

LEG. FINANCE - BILLS 1985 - 1986 2283

HCR 9 - HJR 24

2283

COMMITTEE REPORT

SENATE

FURTHER:

4/24/85

Date 5/10/86

Mr. President

The Committee on FINANCE considered HCR 9
Whittier-Shotgun Cove Access.

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 3 CS for HCR 9 Finance
- new title
- same title and recommends DO PASS
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS

Chairman

Chairman recommendation

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No.: SCS HCR 9 (Finance)
 Title: Relating to the Whittier-
 Shotgun Cove Access

Sponsor: Szymanski

Requestor: _____

Date of Request: _____

FISCAL DETAIL

Agency Affected: All

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						
TOTAL OPERATING	0	0	0	0	0	0

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

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	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: _____
 Division: Senator Jan Faiks, Co-chairman
Senate Finance Committee

Phone: 456-4523

Date: 3/4/86

Approved by Commissioner: _____

Date: _____

Agency: _____

Distribution (by Agency preparing fiscal note):

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

Original sponsors: Szymanski and Uehling

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR HOUSE CONCURRENT RESOLUTION NO. 9 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Relating to access to Whittier and to
6 Shotgun Cove.

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

8 WHEREAS Whittier is becoming an important destination for tourists
9 visiting Alaska, as shown by the increase of tour ships stopping at Whit-
10 tier and of recreational businesses operating out of Whittier; and

11 WHEREAS Whittier is also growing in recreational importance to many
12 Alaska residents who travel to Whittier each summer for water-related
13 recreation, and who depend for this purpose upon access to Whittier; and

14 WHEREAS demand for Whittier harbor berths by recreational boaters far
15 exceeds the available harbor space; and

16 WHEREAS the Thirteenth Alaska State Legislature created the Alaska
17 Marine Park system to protect areas within Prince William Sound for public
18 recreation; and

19 WHEREAS the planned disposal of municipal land between Whittier and
20 Shotgun Cove for community expansion and recreation will increase the
21 interest in the Whittier area for recreational homes or permanent resi-
22 dences; and

23 WHEREAS in 1984, over 200,000 persons visited Whittier, including
24 travelers on the Alaska marine highway system; and

25 WHEREAS the summer shuttle service between Portage and Whittier during
26 the summer of 1984 was too infrequent to meet the needs of Anchorage visi-
27 tcrs to Whittier; and

28 WHEREAS the Alaska Railroad has been acquired by the state, and trans-
29 portation planning can go forward at the state level on a comprehensive

1 basis; and

2 WHEREAS the Department of Transportation and Public Facilities is
3 examining alternatives for improving access to Whittier;

4 BE IT RESOLVED that the Alaska State Legislature commends the Depart-
5 ment of Transportation and Public Facilities for its investigation of ways
6 to improve transportation to Whittier, including the possibility of paving
7 one or both of the railroad tunnels between Portage and Whittier, and of
8 increasing shuttle service by the Alaska Railroad; and be it

9 FURTHER RESOLVED that the Alaska State Legislature urges the governor
10 to direct the Department of Transportation and Public Facilities to estab-
11 lish as a priority the planning of improved access to Whittier and between
12 Whittier and Shotgun Cove so that the Fifteenth Alaska State Legislature
13 can consider the department's recommendations and take action on this
14 matter; and be it

15 FURTHER RESOLVED that the Alaska State Legislature requests that the
16 Alaska Railroad Corporation initiate increased summer shuttle service
17 between Portage and Whittier until the state makes a permanent decision on
18 this access problem.

Bannister
3/1/86

Original sponsors: Szymanski and Uehling

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR HOUSE CONCURRENT RESOLUTION NO. 9 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Relating to the Whittier-Shotgun Cove
6 Access.

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

8 WHEREAS Whittier is becoming an important destination for tourists
9 visiting Alaska, as shown by the increase of tour ships stopping at Whit-
10 tier and of recreational businesses operating out of Whittier; and

11 WHEREAS Whittier is also growing in recreational importance to many
12 Alaska residents who travel to Whittier each summer for water-related
13 recreation, and who depend for this purpose upon access to Whittier; and

14 WHEREAS demand for Whittier harbor berths by recreational boaters far
15 exceeds the available harbor space; and

16 WHEREAS the Thirteenth Alaska State Legislature created the Alaska
17 Marine Park system to protect areas within Prince William Sound for public
18 recreation; and

19 WHEREAS the planned disposal of municipal land between Whittier and
20 Shotgun Cove for community expansion and recreation will increase the
21 interest in the Whittier area for recreational homes or permanent resi-
22 dences; and

23 WHEREAS in 1984, over 200,000 persons visited Whittier, including
24 travelers on the Alaska marine highway system; and

25 WHEREAS the summer shuttle service between Portage and Whittier during
26 the summer of 1984 was too infrequent to meet the needs of Anchorage visi-
27 tors to Whittier; and

28 WHEREAS the Alaska Railroad has been acquired by the state, and trans-
29 portation planning can go forward at the state level on a comprehensive

ANALYSIS FOR HOUSE CONCURRENT RESOLUTION 9

Relating to the Whittier-Shotgun Cove Access

The Legislature commends the Department of Transportation for studying ways to improve transportation to Whittier. Such alternatives as paving the railroad tunnels between Portage and Whittier and increasing shuttle service by the Alaska Railroad.

In addition, the Governor is urged to direct DOT/PF to make improved access to Whittier a priority so that the Fifteenth Legislature can take action on this matter.

Finally, it requests the Alaska Railroad to increase summer shuttle service between Portage and Whittier until some other solution is reached.

COMMITTEE REPORT
SENATE

FURTHER:

FINANCE

4/17/85

Date 22 April 85

Mr. President

The Committee on Labor & Commerce considered HCR 9
Whittier-Shotgun Cove Access.

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 SCS for HCR 9 (Inc)
- 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

W. Mc.
Bice Ray No Rec

Frank T. Hancock
Chairman
Do Pass
Chairman recommendation

Offered: 4/24/85
Referred: Finance

Original sponsors: Szymanski and Uehling

1 IN THE HOUSE

BY THE LABOR AND
COMMERCE COMMITTEE

2

SENATE CS FOR HOUSE CONCURRENT RESOLUTION NO. 9 (L&C)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

Relating to the Whittier-Shotgun Cove

6

Access.

7

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

8

WHEREAS Whittier is becoming an important destination for tourists

9

visiting Alaska, as shown by the increase of tour ships stopping at Whit-

10

tier and of recreational businesses operating out of Whittier; and

11

WHEREAS Whittier is also growing in recreational importance to many

12

Alaska residents who travel to Whittier each summer for water-related

13

recreation, and who depend for this purpose upon access to Whittier; and

14

WHEREAS demand for Whittier harbor berths by recreational boaters far

15

exceeds the available harbor space; and

16

WHEREAS the Thirteenth Alaska State Legislature created the Alaska

17

Marine Park system to protect areas within Prince William Sound for public

18

recreation; and

19

WHEREAS the planned disposal of municipal land between Whittier and

20

Shotgun Cove for community expansion and recreation will increase the

21

interest in the Whittier area for recreational homes or permanent resi-

22

dences; and

23

WHEREAS in 1984, over 200,000 persons visited Whittier, including

24

travelers on the Alaska marine highway system; and

25

WHEREAS the summer shuttle service between Portage and Whittier during

26

the summer of 1984 was too infrequent to meet the needs of Anchorage visi-

27

tors to Whittier; and

28

WHEREAS the Alaska Railroad has been acquired by the state, and trans-

29

portation planning can go forward at the state level on a comprehensive

1 basis; and

2 WHEREAS the Department of Transportation and Public Facilities is
3 examining alternatives for improving access to Whittier;

4 BE IT RESOLVED that the Alaska State Legislature commends the Depart-
5 ment of Transportation and Public Facilities for its investigation of ways
6 to improve transportation to Whittier, including the possibility of paving
7 one or both of the railroad tunnels between Portage and Whittier, and of
8 increasing shuttle service by the Alaska Railroad; and be it

9 FURTHER RESOLVED that the Alaska State Legislature urges the governor
10 to direct the Department of Transportation and Public Facilities to
11 establish as a priority the planning of improved access to Whittier and
12 between Whittier and Shotgun Cove so that the Fourteenth Alaska State
13 Legislature can consider the department's recommendations and take action
14 on this matter; and be it

15 FURTHER RESOLVED that the Alaska State Legislature requests that the
16 Alaska Railroad Corporation initiate increased summer shuttle service
17 between Portage and Whittier until the state makes a permanent decision on
18 this access problem.

Introduced: 2/20/85
Referred: Transportation

1 IN THE HOUSE

BY SZYMANSKI

2

HOUSE CONCURRENT RESOLUTION NO. 9

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

Relating to the Whittier-Shotgun Cove

6

Access.

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

8 WHEREAS Whittier is becoming an important destination for tourists
9 visiting Alaska, as shown by the increase of tour ships stopping at Whit-
10 tier and of recreational businesses operating out of Whittier; and

11 WHEREAS Whittier is also growing in recreational importance to many
12 Alaska residents who travel to Whittier each summer for water-related
13 recreation, and who depend for this purpose upon access to Whittier; and

14 WHEREAS demand for Whittier harbor berths by recreational boaters far
15 exceeds the available harbor space; and

16 WHEREAS the Thirteenth Alaska State Legislature created the Alaska
17 Marine Park system to protect areas within Prince William Sound for public
18 recreation; and

19 WHEREAS the planned disposal of municipal land between Whittier and
20 Shotgun Cove for community expansion and recreation will increase the
21 interest in the Whittier area for recreational homes or permanent resi-
22 dences; and

23 WHEREAS in 1984, over 200,000 persons visited Whittier, including
24 travelers on the Alaska marine highway system; and

25 WHEREAS the summer shuttle service between Portage and Whittier during
26 the summer of 1984 was too infrequent to meet the needs of Anchorage visi-
27 tors to Whittier; and

28 WHEREAS the Alaska Railroad has been acquired by the state, and trans-
29 portation planning can go forward at the state level on a comprehensive

1 basis; and

2 WHEREAS the Department of Transportation and Public Facilities is
3 examining alternatives for improving access to Whittier;

4 BE IT RESOLVED that the Alaska State Legislature commends the Depart-
5 ment of Transportation and Public Facilities for its investigation of ways
6 to improve transportation to Whittier, including the possibility of paving
7 one or both of the railroad tunnels between Portage and Whittier, and of
8 increasing shuttle service by the Alaska Railroad; and be it

9 FURTHER RESOLVED that the Alaska State Legislature urges the Depart-
10 ment of Transportation and Public Facilities to establish as a priority the
11 planning of improved access to Whittier and between Whittier and Shotgun
12 Cove so that the Fourteenth Alaska State Legislature can consider the
13 department's recommendations and take action on this matter; and be it

14 FURTHER RESOLVED that the Alaska State Legislature requests that the
15 Alaska Railroad Corporation initiate increased summer shuttle service
16 between Portage and Whittier until the state makes a permanent decision on
17 this access problem.

COMMITTEE REPORT
SENATE

FURTHER:

5/3/85

Date _____

Mr. President

The Committee on FINANCE considered CSHCR 20(L&C)
report on maximizing local hire.

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

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

**MEMBERS SIGNING
DO PASS**

**MEMBERS HAVING
OTHER RECOMMENDATIONS**

Chairman

Chairman recommendation

COMMITTEE REPORT
SENATE

FURTHER: FINANCE

5/1/85

Date _____

Mr. President

The Committee on Labor & Commerce considered CSHCR 20(L&C)

report on maximizing local hire.

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
DC PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS

Chairman _____

Chairman recommendation _____

Offered: 4/9/85
Referred: Judiciary

Cromer

Original sponsors: Pignalberi, Thompson,
Marrou, et al

1 IN THE HOUSE

BY THE LABOR AND
COMMERCE COMMITTEE

2 CS FOR HOUSE CONCURRENT RESOLUTION NO. 20 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 Relating to a report on maximizing local
6 hire.

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

8 WHEREAS the unemployment and underemployment of Alaskans causes seri-
9 ous social and economic problems in the state; and

10 WHEREAS the legislature is seeking ways to remedy the unemployment and
11 underemployment of Alaskans;

12 BE IT RESOLVED by the Alaska State Legislature that the attorney
13 general and the commissioner of labor are requested to report to the legis-
14 lature by the first day of the Second Session of the Fourteenth Legislature
15 on a course of action the state may take in order to maximize local hire.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

copy

Page 1 of 2

Revision Date: _____

REQUEST

Bill/Resolution No.: CS HCR 20 (L&C)
 Title: "Relating to a report on maximizing local hire"
 Sponsor: Wignallbert, et. al.
 Requestor: HOUSE LABOR & COMMERCE
 Date of Request: 4/10/85

FISCAL DETAIL

Agency Affected: Labor
 Program Category Affected: Public Protection
 BRU, Program or Subprogram(s) Affected: Commissioner's Office

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		69.0				
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	69.0	0	0	0	0

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND		69.0				
FEDERAL FUNDS						
OTHER						
TOTAL	0	69.0	0	0	0	0

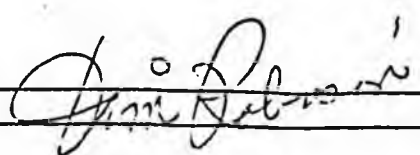
POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

(This analysis reflects costs if HB 295 passes)

Prepared By: Jim Robison
 Division: Commissioner



Phone: 465-2700
 Date: _____

Approved by Commissioner: Jim Robison
 Agency: Labor

Date: 4/10/85

Distribution (by Agency preparing fiscal note):

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

FISCAL NOTE ANALYSIS

CS HR 20(L&C)

Page 2 of 2

THE LEGISLATURE OF THE STATE OF ALASKA
FOURTEENTH LEGISLATURE
BILL/RESOLUTION NO.: CS HR 20 (L&C)
TITLE: "Relating to a report on maximizing local hire"
AGENCY AFFECTED: Department of Labor

This resolution requests a report to the legislature on a course of action to maximize local hire.

Assumptions:

1. Further research is necessary to: a) establish an accurate benchmark of nonresident to resident employees and wages by industry and area; b) survey employees for reasons associated with high nonresident hire; and c) analyze the benchmark data and employer responses for policy implications.
2. Work would begin July 1, 1985, and be conducted with a written report to be submitted to the Alaska Legislature on January 14, 1986.
3. If House Bill 295 is funded at \$100,000 then the costs associated with this resolution would be reduced by \$20,000.
4. The Alaska Department of Labor will assign a Labor Economist III for three months, a Labor Economist II for six months, and a Statistical Technician I for six months to research and provide this information.

Alaska State Legislature
House of Representatives



Labor and Commerce Committee

April 2, 1985 Tuesday

LETTER OF INTENT

CSHCR 20 (L&C)

The House Labor and Commerce Committee passed out HCR 20 as a CS, changing the date for a report to be submitted to the 14th Legislature from the 90th day of the First Session (April 13, 1985) to the first day of the Second Session (January 13, 1986). This extension of time greatly expands the ability of the Department of Labor to collect pertinent data.

The Department indicated in testimony before the Committee that as a result of the above CS, they will be submitting a new fiscal note to the next Committee of referral that will reflect the costs involved with extending the time (and thus scope) of the research project requested in HCR 20. The original fiscal note submitted with this bill from the Department of Labor was a zero fiscal note, dated 3/22/85.

At the direction of the Committee, the Department will also be preparing a comparative analysis of the costs of HB 295 with the costs of CS HCR 20, to establish areas of overlap and areas of difference.

Rep. Mike Navarre, Chairman
House Labor and Commerce Committee

COMMITTEE COPY

ALASKA STATE LEGISLATURE

14th Legislature FIRST Session

CONCURRENT

HOUSE RESOLUTION NO. 20

By PIGNALBERI, THOMPSON, MARROU, FRANK, RIEGER, SZYMANSKI

Relating to/report on maximizing local hire.

CSH 3R 20(L&C) BY L&C COMMITTEE

Offered: 4/9/85
Referred: Judiciary
TITLE: Same

Report/Max. Local Hire

Introduced in the House 3/13, 19... 85

HISTORY IN THE HOUSE

19 85
Mar 13 Read first time and referred to Committee on L&C AND JUDICIARY
Apr 9 Reported back with recommendation that
Apr 18
Apr 24
Apr 30
May 1

Read third time and

PASS Effective Date
Yeas
Nays
Absent
Excused

Reconsideration

PASS Effective Date
Yeas
Nays
Absent
Excused

Reported correctly engrossed
Signed by Speaker
Sent to Senate

Chief Clerk of the House signature

HISTORY IN THE SENATE

19 85
5 2
5 3
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
Nays
Absent
Excused

Reconsideration

PASS Effective Date
Yeas
Nays
Absent
Excused

Reported correctly engrossed
Signed by President
Returned to House

Secretary of the Senate

HISTORY IN THE HOUSE

19
Received from Senate
Concurred in Senate amendment thus adopting: VOTE
Failed to concur in Senate amendment; asked Senate to recede VOTE
Senate receded from amendment VOTE
Senate failed to recede from amendment VOTE
CC appointed by House
CC appointed by Senate
CC adopted by House VOTE
CC adopted by Senate VOTE
To enrolling
Reported correctly enrolled
Sent to Governor
by Governor
Filed with Lt. Governor
Chapter No.

COMMITTEE COPY

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: CS HCR 20 (L&C)
 Title: "Relating to a report on
 maximizing local hire"
 Sponsor: Pignatelli, et. al.
 Requestor: House Labor & Commerce
 Date of Request: 4/10/85

FISCAL DETAIL

Agency Affected: Labor
 Program Category Affected: Public
 Protection
 BRU, Program or Subprogram(s) Affected: Commissioner's Office

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		69.0				
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	69.0	0	0	0	0

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

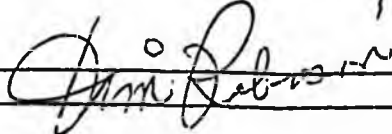
GENERAL FUND		69.0				
FEDERAL FUNDS						
OTHER						
TOTAL	0	69.0	0	0	0	0

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

(This analysis reflects costs if HB 295 passes)

Prepared By: Jim Robison  Phone: 465-2700
 Division: Commissioner Date: _____

Approved by Commissioner: Jim Robison Date: 4/10/85
 Agency: Labor

Distribution (by Agency preparing fiscal note):

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

FISCAL NOTE ANALYSIS

THE LEGISLATURE OF THE STATE OF ALASKA
FOURTEENTH LEGISLATURE
BILL/RESOLUTION NO.: CS HCR 20 (L&C)
TITLE: "Relating to a report on maximizing local hire"
AGENCY AFFECTED: Department of Labor

This resolution requests a report to the legislature on a course of action to maximize local hire.

Assumptions:

1. Further research is necessary to: a) establish an accurate benchmark of nonresident to resident employees and wages by industry and area; b) survey employees for reasons associated with high nonresident hire; and c) analyze the benchmark data and employer responses for policy implications.
2. Work would begin July 1, 1985, and be conducted with a written report to be submitted to the Alaska Legislature on January 14, 1986.
3. If House Bill 295 is funded at \$100,000 then the costs associated with this resolution would be reduced by \$20,000.
4. The Alaska Department of Labor will assign a Labor Economist III for three months, a Labor Economist II for six months, and a Statistical Technician I for six months to research and provide this information.

Offered: 4/9/85
Referred: Judiciar

Original sponsors: Pignalberi, Thompson,
Marrou, et al

1 IN THE HOUSE BY THE LABOR AND
COMMERCE COMMITTEE
2 CS FOR HOUSE CONCURRENT RESOLUTION NO. 20 (L&C)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - FIRST SESSION
5 Relating to a report on maximizing local
6 hire.
7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:
8 WHEREAS the unemployment and underemployment of Alaskans causes seri-
9 ous social and economic problems in the state; and
10 WHEREAS the legislature is seeking ways to remedy the unemployment and
11 underemployment of Alaskans;
12 BE IT RESOLVED by the Alaska State Legislature that the attorney
13 general and the commissioner of labor are requested to report to the legis-
14 lature by the first day of the Second Session of the Fourteenth Legislature
15 on a course of action the state may take in order to maximize local hire.

Offered: 4/9/85
Referred: Judicial

Original sponsors: Pignalberi, Thompson,
Marrou, et al

1 IN THE HOUSE

BY THE LABOR AND
COMMERCE COMMITTEE

2

CS FOR HOUSE CONCURRENT RESOLUTION NO. 20 (L&C)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

Relating to a report on maximizing local

6

hire.

7

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

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WHEREAS the unemployment and underemployment of Alaskans causes seri-

9

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WHEREAS the legislature is seeking ways to remedy the unemployment and

11

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BE IT RESOLVED by the Alaska State Legislature that the attorney

13

general and the commissioner of labor are requested to report to the legis-

14

lature by the first day of the Second Session of the Fourteenth Legislature

15

on a course of action the state may take in order to maximize local hire.

Fruch V -
Juneau, Alaska 99811

Alaska State Legislature
House of Representatives

Phone:
(907) 465-3892



Labor and Commerce Committee

April 2, 1985 Tuesday

LETTER OF INTENT

CSHCR 20 (L&C)

The House Labor and Commerce Committee passed out HCR 20 as a CS, changing the date for a report to be submitted to the 14th Legislature from the 90th day of the First Session (April 13, 1985) to the first day of the Second Session (January 13, 1986). This extension of time greatly expands the ability of the Department of Labor to collect pertinent data.

The Department indicated in testimony before the Committee that as a result of the above CS, they will be submitting a new fiscal note to the next Committee of referral that will reflect the costs involved with extending the time (and thus scope) of the research project requested in HCR 20. The original fiscal note submitted with this bill from the Department of Labor was a zero fiscal note, dated 3/22/85.

At the direction of the Committee, the Department will also be preparing a comparative analysis of the costs of HB 295 with the costs of CS HCR 20, to establish areas of overlap and areas of difference.

Rep. Mike Navarre, Chairman
House Labor and Commerce Committee

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: CS HCR 20 (L&C)
 Title: "Relating to a report on
 maximizing local hire"
 Sponsor: Pignalberi, et. al.
 Requestor: House Labor & Commerce
 Date of Request: 4/10/85

FISCAL DETAIL

Agency Affected: Labor
 Program Category Affected: Public
 Protection
 BRU, Program or Subprogram(s) Affected:
Commissioner's Office

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		69.0				
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	69.0	0	0	0	0

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

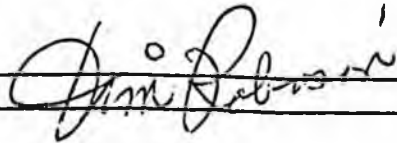
GENERAL FUND		69.0				
FEDERAL FUNDS						
OTHER						
TOTAL	0	69.0	0	0	0	0

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

(This analysis reflects costs if HB 295 passes)

Prepared By: Jim Robison  Phone: 465-2700
 Division: Commissioner Date: _____

Approved by Commissioner: Jim Robison Date: 4/10/85
 Agency: Labor

Distribution (by Agency preparing fiscal note):

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

7/1/84

Offered: 4/9/85
Referred: Judiciar

Original sponsors: Pignalberi, Thompson,
Marrou, et al

1 IN THE HOUSE BY THE LABOR AND
COMMERCE COMMITTEE
2 CS FOR HOUSE CONCURRENT RESOLUTION NO. 20 (L&C)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - FIRST SESSION
5 Relating to a report on maximizing local
6 hire.
7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:
8 WHEREAS the unemployment and underemployment of Alaskans causes seri-
9 ous social and economic problems in the state; and
10 WHEREAS the legislature is seeking ways to remedy the unemployment and
11 underemployment of Alaskans;
12 BE IT RESOLVED by the Alaska State Legislature that the attorney
13 general and the commissioner of labor are requested to report to the legis-
14 lature by the first day of the Second Session of the Fourteenth Legislature
15 on a course of action the state may take in order to maximize local hire.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: CS HCR 20 (L&C)
 Title: "Relating to a report on maximizing local hire"
 Sponsor: Pignalberi, et. al.
 Requestor: House Labor & Commerce
 Date of Request: 4/10/85

FISCAL DETAIL

Agency Affected: Labor
 Program Category Affected: Public Protection
 BRU, Program or Subprogram(s) Affected: Commissioner's Office

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		69.0				
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	69.0	0	0	0	0

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

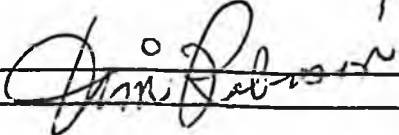
GENERAL FUND		69.0				
FEDERAL FUNDS						
OTHER						
TOTAL	0	69.0	0	0	0	0

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

(This analysis reflects costs if HB 295 passes)

Prepared By: Jim Robison  Phone: 465-2700
 Division: Commissioner Date: _____

Approved by Commissioner: Jim Robison Date: 4/10/85
 Agency: Labor

Distribution (by Agency preparing fiscal note):

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

FISCAL NOTE ANALYSIS

THE LEGISLATURE OF THE STATE OF ALASKA
FOURTEENTH LEGISLATURE
BILL/RESOLUTION NO.: CS HCR 20 (L&C)
TITLE: "Relating to a report on maximizing local hire"
AGENCY AFFECTED: Department of Labor

This resolution requests a report to the legislature on a course of action to maximize local hire.

Assumptions:

1. Further research is necessary to: a) establish an accurate benchmark of nonresident to resident employees and wages by industry and area; b) survey employees for reasons associated with high nonresident hire; and c) analyze the benchmark data and employer responses for policy implications.
2. Work would begin July 1, 1985, and be conducted with a written report to be submitted to the Alaska Legislature on January 14, 1986.
3. If House Bill 295 is funded at \$100,000 then the costs associated with this resolution would be reduced by \$20,000.
4. The Alaska Department of Labor will assign a Labor Economist III for three months, a Labor Economist II for six months, and a Statistical Technician I for six months to research and provide this information.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: CS HCR 20 (L&C)
 Title: "Relating to a report on
 maximizing local hire"
 Sponsor: Pignalberi, et. al.
 Requestor: House Labor & Commerce
 Date of Request: 4/10/85

FISCAL DETAIL

Agency Affected: Labor
 Program Category Affected: Public
 Protection
 BRU, Program or Subprogram(s) Affected:
Commissioner's Office

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES		89.0				
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	89.0	0	0	0	0

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND		89.0				
FEDERAL FUNDS						
OTHER						
TOTAL	0	89.0	0	0	0	0

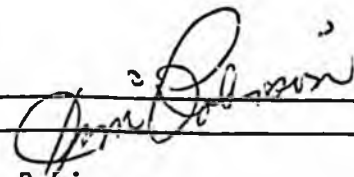
POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

(This analysis reflects costs if HB 295 does not pass)

Prepared By: Jim Robison
 Division: Commissioner



Phone: 465-2700
 Date: 4/10/85

Approved by Commissioner: Jim Robison
 Agency: Labor

Date: 4/10/85

Distribution (by Agency preparing fiscal note):

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

7/1/84

HCR 20

FISCAL NOTE ANALYSIS

THE LEGISLATURE OF THE STATE OF ALASKA
FOURTEENTH LEGISLATURE
BILL/RESOLUTION NO.: CS HCR 20 (L&C)
TITLE: "Relating to a report on maximizing local hire"
AGENCY AFFECTED: Department of Labor

This resolution requests a report to the legislature on a course of action to maximize local hire.

Assumptions:

1. Further research is necessary to: a) establish an accurate benchmark of nonresident to resident employees and wages by industry and area; b) survey employees for reasons associated with high nonresident hire; and c) analyze the benchmark data and employer responses for policy implications.
2. Work would begin July 1, 1985, and be conducted with a written report to be submitted to the Alaska Legislature on January 14, 1986.
3. If House Bill 295 is funded at \$100,000 then the costs associated with this resolution would be reduced by \$20,000.
4. The Alaska Department of Labor will assign a Labor Economist III for three months, a Labor Economist II for six months, and a Statistical Technician I for six months to research and provide this information.

Alaska Department of Labor

Budget Detail on House Continuing Resolution 20
A report on Maximizing Local Hire

	HCR 20 Without HB 295	HCR 20 With HB 295
PERSONAL SERVICES		
Labor Economist III (3 Mo.)	13,500	13,500
Labor Economist II (6 Mo.)	21,400	21,400
Statistical Tech. I (6 Mo.)	16,600	16,600
Total Personal Services	51,500	51,500
TRAVEL		
Juneau-Anchorage (2 trips) *	900	900
Per Diem (3 3/4 days)	300	300
Total Travel	1,200	1,200
CONTRACTUAL		
Data Entry **	5,000	5,000
Printing	3,000	3,000
Programming	5,000	1,000
Data Processing Operations	18,000	2,000
Maint., Postage, Phone, Misc.	4,000	4,000
Total Contractual	35,000	15,000
COMMODITIES		
Office supplies	1,300	1,300
Total Commodities	1,300	1,300
TOTAL	89,000	69,000

* Consultation with Anchorage Economists, communication of results.

** Costs are for the entry of survey results.

Pouch V
Juneau, Alaska 99811

Alaska State Legislature
House of Representatives

Phone:
(907) 465-3892



Labor and Commerce Committee

April 2, 1985 Tuesday

LETTER OF INTENT

CSHCR 20 (L&C)

The House Labor and Commerce Committee passed out HCR 20 as a CS, changing the date for a report to be submitted to the 14th Legislature from the 90th day of the First Session (April 13, 1985) to the first day of the Second Session (January 13, 1986). This extension of time greatly expands the ability of the Department of Labor to collect pertinent data.

The Department indicated in testimony before the Committee that as a result of the above CS, they will be submitting a new fiscal note to the next Committee of referral that will reflect the costs involved with extending the time (and thus scope) of the research project requested in HCR 20. The original fiscal note submitted with this bill from the Department of Labor was a zero fiscal note, dated 3/22/85.

At the direction of the Committee, the Department will also be preparing a comparative analysis of the costs of HB 295 with the costs of CS HCR 20, to establish areas of overlap and areas of difference.

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

Rep. Mike Navarre, Chairman
House Labor and Commerce Committee

By: DOK

Relationship of HB295 and HCR20
Background Facts and Assumptions

HB294 & HB295

- Specific to public funded construction
- Much analysis already completed related to 18 legislative findings
- Utilized existing data
- Required substantial uncompensated overtime by supervisors
- Much more analysis required to support the state's court case
- Identify public funded construction separately
- Key-entry of public funded construction SSN's
- Employer survey
- Computer match
- of:
 - Permanent Fund
 - Wage items
 - Claimants
 - public funded construction (file to be built)
- to:
 - indicate more precisely nonfilers of Permanent Fund
 - refine relationships between PF and residency by:
 - industry
 - state funded construction
 - area
 - define resident-nonresident
 - interstate UI claimants and payments
 - intrastate UI claimants and payments
- Determine Dollar Impact
- of:
 - resident payrolls and spending
 - nonresident payrolls and spending
- considering:
 - leakages
 - multipliers
- Tally UI industry attachment by state for:
 - interstate UI claimants and payments
 - intrastate UI claimants and payments
- Review with the states counsel other necessary research areas
- \$100K for research related to HB295 should not be diluted

House Concurrent Resolution 20

- Began independently of HB295, but has been related to it
- Requires a statewide perspective of all industries
- Substantial information has already been provided
 - From Administrative records and computer matching
 - Staffing has been uncompensated overtime of supervisors

Costs

- analysis
- computer matching
 - primarily by-products of HB295
 - economies of scale exist if both this resolution and HB295 are funded
- surveys
 - if required (eg. for precise multipliers) high \$'s

Departmental Proposal

- Use HB295 for its intended purpose
- Do not do any surveying related to HCR20
- Prepare a fiscal note with costs both with and without HB295

The analysis and scope of House Concurrent Resolution 20 is substantially different than that of House Bill 295. They do share many common items in the data bases required for the analysis. If both are funded work related to: additional computer matching, editing, and analytical quality control would benefit both.

Have both reports completed by the beginning of the next legislative session

Offered: 4/9/85
Referred: Judiciar

Original sponsors: Pignalberi, Thompson,
Marrou, et al

1 IN THE HOUSE

BY THE LABOR AND
COMMERCE COMMITTEE

2

CS FOR HOUSE CONCURRENT RESOLUTION NO. 20 (L&C)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

Relating to a report on maximizing local

6

hire.

7

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

8

WHEREAS the unemployment and underemployment of Alaskans causes seri-

9

ous social and economic problems in the state; and

10

WHEREAS the legislature is seeking ways to remedy the unemployment and

11

underemployment of Alaskans;

12

BE IT RESOLVED by the Alaska State Legislature that the attorney

13

general and the commissioner of labor are requested to report to the legis-

14

lature by the first day of the Second Session of the Fourteenth Legislature

15

on a course of action the state may take in order to maximize local hire.

Introduced: 3/13/85
Referred: Labor & Commerce
and Judiciary

BY PIGNALBERI, THOMPSON, MARROU,
FRANK, RIEGER AND SZYMANSKI

1 IN THE HOUSE

2

HOUSE CONCURRENT RESOLUTION NO. 20

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

Relating to a report on maximizing local

6

hire.

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

8 WHEREAS the unemployment and underemployment of Alaskans causes seri-

9 ous social and economic problems in the state; and

10 WHEREAS the legislature is seeking ways to remedy the unemployment and

11 underemployment of Alaskans;

12 BE IT RESOLVED by the Alaska State Legislature that the attorney

13 general and the commissioner of labor are requested to report to the legis-

14 lature by the 90th day of this session on a course of action the state may

15 take in order to maximize local hire.

HOUSE
COMMITTEE REPORT

3/3

Date referred: 1/15/86

FURTHER REFERRALS: FINANCE

DATE: _____

The JUDICIARY Committee has considered SSHJR 22

Proposing amendments to the Constitution of the State of Alaska creating an appropriation reserve fund and limiting increases in appropriations.

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with _____ same title
- replace with _____ new title

and recommends Individual

further referral to the _____ Committee

and attaches:

- letter of intent
- first fiscal note
- new fiscal note
- zero fiscal note w/analysis Sup 93
- ^{and} zero note

SIGNING DO PASS: 1

SIGNING OTHER RECOMMENDATIONS:

TAYLOR Adrian Taylor

PERITZ John Peritz

Walter Miller 120 NOT PASSED MILLER

John Sund Sund

~~_____~~

PHILLIPS No Rec PHILLIPS

Walter Miller
Chairman

cook

Introduced: 1/15/86
Referred: Judiciary and
Finance

BY M.W.MILLER, PEARCE, RINGSTAD,
SHULTZ, THOMPSON, PIGNALBERI,
TAYLOR, JENKINS, UEHLING AND FRANK

1 IN THE HOUSE

2 SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 22

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Proposing amendments to the Constitution
6 of the State of Alaska creating an
7 appropriation reserve fund and limiting
8 increases in appropriations.

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

10 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
11 is amended to read:

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or
13 license shall not be dedicated to any special purpose, except as
14 provided in section 15 of this article and in article XV, section 29
15 or when required by the federal government for state participation in
16 federal programs. This provision shall not prohibit the continuance of
17 any dedication for special purposes existing upon the date of ratifi-
18 cation of this section by the people of Alaska.

19 * Sec. 2. Article IX, sec. 16, Constitution of the State of Alaska, is
20 repealed and readopted to read:

21 SECTION 16. APPROPRIATION LIMITATIONS. Except for appropria-
22 tions to the Alaska permanent fund, appropriations of the proceeds of
23 revenue or general obligation bonds and appropriations required to pay
24 the principal and interest on general obligation bonds, appropriations
25 from the treasury during a fiscal year may not exceed the lesser of
26 the amount appropriated in the fiscal year this section takes effect
27 adjusted for the cumulative inflation and population growth or decline
28 as defined by law or 95 percent of the unrestricted revenue of the
29 state for the previous calendar year. An appropriation in excess of

1 this limit may not be made unless a state of emergency is declared by
2 the governor as provided by law. The governor shall cause any unex-
3 pended or unappropriated balance to be invested so as to yield com-
4 petitive market rates to the treasury.

5 * Sec. 3. Article IX, Constitution of the State of Alaska, is amended
6 by adding a new section to read:

7 SECTION 17. APPROPRIATION RESERVE FUND. An appropriation re-
8 serve fund is established. Appropriations may not be made from the
9 appropriation reserve fund except for the purpose of repelling inva-
10 sion, suppressing insurrection, defending the state in war, meeting
11 natural disasters, or appropriations required to pay the principal and
12 interest on general obligation bonds. The balance of the appropria-
13 tion reserve fund shall be invested at competitive national market
14 rates. All earnings of the fund shall become part of the principal of
15 the fund. On June 30 of the fiscal year in which the balance of the
16 appropriation reserve fund exceeds 1.5 times the appropriations of
17 unrestricted revenue in the preceding fiscal year, the balance of the
18 appropriation reserve fund shall lapse into the treasury and no de-
19 posits shall be made into the fund after that date.

20 * Sec. 4. Article XV, Constitution of the State of Alaska, is amended
21 by adding new sections to read:

22 SECTION 29. APPROPRIATION RESERVE FUND. Unless the balance of
23 the appropriation reserve fund has lapsed into the treasury before
24 receipt of the money, all money received by the state from the follow-
25 ing sources that is unappropriated on July 1, 1985, and otherwise
26 unencumbered and unrestricted at the time of receipt shall be trans-
27 ferred from the treasury to the appropriation reserve fund:

28 (1) money from the settlement or other conclusion of the
29 Trans-Alaska Pipeline System rate case, State v. Amerada Hess, et al,

1 Superior Court, First Judicial District, Case No. 77-847 (civil), and
2 United States v. Alaska, No. 84 original, United States Supreme Court;

3 (2) money received under 43 U.S.C. section 1337(g) (Outer
4 Continental Shelf Lands Act, as now or hereafter amended);

5 (3) taxes, together with penalties and interest on the
6 taxes, levied under AS 43.56 (Oil and Gas Exploration, Production and
7 Pipeline Transportation Property Taxes), AS 43.57 (Oil and Gas Regula-
8 tion and Conservation Tax), former AS 43.58 (Oil and Gas Reserves Ad
9 Valorem Tax), and former AS 43.21 (Oil and Gas Corporate Income Tax)
10 for a tax year ending prior to January 1, 1985, and paid to the state
11 after December 31, 1985.

12 SECTION 30. APPROPRIATION LIMITATIONS. After June 30, 1987, and
13 until June 30 of the fiscal year in which the balance of the appro-
14 priation reserve fund lapses into the treasury, appropriations during
15 a fiscal year may not exceed the amount appropriated in the fiscal
16 year in which this section becomes effective by more than the cumula-
17 tive inflation and population growth or decline as prescribed by law.
18 This limitation does not apply to appropriations to the Alaska perma-
19 nent fund, appropriations of the proceeds of revenue or general obli-
20 gation bonds, and appropriations required to pay the principal and
21 interest on general obligation bonds. An appropriation in excess of
22 this limit may not be made unless a state of emergency is declared by
23 the governor as provided by law. Seventy-five percent of that portion
24 of the unrestricted revenue of the state that has not been appropri-
25 ated as allowed by this section shall be transferred from the general
26 fund to the appropriation reserve fund on the first day of each fiscal
27 year during the period defined in this section and twenty-five percent
28 shall be transferred to the Alaska permanent fund. During the period
29 in which this section is in effect the provisions of Section 16 of

1 Article IX of this Constitution are superseded.

2 SECTION 31. EFFECTIVE DATE. The amendment to Article IX, Sec-
3 tion 16 adopted when the appropriation reserve fund is established in
4 Article IX, Section 17 takes effect on July 1 of the fiscal year
5 following the fiscal year in which the balance in the appropriation
6 reserve fund exceeds 1.5 times the appropriations of unrestricted
7 revenue in the preceding fiscal year.

8 * Sec. 5. The amendments proposed by this resolution shall be placed
9 before the voters of the state at the next general election in conformity
10 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
11 tion laws of the state.

C
3/3

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST
Bill/Resolution No: HJR 22 No. 1
Title: Appropriation Reserve Fund and
Limitations

FISCAL DETAIL
Agency Affected: Department of Revenue
BRU: Treasury

Sponsor: M. W. Miller
Requestor: House Judiciary
Date of Request: February 27, 1986

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<u>TOTAL</u>	-	-	-	-	-	-

POSITIONS:

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

ANALYSIS: This fiscal note addresses the budgetary impact on the Treasury Division. It does not address the effect on amounts available for appropriation or limits on appropriations.

Prepared By: Milt Barker *MB*
Division: Treasury

Phone: 465-2350
Date: February 27, 1986

Approved by Commissioner: *Henry H. Sturdale*
Agency: Department of Revenue

Date: 2/27/86

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**

Page 1 of 4

Revision Date : _____

REQUEST

Bill/Resolution No. : SSHJR22 No. 2
 Title : Proposing amendments to the
Constitution creating an appropriation
reserve fund.
 Sponsor : M. W. Miller et.al.
 Requestor : House Judiciary
 Date of Request : February 1986

FISCAL DETAIL

Agency Affected : _____
 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						
TOTAL OPERATING						

CAPITAL						
---------	--	--	--	--	--	--

REVENUE		(see attached)				
---------	--	----------------	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

The revenue impacts of this legislation vary significantly with assumptions made about spending and investment decisions. The attached analysis examines one of many possible options for disposition of windfall revenues.

Prepared by: David Tonkovich
 Division : Revenue/Research

Phone : 465-2173
 Date : 2/18/86

Approved by Commissioner : [Signature]
 Agency : _____

Date : 2/27/86

Distribution (by Agency preparing fiscal note) :

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

Analysis:

SSHJR 22 page 2 of 4
No. 2

1. This note is based on the 30 percent, revenue projections prepared in January, 1986 (see Revenue Sources, FY 1985-88). Using FY 87 as a base year general fund unrestricted revenues decline by an average of 5.8 percent per year over the period FY 87-93. This means that unrestricted revenues rather than an appropriation base adjusted for cumulative population and inflation will be the effective limit on state expenditures for that period.
2. In this analysis these revenues are contributed to the Appropriation Reserve Fund.

<u>FY</u>	<u>ARCO</u>	<u>TAPS Tariff Adjustment</u>	<u>TAPS Legal and Refunds</u>	<u>Total</u>
86	243.0	88.6	239.3	570.9
87		238.0		238.0
88		203.5		203.5
89		160.0		160.0
90		135.9		135.9
91		124.6		124.6
92		123.9		123.9
93		109.2		109.2

Note: Adjustments will have to be made as these figures are audited and the effects of later signees to the settlement are computed. This primarily effects the figures for FY 89 and beyond.

3. The analysis assumes that the Appropriation Reserve Fund begins operation at the beginning of FY 88 with an initial deposit of \$808.9 million. The fund grows each year by additional contributions and

earnings on fund balances. An interest rate of 9 percent per year is assumed with earnings computed on a balance calculated as the FY starting balance plus one-half of the annual contributions. Prior to FY 88 interest on these monies goes to the General Fund.

4. Calculations: (Figures in millions of nominal dollars)

<u>FY</u>	<u>Beginning Balance</u>	<u>Contributions</u>	<u>Earnings</u>	<u>Ending Balance</u>
88	808.9	203.5	82.0	1094.4
89	1094.4	160.0	105.7	1360.1
90	1360.1	135.9	128.5	1624.5
91	1624.5	124.6	151.8	1900.9
92	1900.0	123.9	176.7	2001.5
93	2201.5	109.2	203.0	2513.7

It appears that in 1993 the ending balance of \$2513.7 million would be 1.5 times the FY 92 appropriations. This assumes FY 92 appropriations for purposes of the legislation are equal to unrestricted revenues less monies contributed to TAPS less FY 92 debt service.

It needs to be emphasized that these figures are subject to significant change as revenue forecasts are updated.

5. The net revenue impacts of this legislation depend on alternative uses which might be made of the money contributed to the Appropriation Reserve Fund. If the money is spent as it is received and interest earnings are negligible then the revenue impact would equal the earnings shown above.

6. It appears that the intent of this bill is to deposit into the Appropriation Reserve Fund that portion of future petroleum revenues due to reduced pipeline tariffs. While this seems straightforward the actual computation raises some problems. For instance, if a marginal field is only economically viable at the lower rate, is that revenue attributable to the TAPS settlement? Also, a lower tariff has some feedback on property and income taxes. Is the net increase in revenues deposited or are these considerations ignored?

7. The language excluding both the proceeds and debt service on general obligation bonds from the limit needs to be carefully examined. It is appropriate that debt service be excluded. However, there is a danger that the language would bias the funding of capital projects away from general funds and toward general obligation bonds.

ALASKA STATE LEGISLATURE

14th Legislature SECOND Session

HOUSE BILL NO. 22

By M. H. MILLER, PEARCE, RINGSTAD, SHULTZ, THOMPSON, PIGNALBERI, TAYLOR, JENKINS, UEHLING, FRANK

Proposing amendments to the Constitution of the State of Alaska creating an appropriation reserve fund and limiting increases in appropriations.

Introduced in the House 1/15, 1926

HISTORY IN THE HOUSE

1926 -
Jan 15 JUDICIARY AND FINANCE

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
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19
Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

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
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19 Received from Senate

Concurred in Senate amendment thus adopting:
VOTE

Failed to concur in Senate amendment; asked Senate to recede
VOTE

Senate receded from amendment
VOTE

Senate failed to recede from amendment
VOTE

CC appointed by House

CC appointed by Senate

CC adopted by House
VOTE

CC adopted by Senate
VOTE

To enrolling
Reported correctly enrolled
Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.

Introduced: 1/15/86
Referred: Judiciary and
Finance

BY M.W.MILLER, PEARCE,
RINGSTAD, SHULTZ, THOMPSON,
PIGNALBERI, TAYLOR, JENKINS,
UEHLING AND FRANK

1 IN THE HOUSE

2 SPONSOR SUBSTITUTE FOR HOUSE JOINT RESOLUTION NO. 22

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Proposing amendments to the Constitution
6 of the State of Alaska creating an
7 appropriation reserve fund and limiting
8 increases in appropriations.

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

10 * Section 1. Article IX, sec. 7, Constitution of the State of Alaska,
11 is amended to read:

12 SECTION 7. DEDICATED FUNDS. The proceeds of any state tax or
13 license shall not be dedicated to any special purpose, except as
14 provided in section 15 of this article and in article XV, section 29
15 or when required by the federal government for state participation in
16 federal programs. This provision shall not prohibit the continuance of
17 any dedication for special purposes existing upon the date of ratifi-
18 cation of this section by the people of Alaska.

19 * Sec. 2. Article IX, sec. 16, Constitution of the State of Alaska, is
20 repealed and readopted to read:

21 SECTION 16. APPROPRIATION LIMITATIONS. Except for appropria-
22 tions to the Alaska permanent fund, appropriations of the proceeds of
23 revenue or general obligation bonds and appropriations required to pay
24 the principal and interest on general obligation bonds, appropriations
25 from the treasury during a fiscal year may not exceed the lesser of
26 the amount appropriated in the fiscal year this section takes effect
27 adjusted for the cumulative inflation and population growth or decline
28 as defined by law or 95 percent of the unrestricted revenue of the
29 state for the previous calendar year. An appropriation in excess of

1 this limit may not be made unless a state of emergency is declared by
2 the governor as provided by law. The governor shall cause any unex-
3 pended or unappropriated balance to be invested so as to yield com-
4 petitive market rates to the treasury.

5 * Sec. 3. Article IX, Constitution of the State of Alaska, is amended
6 by adding a new section to read:

7 SECTION 17. APPROPRIATION RESERVE FUND. An appropriation re-
8 serve fund is established. Appropriations may not be made from the
9 appropriation reserve fund except for the purpose of repelling inva-
10 sion, suppressing insurrection, defending the state in war, meeting
11 natural disasters, or appropriations required to pay the principal and
12 interest on general obligation bonds. The balance of the appropria-
13 tion reserve fund shall be invested at competitive national market
14 rates. All earnings of the fund shall become part of the principal of
15 the fund. On June 30 of the fiscal year in which the balance of the
16 appropriation reserve fund exceeds 1.5 times the appropriations of
17 unrestricted revenue in the preceding fiscal year, the balance of the
18 appropriation reserve fund shall lapse into the treasury and no de-
19 posits shall be made into the fund after that date.

20 * Sec. 4. Article XV, Constitution of the State of Alaska, is amended
21 by adding new sections to read:

22 SECTION 29. APPROPRIATION RESERVE FUND. Unless the balance of
23 the appropriation reserve fund has lapsed into the treasury before
24 receipt of the money, all money received by the state from the follow-
25 ing sources that is unappropriated on July 1, 1985, and otherwise
26 unencumbered and unrestricted at the time of receipt shall be trans-
27 ferred from the treasury to the appropriation reserve fund:

28 (1) money from the settlement or other conclusion of the
29 Trans-Alaska Pipeline System rate case, State v. Amerada Hess, et al,

1 Superior Court, First Judicial District, Case No. 77-847 (civil), and
2 United States v. Alaska, No. 84 original, United States Supreme Court;

3 (2) money received under 43 U.S.C. section 1337(g) (Outer
4 Continental Shelf Lands Act, as now or hereafter amended);

5 (3) taxes, together with penalties and interest on the
6 taxes, levied under AS 43.56 (Oil and Gas Exploration, Production and
7 Pipeline Transportation Property Taxes), AS 43.57 (Oil and Gas Regula-
8 tion and Conservation Tax), former AS 43.58 (Oil and Gas Reserves Ad
9 Valorem Tax), and former AS 43.21 (Oil and Gas Corporate Income Tax)
10 for a tax year ending prior to January 1, 1985, and paid to the state
11 after December 31, 1985.

12 SECTION 30. APPROPRIATION LIMITATIONS. After June 30, 1987, and
13 until June 30 of the fiscal year in which the balance of the appro-
14 priation reserve fund lapses into the treasury, appropriations during
15 a fiscal year may not exceed the amount appropriated in the fiscal
16 year in which this section becomes effective by more than the cumula-
17 tive inflation and population growth or decline as prescribed by law.
18 This limitation does not apply to appropriations to the Alaska perma-
19 nent fund, appropriations of the proceeds of revenue or general obli-
20 gation bonds, and appropriations required to pay the principal and
21 interest on general obligation bonds. An appropriation in excess of
22 this limit may not be made unless a state of emergency is declared by
23 the governor as provided by law. Seventy-five percent of that portion
24 of the unrestricted revenue of the state that has not been appropri-
25 ated as allowed by this section shall be transferred from the general
26 fund to the appropriation reserve fund on the first day of each fiscal
27 year during the period defined in this section and twenty-five percent
28 shall be transferred to the Alaska permanent fund. During the period
29 in which this section is in effect the provisions of Section 16 of

1 Article IX of this Constitution are superseded.

2 SECTION 31. EFFECTIVE DATE. The amendment to Article IX, Sec-
3 tion 16 adopted when the appropriation reserve fund is established in
4 Article IX, Section 17 takes effect on July 1 of the fiscal year
5 following the fiscal year in which the balance in the appropriation
6 reserve fund exceeds 1.5 times the appropriations of unrestricted
7 revenue in the preceding fiscal year.

8 * Sec. 5. The amendments proposed by this resolution shall be placed
9 before the voters of the state at the next general election in conformity
10 with art. XIII, sec. 1, Constitution of the State of Alaska, and the elec-
11 tion laws of the state.

Introduced: 3/18/85
Referred: Resources and Finance

BY THOMPSON, HERRMANN, BINKLEY,
HURLEY, MARTIN, GRUENBERG, SUND,
GRUSSENDORF, JENKINS, NAVARRE,
TAYLOR, KOPONEN AND UEHLING

1 IN THE HOUSE

2

HOUSE JOINT RESOLUTION NO. 24

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

Relating to sharing federal revenue

6

generated from development of the outer

7

continental shelf.

8

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

9

WHEREAS the State of Alaska is concerned with the potential environ-
10 mental, economic and social impacts of federal outer continental shelf
11 development activities on its adjacent coastal zone; and

12

WHEREAS the waters off the coast of Alaska contain 50 percent of the
13 fishery resources in the outer continental shelf of the United States; and

14

WHEREAS the people of the State of Alaska are critically dependent
15 upon this renewable fisheries resource for both commercial and subsistence
16 use; and

17

WHEREAS gaps currently exist in the knowledge of these fishery stocks
18 and optimum methods of managing them; and

19

WHEREAS, because of the fragile nature of Alaska's arctic and sub-
20 arctic ecosystems, federal outer continental shelf development poses the
21 possibility of severe impacts in coastal areas of the state; and

22

WHEREAS the development of large-scale energy projects on the outer
23 continental shelf is likely to result in periods of rapid growth followed
24 by difficult periods of economic contraction; and

25

WHEREAS appropriate precedent exists, as reflected in the Mineral
26 Leasing Act of 1920 and other federal lands leasing programs, to provide
27 financial assistance to states to help mitigate the impacts of resource
28 development on federal lands; and

29

WHEREAS without federal financial support, the capability of the state

1 to manage its valuable ocean and coastal resources, and to participate as a
2 partner in the outer continental shelf oil and gas leasing program, will be
3 seriously diminished;

4 BE IT RESOLVED by the Alaska State Legislature that the United States
5 Congress and the President of the United States are respectfully urged to
6 implement a program to share federal revenue generated from development of
7 the outer continental shelf with affected coastal states; and be it

8 FURTHER RESOLVED that this revenue sharing program should include
9 continued support for the coastal management and coastal energy impact
10 programs; and be it

11 FURTHER RESOLVED that this revenue sharing program should contain
12 funding for research, management, and rehabilitation activities to mitigate
13 the potential environmental, economic, and social impacts of outer conti-
14 nental shelf energy-related facility development on coastal resources; and
15 be it

16 FURTHER RESOLVED that this program should also include funding for the
17 conversion of facilities, including docks and harbors developed to support
18 the outer continental shelf leasing program, for use by the fishing indus-
19 try after leasing program activities are completed in a given area.

20 COPIES of this resolution shall be sent to the Honorable Ronald
21 Reagan, President of the United States; to the Honorable George Bush, Vice-
22 President of the United States and President of the U.S. Senate; to the
23 Honorable David Stockman, Director, Office of Management and Budget; to the
24 Honorable Donald Hodell, Secretary of the Interior; to the Honorable John
25 S. Herrington, Secretary of Energy; to the Honorable James Baker, Secretary
26 of the Treasury; to the Honorable Malcomb Baldrige, Secretary of Commerce;
27 to the Honorable Walter B. Jones, Chairman, House Committee on Merchant
28 Marine and Fisheries; to the Honorable John C. Danforth, Chairman, Senate
29 Committee on Commerce, Science and Transportation; and to the Honorable Ted

1 Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable
2 Don Young, U.S. Representative, members of the Alaska delegation in Con-
3 gress.

Sectional Analysis for HJR 24

House Joint Resolution 24 is sponsored by Reps. Thompson, Herrmann, Binkley, Hurley, Martin, Gruenberg, Sund, Grussendorf, Jenkins, Navarre, Taylor, Kopcnen, Uehling and Cato.

This resolution expresses the sponsors' concerns for the impact of outer continental shelf development activities defined in terms of dependent fishery resources, the fragile nature of the shoreline, and the social and economic problems of rapid growth and contractions.

HJR 24 evokes the precedence of the Mineral Leasing Act of 1920 to mitigate impact by the federal government on States not only with coastal shorelines, but other States so impacted.

Additionally, the bill requests funding for the conversion of on shore facilities, including docks and harbors developed to support the OCS leasing program, for use by the fishing industry after leasing programs are completed.

This bill was prepared with the knowledge of the bills introduced by Senator Ted Stevens and Representative Don Young, but does not specifically endorse these bills. This is a generic endorsement for the principals involved.



ISER RESEARCH SUMMARY

Institute of Social and Economic Research, University of Alaska

January 1985, R.S. No. 26

OCS Revenue Sharing in Alaska

Congress in 1984 proposed to share a maximum of 4 percent of federal petroleum revenues from the Outer Continental Shelf (OCS) with Alaska and the other coastal states—a share that would fall far short of the 25 percent or more of resource revenues that states receive from all other federal lands.

This is one of the findings of a recent report by the University of Alaska's Institute of Social and Economic Research. The report, prepared for the Office of the Governor, compares federal revenue-sharing programs for onshore lands with proposed levels of OCS revenue sharing. OCS lands are currently the only public lands from which the federal government keeps all resource revenues—but Congress came close to enacting an OCS revenue-sharing plan last year and will likely consider such plans again.

Existing Revenue-Sharing Programs for Federal Lands

State and local governments have long argued that they should be compensated for federal ownership of land within or adjacent to their boundaries. They feel they deserve compensation because federal ownership of land costs them control of the land and resources and because federal land is immune from state and local taxation. The federal government has accepted some of these arguments, and over the past 80 years has established a number of programs under which state and local governments collect substantial revenues from federal lands.

In its two largest revenue-sharing plans, the federal government distributes to affected states 25 percent of logging and other revenues from national forests and 50 percent of federal mineral-leasing revenues.¹ In addition to these and other programs that share resource revenues, federal "payment in lieu of taxes" programs attempt to replace actual or

¹Under the National Forest Revenue Act of 1908, states receive 25 percent of receipts from national forests located within their borders, and then must pass these revenues on to county governments. The Mineral Leasing Act of 1920 provides states with 50 percent of federal receipts from onshore mineral leases (although Alaska, through a special provision, receives 90 percent of most onshore mineral revenues).

potential revenues lost by local governments because they are unable to tax federal lands. These programs provide a steady stream of revenue to local governments affected by activities on adjacent federal lands, even if the lands produce no current revenues.

In 1982, the 12 western states containing most federal lands (including Alaska but not Hawaii) received over 800 million dollars in shared resource revenues and an additional 76 million dollars in payments in lieu of taxes.

OCS Revenue-Sharing Proposals

Over the past decade when the federal government has stepped up its OCS leasing program, coastal states have argued for a share of OCS revenues to help them pay for the increased costs that can accompany this national energy program. These costs include increased costs of services resulting from a sharp increase in population and potential environmental costs of oil spills or other industrial accidents. States have maintained that the federal government should compensate them with a significant share of the development revenues from oil production on the OCS, just as it has historically compensated state and local governments for developments on other federal lands.

In 1984, a conference committee of both houses of Congress agreed on an OCS revenue-sharing bill, although Congress ultimately failed to enact it. Under that bill, 4 percent of OCS revenues would be set aside each year, up to a ceiling of \$300 million (the ceiling would increase slightly after 1985). Some of this money would be allocated to various coastal programs, and the remainder would be divided among coastal states under a complicated formula. No state could receive more than 15 percent of available revenues each year and would pass on one-third of what they received directly to local governments.

Potential Alaska Production and Revenues

Alaska may have a lot at stake in the federal government's ultimate decision on OCS revenue sharing. Although there have as yet been no commercial

discoveries on the Alaska OCS, most analysts believe the region will yield a number of huge fields, most likely in both the Beaufort and Bering Seas.

Figure 1 shows how hypothetical federal OCS royalties might compare with the state's petroleum revenues derived from state leases on the North Slope (most of projected state petroleum revenues). Both North Slope state and OCS revenues in Figure 1 are based on development scenarios that assume moderate oil prices, with production occurring from both the Beaufort and Bering Seas before the turn of the century. We emphasize that these projected OCS revenues are conditional on discovery and development of reserves of a particular size, and are intended just to show the scale these revenues could reach.²

The graph in Figure 1 shows that government OCS royalties could reach \$1 billion annually (in 1984 dollars) by the mid-1990s, and that by the late 1990s they could exceed the state's North Slope petroleum revenues—which are expected to decline, after adjusting for inflation. Recent Congressional proposals for dividing up those OCS revenues would put almost all of them into the federal treasury and yield the State of Alaska a small amount—perhaps on the order of \$20 to \$30 million annually.

On the other hand, if Congress would agree to share OCS revenues in the same proportions as it shares other federal resource revenues, Alaska could stand to collect OCS revenues on a scale 10 times larger—perhaps in the neighborhood of \$200 to \$500 million annually by the end of the century. Assuming that huge oil reserves are in fact discovered on the Alaska OCS in the coming years, the State of Alaska

²The OCS royalty projections are based on oil development scenarios published by the Minerals Management Service, U.S. Department of the Interior. They assume a constant real well-head price of \$25 per barrel for Bering Sea oil and \$15 per barrel for Beaufort Sea oil, with an average royalty share of one-sixth. Figure 1 does not include any potential state or federal revenues from natural gas.

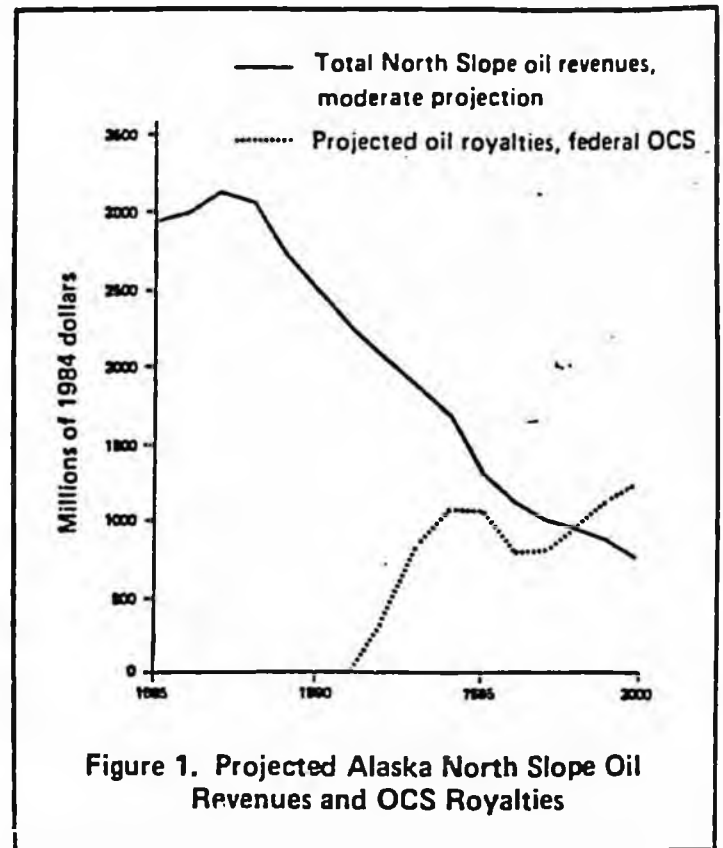


Figure 1. Projected Alaska North Slope Oil Revenues and OCS Royalties

has an important stake in persuading the federal government to share OCS revenues as generously as it has shared resource revenues from other federal lands.

This Research Summary is based on Sharing Revenues from the Outer Continental Shelf and Other Federal Lands, 44 pp., prepared for the Office of the Governor, State of Alaska, by Matthew Berman and Karen White of the Institute of Social and Economic Research. Copies of this report are available for reproduction costs of 10 cents per page from ISER, 707 A St., Suite 206, Anchorage, Alaska 99501, telephone 278-4621.

99TH CONGRESS
1ST SESSION

S. 55

To establish an Ocean and Coastal Resources Management and Development Fund from which coastal States and territories shall receive block grants, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 3, 1985

Mr. STEVENS (for himself and Mr. MURKOWSKI) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To establish an Ocean and Coastal Resources Management and Development Fund from which coastal States and territories shall receive block grants, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SHORT TITLE

4 SEC. 101. This title may be cited as the "Ocean and
5 Coastal Resources Management and Development Block
6 Grant Act".

7 FINDINGS

8 SEC. 102. The Congress finds and declares that—

1 be invested in management and scientific research ef-
2 forts to enhance the use, conservation, and understand-
3 ing of renewable ocean and coastal resources;

4 (6) the Mineral Leasing Act of 1920 and other
5 Federal lands leasing programs presently provide finan-
6 cial support to States affected by resource development
7 on onshore Federal lands, while no comparable Federal
8 program exists to provide such support to States affect-
9 ed by mineral extraction from the Outer Continental
10 Shelf;

11 (7) without Federal financial support, the capabil-
12 ity of States and localities to manage ocean and coastal
13 resources, as well as to participate as partners in the
14 Outer Continental Shelf Oil and Gas Leasing Program,
15 will be seriously diminished; and

16 (8) it is in the national interest to maintain sup-
17 port for State management of ocean and coastal re-
18 sources through activities in fisheries management,
19 coastal zone management, coastal energy impact as-
20 sistance, long-range scientific research, and other
21 ocean and coastal resource management programs.

22 DEFINITIONS

23 SEC. 103. For purposes of this title—

24 (1) "block grant" means a National Ocean and
25 Coastal Resources Management and Development
26 Block Grant;

CORRECTION

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

99TH CONGRESS
1ST SESSION

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To establish an Ocean and Coastal Resources Management and Development Fund from which coastal States and territories shall receive block grants, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SHORT TITLE

4 SEC. 101. This title may be cited as the "Ocean and
5 Coastal Resources Management and Development Block
6 Grant Act".

7 FINDINGS

8 SEC. 102. The Congress finds and declares that—

1 (1) it is in the interest of the United States, for
2 both economic and national security reasons, to provide
3 expeditious and orderly development of Outer Conti-
4 nental Shelf oil and gas resources;

5 (2) the primary benefits of the Outer Continental
6 Shelf Leasing Program accrue to the entire Nation in
7 the form of direct revenues and increased national
8 energy security;

9 (3) while State and local governments may benefit
10 from Outer Continental Shelf leasing activity, these
11 benefits are less pronounced and less direct than those
12 accruing to the Nation. Outer Continental Shelf oil and
13 gas activity often requires significant investment on the
14 part of State and local governments in planning for and
15 providing public services and facilities necessitated by
16 such activity;

17 (4) offshore energy development may cause ad-
18 verse environmental impacts throughout the coastal
19 areas of the United States and require States and local
20 governments to assume additional responsibilities at a
21 time when they do not possess the necessary financial
22 resources;

23 (5) because the revenues of the Outer Continental
24 Shelf Program are derived from the development of
25 nonrenewable offshore mineral resources, they should

1 be invested in management and scientific research ef-
2 forts to enhance the use, conservation, and understand-
3 ing of renewable ocean and coastal resources;

4 (6) the Mineral Leasing Act of 1920 and other
5 Federal lands leasing programs presently provide finan-
6 cial support to States affected by resource development
7 on onshore Federal lands, while no comparable Federal
8 program exists to provide such support to States affect-
9 ed by mineral extraction from the Outer Continental
10 Shelf;

11 (7) without Federal financial support, the capabil-
12 ity of States and localities to manage ocean and coastal
13 resources, as well as to participate as partners in the
14 Outer Continental Shelf Oil and Gas Leasing Program,
15 will be seriously diminished; and

16 (8) it is in the national interest to maintain sup-
17 port for State management of ocean and coastal re-
18 sources through activities in fisheries management,
19 coastal zone management, coastal energy impact as-
20 sistance, long-range scientific research, and other
21 ocean and coastal resource management programs.

22 DEFINITIONS

23 SEC. 103. For purposes of this title—

24 (1) "block grant" means a National Ocean and
25 Coastal Resources Management and Development
26 Block Grant;

1 (2) "coastal population" means that term as de-
2 fined in regulations issued on May 17, 1982, at 15
3 CFR Part 927;

4 (3) "coastal-related energy facilities" means any
5 equipment or facility that (A) is or will be used primar-
6 ily in the exploration for, or the development, produc-
7 tion, conversion, storage, transfer, processing, or trans-
8 portation of, any energy resource or for the manufac-
9 ture, production, or assembly of equipment, machinery,
10 products, or devices that are involved in any such
11 energy-resource activity, and (B) is, or is likely to be,
12 sited, constructed, expanded, or operated in, or in close
13 proximity to, the coastal zone of any State because of
14 technical requirements;

15 The term includes, (i) electric generating plants;
16 (ii) facilities associated with the transportation, trans-
17 fer, or storage of coal; (iii) petroleum refineries and as-
18 sociated facilities; (iv) gasification plants; (v) facilities
19 associated with the transportation, conversion, treat-
20 ment, transfer, or storage of liquefied natural gas; (vi)
21 oil and gas facilities, including platforms, assembly
22 plants, storage depots, tank farms, crew and supply
23 bases, and refining complexes; (vii) facilities, including
24 deepwater ports, for the transfer of petroleum; (viii) fa-
25 cilities used for alternative ocean energy activities, in-

1 cluding those associated with ocean thermal energy
2 conversion; and (ix) pipelines, transmission facilities,
3 and terminals associated with any of the foregoing.

4 For the purposes of this Act, the siting, construc-
5 tion, expansion, or operation of any coastal-related
6 energy facilities is "in close proximity to the coastal
7 zone of any State" if such siting, construction, expan-
8 sion, or operation has, or is likely to have, a significant
9 effect on such coastal zone.

10 (4) "coastal State" means the Commonwealth of
11 Puerto Rico and any State of the United States in, or
12 bordering on, the Atlantic Ocean, the Pacific Ocean,
13 the Arctic Ocean, the Gulf of Mexico, Long Island
14 Sound, or one or more of the Great Lakes;

15 (5) "coastal territory" means the Virgin Islands,
16 the Northern Mariana Islands, the Trust Territory of
17 the Pacific Islands, American Samoa, or Guam;

18 (6) "Fund" means the Ocean and Coastal Re-
19 sources Management and Development Fund;

20 (7) "Institute" means the National Coastal Re-
21 sources Research and Development Institute;

22 (8) "local government" means that term as de-
23 fined in section 304(11) of the Coastal Zone Manage-
24 ment Act of 1972 (16 U.S.C. 1453(11)) and, with re-
25 spect to the State of Alaska, the term includes unin-

1 average amount of all sums deposited in the Treasury of the
2 United States pursuant to section 9 of the Outer Continental
3 Shelf Lands Act (43 U.S.C. 1338) during the three previous
4 fiscal years.

5 (2) The amount deposited in the Fund in fiscal year
6 1985 shall not exceed \$300,000,000. Beginning in fiscal
7 year 1986, and in each fiscal year thereafter, the amount
8 deposited in the Fund shall not exceed 105 per centum of the
9 amount deposited in the Fund in the prior fiscal year.

10 (c) As provided in advance by appropriation Acts, the
11 Secretary shall use the total amount of any amounts deposit-
12 ed in the Fund during each fiscal year to carry out the pur-
13 poses of, and in accordance with, the provisions of sections
14 105 and 108 of this title.

15 NATIONAL OCEAN AND COASTAL RESOURCES

16 MANAGEMENT AND DEVELOPMENT BLOCK GRANTS

17 SEC. 105. (a) Subject to the provisions of section 104(c)
18 and this section, for fiscal year 1986 and for each subsequent
19 fiscal year, the Secretary shall provide to each State a na-
20 tional ocean and coastal resources management and develop-
21 ment block grant from amounts paid into the Fund during
22 such fiscal year under section 104(b).

23 (b)(1) No State may receive a block grant for a fiscal
24 year unless such State has submitted to the Secretary a
25 report for such fiscal year that—

1 (A) specifies the proposed allocation by such State
2 of the block grant among coastal zone management ac-
3 tivities, coastal energy impact activities, living marine
4 resource activities, and natural resource preservation,
5 enhancement, and management activities under section
6 106(a); and

7 (B) describes each proposed activity receiving
8 funds provided by the block grant and the amounts
9 proposed to be expended for each activity.

10 (2) In order to be eligible to receive a block grant pursu-
11 ant to this Act and before submitting the report required
12 under paragraph (1), each State shall provide opportunities
13 for the public to review and comment on the report and shall
14 hold at least one public hearing on such report at a site in the
15 State convenient for encouraging maximum public participa-
16 tion.

17 (c) A block grant shall not be paid from the Fund to a
18 State until the State has established a trust fund for the re-
19 ceipt of such grant.

20 (d) The amount of each block grant provided under sub-
21 section (a) shall be determined by the Secretary under a for-
22 mula established by the Secretary which gives equal consid-
23 eration to each of the following criteria:

24 (1) For each State, the equal combination of—

1 (A) the amount of actual leasing with respect
2 to oil and gas which is carried out under the
3 Outer Continental Shelf Lands Act (43 U.S.C.
4 1331 et seq.) during the previous fiscal year
5 which occurs within the Outer Continental Shelf
6 planning area to which such State is adjacent; and

7 (B) the volume of oil and gas produced from
8 Outer Continental Shelf acreage leased by the
9 Federal Government which is first landed in such
10 State during the previous fiscal year.

11 (2) For each State, any proposed oil and gas lease
12 sales specified by the Outer Continental Shelf Leasing
13 Program prepared under section 18(a) of the Outer
14 Continental Shelf Lands Act (43 U.S.C. 1344(a)) and
15 scheduled to occur within the Outer Continental Shelf
16 planning area to which such State is adjacent.

17 (3) The coastal-related energy facilities (including
18 coal facilities) located within each State during the pre-
19 vious fiscal year. For any State for which the Secre-
20 tary has not approved a Coastal Zone Management
21 Program under section 306 of the Coastal Zone Man-
22 agement Act of 1972 (16 U.S.C. 1455), this criterion
23 shall be reduced by 50 per centum. The amounts re-
24 sulting from such reduction shall be reallocated propor-
25 tionately, under this paragraph, among States for

1 which the Secretary has approved such a management
2 program.

3 (4) The shoreline mileage of each State for which
4 the Secretary has approved a Coastal Zone Manage-
5 ment Program under section 306 of the Coastal Zone
6 Management Act of 1972 (16 U.S.C. 1455).

7 (5) The coastal population of each State for which
8 the Secretary has approved a Coastal Zone Manage-
9 ment Program under section 306 of the Coastal Zone
10 Management Act of 1972 (16 U.S.C. 1455).

11 (e) For purposes of paragraphs (4) and (5) of subsection
12 (d)—

13 (1) the Secretary shall be presumed to have ap-
14 proved the Coastal Zone Management Program of any
15 State if the Secretary determines that, in any fiscal
16 year, such State is making satisfactory progress toward
17 the development of a Coastal Zone Management Pro-
18 gram which will be approvable under section 306 of
19 the Coastal Zone Management Act (16 U.S.C. 1455).
20 Such presumption may be renewed only once and for a
21 period not to exceed one additional fiscal year if the
22 Secretary makes such determination under this subsec-
23 tion for such additional fiscal year; and

24 (2) a State shall not receive in excess of 30 per
25 centum of the amounts attributable to either criterion.