

LEG. FINANCE - BILLS 1985 - 1986 2275

SB 483 - SB 485 2275

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

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

**REQUEST**

Bill/Resolution No. : CSSB 483 (Jud)  
 Title : An Act relating to the  
suspension of the operation of  
certain state programs  
 Sponsor : Finance  
 Requestor : Senate Finance  
 Date of Request : \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected : Public Safety  
 BRU : Motor Vehicles  
 \_\_\_\_\_  
 Components : \_\_\_\_\_  
 \_\_\_\_\_

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

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

<b>CAPITAL</b>						
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<b>REVENUE</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
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**FUNDING : (Thousands of Dollars)**

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

**POSITIONS :**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

The specific section (AS 28.10.411(c)) included in the bill does not exempt residents 65 years of age or older from motor vehicle registration fee. If this class of residents were no longer exempt from the motor vehicle registration fee the increase in revenue to the State would be approximately \$210,000 annually. (7,000 vehicles times fee of \$30.00 per vehicle).

Prepared by : Bill Brown Phone : 465-2650

Division : Motor Vehicles Date : 4-30-86

Approved by Commissioner : [Signature] Date : 4/29/86

Agency : Public Safety

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

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

STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE

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

REQUEST

Bill/Resolution No: SB 483  
Title: Relating to suspension of the operation of certain state programs

Sponsor: Senate Finance  
Requestor: Judiciary and Finance  
Date of Request: 4/17/86

FISCAL DETAIL

Agency Affected: Revenue  
BRU: Administrative Services

Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
OPERATING						
PERSONAL SERVICES	-	-0-	-0-	-0-	-0-	-0-
TRAVEL	-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	-	-0-	-0-	-0-	-0-	-0-
SUPPLIES	-	-0-	-0-	-0-	-0-	-0-
EQUIPMENT	-	-0-	-0-	-0-	-0-	-0-
LANDS & STRUCTURES	-	-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS	-	-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS	-	-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING	-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

Prepared By: Ervin B. Jones, Director  
Division: Administrative Services

Phone: 465-2313  
Date: 4/22/86

Approved by Commissioner: Wayne H. Starkale  
Agency: Revenue

Date: 4/24/86

Distribution (by Agency preparing fiscal note):

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

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

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

**REQUEST**

Bill/Resolution No. : SB 483  
 Title : An Act relating to the  
suspension of the operation of  
certain state programs  
 Sponsor : S. Finance  
 Requestor : Senate Judiciary  
 Date of Request : 4/22/86

**FISCAL DETAIL**

Agency Affected : Public Safety  
 BRU : Motor Vehicles  
 \_\_\_\_\_  
 Components : \_\_\_\_\_  
 \_\_\_\_\_

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

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

CAPITAL						
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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**FUNDING : (Thousands of Dollars)**

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

**POSITIONS :**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

The specific section (AS 28.10.411(c)) included in the bill does not exempt residents 65 years of age or older from motor vehicle registration fee. If this class of residents were no longer exempt from the motor vehicle registration fee the increase in revenue to the State would be approximately \$210,000 annually. (7,000 vehicles times fee of \$30.00 per vehicle).

Prepared by : Bill Brown Phone : 465-2650  
 Division : Motor Vehicles Date : 4-21-86

Approved by Commissioner : [Signature] Date : 4/22/86  
 Agency : Public Safety

Distribution (by Agency preparing fiscal note):

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

DEPARTMENT OF PUBLIC SAFETY

POSITION PAPER - SB 483

Neutral

April 21, 1986

SB 483: An Act relating to the suspension of the operation of certain state programs.

AS 28.10.411(c) (the section listed in this bill) as currently written does not exempt a resident 65 years of age or older from the motor vehicle registration fee. That section exempts a resident 65 years of age or older from the registration tax charged by municipalities. (This requirement is also contained in AS 29.45.030(j).) Suspension of this one specific section will not result in any increased revenues to the State.

Suspension of both AS 28.10.411(c) and AS 29.45.030(j) would remove the exemption of residents 65 years of age or older from the motor vehicle registration tax, and the requirement that the State reimburse a municipality for tax revenues lost. This would reduce State expenses by the amount of monies the Department of Community & Regional Affairs reimburses municipalities.

AS 28.10.421(d)(3) is the section of current law which exempts residents 65 years of age or older from the registration fee. This section also exempts disabled veterans and other handicapped persons from the registration fee. Suspension of this section would result in increased revenues to the State.

  
\_\_\_\_\_  
ROBERT J. SUNDBERG  
Commissioner

**COMMITTEE REPORT**  
**SENATE**

FURTHER:

4/23/86

Date \_\_\_\_\_

Mr. President

The Committee on FINANCE considered SB 483  
relating to the suspension of the operation of certain state programs;  
efd.

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

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

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

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\_\_\_\_\_  
Chairman

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

# COMMITTEE REPORT

## SENATE

FURTHER: FINANCE

4/17/86

Date 4/22/86

Mr. President

The Committee on JUDICIARY considered SB 483

relating to the suspension of the operation of certain state programs; efd.

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

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for SB 483 (JUDICIARY)
- new title
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE
- reports it back without recommendation 20
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

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3 Tim Kelly - No Rec  
1 3 in line - DO NOT PASS  
3 Keith Hallford NO REC  
Jan Fink NO REC

1 Patrick Rooney  
Chairman  
do not pass  
Chairman recommendation

Offered: 4/23/86  
Referred: Finance

Original sponsor: Finance Committee

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2 CS FOR SENATE BILL NO. 483 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the suspension of the operation  
7 of certain state programs; and providing for an  
8 effective date."

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

10 \* Section 1. PROGRAMS SUSPENDED. The operation of AS 14.36.010 -  
11 14.36.070 (community school program); AS 28.10.411(c) (exemption of one  
12 motor vehicle registration fee for residents 65 years of age or older);  
13 AS 29.45.045 (reimbursement payments); AS 29.46.090 (exemption from special  
14 sewer and water assessments); AS 35.27.010 - 35.27.030 (art in public  
15 buildings and facilities); AS 43.20.013 (individual tax credits for politi-  
16 cal contributions, dues payments, and household and dependent care ser-  
17 vice); AS 44.19.101 - 44.19.105 (Rural Affairs Commission); AS 44.19.165 -  
18 44.19.180 (Alaska Women's Commission); AS 44.19.441 - 44.19.449 (Office of  
19 Equal Employment Opportunity); AS 44.47.305(d) (education and training  
20 grants or contracts for child care employees and administrators); AS 47.08  
21 (catastrophic illness program); and AS 47.90 (displaced homemakers program)  
22 is suspended from July 1, 1986, through June 30, 1988.

23 \* Sec. 2. AUTOMATIC EXTENSION OF SUSPENSIONS. The suspension of pro-  
24 grams under sec. 1 of this Act is extended for successive two-year periods  
25 until this Act is amended or repealed.

26 \* Sec. 3. APPLICABILITY AND RETROACTIVITY OF TAX CREDIT SUSPENSION.  
27 The suspension of AS 43.20.013 under sec. 1 of this Act applies to tax  
28 years beginning January 1, 1986, and for that purpose is retroactive to  
29 that date.  
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\* Sec. 4. This Act takes effect July 1, 1986.

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Introduced: 4/17/86  
Referred: Judiciary and Finance

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 SENATE BILL NO. 483

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the suspension of the operation  
7 of certain state programs; and providing for an  
8 effective date."

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

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11 14.36.070 (community school program); AS 28.10.411(c) (exemption of one  
12 motor vehicle registration fee for residents 65 years of age or older);  
13 AS 29.45.045 (reimbursement payments); AS 29.46.090 (exemption from special  
14 sewer and water assessments); AS 35.27.010 - 35.27.030 (art in public  
15 buildings and facilities); AS 43.20.013 (individual tax credits for politi-  
16 cal contributions, dues payments, and household and dependent care ser-  
17 vice); AS 44.19.101 - 44.19.105 (Rural Affairs Commission); AS 44.19.165 -  
18 44.19.180 (Alaska Women's Commission); AS 44.19.441 - 44.19.449 (Office of  
19 Equal Employment Opportunity); AS 44.47.305(d) (education and training  
20 grants or contracts for child care employees and administrators); AS 47.08  
21 (catastrophic illness program); and AS 47.90 (displaced homemakers program)  
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STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE

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

REQUEST

Bill/Resolution No: SB 463  
Title: Relating to suspension of the operation of certain state programs

Sponsor: Senate Finance  
Requestor: Judiciary and Finance  
Date of Request: 4/17/86

FISCAL DETAIL

Agency Affected: Revenue  
BRU: Administrative Services

Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
OPERATING						
PERSONAL SERVICES	-	-0-	-0-	-0-	-0-	-0-
TRAVEL	-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	-	-0-	-0-	-0-	-0-	-0-
SUPPLIES	-	-0-	-0-	-0-	-0-	-0-
EQUIPMENT	-	-0-	-0-	-0-	-0-	-0-
LANDS & STRUCTURES	-	-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS	-	-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS	-	-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING	-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

Prepared By: Ervin B. Jones, Director  
Division: Administrative Services

Phone: 465-2313  
Date: 4/22/86

Approved by Commissioner: Wayne G. Sturdale  
Agency: Revenue

Date: 4/24/86

Distribution (by Agency preparing fiscal note):

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

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

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

**REQUEST**

Bill/Resolution No. : SB 483  
 Title : An Act relating to the  
suspension of the operation of  
certain state programs  
 Sponsor : S. Finance  
 Requestor : Senate Judiciary  
 Date of Request : 4/22/86

**FISCAL DETAIL**

Agency Affected : Public Safety  
 BRU : Motor Vehicles  
 \_\_\_\_\_  
 Components : \_\_\_\_\_  
 \_\_\_\_\_

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

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

CAPITAL						
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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**FUNDING : (Thousands of Dollars)**

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

**POSITIONS :**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

The specific section (AS 28.10.411(c)) included in the bill does not exempt residents 65 years of age or older from motor vehicle registration fee. If this class of residents were no longer exempt from the motor vehicle registration fee the increase in revenue to the State would be approximately \$210,000 annually. (7,000 vehicles times fee of \$30.00 per vehicle).

Prepared by : Bill Brown Phone : 465-2650  
 Division : Motor Vehicles Date : 4-21-86

Approved by Commissioner : [Signature] Date : 4/22/86  
 Agency : Public Safety

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

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

DEPARTMENT OF PUBLIC SAFETY

POSITION PAPER - SB 483

Neutral

April 21, 1986

SB 483: An Act relating to the suspension of the operation of certain state programs.

AS 28.10.411(c) (the section listed in this bill) as currently written does not exempt a resident 65 years of age or older from the motor vehicle registration fee. That section exempts a resident 65 years of age or older from the registration tax charged by municipalities. (This requirement is also contained in AS 29.45.030(j).) Suspension of this one specific section will not result in any increased revenues to the State.

Suspension of both AS 28.10.411(c) and AS 29.45.030(j) would remove the exemption of residents 65 years of age or older from the motor vehicle registration tax, and the requirement that the State reimburse a municipality for tax revenues lost. This would reduce State expenses by the amount of monies the Department of Community & Regional Affairs reimburses municipalities.

AS 28.10.421(d)(3) is the section of current law which exempts residents 65 years of age or older from the registration fee. This section also exempts disabled veterans and other handicapped persons from the registration fee. Suspension of this section would result in increased revenues to the State.

  
ROBERT J. SUNDBERG  
Commissioner

ALASKA STATE LEGISLATURE

14th Legislature ..2nd... Session

SENATE BILL..... NO. ....483

By THE FINANCE COMMITTEE.....

"An Act relating to the suspension of the operation of certain state programs; and providing for an effective date."

Introduced in the Senate ..... 4/17, 19... 86

HISTORY IN THE SENATE

19 86

4 17  
4 23

Read first time and referred to Committee on  
 Finance <sup>②</sup> Judiciary <sup>①</sup>  
 Reported back with recommendation that *Judiciary replace w/CS, Lda from, & do not pass, & no tie to finance.*  
*F.I.T.*

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed  
 Signed by President  
 Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed  
 Signed by Speaker  
 Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No. ....

Offered: 4/3/86  
Referred: Finance

Original sponsor: Finance Committee

1 IN THE SENATE BY THE JUDICIARY COMMITTEE  
2 CS FOR SENATE BILL NO. 483 (Judiciary)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the suspension of the operation  
7 of certain state programs; and providing for an  
8 effective date."

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

10 \* Section 1. PROGRAMS SUSPENDED. The operation of AS 14.36.010 -  
11 14.36.070 (community school program); AS 28.10.411(c) (exemption of one  
12 motor vehicle registration fee for residents 65 years of age or older);  
13 AS 29.45.045 (reimbursement payments); AS 29.46.090 (exemption from special  
14 sewer and water assessments); AS 35.27.010 - 35.27.030 (art in public  
15 buildings and facilities); AS 43.20.013 (individual tax credits for politi-  
16 cal contributions, dues payments, and household and dependent care ser-  
17 vice); AS 44.19.101 - 44.19.105 (Rural Affairs Commission); AS 44.19.165 -  
18 44.19.180 (Alaska Women's Commission); AS 44.19.441 - 44.19.449 (Office of  
19 Equal Employment Opportunity); AS 44.47.305(d) (education and training  
20 grants or contracts for child care employees and administrators); AS 47.08  
21 (catastrophic illness program); and AS 47.90 (displaced homemakers program)  
22 is suspended from July 1, 1986, through June 30, 1988.

23 \* Sec. 2. AUTOMATIC EXTENSION OF SUSPENSIONS. The suspension of pro-  
24 grams under sec. 1 of this Act is extended for successive two-year periods  
25 until this Act is amended or repealed.

26 \* Sec. 3. APPLICABILITY AND RETROACTIVITY OF TAX CREDIT SUSPENSION.  
27 The suspension of AS 43.20.013 under sec. 1 of this Act applies to tax  
28 years beginning January 1, 1986, and for that purpose is retroactive to  
29 that date.

1 \* Sec. 4. This Act takes effect July 1, 1986.

Introduced: 4/17/86  
Referred: Judiciary and Finance

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2

SENATE DILL NO. 483

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the suspension of the operation  
7 of certain state programs; and providing for an  
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9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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28 years beginning January 1, 1986, and for that purpose is retroactive to  
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1 \* Sec. 4. This Act takes effect July 1, 1986.

**COMMITTEE REPORT**  
**SENATE**

FURTHER:

5/11/86

Date \_\_\_\_\_

Mr. President

The Committee on FINANCE considered SB 484

relating to public employee collective bargaining; efd.

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

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

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

\_\_\_\_\_  
\_\_\_\_\_  
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\_\_\_\_\_  
Chairman

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

22

COMMITTEE REPORT  
SENATE RULES COMMITTEE

5/7/86

Date \_\_\_\_\_

Mr. President:

SB 484

The Committee on Rules considered \_\_\_\_\_  
relating to public employee collective bargaining; efd.

and recommended it be placed on the \_\_\_\_\_ Calendar  
[ ] with attached amendment(s).

[ ] replace with CS for \_\_\_\_\_ [ ] same title  
[ ] new title

[ ] and attached a Letter of Intent

[ ] new fiscal note

MEMBERS SIGNING FOR PLACEMENT  
ON THE CALENDAR

MEMBERS HAVING OTHER  
RECOMMENDATIONS

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

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

\_\_\_\_\_  
CHAIRMAN

RETURNED TO FIN

COMMITTEE REPORT  
SENATE

FURTHER:

*Ruler*

4/21/86

Date

*5/6/86*

Mr. President

The Committee on FINANCE considered SB 484  
relating to public employee collective bargaining; and providing for  
an effective date."

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

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for SB 484 (Fin)  
new title
- same title and recommends "DO PASS"
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE  
& SFC
- reports it back without recommendation *PS comr*
- recommends referral to \_\_\_\_\_

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

*1. [Signature]*  
*1. Paul Fisher*  
*1. [Signature]*

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*1. [Signature] NO REC*  
*1. [Signature] NO REC*  
*[Signature]*

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*0 - 1*  
*[Signature]*  
 Chairman  
*do pass*  
 Chairman recommendation

COMMITTEE REPORT

SENATE

FURTHER: FINANCE

4/18/86

Date \_\_\_\_\_

Mr. President

The Committee on STATE AFFAIRS considered SB 484

relating to public employee collective bargaining; and providing for an effective date.

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

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

MEMBERS SIGNING  
DO PASS

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

# CORRECTION

THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY

Offered: 5/7/86  
Referred: Rules

Original sponsor: Finance Committee

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 484 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to reduction of personnel in public  
7 education because of revenue decreases; and providing  
8 for an effective date."

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

10 \* Section 1. FINDINGS. The legislature finds that

11 (1) quality education requires adequate staffing of schools;

12 (2) quality of education is of the highest importance for the  
13 future of Alaska's children and of the state itself;

14 (3) the interaction between pupil and teacher is a most impor-  
15 tant part of a child's learning; and

16 (4) strong instructional leadership is a characteristic of  
17 effective schools.

18 \* Sec. 2. POLICY. The legislature declares that it is state policy to  
19 promote the quality of the public education instruction program and that to  
20 do so requires adequate classroom staffing in public schools.

21 \* Sec. 3. AS 14.20.175(b) is amended to read:

22 (b) A teacher who has acquired tenure rights is subject to  
23 nonretention for the following school year only for the following  
24 causes:

25 (1) incompetency, which is defined as the inability or the  
26 unintentional or intentional failure to perform the teacher's  
27 customary teaching duties in a satisfactory manner;

28 (2) immorality, which is defined as the commission of an  
29 act which, under the laws of the state, constitutes a crime involving  
S

1 moral turpitude;

2 (3) substantial noncompliance with the school laws of the  
3 state, the regulations or bylaws of the department, the bylaws of the  
4 district, or the written rules of the superintendent; or

5 (4) a necessary reduction of staff occasioned by a decrease  
6 in school attendance or if a reduction is necessary because funding  
7 from all sources for the school district is less than the amount the  
8 district received from all sources in fiscal year 1986.

9 \* Sec. 4. AS 14.20 is amended by adding new sections to read:

10 Sec. 14.20.177. LIMITATIONS ON REDUCING PERSONNEL. (a) When  
11 faced with a reduction in state revenue, a school board shall reduce  
12 personnel only after determining that it is necessary and consistent  
13 with educational policy and good management. The school board shall  
14 consider reducing a proportionate ratio of classified support staff,  
15 certificated support staff, instructional staff and appropriate non-  
16 personnel expenditures at the same time. When reducing its staff, the  
17 school board shall consider the financial resources of all persons  
18 within a group subject to layoff under (b) of this section before  
19 deciding which individuals in the group to lay off. In addition, the  
20 school board shall consider whether or not individuals in the group  
21 subject to lay off under (b) of this section could have qualified  
22 under AS 14.43.125 or 14.43.650 or obtained a loan after qualifying  
23 under AS 14.43.125 or 14.43.650 before deciding which individuals in  
24 the group to lay off.

25 (b) To the extent consistent with educational policy and good  
26 management, layoffs shall be made in the following order:

27 (1) the offering of early retirement incentives;

28 (2) noncertified and certified support personnel and  
29 administrators;

1 (3) classroom teachers; and

2 (4) the granting of long-term leaves without pay but with  
3 full return and seniority rights.

4 (c) In determining layoffs, a school district shall comply with  
5 certified employee or other collective bargaining agreements that  
6 address the issue.

7 (d) Notwithstanding AS 44.62.310, a discussion or presentation  
8 of information or options by a school board on the question of em-  
9 ployee layoffs or furloughs under this section, including preliminary  
10 discussions, presentations and decisions shall take place in a public  
11 meeting of the school board.

12 (e) A school board seeking to reduce its staff shall authorize a  
13 personnel reduction committee consisting of representatives which  
14 proportionately represent each of the employee groups to meet with the  
15 school district administration. The committee shall prepare a plan to  
16 implement the reduction in force consistent with the fiscal parameters  
17 established by the board. The school board shall either approve the  
18 plan prepared by the committee or send the plan back, along with  
19 specific recommendations for reconsiderations by the committee. If  
20 the committee fails to submit a second plan within 10 days that is  
21 acceptable to the board, the board shall prepare and implement a plan  
22 of its own.

23 Sec. 14.20.178. TEACHERS IN LAYOFF STATUS. (a) A school board  
24 shall give a teacher at least 30 days' notice before placing the  
25 teacher on layoff status. A teacher, including a teacher who has  
26 acquired tenure rights, may be placed on layoff status only when a  
27 reduction in staff has been made necessary

28 (1) by a decrease in school attendance; or

29 (2) because funding from all sources for the school

1 district is less than the amount the district received from all  
2 sources in fiscal year 1986.

3 (b) A teacher on layoff status does not accrue sick leave. Time  
4 spent on layoff status does not count toward the acquisition of tenure  
5 rights. However, layoff status does not constitute a break in service  
6 for

- 7 (1) determining eligibility for tenure;
- 8 (2) retaining acquired tenure rights;
- 9 (3) retaining accrued sick leave.

10 (c) When a teaching position becomes available in a district  
11 that has teachers on layoff status, the district may not fill the  
12 position with a teacher who is not on layoff status until the position  
13 has been offered to each teacher on layoff status who is qualified for  
14 the position. A teacher on layoff status who refuses two offers of  
15 employment from the district under this subsection loses

- 16 (1) reemployment rights under this section;
- 17 (2) accrued sick leave;
- 18 (3) any tenure rights acquired before layoff.

19 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.-  
20 10.070(c).

Introduced: 4/18/86  
Referred: State Affairs  
and Finance

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 SENATE BILL NO. 484

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to public employee collective bar-  
7 gaining; and providing for an effective date."

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

9 \* Section 1. (a) The legislature declares that it is state policy to  
10 promote the quality of the public education instruction program and that to  
11 do so requires adequate staffing in public schools.

12 (b) A school district that must reduce staff or lay employees off  
13 because of declining revenue shall give preference to retaining full-time  
14 tenured certificated teachers. To the extent consistent with educational  
15 policy and good management, layoffs shall happen in the following order:

16 (1) nonessential noncertificated employees;

17 (2) short-term and long-term substitutes, part-time certificated  
18 employees, and part-time certificated administrators;

19 (3) certificated administrators;

20 (4) essential noncertificated employees;

21 (5) full-time nontenured certificated employees;

22 (6) full-time tenured certificated employees.

23 (c) In (b) of this section, a certificated employee is not considered  
24 to include an administrator.

25 (d) In determining layoffs, a school district shall comply with  
26 collective bargaining agreements that address the issue. If the agreement  
27 does not address the issue, then the district shall comply with this sec-  
28 tion. If the collective bargaining agreement addresses the issue but  
29 conflicts with this section, the district shall negotiate to amend the  
S

1 agreement to comply with this section.

2 (e) Notwithstanding AS 44.62.310, a discussion or presentation of  
3 information or options by a school board on the question of employee lay-  
4 offs or furloughs under this section, including preliminary discussions and  
5 presentations, shall take place in a public meeting of the school board.

6 \* Sec. 2. AS 14.20.175(b) is amended to read:

7 (b) A teacher who has acquired tenure rights is subject to  
8 nonretention for the following school year only for the following  
9 causes:

10 (1) incompetency, which is defined as the inability or the  
11 unintentional or intentional failure to perform the teacher's custo-  
12 mary teaching duties in a satisfactory manner;

13 (2) immorality, which is defined as the commission of an  
14 act which, under the laws of the state, constitutes a crime involving  
15 moral turpitude;

16 (3) substantial noncompliance with the school laws of the  
17 state, the regulations or bylaws of the department, the bylaws of the  
18 district, or the written rules of the superintendent; or

19 (4) a necessary reduction of staff occasioned by a decrease  
20 in school attendance or by a reduction in funding from the state for  
21 schools.

22 \* Sec. 3. AS 14.20.175(b) is repealed and reenacted to read:

23 (b) A teacher who has acquired tenure rights is subject to  
24 nonretention for the following school year only for the following  
25 causes:

26 (1) incompetency, which is defined as the inability or the  
27 unintentional or intentional failure to perform the teacher's custo-  
28 mary teaching duties in a satisfactory manner;

29 (2) immorality, which is defined as the commission of an

1 act which, under the laws of the state, constitutes a crime involving  
2 moral turpitude;

3 (3) substantial noncompliance with the school laws of the  
4 state, the regulations or bylaws of the department, the bylaws of the  
5 district, or the written rules of the superintendent; or

6 (4) a necessary reduction of staff occasioned by a decrease  
7 in school attendance.

8 \* Sec. 4. AS 23.40.200(b) is amended to read:

9 (b) The class in (a)(1) of this section is composed of police  
10 and fire protection employees, jail, prison and other correctional  
11 institution employees, other than state troopers, and hospital employ-  
12 ees. Employees in this class may not engage in strikes. Upon a  
13 showing by a public employer or the labor relations agency that em-  
14 ployees in this class are engaging or about to engage in a strike, an  
15 injunction, restraining order, or other order which may be appropriate  
16 shall be granted by the superior court in the judicial district in  
17 which the strike is occurring or is about to occur. If an impasse or  
18 deadlock is reached in collective bargaining between the public em-  
19 ployer and employees in this class, and mediation has been utilized  
20 without resolving the deadlock, the parties shall submit to arbitra-  
21 tion to be carried out under AS 09.43.030.

22 \* Sec. 5. AS 23.40.200(b) is repealed and reenacted to read:

23 (b) The class in (a)(1) of this section is composed of police  
24 and fire protection employees, jail, prison and other correctional  
25 institution employees, and hospital employees. Employees in this  
26 class may not engage in strikes. Upon a showing by a public employer  
27 or the labor relations agency that employees in this class are engag-  
28 ing or about to engage in a strike, an injunction, restraining order,  
29 or other order which may be appropriate shall be granted by the

1 superior court in the judicial district in which the strike is occur-  
2 ring or is about to occur. If an impasse or deadlock is reached in  
3 collective bargaining between the public employer and employees in  
4 this class, and mediation has been utilized without resolving the  
5 deadlock, the parties shall submit to arbitration to be carried out  
6 under AS 09.43.030.

7 \* Sec. 6. Section 3 of this Act takes effect on the repeal of sec. 1 of  
8 this Act.

9 \* Sec. 7. Section 5 of this Act takes effect July 1, 1988.

10 \* Sec. 8. Sections 1, 2, and 4 of this Act take effect immediately in  
11 accordance with AS 01.10.070(c).

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

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

**REQUEST**

Bill/Resolution No. : CS SB 484 (Fin)  
 Title : Reduction of personnel in public education because of revenue decreases; efd  
 Sponsor : \_\_\_\_\_  
 Requestor : \_\_\_\_\_  
 Date of Request : \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected : Dept of Education  
 BRU : \_\_\_\_\_  
 \_\_\_\_\_  
 Components : \_\_\_\_\_  
 \_\_\_\_\_

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

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0

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

<b>REVENUE</b>	0	0	0	0	0	0
----------------	---	---	---	---	---	---

**FUNDING : (Thousands of Dollars)**

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

**POSITIONS :**

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

**ANALYSIS :** Attach a separate page if necessary

Prepared by : Senator Jan Falks, Co-chairman Phone : 465-4523  
 Division : Senate Finance Committee Date : 5/6/86  
 Approved by Commissioner : \_\_\_\_\_ Date : \_\_\_\_\_  
 Agency : \_\_\_\_\_

Distribution (by Agency preparing fiscal note) :

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

ALASKA STATE LEGISLATURE

..14TH. Legislature SECOND. Session

SENATE ...BILL..... NO. ...484..

By ..THE. FINANCE. COMMITTEE.....

"An Act relating to public employees collective bargaining; and providing for an effective date."

Introduced in the Senate ..4/18., 19.86

HISTORY IN THE SENATE

1986		Read first time and referred to Committee on
4	18	State Affairs, Finance
4	27	<i>SA waived</i> Reported back with <i>Finance</i> recommendation that <i>replace</i> <i>4/65, new title, 4 db pass, 3 no rev to Rules.</i>
5	11	<i>Rules:</i> <i>returned to Finance</i>
		Read second time and
		Read third time and
		PASS                      Effective Date
		Yeas                      Yeas
		Nays                      Nays
		Absent                    Absent
		Excused                  Excused
		Reconsideration
		PASS                      Effective Date
		Yeas                      Yeas
		Nays                      Nays
		Absent                    Absent
		Excused                  Excused
		Reported correctly engrossed
		Signed by President
		Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

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

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

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

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

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

**REQUEST**

Bill/Resolution No. : CS SB 484 (Fin)  
 Title : Reduction of personnel in  
 public education because of  
 revenue decreases; efd  
 Sponsor : \_\_\_\_\_  
 Requestor : \_\_\_\_\_  
 Date of Request : \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected : Dept of Education  
 BRU : \_\_\_\_\_  
 \_\_\_\_\_  
 Components : \_\_\_\_\_  
 \_\_\_\_\_

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

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0

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

<b>REVENUE</b>	0	0	0	0	0	0
----------------	---	---	---	---	---	---

**FUNDING : (Thousands of Dollars)**

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

**POSITIONS :**

<b>FULL-TIME</b>	0	0	0	0	0	0
<b>PART-TIME</b>						
<b>TEMPORARY</b>						

**ANALYSIS :** Attach a separate page if necessary

Prepared by : \_\_\_\_\_  
 Division : Senator Jan Faiks, Co-chairman Phone : 465-4523  
Senate Finance Committee Date : 5/6/86  
 Approved by Commissioner : \_\_\_\_\_ Date : \_\_\_\_\_  
 Agency : \_\_\_\_\_

Distribution (by Agency preparing fiscal note) :

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

**STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE**

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

**REQUEST**

Bill/Resolution No. : SB 484  
 Title : "An Act relating to public  
 employee collective bargaining; and  
 providing for an effective date."  
 Sponsor : Senate Finance  
 Requestor : Senate State Affairs  
 Date of Request : 4/28/86

**FISCAL DETAIL**

Agency Affected : Public Safety  
 BRU : DPS Administration  
 \_\_\_\_\_  
 Components : \_\_\_\_\_  
 \_\_\_\_\_

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

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		0	0	0	0	0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		0	0	0	0	0
<b>CAPITAL</b>						
<b>REVENUE</b>						

**FUNDING : (Thousands of Dollars)**

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

**POSITIONS :**

FULL-TIME					
PART-TIME					
TEMPORARY					

**ANALYSIS :** Attach a separate page if necessary

*K. J. Vaden*  
 Prepared by : James D. Vaden Phone : 465-4322  
 Division : Commissioner's Office Date : 4/28/86  
 Approved by Commissioner : *JB* Date : 4/29/86  
 Agency : Public Safety

Distribution (by Agency preparing fiscal note):

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

SFC-86  
5/2/86

SENATE AMENDMENT

By FERGUSON

To: AMEND SENATE BILL No. CSSB 484 (Finance)

To: \_\_\_\_\_ HOUSE BILL No. \_\_\_\_\_

PAGE:            LINE:

Page 3        Line 2, after "time." insert:

"When reducing its staff, the school board shall consider the financial resources of all persons within a group subject to layoff under (b) of this section before deciding which individuals in the group to lay off. In addition, the school board shall consider whether or not individuals in the group subject to layoff under (b) of this section could have qualified under AS 14.43.650 or AS 14.43.125 or obtained a loan after qualifying under AS 14.43.650 or AS 14.43.125 before deciding which individuals in the group to lay off."

5/6/86

LA-L 20

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*See  
Mang  
386*

Original sponsor: Finance Committee

1 IN THE SENATE BY THE FINANCE COMMITTEE  
 2 CS FOR SENATE BILL NO. 484 (Finance)  
 3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
 4 FOURTEENTH LEGISLATURE - SECOND SESSION  
 5 A BILL

6 For an Act entitled: "An Act relating to reduction of personnel in public  
 7 education because of revenue decreases; and providing  
 8 for an effective date."

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

10 \* Section 1. FINDINGS. The legislature finds that  
 11 (1) quality education requires adequate staffing of schools;  
 12 (2) quality of education is of the highest importance for the  
 13 future of Alaska's children and of the state itself;  
 14 (3) the interaction between pupil and teacher is a most impor-  
 15 tant part of a child's learning; and  
 16 (4) strong instructional leadership is a characteristic of  
 17 effective schools.

18 \* Sec. 2. POLICY. The legislature declares that it is state policy to  
 19 promote the quality of the public education instruction program and that to  
 20 do so requires adequate classroom staffing in public schools.

21 \* Sec. 3. AS 14.20.175(b) is amended to read:  
 22 (b) A teacher who has acquired tenure rights is subject to  
 23 non-retention for the following school year only for the following  
 24 causes:  
 25 (1) incompetency, which is defined as the inability or the  
 26 unintentional or intentional failure to perform the teacher's custo-  
 27 mary teaching duties in a satisfactory manner;  
 28 (2) immorality, which is defined as the commission of an  
 29 act which, under the laws of the state, constitutes a crime involving

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1 moral turpitude;

2 (3) substantial noncompliance with the school laws of the  
3 state, the regulations or bylaws of the department, the bylaws of the  
4 district, or the written rules of the superintendent; or

5 (4) a necessary reduction of staff occasioned by a decrease  
6 in school attendance or if a reduction is necessary because funding  
7 from all sources for the school district is less than the amount the  
8 district received from all sources in fiscal year 1986.

9 \* Sec. 4. AS 14.20 is amended by adding new sections to read:

10 Sec. 14.20.177. LIMITATIONS ON REDUCING PERSONNEL. (a) When  
11 faced with a reduction in state revenue, a school board shall reduce  
12 personnel only after determining that it is necessary and consistent  
13 with educational policy and good management. The school board shall  
14 consider reducing an proportionate ratio of classified support staff,  
15 certificated support staff, instructional staff and appropriate non-  
16 personnel expenditures at the same time. When reducing its staff, the  
17 school board shall consider the financial resources of all persons  
18 within a group subject to layoff under (b) of this section before  
19 deciding which individuals in the group to lay off. In addition, the  
20 school board shall consider whether or not individuals in the group  
21 subject to lay off under (b) of this section could have qualified  
22 under AS 14.43.650 or AS 14.43.125 or obtained a loan after qualifying  
23 under AS 14.43.650 or AS 14.43.125 before deciding which individuals  
24 in the group to lay off.

25 (b) To the extent consistent with educational policy and good  
26 management, layoffs shall happen in the following order:

27 (1) the offering of early retirement incentives;

28 (2) non-certified and certified support personnel and  
29 administrators;

WORK DRAFT COPY

WORK DRAFT COPY

WORK DRAFT COPY

1 (3) classroom teachers; and

2 (4) the granting of long-term leaves without pay but with  
3 full return and seniority rights.

4 (c) In determining layoffs, a school district shall comply  
5 with certified employee or other collective bargaining agreements  
6 that address the issue.

7 (d) Notwithstanding AS 44.62.310, a discussion or presentation  
8 of information or options by a school board on the question of em-  
9 ployee layoffs or furloughs under this section, including preliminary  
10 discussions, presentations and decisions shall take place in a public  
11 meeting of the school board.

12 (e) A school board seeking to reduce its staff shall authorize a  
13 personnel reduction committee consisting of representatives which  
14 proportionately represent each of the employee groups to meet with the  
15 school district administration. The committee shall prepare a plan to  
16 implement the reduction in force consistent with the fiscal parameters  
17 established by the board. The school board shall either approve the  
18 plan prepared by the committee or send the plan back, along with  
19 specific recommendations for reconsiderations by the committee. If  
20 the committee fails to submit a second plan within 10 days that is  
21 acceptable to the board, the board shall prepare and implement a plan  
22 of its own.

23 Sec. 14.20.178. TEACHERS IN LAYOFF STATUS. (a) A school board  
24 shall give a teacher at least 30 days' notice before placing the  
25 teacher on layoff status. A teacher, including a teacher who has  
26 acquired tenure rights, may be placed on layoff status only when a  
27 reduction in staff has been made necessary

28 (1) by a decrease in school attendance; or

29 (2) because funding from all sources for the school

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1 district is less than the amount the district received from all  
2 sources in fiscal year 1986.

3 (b) A teacher on layoff status does not accrue sick leave. Time  
4 spent on layoff status does not count toward the acquisition of tenure  
5 rights. However, layoff status does not constitute a break in service  
6 for

7 (1) determining eligibility for tenure;

8 (2) retaining acquired tenure rights;

9 (3) retaining accrued sick leave.

10 (c) When a teaching position becomes available in a district  
11 that has teachers on layoff status, the district may not fill the  
12 position with a teacher who is not on layoff status until the position  
13 has been offered to each teacher on layoff status who is qualified for  
14 the position. A teacher on layoff status who refuses two offers of  
15 employment from the district under this subsection loses

16 (1) reemployment rights under this section;

17 (2) accrued sick leave;

18 (3) any tenure rights acquired before layoff.

19 \* Sec. 5. This Act take effect immediately in accordance with AS  
20 01.10.070(c).

Cramer  
4/28/86 ✓

Original sponsor: Finance Committee

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 484 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to reduction of personnel in public  
7 education because of revenue decreases; and providing  
8 for an effective date."

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

10 \* Section 1. FINDINGS. The legislature finds that

11 (1) quality education requires adequate staffing of schools;

12 (2) quality of education is of the highest importance for the  
13 future of Alaska's children and of the state itself;

14 (3) the interaction between pupil and teacher is a most impor-  
15 tant part of a child's learning; and

16 (4) strong instructional leadership is a characteristic of  
17 effective schools.

18 \* Sec. 2. POLICY. The legislature declares that it is state policy to  
19 promote the quality of the public education instruction program and that to  
20 do so requires adequate classroom staffing in public schools.

21 \* Sec. 3. AS 14.20.175(b) is amended to read:

22 (b) A teacher who has acquired tenure rights is subject to  
23 nonretention for the following school year only for the following  
24 causes:

25 (1) incompetency, which is defined as the inability or the  
26 unintentional or intentional failure to perform the teacher's custo-  
27 mary teaching duties in a satisfactory manner;

28 (2) immorality, which is defined as the commission of an  
29 act which, under the laws of the state, constitutes a crime involving

1 moral turpitude;

2 (3) substantial noncompliance with the school laws of the  
3 state, the regulations or bylaws of the department, the bylaws of the  
4 district, or the written rules of the superintendent; or

5 (4) a necessary reduction of staff occasioned by a decrease  
6 in school attendance or if a reduction is necessary because funding  
7 from the state for the school district is less than the amount the  
8 district received from the state in fiscal year 1986.

9 \* Sec. 4. AS 14.20.175(b) is repealed and reenacted to read:

10 (b) A teacher who has acquired tenure rights is subject to  
11 nonretention for the following school year only for the following  
12 causes:

13 (1) incompetency, which is defined as the inability or the  
14 unintentional or intentional failure to perform the teacher's custo-  
15 mary teaching duties in a satisfactory manner;

16 (2) immorality, which is defined as the commission of an  
17 act which, under the laws of the state, constitutes a crime involving  
18 moral turpitude;

19 (3) substantial noncompliance with the school laws of the  
20 state, the regulations or bylaws of the department, the bylaws of the  
21 district, or the written rules of the superintendent; or

22 (4) a necessary reduction of staff occasioned by a decrease  
23 in school attendance.

24 \* Sec. 5. AS 14.20 is amended by adding new sections to read:

25 Sec. 14.20.177. LIMITATIONS ON REDUCING TEACHING STAFFS. (a)  
26 When faced with a reduction in state revenue, a school board shall  
27 reduce its teaching staff only after determining that it is necessary  
28 and consistent with educational policy and good management. The  
29 school board shall consider reducing an appropriate ratio of

1 classified support staff, certificated administrative staff, and  
2 appropriate nonpersonnel expenditures at the same time.

3 (b) To the extent consistent with educational policy and good  
4 management, layoffs shall happen in the following order:

5 (1) noncertificated employees;

6 (2) short-term and long-term substitutes, part-time certi-  
7 ficated employees, and part-time certificated administrators;

8 (3) certificated administrators;

9 (4) full-time nontenured certificated employees;

10 (5) full-time tenured certificated employees.

11 (c) In (b) of this section, a certificated employee is not  
12 considered to include an administrator.

13 (d) In determining layoffs, a school district shall comply with  
14 collective bargaining agreements that address the issue. If the  
15 agreement does not address the issue, then the district shall refer  
16 the issue to the personnel reduction committee under (f) of this  
17 section. If the collective bargaining agreement addresses the issue  
18 but conflicts with this section, the district shall negotiate to amend  
19 the agreement to comply with this section.

20 (e) Notwithstanding AS 44.62.310, a discussion or presentation  
21 of information or options by a school board on the question of em-  
22 ployee layoffs or furloughs under this section, including preliminary  
23 discussions and presentations, shall take place in a public meeting of  
24 the school board.

25 (f) If no collective bargaining agreement exists that addresses  
26 staff reduction, then a school board seeking to reduce its staff shall  
27 authorize a personnel reduction committee consisting of representa-  
28 tives from each of the employee groups to meet with the school dis-  
29 trict administration. The committee shall prepare a plan to implement

1 the reduction in force consistent with the policies of this section.  
 2 The school board shall implement the plan prepared by the committee  
 3 without amendment. However, if the committee fails to agree on a plan  
 4 within 45 days after the school board authorized the committee to act,  
 5 the school board shall prepare and implement a plan.

6 Sec. 14.20.178. TEACHERS IN LAYOFF STATUS. (a) A school board  
 7 shall give a teacher at least 60 days' notice before placing the  
 8 teacher on layoff status. A teacher, including a teacher who has  
 9 acquired tenure rights, may be placed on layoff status only when a  
 10 reduction in staff has been made necessary

11 (1) by a decrease in school attendance; or

12 (2) because funding from the state for the school district  
 13 is less than the amount the district received from the state in fiscal  
 14 year 1986.

15 (b) A teacher on layoff status does not accrue sick leave. Time  
 16 spent on layoff status does not count toward the acquisition of tenure  
 17 rights. However, layoff status does not constitute a break in service  
 18 for

19 (1) determining eligibility for tenure;

20 (2) retaining acquired tenure rights;

21 (3) retaining accrued sick leave.

22 (c) When a teaching position becomes available in a district  
 23 that has teachers on layoff status, the district may not fill the  
 24 position with a teacher who is not on layoff status until the position  
 25 has been offered to each teacher on layoff status who is qualified for  
 26 the position. A teacher on layoff status who refuses two offers of  
 27 employment from the district under this subsection loses

28 (1) reemployment rights under this section;

29 (2) accrued sick leave;

1 (3) any tenure rights acquired before layoff.

2 \* Sec. 7. Section 4 of this Act takes effect on the repeal of AS 14.-  
3 20.177 - 14.20.178.

4 \* Sec. 8. Sections 1 - 3 and 5 - 6 of this Act take effect immediately  
5 in accordance with AS 01.10.070(c).

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Introduced: 4/18/86  
Referred: State Affairs  
and Finance

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2

SENATE BILL NO. 484

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to public employee collective bar-  
7 gaining; and providing for an effective date."

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

9 \* Section 1. (a) The legislature declares that it is state policy to  
10 promote the quality of the public education instruction program and that to  
11 do so requires adequate staffing in public schools.

12 (b) A school district that must reduce staff or lay employees off  
13 because of declining revenue shall give preference to retaining full-time  
14 tenured certificated teachers. To the extent consistent with educational  
15 policy and good management, layoffs shall happen in the following order:

16 (1) nonessential noncertificated employees;

17 (2) short-term and long-term substitutes, part-time certificated  
18 employees, and part-time certificated administrators;

19 (3) certificated administrators;

20 (4) essential noncertificated employees;

21 (5) full-time nontenured certificated employees;

22 (6) full-time tenured certificated employees.

23 (c) In (b) of this section, a certificated employee is not considered  
24 to include an administrator.

25 (d) In determining layoffs, a school district shall comply with  
26 collective bargaining agreements that address the issue. If the agreement  
27 does not address the issue, then the district shall comply with this sec-  
28 tion. If the collective bargaining agreement addresses the issue but  
29 conflicts with this section, the district shall negotiate to amend the

1 agreement to comply with this section.

2 (e) Notwithstanding AS 44.62.310, a discussion or presentation of  
3 information or options by a school board on the question of employee lay-  
4 offs or furloughs under this section, including preliminary discussions and  
5 presentations, shall take place in a public meeting of the school board.

6 \* Sec. 2. AS 14.20.175(b) is amended to read:

7 (b) A teacher who has acquired tenure rights is subject to  
8 nonretention for the following school year only for the following  
9 causes:

10 (1) incompetency, which is defined as the inability or the  
11 unintentional or intentional failure to perform the teacher's custo-  
12 mary teaching duties in a satisfactory manner;

13 (2) immorality, which is defined as the commission of an  
14 act which, under the laws of the state, constitutes a crime involving  
15 moral turpitude;

16 (3) substantial noncompliance with the school laws of the  
17 state, the regulations or bylaws of the department, the bylaws of the  
18 district, or the written rules of the superintendent; or

19 (4) a necessary reduction of staff occasioned by a decrease  
20 in school attendance or by a reduction in funding from the state for  
21 schools.

22 \* Sec. 3. AS 14.20.175(b) is repealed and reenacted to read:

23 (b) A teacher who has acquired tenure rights is subject to  
24 nonretention for the following school year only for the following  
25 causes:

26 (1) incompetency, which is defined as the inability or the  
27 unintentional or intentional failure to perform the teacher's custo-  
28 mary teaching duties in a satisfactory manner;

29 (2) immorality, which is defined as the commission of an

1 act which, under the laws of the state, constitutes a crime involving  
2 moral turpitude;

3 (3) substantial noncompliance with the school laws of the  
4 state, the regulations or bylaws of the department, the bylaws of the  
5 district, or the written rules of the superintendent; or

6 (4) a necessary reduction of staff occasioned by a decrease  
7 in school attendance.

8 \* Sec. 4. AS 23.40.200(b) is amended to read:

9 (b) The class in (a)(1) of this section is composed of police  
10 and fire protection employees, jail, prison and other correctional  
11 institution employees, other than state troopers, and hospital employ-  
12 ees. Employees in this class may not engage in strikes. Upon a  
13 showing by a public employer or the labor relations agency that em-  
14 ployees in this class are engaging or about to engage in a strike, an  
15 injunction, restraining order, or other order which may be appropriate  
16 shall be granted by the superior court in the judicial district in  
17 which the strike is occurring or is about to occur. If an impasse or  
18 deadlock is reached in collective bargaining between the public em-  
19 ployer and employees in this class, and mediation has been utilized  
20 without resolving the deadlock, the parties shall submit to arbitra-  
21 tion to be carried out under AS 09.43.030.

22 \* Sec. 5. AS 23.40.200(b) is repealed and reenacted to read:

23 (b) The class in (a)(1) of this section is composed of police  
24 and fire protection employees, jail, prison and other correctional  
25 institution employees, and hospital employees. Employees in this  
26 class may not engage in strikes. Upon a showing by a public employer  
27 or the labor relations agency that employees in this class are engag-  
28 ing or about to engage in a strike, an injunction, restraining order,  
29 or other order which may be appropriate shall be granted by the

1 superior court in the judicial district in which the strike is occur-  
2 ring or is about to occur. If an impasse or deadlock is reached in  
3 collective bargaining between the public employer and employees in  
4 this class, and mediation has been utilized without resolving the  
5 deadlock, the parties shall submit to arbitration to be carried out  
6 under AS 09.43.030.

7 \* Sec. 6. Section 3 of this Act takes effect on the repeal of sec. 1 of  
8 this Act.

9 \* Sec. 7. Section 5 of this Act takes effect July 1, 1988.

10 \* Sec. 8. Sections 1, 2, and 4 of this Act take effect immediately in  
11 accordance with AS 01.10.070(c).

Sectional Analysis  
for

CSSB 484 (Finance) - Reduction of Personnel in  
Public Education Because of Revenue Decreases

CSSB 484 (Finance) is intended to provide temporary measures by which a school district can implement a reduction in force process due to decreasing financial support from the state. The bill recognizes the important role of the classroom teacher and establishes a layoff procedure through which, when possible, the classroom is the last area impacted by reduced revenues.

Because the bill's provisions regarding a layoff procedure is intended to be temporary, all sections except for section 4 have an immediate effective date. Once these sections are repealed by the Legislature, the statute will revert back to the provisions currently contained in AS 14.20.175(b) regarding nonretention (which is also the language contained in section 4).

Section 1. FINDINGS. Expresses the Legislature's findings regarding elements of quality education.

Section 2. POLICY. Expresses that it is state policy to promote quality education and important to that is an adequate level of classroom staffing.

Section 3. Amends current nonretention of teachers statute by providing that there can be a reduction in staff due to a decrease below the amount of funds a district received in FY 86.

Section 4. Sections 1 - 3 and 5 - 6 are effective immediately while section 4 becomes effective when sections 1 - 3 and 5 - 6 are repealed. This is because all sections except section 4 are meant as temporary measures to address the reduction in force process due to declining revenues. Once these sections are repealed by the Legislature, the statute regarding nonretention would revert back to the original language as stated in section 4.

Section 5. LIMITATIONS ON REDUCING TEACHING STAFFS.

(a) When a school district has a reduction in state revenues and the school board determines it is necessary to reduce teaching staff, the board shall consider making the reductions in a ratio of classified support staff,

certificated administrative staff and other nonpersonnel expenditures.

(b) To the degree possible, layoffs should be in the following order:

- noncertificated employees
- short-term and long-term substitutes, part-time certificated employees, and part-time certificated administrators;
- certificated administrators
- full-time nontenured certificated employees
- full-time tenured certificated employees

(c) For the above layoff list, administrators are not considered certificated employees.

(d) For the layoff process, the district shall comply with any collective bargaining agreement which addresses this issue. If an agreement does not have any such provisions, the issue of layoff procedures shall be referred to the Personnel Reduction Committee established in section (f). If the collective bargaining agreement conflicts with this section, the district shall negotiate to amend the agreement to comply.

(e) As permitted by law, all discussions by the school board shall take place in a public meeting.

(f) In the collective bargaining has no provision regarding staff reduction, the school board shall appoint a Personnel Reduction Committee. The committee shall be comprised of representatives from the employee groups and school district administration. The committee shall prepare a layoff plan and the school board shall implement the committee's recommendations. If, however, the committee can not agree on a plan within 45 days, the school board is authorized to prepare the plan itself.

Sec. 14.20.178. TEACHERS IN LAYOFF STATUS.

(a) Requires that a school board give a teacher at least 60 days notice before being placed on layoff status. A teacher can only be placed on layoff status due to a decrease in school attendance or state funding has fallen below the amount the district received in FY 86.

(b) A teacher on layoff status does not accrue sick leave nor does the time count toward acquisition of tenure. It also does not count as a break in service for determining tenure eligibility, retaining acquired tenure right, or retaining accrued sick leave.

(c) When a teaching position opens up in a school district where teachers are on layoff status, the district can not fill the position until it has been offered to each qualified teacher on layoff status. A teachers who refuses two such offers of employment loses reemployment rights under this section, accrued sick leave and any tenure rights acquired before layoff.

Section 7. Provides that Section 4 becomes effective when the other sections are repealed.

Section 8. Immediate effective date for the sections 1 - 3 and 5 - 6.

CSSB 484 (Fin)

Section 1. Legislative Findings.

Section 2. To promote quality education within Alaska.

Section 3. New provisions that allow an expansion of the reasons for non-retention of tenured teachers to include a reduction in revenue.

Section 4. Provides a process by which school boards shall reduce personnel in cases of reduction of revenue. The process shall include:

(1) A ratio of classified and certificated support staff, instructional staff and non-personnel expenditures.

(2) Shall consider the financial resources of persons subject to layoff.

(3) Consideration of employees with student loans when determining individuals for layoff.

Requires in the layoff process consideration of:

(1) Offering of early retirement incentives;

(2) non-certified and certified support personnel shall be considered for layoff status before classroom teachers and the use of long term leaves shall be considered.

Requires that school boards deliberate layoff potentials in open session.

Provides for a personnel reduction committee made up of members from each of the employee groups. The committee shall meet with the Administration and recommend a reduction plan. The plan must be approved by the Board.

Provides that a school board shall give a teacher at least 30 days notice and that accrued benefits are retained by a teacher while on layoff status.

A teacher however, does not accrue new benefits while on layoff.

This section also provides for reinstatement provisions, wherein no new teachers will be hired until positions have been offered to personnel on layoff status who are qualified.

Section 5. Effective date clause - immediately.

**COMMITTEE REPORT**  
**SENATE**

FURTHER:

5/4/86

Date \_\_\_\_\_

Mr. President

The Committee on FINANCE considered SB 485  
relating to the Alaska research development endowment; efd.

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

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

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

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\_\_\_\_\_  
Chairman

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

COMMITTEE REPORT  
SENATE

FURTHER: FINANCE

4/21/86

Date 5-2-86

Mr. President

The Committee on RESOURCES considered SB 485  
relating to the Alaska research development endowment; efd.

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

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for SB 485 (Res)  
new title
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE  
SS# 76
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

[Signature]  
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MEMBERS HAVING  
OTHER RECOMMENDATIONS

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[Signature]  
Chairman  
[Signature]  
Chairman Recommendation

Offered: 5/4/86  
Referred: Finance

Original sponsor: Health, Education and  
Social Services Committee

1 IN THE SENATE BY THE RESOURCES COMMITTEE  
2 CS FOR SENATE BILL NO. 485 (Resources)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION  
5 A BILL

6 For an Act entitled: "An Act relating to the Alaska research development  
7 endowment; and providing for an effective date."

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

9 \* Section 1. LEGISLATIVE FINDINGS. (a) The legislature finds that it  
10 is necessary to obtain the research information that will be needed to give  
11 the state the best attainable future over the next 50 to 100 years or more.

12 (b) The legislature further finds that research is needed for the  
13 wise development and use of the state's natural resources. These research  
14 areas include energy, mineral resources, fisheries, forestry, and food and  
15 agriculture; and also the collection, storage, and dissemination of in-  
16 formation; the state's transportation systems; and materials research and  
17 engineering.

18 (c) Research is also needed to provide for the care and preservation  
19 of the state's natural resources and the culture and heritage of its di-  
20 verse peoples. These research areas include man-made changes in weather  
21 and climate, including the possibility of a warming trend of the whole  
22 earth; environmental protection; and archaeological, anthropological, and  
23 linguistic studies of the Native populations.

24 (d) The legislature further finds that research is needed to protect  
25 the health and well-being of Alaskans. Three topics are considered: health  
26 and disease; social pathology; and building construction and maintenance.

27 (e) Research is also needed on topics for which Alaska is a "natural  
28 laboratory" compared with other parts of the nation, and research on topics  
29 that support and contribute to improvements in many of the topics listed  
30

1 above. These research areas are: the upper atmosphere; weather and cli-  
2 mate; geology; natural hazards; snow, ice, and permafrost; northern oceans;  
3 and human resources.

4 (f) The legislature finds that the principle of a partnership of  
5 interest among government, academia, business, industry, and residents of  
6 Alaska is essential in accomplishing the intent and purposes of this Act.

7 \* Sec. 2. AS 14 is amended by adding a new chapter to read:

8 CHAPTER 55. ALASKA RESEARCH DEVELOPMENT ENDOWMENT.

9 Sec. 14.55.010. ALASKA RESEARCH DEVELOPMENT ENDOWMENT. (a)  
10 Under art. IX, sec. 17, Constitution of the State of Alaska, there is  
11 established the Alaska research development endowment. At least 20  
12 percent of all royalties and royalty sale proceeds received by the  
13 state from natural gas from the area north of the Alaska Range shall  
14 be deposited in the Alaska research development endowment; however,  
15 the total deposits from royalties and royalty sale proceeds may not  
16 exceed \$1,000,000,000. These deposits shall be considered fund  
17 principal and shall be invested by the commissioner of revenue in  
18 accordance with AS 37.10.070, except that income from investment of  
19 the endowment may not be held for investment, but shall be used to  
20 provide funds for research grants, and the costs of administration of  
21 the endowment as provided in this chapter.

22 (b) The Alaska research development endowment shall be managed  
23 by the Alaska Research Development Corporation established under this  
24 chapter.

25 Sec. 14.55.020. ALASKA RESEARCH DEVELOPMENT CORPORATION. There  
26 is established the Alaska Research Development Corporation. The  
27 corporation is a public corporation in the Department of Revenue, but  
28 has a legal existence independent of and separate from the state. The  
29 corporation is managed by the board of directors. Exercise by the

1 board of the powers conferred by this chapter is an essential govern-  
2 mental function of the state.

3 Sec. 14.55.030. COMPOSITION AND QUALIFICATIONS OF BOARD OF  
4 DIRECTORS. (a) The board of directors of the corporation consists of  
5 11 members appointed by the governor and two ex officio members.

6 (b) The board shall establish an independent nominating commit-  
7 tee which shall provide to the governor a list of two or more well  
8 qualified candidates for each vacancy. The governor may consider  
9 these candidates before appointing directors.

10 (c) At least eight of the members must be state residents.  
11 Based on experience and achievement in their profession and in soci-  
12 ety, at least four of the members must have professional recognition  
13 in the business community, at least four must have professional recog-  
14 nition in the academic community, and at least three must have profes-  
15 sional recognition in federal, state, or foreign government.

16 (d) The governor and the president of the University of Alaska  
17 are ex officio members of the board.

18 (e) The board shall annually elect a chairman and other neces-  
19 sary officers from among its members.

20 Sec. 14.55.040. TERM OF OFFICE. The members of the board serve  
21 six-year terms and may be reappointed. Terms shall be staggered.

22 Sec. 14.55.050. REMOVAL AND VACANCIES. (a) The governor may  
23 remove a board member from office. A removal by the governor shall be  
24 in writing and state the reason for removal. A board member who is  
25 removed by the governor may not participate in board business and may  
26 not be counted for the purpose of establishing a quorum after the  
27 member receives written notice of removal from the governor.

28 (b) A vacancy on the board shall be promptly filled by appoint-  
29 ment by the governor. The governor may consider names on the list

1 provided by the nominating committee under AS 14.55.030(b). An ap-  
2 pointee to fill a vacancy holds office for the balance of the term for  
3 which the appointee's predecessor on the board was appointed.

4 (c) A vacancy on the board does not impair the authority of a  
5 quorum of the board to exercise all the powers and perform all the  
6 duties of the board.

7 Sec. 14.55.060. QUORUM. (a) Seven members of the board consti-  
8 tute a quorum for the transaction of business and the exercise of the  
9 powers and duties of the board.

10 (b) Members of the board serve without compensation, but are  
11 entitled to per diem and travel expenses authorized by law for boards  
12 under AS 39.20.180.

13 Sec. 14.55.070. CONFLICTS OF INTEREST. The members of the board  
14 and compensated employees are subject to the provisions of AS 39.50.

15 Sec. 14.55.080. CORPORATION STAFF. The board shall employ and  
16 determine the salary of an executive director. The executive director  
17 may, with the approval of the board, select and employ additional  
18 staff as necessary. The executive director and all employees of the  
19 corporation are in the exempt service under AS 39.25.

20 Sec. 14.55.090. POWERS. In carrying out the powers of the  
21 corporation, the board may

- 22 (1) adopt, alter, and use a corporate seal;
- 23 (2) prescribe, adopt, amend, and repeal bylaws;
- 24 (3) sue and be sued in the name of the corporation;
- 25 (4) enter into agreements necessary to the exercise of its  
26 powers and functions;

27 (5) accept grants from and contract with the federal gov-  
28 ernment and the state or its political subdivisions and to that end  
29 comply with the provisions of federal, state, or local programs when

1 necessary, except that it may not enter into agreements in which a  
2 permanent state or local government position is financed or partially  
3 financed in connection with a project;

4 (6) accept grants and loans from and contract with sources  
5 other than those in (5) of this section for the purposes of the work  
6 of the corporation;

7 (7) collect, store, and disseminate knowledge of Alaska and  
8 the north;

9 (8) appear on behalf of the corporation before boards,  
10 commissions, departments, or other agencies of municipal, state, or  
11 federal government or international bodies;

12 (9) acquire, hold, use, lease, sell, or otherwise dispose  
13 of property of any kind, real, personal, or mixed, or an interest in  
14 it;

15 (10) hold patents, copyrights, trademarks, royalties or  
16 other evidences of protection or exclusivity issued under the laws of  
17 the United States or any state or nation obtained by persons receiving  
18 assistance from the corporation;

19 (11) adopt regulations governing the exercise of its powers;  
20 and

21 (12) do everything necessary or desirable to carry out the  
22 purposes of the corporation.

23 Sec. 14.55.100. DUTIES. The board may distribute grant funds to  
24 private individuals, companies, schools, universities, governmental  
25 agencies, and research and development entities for the conduct of  
26 research.

27 Sec. 14.55.110. BUDGET AND APPROPRIATIONS. The corporation is  
28 subject to the provisions of the Executive Budget Act (AS 37.07).

29 Sec. 14.55.120. CORPORATION BUDGET. The revenue generated by

1 the corporation's investments must be identified as the source of the  
2 operating budget of the corporation in the state's operating budget  
3 under the Executive Budget Act (AS 37.07). The unexpended and unobli-  
4 gated balance of the corporation's annual operating budget does not  
5 lapse into the general fund at the end of the fiscal year but shall be  
6 treated as income under AS 14.55.010.

7 Sec. 14.55.130. ANNUAL REPORT. The board shall prepare an  
8 annual report of its activities and submit a copy of the report to the  
9 legislature. The annual report shall be transmitted to the legisla-  
10 ture at the beginning of each regular session. The report shall  
11 include a description of the research grants paid by the corporation  
12 and any other information that the board determines should be included  
13 to describe the work of the corporation.

14 Sec. 14.55.200. DEFINITIONS. In this chapter

15 (1) "board" means the board of directors of the Alaska  
16 Research Development Corporation;

17 (2) "corporation" means the Alaska Research Development  
18 Corporation; and

19 (3) "endowment" means the Alaska research development  
20 endowment.

21 \* Sec. 3. AS 39.25.110 is amended by adding a new paragraph to read:

22 (24) employees of the Alaska Research Development Corpo-  
23 ration.

24 \* Sec. 4. AS 39.50.020(a) is amended by adding a new paragraph to read:

25 (48) board of directors and compensated employees of the  
26 Alaska Research Development Corporation (AS 14.55).

27 \* Sec. 5. Notwithstanding AS 14.55.040, added by sec. 2 of this Act,  
28 the initial terms of members of the board of directors of the Alaska Re-  
29 search Development Corporation shall be set under AS 39.05.055(2).

1 \* Sec. 6. Notwithstanding AS 14.55.030(b), added by sec. 2 of this Act,  
2 the initial members of the board of directors of the Alaska Research Devel-  
3 opment Corporation shall be selected and appointed by the governor.

4 \* Sec. 7. This Act takes effect on the effective date of an amendment  
5 to the Constitution of the State of Alaska creating the Alaska research  
6 development endowment.  
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Introduced: 4/21/86  
Referred: Resources and  
Finance

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

1 IN THE SENATE

2 SENATE BILL NO. 485

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska research development  
7 endowment; and providing for an effective date."

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

9 \* Section 1. LEGISLATIVE FINDINGS. (a) The legislature finds that it  
10 is necessary to obtain the research information that will be needed to give  
11 the state the best attainable future over the next 50 to 100 years or more.

12 (b) The legislature further finds that research is needed for the  
13 wise development and use of the state's natural resources. These research  
14 areas include energy, defense, mineral resources, fisheries, forestry, and  
15 food and agriculture; and also the collection, storage, and dissemination  
16 of information; the state's transportation systems; and materials research  
17 and engineering.

18 (c) Research is also needed to provide for the care and preservation  
19 of the state's natural resources and the culture and heritage of its di-  
20 verse peoples. These research areas include manmade changes in weather and  
21 climate, including the possibility of a warming trend of the whole earth;  
22 environmental protection; and archaeological, anthropological, and linguis-  
23 tic studies of the Native populations.

24 (d) The legislature further finds that research is needed to protect  
25 the health and well-being of Alaskans. Three topics are considered: health  
26 and disease; social pathology; and building construction and maintenance.

27 (e) Research is also needed on topics for which Alaska is a "natural  
28 laboratory" compared with other parts of the nation, and research on topics  
29 that support and contribute to improvements in many of the topics listed  
S

1 above. These research areas are: the upper atmosphere; weather and cli-  
2 mate; geology; natural hazards; snow, ice, and permafrost; northern oceans;  
3 and human resources.

4 \* Section 2. AS 14 is amended by adding a new chapter to read:

5 CHAPTER 55. ALASKA RESEARCH DEVELOPMENT ENDOWMENT.

6 Sec. 14.55.010. ALASKA RESEARCH DEVELOPMENT ENDOWMENT. (a)  
7 Under art. IX, sec. 17, Constitution of the State of Alaska, there is  
8 established the Alaska research development endowment. One-third of  
9 all royalties and royalty sale proceeds from North Slope natural gas  
10 received by the state shall be deposited in the Alaska research devel-  
11 opment endowment. All income from investment of the endowment shall  
12 be deposited in the Alaska research development endowment. Money in  
13 the endowment may be expended as provided in this chapter.

14 (b) The Alaska research development endowment shall be managed  
15 by the Alaska Research Development Corporation established in this  
16 chapter.

17 Sec. 14.55.020. ALASKA RESEARCH DEVELOPMENT CORPORATION. There  
18 is established the Alaska Research Development Corporation. The  
19 corporation is a public corporation and government instrumentality in  
20 the Department of Education, but has a legal existence independent of  
21 and separate from the state. The corporation is managed by the board  
22 of directors. Exercise by the board of the powers conferred by this  
23 chapter is an essential governmental function of the state.

24 Sec. 14.55.030. COMPOSITION AND QUALIFICATIONS OF BOARD OF  
25 DIRECTORS. (a) The Board of Directors of the corporation consists of  
26 11 members appointed by the governor, and two ex officio members.

27 (b) At least eight of the members must be state residents.  
28 Based on experience and achievement in their profession and in soci-  
29 ety, at least four of the members must have professional recognition

1 in the business community, at least four must have professional recog-  
2 nition in the academic community, and at least three must have profes-  
3 sional recognition in federal, state, or local government.

4 (c) The governor and the president of the University of Alaska  
5 are ex officio members of the board.

6 (d) The board shall annually elect a chairman and other neces-  
7 sary officers from among its members.

8 Sec. 14.55.040. TERM OF OFFICE. The members of the board serve  
9 five-year terms and may be reappointed. Terms shall be staggered.

10 Sec. 14.55.050. REMOVAL AND VACANCIES. (a) The governor may  
11 remove a board member from office. A removal by the governor shall be  
12 in writing and state the reason for removal. A board member who is  
13 removed by the governor may not participate in board business and may  
14 not be counted for the purpose of establishing a quorum after the  
15 member receives written notice of removal from the governor.

16 (b) A vacancy on the board shall be promptly filled by appoint-  
17 ment by the governor. An appointee to fill a vacancy holds office for  
18 the balance of the term for which the appointee's predecessor on the  
19 board was appointed.

20 (c) A vacancy on the board does not impair the authority of a  
21 quorum of the board to exercise all the powers and perform all the  
22 duties of the board.

23 Sec. 14.55.060. QUORUM. (a) Seven members of the board consti-  
24 tute a quorum for the transaction of business and the exercise of the  
25 powers and duties of the board.

26 (b) Members of the board serve without compensation, but are  
27 entitled to per diem and travel expenses authorized by law for boards  
28 under AS 39.20.180.

29 Sec. 14.55.070. CONFLICTS OF INTEREST. Members of the board and

1 the executive director are subject to the provisions of AS 39.50.

2 Sec. 14.55.080. EMPLOYMENT OF PERSONNEL. The board shall employ  
3 and determine the salary of an executive director. The executive  
4 director may, with the approval of the board, select and employ addi-  
5 tional staff as necessary. The executive director and all employees  
6 of the corporation are in the exempt service under AS 39.25.

7 Sec. 14.55.090. POWERS. In carrying out the powers of the  
8 corporation, the board may

9 (1) adopt, alter, and use a corporate seal;  
10 (2) prescribe, adopt, amend, and repeal bylaws;  
11 (3) sue and be sued in the name of the corporation;  
12 (4) enter into agreements necessary to the exercise of its  
13 powers and functions;

14 (5) accept grants from and contract with the federal gov-  
15 ernment and the state or its political subdivisions and to that end  
16 comply with the provisions of federal, state, or local programs when  
17 necessary, except that it may not enter into agreements in which a  
18 permanent state or local government position is financed or partially  
19 financed in connection with a project.

20 (6) accept grants and loans from and contract with sources  
21 other than those in (5) of this section for the purposes of the work  
22 of the corporation;

23 (7) appear on behalf of the corporation before boards,  
24 commissions, departments, or other agencies of municipal, state, or  
25 federal government;

26 (8) acquire, hold, use, lease, sell, or otherwise dispose  
27 of property of any kind, real, personal, or mixed, or an interest in  
28 it;

29 (9) hold patents, copyrights, trademarks, royalties or

1 other evidences of protection or exclusivity issued under the laws of  
2 the United States or any state or nation obtained by persons receiving  
3 assistance from the corporation;

4 (10) adopt regulations governing the exercise of its powers;  
5 and

6 (11) do everything necessary or desirable to carry out the  
7 purposes of the corporation.

8 Sec. 14.55.100. DUTIES. The board may distribute grant funds to  
9 private individuals, companies, schools, universities and governmental  
10 agencies for the conduct of research.

11 Sec. 14.55.110. BUDGET AND APPROPRIATIONS. The corporation is  
12 subject to the provisions of the Executive Budget Act (AS 37.07).

13 Sec. 14.55.120. CORPORATION BUDGET. The revenue generated by  
14 the corporation's investments must be identified as the source of the  
15 operating budget of the corporation in the state's operating budget  
16 under the Executive Budget Act (AS 37.07). The unexpended balance of  
17 the corporation's annual operating budget does not lapse at the end of  
18 the fiscal year but shall be deposited in the Alaska research develop-  
19 ment endowment.

20 Sec. 14.55.130. ANNUAL REPORT. The board shall prepare an  
21 annual report of its activities and submit a copy of the report to the  
22 legislature. The annual report shall be transmitted to the legisla-  
23 ture at the beginning of each regular session. The report shall  
24 include a description of the research grants paid by the corporation  
25 and any other information that the board determines should be included  
26 to describe the work of the corporation.

27 Sec. 14.55.140. DEFINITIONS. In this chapter

28 (1) "board" means the Board of Directors of the Alaska  
29 Research Development Corporation;

1           (2) "corporation" means the Alaska Research Development  
2 Corporation; and

3           (3) "endowment" means the Alaska research development  
4 endowment.

5 \* Sec. 3. AS 39.25.110 is amended by adding a new paragraph to read:

6           (24) employees of the Alaska Research Development Corpo-  
7 ration.

8 \* Sec. 4. AS 39.50.200(b) is amended by adding a new paragraph to read:

9           (48) Board of Directors and the executive director of the  
10 Alaska Research Development Corporation (AS 14.55.030 and 14.55.080).

11 \* Sec. 5. Notwithstanding AS 14.55.040, added by sec. 2 of this Act,  
12 the initial terms of members of the Board of Directors of the Alaska Re-  
13 search Development Corporation shall be set under AS 39.05.055(2).

14 \* Sec. 6. This Act takes effect on the effective date of an amendment  
15 to the Constitution of the State of Alaska creating the Alaska research  
16 development endowment.  
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STATE OF ALASKA 1986 LEGISLATIVE SESSION

FISCAL NOTE

Revision Date: 5/2/86

REQUEST

Bill/Resolution No: SB 485/SJR 49  
 Title: Proposing amendments to the Constitution of the State of Alaska creating the Alaska Research Development  
 Sponsor: Senate HESS  
 Requestor: Senate Resources  
 Date of Request: April 29, 1986

FISCAL DETAIL

Agency Affected: Alaska Research Development Endowment  
 BRU: \_\_\_\_\_  
 Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
<b>OPERATING</b>						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
<b>CAPITAL</b>	-	-	-	-	-	-
<b>REVENUE</b>		(480.0)	(480.0)	(480.0)	(480.0)	(480.0)

FUNDING: (Thousands of Dollars)

GENERAL FUND		(480.0)	(480.0)	(480.0)	(480.0)	(480.0)
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL		(480.0)	(480.0)	(480.0)	(480.0)	(480.0)

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

This bill dedicates 20% of all state royalties and royalty sale proceeds from North Slope natural gas to the Alaska Research Development Endowment. Currently, approximately \$2.4 million is received by the state from those sources. Consequently, \$480.0 would be dedicated. (2.4 million divided by 5 equals \$480.0)

Prepared By: Charles Loagson  
 Division: Research/Commissioner's Office

Phone: 465-3706  
 Date: May 2 1986

Approved by Commissioner: [Signature]  
 Agency: Department of Revenue

Date: May 2, 1986

Distribution (by Agency preparing fiscal note):

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

Fiscal Note Analysis  
SB 485 and SJR 45

Average expected and risk adjusted contribution to the Alaska  
Research Development Endowment as Proposed BY SJR 49 and SB 485 based on  
Department of Revenue March 1986 petroleum revenue forecast.  
(millions \$)

<u>Fiscal Year</u>	<u>Average Expected North Slope Gas Royalties</u>	<u>30% Case North Slope Gas Royalties</u>	<u>Average Expected Contribution to AkDE</u>	<u>30% Case Contribution to AkDE</u>
1987	2.72	2.72	.544	.544
1988	2.84	2.82	.568	.564
1989	2.74	2.70	.548	.540
1990	2.47	1.31	.494	.262
1991	2.54	1.64	.508	.328
1992	2.64	1.13	.528	.226
1993	3.83	0	.766	0
1994	4.73	0	.946	0
1995	29.95	0	5.99	0
1996	31.45	0	6.29	0
1997	53.14	5.98	10.62	1.19
1998	56.25	6.16	11.25	1.23
1999	59.72	6.46	11.94	1.29
2000	95.79	6.46	19.15	1.29

ALASKA STATE LEGISLATURE

14th Legislature ..... 2nd Session

SENATE BILL ..... NO. 485

By THE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

"An Act relating to the Alaska research development endowment; and providing for an effective date."

Introduced in the Senate 4/21, 1986

HISTORY IN THE SENATE

19 86	Read first time and referred to Committee on												
4 2	Resources & Finance												
54	Reported back with <i>passage</i> recommendation that <i>replace w/cs, 3 do pass, 3 no res, final 55# 76 to turn</i>												
	Read second time and												
	Read third time and												
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	<table border="0"> <tr> <td colspan="2">Reconsideration</td> </tr> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	Reconsideration		PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
Reconsideration													
PASS	Effective Date												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	Reported correctly engrossed												
	Signed by President												
	Sent to House												
	SECRETARY OF THE SENATE												

HISTORY IN THE HOUSE

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

HISTORY IN THE SENATE

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

STATE OF ALASKA, 1986 LEGISLATIVE SESSION

FISCAL NOTE

Revision Date: 5/2/86

REQUEST

Bill/Resolution No: SB 485/SJR 49  
 Title: Proposing amendments to the Constitution of the State of Alaska creating the Alaska Research Development  
 Sponsor: Senate HESS  
 Requestor: Senate Resources  
 Date of Request: April 29, 1986

FISCAL DETAIL

Agency Affected: Alaska Research Development Endowment  
 BRU: \_\_\_\_\_  
 Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE		(480.0)	(480.0)	(480.0)	(480.0)	(480.0)

FUNDING: (Thousands of Dollars)

GENERAL FUND		(480.0)	(480.0)	(480.0)	(480.0)	(480.0)
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL		(480.0)	(480.0)	(480.0)	(480.0)	(480.0)

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

This bill dedicates 20% of all state royalties and royalty sale proceeds from North Slope natural gas to the Alaska Research Development Endowment. Currently, approximately \$2.4 million is received by the state from those sources. Consequently, \$480.0 would be dedicated. (2.4 million divided by 2 equals \$480.0)

Prepared By: Charles Logsdon  
 Division: Research/Commissioner's Office

Phone: 465-3706  
 Date: May 2 1986

Approved by Commissioner: [Signature]  
 Agency: Department of Revenue

Date: May 2, 1986

Distribution (by Agency preparing fiscal note):

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

Fiscal Note Analysis  
SB 485 and SJR 49

Average expected and risk adjusted contribution to the Alaska  
Research Development Endowment as Proposed BY SJR 49 and SB 485 based on  
Department of Revenue March 1986 petroleum revenue forecast.  
(millions \$)

<u>Fiscal Year</u>	<u>Average Expected North Slope Gas Royalties</u>	<u>30% Case North Slope Gas Royalties</u>	<u>Average Expected Contribution to AkDE</u>	<u>30% Case Contribution to AkDE</u>
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1993	3.83	0	.766	0
1994	4.73	0	.946	0
1995	29.95	0	5.99	0
1996	31.45	0	6.29	0
1997	53.14	5.98	10.62	1.19
1998	56.25	6.16	11.25	1.25
1999	59.72	6.46	11.94	1.29
2000	95.79	6.46	19.15	1.29

Offered: 5/4/86  
Referred: Finance

Original sponsor: Health, Education and  
Social Services Committee

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2

CS FOR SENATE BILL NO. 485 (Resources)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the Alaska research development

7

endowment; and providing for an effective date."

8

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

9

\* Section 1. LEGISLATIVE FINDINGS. (a) The legislature finds that it

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is necessary to obtain the research information that will be needed to give

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the state the best attainable future over the next 50 to 100 years or more.

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wise development and use of the state's natural resources. These research

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areas include energy, mineral resources, fisheries, forestry, and food and

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engineering.

18

(c) Research is also needed to provide for the care and preservation

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(e) Research is also needed on topics for which Alaska is a "natural

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29

that support and contribute to improvements in many of the topics listed

1 above. These research areas are: the upper atmosphere; weather and cli-  
2 mate; geology; natural hazards; snow, ice, and permafrost; northern oceans;  
3 and human resources.

4 (f) The legislature finds that the principle of a partnership of  
5 interest among government, academia, business, industry, and residents of  
6 Alaska is essential in accomplishing the intent and purposes of this Act.

7 \* Sec. 2. AS 14 is amended by adding a new chapter to read:

8 CHAPTER 55. ALASKA RESEARCH DEVELOPMENT ENDOWMENT.

9 Sec. 14.55.010. ALASKA RESEARCH DEVELOPMENT ENDOWMENT. (a)  
10 Under art. IX, sec. 17, Constitution of the State of Alaska, there is  
11 established the Alaska research development endowment. At least 20  
12 percent of all royalties and royalty sale proceeds received by the  
13 state from natural gas from the area north of the Alaska Range shall  
14 be deposited in the Alaska research development endowment; however,  
15 the total deposits from royalties and royalty sale proceeds may not  
16 exceed \$1,000,000,000. These deposits shall be considered fund  
17 principal and shall be invested by the commissioner of revenue in  
18 accordance with AS 37.10.070, except that income from investment of  
19 the endowment may not be held for investment, but shall be used to  
20 provide funds for research grants, and the costs of administration of  
21 the endowment as provided in this chapter.

22 (b) The Alaska research development endowment shall be managed  
23 by the Alaska Research Development Corporation established under this  
24 chapter.

25 Sec. 14.55.020. ALASKA RESEARCH DEVELOPMENT CORPORATION. There  
26 is established the Alaska Research Development Corporation. The  
27 corporation is a public corporation in the Department of Revenue, but  
28 has a legal existence independent of and separate from the state. The  
29 corporation is managed by the board of directors. Exercise by the

1 board of the powers conferred by this chapter is an essential govern-  
2 mental function of the state.

3 Sec. 14.55.030. COMPOSITION AND QUALIFICATIONS OF BOARD OF  
4 DIRECTORS. (a) The board of directors of the corporation consists of  
5 11 members appointed by the governor and two ex officio members.

6 (b) The board shall establish an independent nominating commit-  
7 tee which shall provide to the governor a list of two or more well  
8 qualified candidates for each vacancy. The governor may consider  
9 these candidates before appointing directors.

10 (c) At least eight of the members must be state residents.  
11 Based on experience and achievement in their profession and in soci-  
12 ety, at least four of the members must have professional recognition  
13 in the business community, at least four must have professional recog-  
14 nition in the academic community, and at least three must have profes-  
15 sional recognition in federal, state, or foreign government.

16 (d) The governor and the president of the University of Alaska  
17 are ex officio members of the board.

18 (e) The board shall annually elect a chairman and other neces-  
19 sary officers from among its members.

20 Sec. 14.55.040. TERM OF OFFICE. The members of the board serve  
21 six-year terms and may be reappointed. Terms shall be staggered.

22 Sec. 14.55.050. REMOVAL AND VACANCIES. (a) The governor may  
23 remove a board member from office. A removal by the governor shall be  
24 in writing and state the reason for removal. A board member who is  
25 removed by the governor may not participate in board business and may  
26 not be counted for the purpose of establishing a quorum after the  
27 member receives written notice of removal from the governor.

28 (b) A vacancy on the board shall be promptly filled by appoint-  
29 ment by the governor. The governor may consider names on the list