuous basis. The program is open ended without a determined termination date.
2. Certificates of deposit will be issued by banks and purchased by the Fund for a specific period of three years.
3. Interest rates will float quarterly throughout the three-year period.

4. Interest rates will be established to reflect the average Treasury coupon equivalent rate published in the Wall Street Journal for the first three-month U. S. Treasury Bills auctioned in each calendar quarter, plus 50 basis points.
5. Interest will be paid annually.
6. Funds will not be made available in increments less than \$1,000,000.
7. All certificates of deposit will be 100% collateralized.
8. All collateral will be delivered versus funds at a Trustee bank.
9. Trustee bank will mark all collateral to market and will institute additional collateral calls as necessary. Collateral will be released to the degree that mark to market warrants, and if requested by issuing bank.
10. Substitution of collateral will be permitted by the Trustee bank.
11. At maturity, all funds (principal and interest) will be delivered to Trustee versus collateral.
12. Trustee will liquidate collateral after three working days in the event of a failure to pay either principal or interest when due.
13. Collateral must be in the form of any or a combination of any of the following; at market value:
  - a) obligations of, or obligations insured by or guaranteed by, the United States or agencies or instrumentalities of the United States;
  - b) obligations secured by reserves paid in by the United States or agencies or instrumentalities of the United States or obligations of corporations in which the United States is a shareholder or member;
  - c) corporate debt securities which are rated AA or better by a nationally recognized rating service;

- d) the guaranteed portion of Federal Small Business Administration loans;
- e) the portion of first lien real estate mortgages guaranteed by the Federal Veterans Administration;
- f) the portions of business and industrial loans made under the Rural Development Act of 1972 which are guaranteed by the Farmer's Home Administration;
- g) the guaranteed portion of Farmer's Home Administration loans;
- h) notes secured by mortgages granting a first lien on commercial or residential real estate improved by completed buildings if the mortgages are insured by a private mortgage insurance corporation which is authorized to do business in Alaska and has combined capital and surplus aggregating at least \$20,000,000, and if loan-to-value ratios do not exceed 75 percent for commercial mortgages and 90 percent for residential mortgages; however,
  - (1) no mortgage insurance is necessary for commercial loans having loan-to-value ratios of less than 50 percent and the minimum coverage of other commercial loans shall be 10 percent for those having a loan-to-value ratio of 50-60 percent and 15 percent for those having a loan-to-value ratio greater than 60 percent but no more than 75 percent, and
  - (2) no mortgage insurance is necessary for residential loans having a loan-to-value ratio of less than 70 percent and the minimum coverage of other residential loans shall be 10 percent for those having a loan-to-value ratio greater than 70 percent but less than 90 percent and 20 percent for those having a loan-to-value ratio of 90 percent;
- (i) notes secured by mortgages granting a first lien on commercial real estate improved by completed buildings if the originating financial institution retains at least 25% of the mortgage until maturity;

NOTE: Uninsured loans or uninsured portions of loans [see (h) and (i) above] will be valued at 75% of the outstanding principal balance. Delinquent, default or extended loans will not be acceptable collateral.

14. The Permanent Fund is prepared to purchase three-year certificates of deposit issued by financial institutions as follows:
  - a. The program will be funded in such a manner that each institution will be assured that certificates will be purchased in a total amount which is not less than 25% of capitalization as determined by each institution's published annual or quarterly report (to include paid-in-capital, unencumbered reserves, and retained or undistributed earnings).
  - b. Additional funds made available for the program will be utilized to purchase certificates on a first-come, first-served basis regardless of capitalization.

## **INVESTMENTS**

### **OBJECTIVES — SAFETY OF PRINCIPAL**

**3 % REAL RATE OF RETURN**

### **STRATEGIES — ASSET ALLOCATION**

**75 % FIXED INCOME**

**10 % REAL ESTATE**

**15 % COMMON STOCK**

**75 % INDEX FUND**

**25 % ACTIVE MANAGEMENT**