

ALASKA LEGISLATURE COMMITTEE BILL FILES - 1987 - 1988 8879

SB 180 thru SB 182 *Lea Finance* 69

SR

180

SENATE COMMITTEE REPORT

FURTHER:

3/31/87

DATE TURNED INTO OFFICE

4/9/87

Mr. President:

FINANCE

Committee considered

SB 180

World Eskimo-Indian Olympics; efd.

and recommended:

[] replace with CS FOR) [] same title
[] or adopt CS FOR SB 180 (SA)) [] new title

[] attached amendment(s) and

[] do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to

[] letter of intent adopted

Committee [] attached or [] adopted fiscal note(s)

[] new [] updated or [] previous

[] zero [] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Handwritten signatures of committee members: Paul G. ...

Blank lines for other recommendations.

Chairman signature and recommendation

[] Committee Backup Attached

R/0 SFC 4/9/87

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST:
Revision Date: _____
Title: Act relating to the World Eskimo-Indian Olympics
Sponsor: Bennett, et al
Requestor: Senate Finance

Bill Version: CSSB 180 (SA)
Publish Date: _____

Agency Affected: Dept. of Revenue
BRU: Administrative Services
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

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

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

~~Legislative Finance Reminder~~
Dept. of Revenue fiscal notes for \$33.1 attached to permanent fund check-offs have consistently been zeroed by Senate Finance with the understanding that bills which pass will be dealt with in conference on the budget.

Prepared by: [Signature] Phone: 465-4985
Division: Senator John Binkley, Co Chairman Date: April 9, 1987
Senate Finance Committee

Approved by Commissioner: _____ Date: _____
Agency: _____

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)
 - Senate Secretary

Original sponsors: Bennett, Coghill,
Fahrenkamp and Hensley

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR SENATE BILL NO. 180 (State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to contributions from permanent fund
7 dividends for the World Eskimo-Indian Olympics; and
8 providing for an effective date."

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

10 * Section 1. AS 43.23 is amended by adding a new section to read:

11 Sec. 43.23.016. CONTRIBUTIONS FROM DIVIDENDS. (a) The depart-
12 ment shall prepare the permanent fund dividend application to allow an
13 applicant to elect to have money subtracted from the dividend check
14 and contributed to the official organizing committee for the World
15 Eskimo-Indian Olympics.

16 (b) The amount of each contribution elected under (a) of this
17 section is \$5. Contributions shall be deposited in a special dividend
18 contribution account in the general fund and allocated by the depart-
19 ment in accordance with the contribution elections made by applicants
20 except that the department shall use money in the account to pay
21 administrative costs incurred under this section.

22 * Sec. 2. This Act takes effect July 1, 1987.

1 IN THE SENATE

BY BENNETT, COGHILL,
FAHRENKAMP AND HENSLEY

2

SENATE BILL NO. 180

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the World Eskimo-Indian Olympics;

7

and providing for an effective date."

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

9

* Section 1. AS 05.35 is amended by adding a new section to read:

10

Sec. 05.35.120. WORLD ESKIMO-INDIAN OLYMPICS ACCOUNT. (a)

11

There is created in the general fund a World Eskimo-Indian Olympics

12

account. The Department of Revenue shall prepare the permanent fund

13

dividend application to allow an applicant to designate that \$5 of the

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dividend be subtracted from the check and contributed to the World

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Eskimo-Indian Olympics account. Permanent fund dividend contributions

16

shall be deposited in the World Eskimo-Indian Olympics account. The

17

Department of Revenue may use money in the account to pay administra-

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tive costs incurred under this section.

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(b) The World Eskimo-Indian Olympics account shall be held in

20

trust by the Department of Administration for distribution to the

21

official organizing committee for the World Eskimo-Indian Olympics to

22

be used for expenses incurred in organizing and conducting the World

23

Eskimo-Indian Olympics.

24

* Sec. 2. This Act takes effect July 1, 1987.

Alaska State Legislature



Senator Mitch Aboud
CHAIRMAN

INTERIM OFFICE
1024 WEST SIXTH AVENUE
ANCHORAGE, ALASKA 99501
(907) 274-2843

IN SESSION:
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4714

Senate Committee on State Affairs

Applies to
CSSB 180 (SA)
CSSB 156 (SA)
CSSB 123 (SA)

LETTER OF INTENT

The Senate Committee on State Affairs has considered CSSB 156 (State Affairs) "An Act relating to contributions from permanent fund dividends for political parties; and providing for an effective date"; CSSB 173 (State Affairs), "An Act relating to contributions from permanent fund dividends to the community school grant fund; and providing for an effective date"; and SB 180 (State Affairs), An Act relating to contributions from permanent fund dividends for the World Eskimo-Olympics; and providing for an effective date.

It is the intent of the Senate Committee on State Affairs that language be inserted in all of the permanent fund dividend check-off bills which would devise a system of prioritizing the check-off programs to provide for instances where garnishments or assignments reduce the dividend, leaving insufficient funds to honor all of the programs which the individual has selected. The Committee proposes that the order of prioritization be based on date of enactment. In cases where two bills have the same date of enactment, it is the intent of the Committee that the bills be listed in alphabetical order.

Alaska State Legislature

INTERIM OFFICE
1024 WEST SIXTH AVENUE
ANCHORAGE, ALASKA 99501
(907) 274-2843

IN SESSION
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4714




Senator Mitch Abood
CHAIRMAN

Senate Committee on State Affairs

MEMORANDUM

TO: Members of the Committee on State Affairs

FROM: Senator Mitch Abood, Chairman 

DATE: March 27, 1987

SUBJECT: CS for Senate Bills 156; 173 and 180

I have prepared committee substitutes for three bills that provide for contributions from permanent fund dividends for various uses - SB 156, SB 173 and SB 180. All the programs have been placed under the administration of the Department of Revenue and each bill is identical, so that all the contribution provisions that pass can be placed in the same section of the law, instead of being scattered throughout the statutes as is presently the case.

If more than one of these committee substitutes are enacted, the revisor of statutes will simply renumber the paragraphs listing check-offs to accommodate all that are enacted.

The Department of Revenue has also suggested that language be inserted in all of the check-off bills that would provide for a system of prioritization among the dividend programs in cases where there are insufficient funds to honor all of the programs which an individual has chosen to contribute through his or her dividend.

Our legislative legal counsel has advised the committee that providing a system for prioritization is not possible in the current individual committee substitutes unless the three check-off plans are incorporated into one bill and presented as a list which can then be prioritized.

The Committee may want to transmit a letter to either the Finance Committee or the Rules Committee along with CSSB 156, 173 and 180, requesting that they provide a system for prioritizing the various dividend plans which will ultimately reach them this session.

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 3/18/87 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: FINANCE

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)

3/11/87

DATE TURNED INTO OFFICE 3/31/87

Mr. President:

STATE AFFAIRS Committee considered SB 180
~~relating to the~~ World Eskimo-Indian Olympics; efd.

and recommended:

- replace with CS SB 180 (S.A.) same title
- attached amendment(s) and new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____
- letter of intent adopted and attached
- ** Committee attached or adopted fiscal note(s)
- zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Jim Hill do pass
Joe Rosenthal do pass
Rich Clef (do PASS)

Sen. Mike Hood

Chairman signature and recommendation

Committee Backup Attached

basis or borrowed from other state departments or political subdivisions of the state, or the department may contract with individuals or firms for the inspecting service on an independent basis. The department shall prescribe the salary or other remuneration for this service. Contracting under this section is governed by AS 36.30 (State Procurement Code). (§ 3 ch 109 SLA 1960; am § 4 ch 106 SLA 1986)

Effect of amendments. — The 1986 amendment, effective July 1, 1987, added the last sentence.

Chapter 35. Sports Facilities Grants.

Section

100. Alaska Winter Olympics account

Sec. 05.35.100. Alaska Winter Olympics account. (a) There is created in the general fund an Alaska Winter Olympics account. The Department of Revenue shall prepare the permanent fund dividend application to allow applicants to designate that \$5 of the dividend be subtracted from their check and contributed to the Alaska Winter Olympics account. Permanent fund dividend contributions shall be deposited in the Alaska Winter Olympics account. The Department of Revenue may use money in the Alaska Winter Olympics account to pay administrative costs incurred under this section.

(b) The Alaska Winter Olympics account shall be held in trust by the Department of Administration for distribution to the official Olympic Organizing Committee in Alaska to be used to develop facilities for Winter Olympic training and competition and to attract the Winter Olympics to Alaska. (§ 1 ch 45 SLA 1985; am § 2 ch 6 SLA 1986)

Repeal of section. — Section 2, ch. 6, SLA 1986 repeals this section. Section 3(a), ch. 6, SLA 1986 makes the repeal effective as follows:

(1) on January 1, 1991, if the International Olympic Committee has announced the cities selected to host the 1992 and 1996 Winter Olympic Games, and if Anchorage, Alaska is not a city selected;

(2) on January 1, 1992, if the International Olympic Committee selects Anchorage, Alaska to host the 1992 Olympics;

(3) on January 1, 1996, if the International Olympic Committee selects Anchorage, Alaska to host the 1996 Olympics.

Effective dates. — Section 2, ch. 45, SLA 1985 was amended by § 1, ch. 6, SLA 1986 to provide that the effective date of AS 05.35.100 is March 15, 1986. Because § 1, ch. 6, SLA 1986 was not effective until March 21, 1986, the actual effective date of this section is March 21, 1986.

Editor's notes. — Section 3(b), ch. 6, SLA 1986 provides that "money deposited in the Alaska Winter Olympics account lapses into the general fund" on the effective date of the repeal of this section.

STATE OF ALASKA 1987 LEGISLATIVE SESSION

FISCAL NOTE

Bill Version: ⁰³ SB 180 (SA)

Publish Date: 3-31

REQUEST _____

Revision Date: _____

Title: An act relating to the World Eskimo-Indian Olympics

Sponsor: Bennett, et al

Requestor: State Affairs and Finance

Agency Affected: Revenue

BRU: Administrative Services

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
PERSONAL SERVICES	-	21.9	10.7	10.7	10.7	10.7
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	11.0	11.0	11.0	11.0	11.0
SUPPLIES	-	0.2	0.2	0.2	0.2	0.2
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	33.1	21.9	21.9	21.9	21.9
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	33.1	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER (Eskimo Olympics Acct)	-	-	21.9	21.9	21.9	21.9
TOTAL	-	33.1	21.9	21.9	21.9	21.9

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	3	2	2	2	2
TEMPORARY	-	-	-	-	-	-

ANALYSIS: Attach a separate page if necessary

(See attached) *⊙ by SFC 4/9/87*

Prepared By: Erwin B. Jones
 Division: Administrative Services

Phone: 465-2313
 Date: 3/19/87

Approved by Commissioner: [Signature]
 Agency: Revenue

Date: 3/20/87

Distribution (by Agency preparing fiscal note):

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

RECEIVED
 MAR 23 1987

page _____ of _____

LEGISLATIVE FINANCE

SB 180

Department of Revenue
Administrative Services Division
- Fiscal Note Analysis
SB 180
3/19/87

Assumptions:

1. The bill will take effect for the 1988 permanent fund dividend year and application. The 1987 dividend application has already been printed.
2. There are nine other bills which if signed into law, would result in some form of "check-off" on the 1988 dividend application. The Department of Revenue has no insight as to which, and how many, of these bills will become law. This fiscal note, and all related fiscal notes, is prepared on the assumption that the subject bill is the only bill of this nature which will become law. The passage of multiple bills with varying formulas (\$5, half of dividend, all or part of dividend, etc.) will inevitably have a compounding effect. Whereas there may be savings in some areas, there will be increased costs in others.
- 3) The costs of administering this law in FY88 will be borne by the general fund, and by the World Eskimo-Indian Olympics account in years FY89 and thereafter, as appropriated by the legislature.
- 4) The incremental cost of computer resources will result in a chargeback by the Department of Administration.
- 5) Whereas the cost of programming changes will be a one-time cost, the cost of document review, data capture, data-processing chargeback, and the extra page in the dividend application will be continuing.
- 6) Contributions will only be honored to the extent of available funds. Garnishments and assignments will take precedence in the order established by statute. Contributions will then be honored in the order listed on the form schedule, which will be in the order they become law.

Program Summary:

The provision of a new contribution decision on the dividend application will cause additional administrative cost in several areas:

- a) An additional page added to each application, a schedule of contribution decisions.
- b) The computer system will need to be changed to account for the change in the program, to establish new accounting controls and to provide for the transfer of funds to the Community schools grant fund (see Attachment A).
- c) Each of approximately 540,000 PFD applications will need to be visually reviewed and coded as to decision on the contribution decision. Each application will be data captured with additional attention and keystrokes expended on each positive decision.

1. Positions

1 PPT Analyst/Programmer V, R21
@ \$5,638.47/Mo including salary
and benefits for 2 months = \$11.2

PCN 04-1125 would be funded for an
additional two months, in accordance
with Attachment A. Ongoing maintenance
of new programs would be accomplished
by existing staff.

1 PPT Document Processor I, R7
@ \$2,117.76/Mo, including salary and
benefits for 3 months = \$6.3

This position would assist in the manual
review and coding of 540,000 applications
for the new contribution decision. This
position represents the equivalent of the
additional time and effort.

1 PPT Data Processing Clerk I, R8,
@ \$2,221.64/Mo, including salary and
benefits for 2 months = \$4.4

This position would assist in the data
capture of the additional contribution
decisions. The position represents the
equivalent value of the additional time
and effort.

TOTAL Personal Services \$21.9

2. Other Expenditures:

a) Travel: None.

b) Contractual:

Data Processing Chargeback \$5.0
Add additional page to PFD
booklet \$6.0

c) Supplies: \$0.2

d) Equipment: Use existing equipment 0.0

TOTAL COST \$33.1

3. Funding: General fund.

4. Section Cost Analysis: N/A.

Computations: N/A.

Economic Impact: N/A.

Impact on Local Government: N/A.

Suggested Amendments:

Section 1, line 17-18 is amended to read:

" . . . Department of Revenue shall [MAY] use money in the account to pay administrative costs incurred under this section [.] as appropriated by the legislature."

Attachments: Attachment A: "Summary of DP Needs"

Department of Revenue
Administrative Services Division
Fiscal Note Analysis
SB 180

Summary of Data Processing Requirements
3/19/87

Wang data entry processing	75.0 hours
Includes:	Data entry Batch lists Corrections Wang to IBM transfer
IBM Update jobs	30.0 hours
Includes:	Edits Batch listings Log sheets
DMS Online programs for lookup and changes	37.5 hours
Nightly Update of Changes	22.5 hours
Warrant Jobs	90.0 hours
Includes:	Printing warrants with different amounts. Include check stub messages. Modify warrant registers as needed for balancing. Create new program(s) for transferring accumulated contributions to the World Eskimo-Indian Olympics account, and to account for the reserve necessary due to returned and cancelled PFD warrants.
Miscellaneous	45.0 hours
Includes:	Setting up test files on IBM Systems testing Administrative functions, i.e. paper work required by Admin. DP to add files and programs to tables.
TOTAL HOURS	300.0 hours



Alaska State Legislature

Senate

SENATOR RICK UEHLING

P.O. BOX V
State Capitol
Juneau, Alaska 99811

Official Business

Senate Finance
Committee

To: Senator Mitch Abood, Chairman
Senate State Affairs Committee

From: Senator Rick Uehling

Subject: SB 173, "An Act relating to contributions from
Permanent Fund Dividends for Community Schools"

Date: March 20, 1987

I have asked staff to provide to provide the following background and analysis to SB 173, "An Act relating to contributions from Permanent Fund Dividends for Community Schools."

SB 173 establishes a Permanent Fund Dividend Check-off of 5 dollars for Community Schools programs. Community Schools are established under AS 14.36.010 to allow citizens of a local community to establish programs at local schools which meet local educational, cultural, social and recreational needs.

There are currently 313 Community School sites throughout the State. Using more than 2,987 local instructors and over 33,175 local volunteers, classes are provided to over *1,016,960 participants in one or more classes.

With the proposed elimination of State funds in the Governor's budget for Community Schools, I and many other Legislators are looking for other ways to fund this program. I believe the Permanent Fund Dividend Check-off of 5 dollars can be an important way to reduce general fund dollars without eliminating the program completely. I believe it is important to note that Community Schools were in existence prior to Prudhoe Bay.

As a reference, the 5 dollar Permanent Fund Dividend Check-off for the Olympics raised 765,050 dollars.

Note: Page 1, Line 17 the word "may" should be changed to "shall" to insure that administrative costs are charged to the Community School funds which are raised and not the General Fund.

* Participants are counted by the number of classes they register for and attend.

255B 120

- (2) do everything necessary to entitle the state to receive money available according to the Act;
- (3) represent the state in all matters related to the administration of the Act;
- (4) expend and disburse money received according to the Act;
- (5) designate the districts, schools, departments, or classes to participate in the benefits of money received according to the Act. (§ 55 ch 98 SLA 1966)

Sec. 14.35.030. Commissioner of administration as custodian of federal funds. The commissioner of administration is designated custodian of appropriations made under any of the Acts described in AS 14.35.010. The commissioner of administration shall receive and provide for the proper custody and disbursement of all money paid to the state according to any of the Acts. (§ 37-9-2 ACLA 1949; am § 56 ch 98 SLA 1966)

Revisor's notes. — Section 56 ch 98 SLA 1966 amends AS 14.35.040. This is clearly an error as the section contains the wording of AS 14.35.030. It is correctly numbered 14.35.030 above. AS 14.35.040 was repealed by § 59 ch 98 SLA 1966.

Editor's notes. — In the second sentence, "the commissioner of administration" was substituted for "he" by the revisor of statutes pursuant to AS 01.05.031 and § 4, ch. 58, SLA 1982.

Sec. 14.35.040. Payment of expenses of administration.
Repealed by § 59 ch 98 SLA 1966.

Editor's notes. — The repealed section derived from § 37-9-4, ACLA 1949.

Chapter 36. Community Schools.

Section	Section
10. Purpose, intent	50. Application review, disposition
20. Community schools grant fund created; limitations on use	60. Technical assistance
30. Grants from the state	70. Definitions
40. Community school program, application for grants	

Sec. 14.36.010. Purpose, intent. (a) The community school is an expression of the philosophy that the school, as the prime educational institution of the community, is most effective when it involves the people of that community in a program designed to fulfill their educational needs. The community school promotes a more efficient use of school facilities through an extension of buildings and equipment beyond the normal school day. The purpose of this chapter is to provide state leadership and financial support to encourage and assist local school districts in the establishment of community schools.

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(b) It is the intent of the legislature that

(1) a program of community school grants be established to provide assistance to local communities in the initial development, implementation, and operation of community school programs;

(2) technical assistance, monitoring, training, and coordination of statewide efforts to develop and operate community school programs be provided by the department;

(3) the community school program will become fully operational once a plan of operation has been approved by the commissioner; and

(4) evaluation of the approved plan of operation for a community school program shall be conducted by the department in cooperation with the school district at least once every four years; a report of the community school programs evaluated in the preceding year shall be presented by the commissioner to the legislature before the 15th day of each regular session of the legislature. (§ 1 ch 103 SLA 1975; am § 1 ch 164 SLA 1980)

Effect of amendments. — The 1980 amendment in subsection (b), substituted a comma for "and" following "initial development" in paragraph (1), inserted "and operation" following "implementation" near the end of paragraph (1), inserted "monitoring, training" near the beginning of paragraph (2), substituted "once a plan of operation has been approved by the commissioner" for "at the beginning of the second fiscal year following its authorization" at the end of paragraph (3), and added paragraph (4).

Sec. 14.36.020. Community schools grant fund created; limitations on use. There is created a community schools grant fund as an account in the general fund. The fund shall be used to make community school grants to local attendance areas or school districts under this chapter. Legislative appropriations for community school grants shall be deposited in this fund. Community school grants may be used for planning, training and operations. (§ 1 ch 103 SLA 1975)

Sec. 14.36.030. Grants from the state. (a) A district operating a community school program under an approved plan of operation may receive an annual grant from the state of one-half of one percent of its public school foundation support or \$10,000, whichever is greater.

(b) For each fiscal year beginning after June 30, 1980, a district operating an approved community school program under (a) of this section may receive a further grant from the state equal to the amount allocated by the district to the support of the community school program from sources other than the grant provided under (a) of this section. The additional grant under this subsection may not exceed the amount received under (a) of this section.

(c) The support of a community school program by a district under (b) of this section may be in cash or in kind. Cash support may be derived from any source the district considers appropriate. In kind support by a district is limited to support for purposes which benefit

only the community school program. Cash and in kind support of the community school program by a district shall be itemized in the community education section of the district budget. (§ 1 ch 103 SLA 1975, am § 2 ch 164 SLA 1980)

Effect of amendments. — The 1980 amendment rewrote the section.

Sec. 14.36.040. Community school program, application for grants. Under regulations adopted by the board of education, a district may submit to the commissioner an application for a community school grant. An application shall include

(1) a comprehensive plan for the community school program, including, but not limited to, before and after school hours activities for both children and adults, continued education programs for children and adults, and cultural enrichment and recreational activities for citizens in the community;

(2) a provision for a community schools advisory council;

(3) provision for community school direction and coordination to include personnel requirements;

(4) an assurance that the community school program will be reasonably available to residents of all communities within the district. (§ 1 ch 103 SLA 1975; am § 3 ch 164 SLA 1980)

Effect of amendments. — The 1980 amendment substituted "district" for "local attendance area" near the beginning of the introductory paragraph, deleted "through the school district" following "to the commissioner" near the

middle of the introductory paragraph, and substituted the present provisions of paragraph (4) for the former, which read: "a statement as to the number of schools to be operated as community schools."

Sec. 14.36.050. Application review, disposition. The commissioner shall review and approve, disapprove or return to the district for modification, an application for a community school program grant. (§ 1 ch 103 SLA 1975; am § 4 ch 164 SLA 1980)

Effect of amendments. — The 1980 amendment deleted "initiator through the" preceding "district" near the middle of

the section, and deleted "board" following "district" near the middle of the section.

Sec. 14.36.060. Technical assistance. On the request of a school district, the department shall provide technical assistance to a school district in developing and submitting an application for a community school program. The department may use its own staff or consultants that may be necessary to accomplish this purpose. (§ 1 ch 103 SLA 1975)

Sec. 14.36.070. Definitions. In this chapter

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37.05.130. 37

- (1) "board" means the governing body of a school district;
- (2) "commissioner" means the commissioner of education;
- (3) "community school program" means the composite of those educational, cultural, social and recreational services provided the citizens of a community, except those services normally provided through the regular-instructional program;
- (4) "department" means the Department of Education;
- (5) "district" means a district of the state public school system as defined in AS 14.12.010;
- (6) Repealed by § 6 ch 164 SLA 1980. (§ 1 ch 103 SLA 1975; am § 14 ch 94 SLA 1980; am §§ 5, 6 ch 164 SLA 1980)

Revisor's notes. — Paragraph (5) of this section was amended by both chs. 94 and 164, SLA 1980. The amendments have been reconciled.

Effect of amendments. — The first 1980 amendment substituted "a regional educational attendance area" for "the state-operated schools" at the end of paragraph (5).

The second 1980 amendment deleted "school" preceding "district" near the middle of paragraph (5), and substituted "of the state public school system as defined in AS 14.12.010" for "or the state-operated schools" at the end of paragraph (5), and repealed paragraph (6).

Chapter 40. The University of Alaska and the Community Colleges.

Article

1. Establishment and Organization of the University of Alaska (§§ 14.40.010 — 14.40.117)
2. Board of Regents and President of the University of Alaska (§§ 14.40.120 — 14.40.270)
3. Property and Funds of the University of Alaska (§§ 14.40.280 — 14.40.450)
4. Community Colleges (§§ 14.40.560 — 14.40.640)

Editor's notes. — Former articles 4 through 13 of this chapter were renumbered by the revisor of statutes under the authority of AS 01.05.031. For the present disposition of those sections, see the parallel reference table at the beginning of the title.

Opinions of attorney general. — The university is similar in all or most respects to other state executive agencies for purposes of budgeting and accounting; it does not have any peculiar status by virtue of being constitutionally established. February 28, 1977. Op. Att'y Gen.

The provisions of the Fiscal Procedures Act, AS 37.05, apply to the University of Alaska except for those provisions of AS 37.05.130, 37.05.170, 37.05.190 and

37.05.220 — 37.05.280 which are in conflict with this chapter. February 28, 1977. Op. Att'y Gen.

The university's budget can be made subject to line item appropriations by the legislature to the same extent that the budget for the rest of the executive branch of government is subject to line item appropriations. Similarly, the legislature can make appropriations to the university using different budget units than those requested by the Board of Regents to the same extent that it can make appropriations for executive branch activities using different budget units than those requested by the governor. February 28, 1977. Op. Att'y Gen.

What We Want?

A policy statement incorporated into the Public School Foundation Program identifying funds to be spent on community school programs

—OR—

Reinstate Community Schools grant at 1986-1987 maintenance level funding.

Services

The diversity of Community Schools enables it to work as a delivery system for agencies, facilitate resources, and combine professional and volunteer skills to meet basic needs and solve community problems.

- Formal and informal continuing education for all ages
- Recreation for all ages
- Curriculum enrichment programs for schools
- Senior citizen health programs
- Child care services
- Physical fitness programs
- Tutorial and special help programs
- Special events (carnivals, potlucks, health fairs, bazaars)
- Health programs (drug education, suicide prevention, counseling)
- Preschool

For More Information Contact:
**Alaska Association For
Community Education**
P.O. Box 103302
Anchorage, Alaska 99510
(907) 264-4366

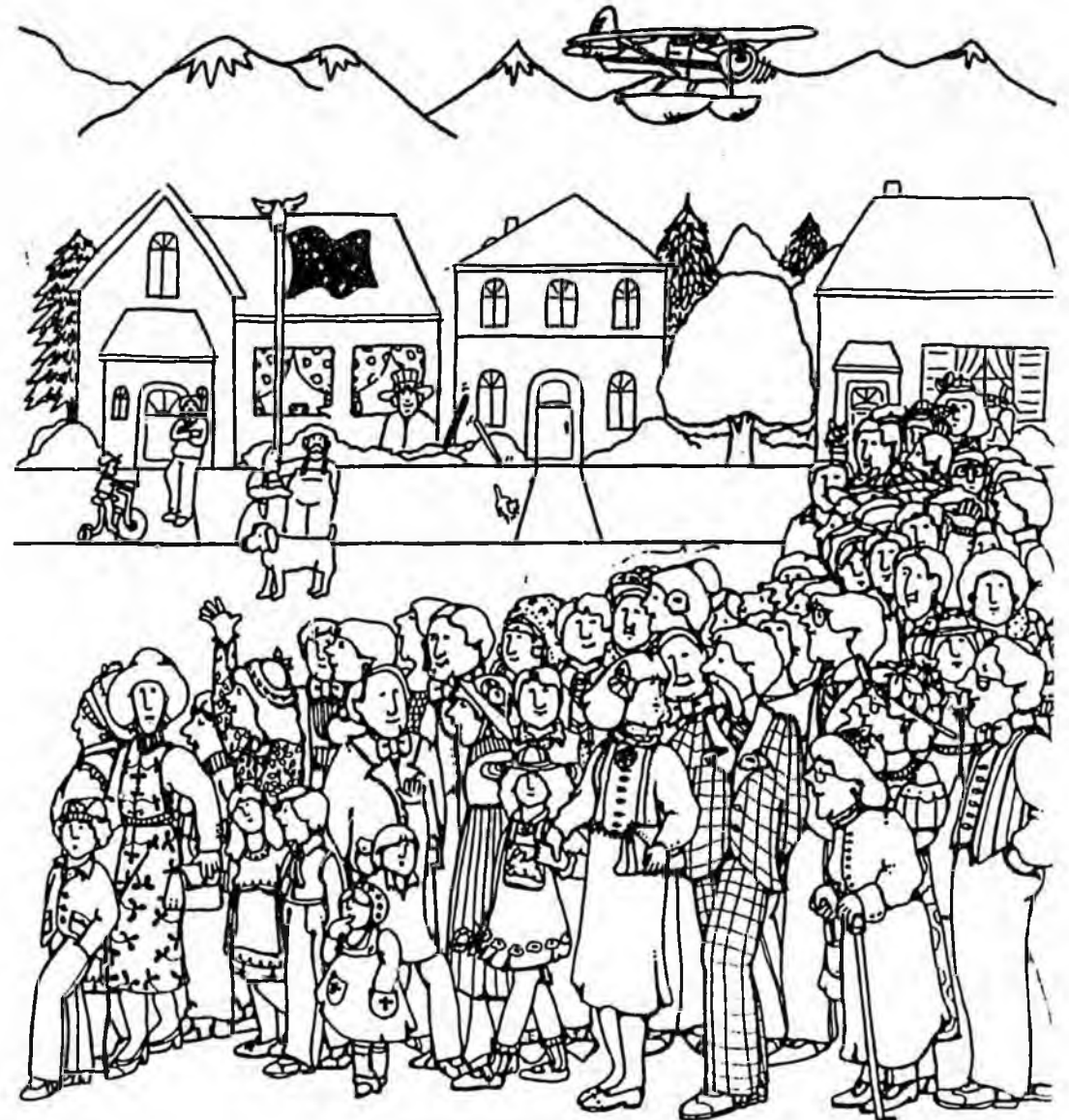


CSSB 180 BACK UP



Alaska Association For ^{MAR 16 1987}
Community Education

P.O. Box 103302 • Anchorage, Alaska 99510
264-4366



What is Our Purpose?

To meet the basic needs of Alaskans by securing local resources to solve community problems. Using the public school system as a focal point, Community Schools meet these basic needs, and the educational, social, cultural, and recreational interests as well.

The Community Schools Act, established in 1974 gives every school district in Alaska the opportunity to enrich the lives of its citizens through Community Education.
State statute #14.36.010 code

Community Education Facts 1985-1986

Community Education Sites	313	Contact hours	320,934
Full time staff	248	Participants in one or more	
Community Education		Programs	1,016,960
instructors	2,987	Community Education	
Agencies using Community		volunteers	33,175
Education	341	State Funds	\$4,075,400
Programs	21,076	Local/Matching Funds	\$6,173,434

What is a Community School?

A school is used by community residents as a central point for activities, meetings, and classes to make the community a

better place to live. The resources available are used to meet the needs and interests of the people.



How Does This Happen?

Community education utilizes one of Alaska's largest public investments, the public schools. The program allows citizens to become involved in decision making at local levels. Community schools in Alaska recognize that learning is a life-long process and provides educational activities for all

ages. Community schools works with agencies to meet community needs, and expands agencies' programs through the use of school facilities. Community education expands the education of our children through community resources, and promotes the family unit as the foundation of a strong neighborhood.

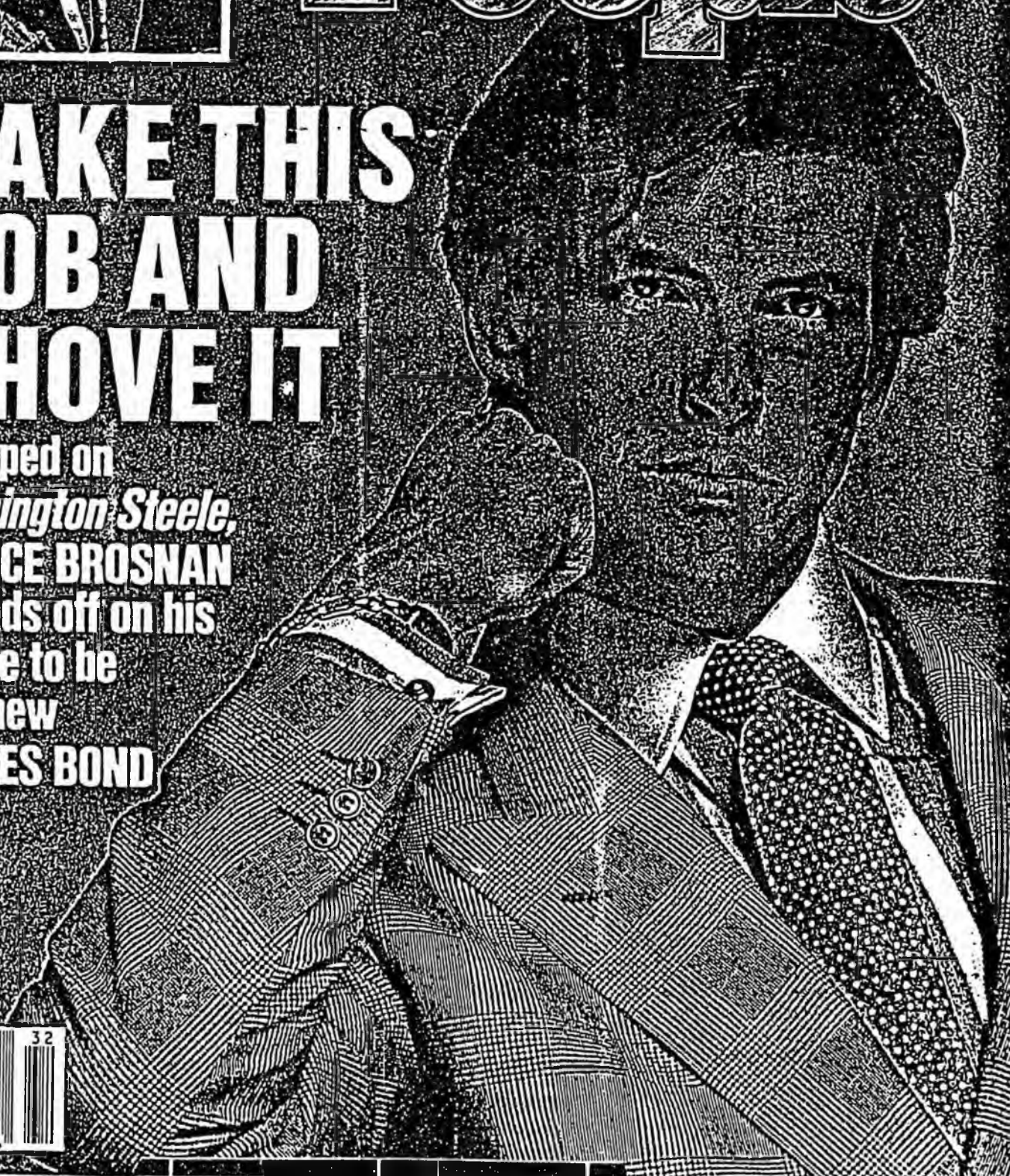
Griffin O'Neal is indicted in his pal's death



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TAKE THIS JOB AND SHOVE IT

Trapped on
Remington Steele,
PIERCE BROSNAN
sounds off on his
battle to be
the new
JAMES BOND



- SUBMITTED BY SENATOR BENNETT -

Committee Back-Up CS
SBI?

ATHLETES OFTEN WIN BY AN EAR IN THE ANNUAL ESKIMO-INDIAN OLYMPICS, WHERE PRIDE HELPS TO SALVE THE PAIN

The first of three finalists staggered three times around the 200-foot course before collapsing onto one knee. The second managed only half a step before pain brought him down. Then Joshua Okpik, 34, a muscular power-plant operator from Barrow, Alaska, stepped up to the starting line and gave everybody at the 26th Annual World Eskimo-Indian Olympics a lesson in true grit.

This is what Okpik did: He picked up a length of twine from which hung 16 one-pound weights, looped the twine over his left ear, cocked his head and clasped his hands behind his back, and set off in the bowlegged gait of a man scuffling over hot coals. He completed one circuit, then another and another, as color drained from his face and his ear turned purple. As Okpik entered his fifth circuit of the Big Dipper Arena in Fairbanks, the crowd of 2,000 picked up a clapping beat. Around and around he padded, his ear darkening from purple to black, his neck muscles straining like cables. Six, seven, eight circuits he went, face contorted in pain, the audience now rocking and bellowing in support. Okpik was starting his tenth lap when his twine loop slipped and the 16 pounds thudded to the floor. He had walked 1,813 feet and five inches, more than a third of a mile.

CONTINUED

Gumption, not grimace, determines the outcome of the Ear Pull (below), a face-to-face tug-of-war in which contestants must win two of three rounds. Elizabeth Driggs (right) raises her pelt after racing the clock in the seal-skinning competition.





Superbly coordinated Nicole Johnson (left), holding one foot while kicking a sealskin ball, placed third in the Alaskan High Kick. Brawn is the test in the Four-Man Carry (above).

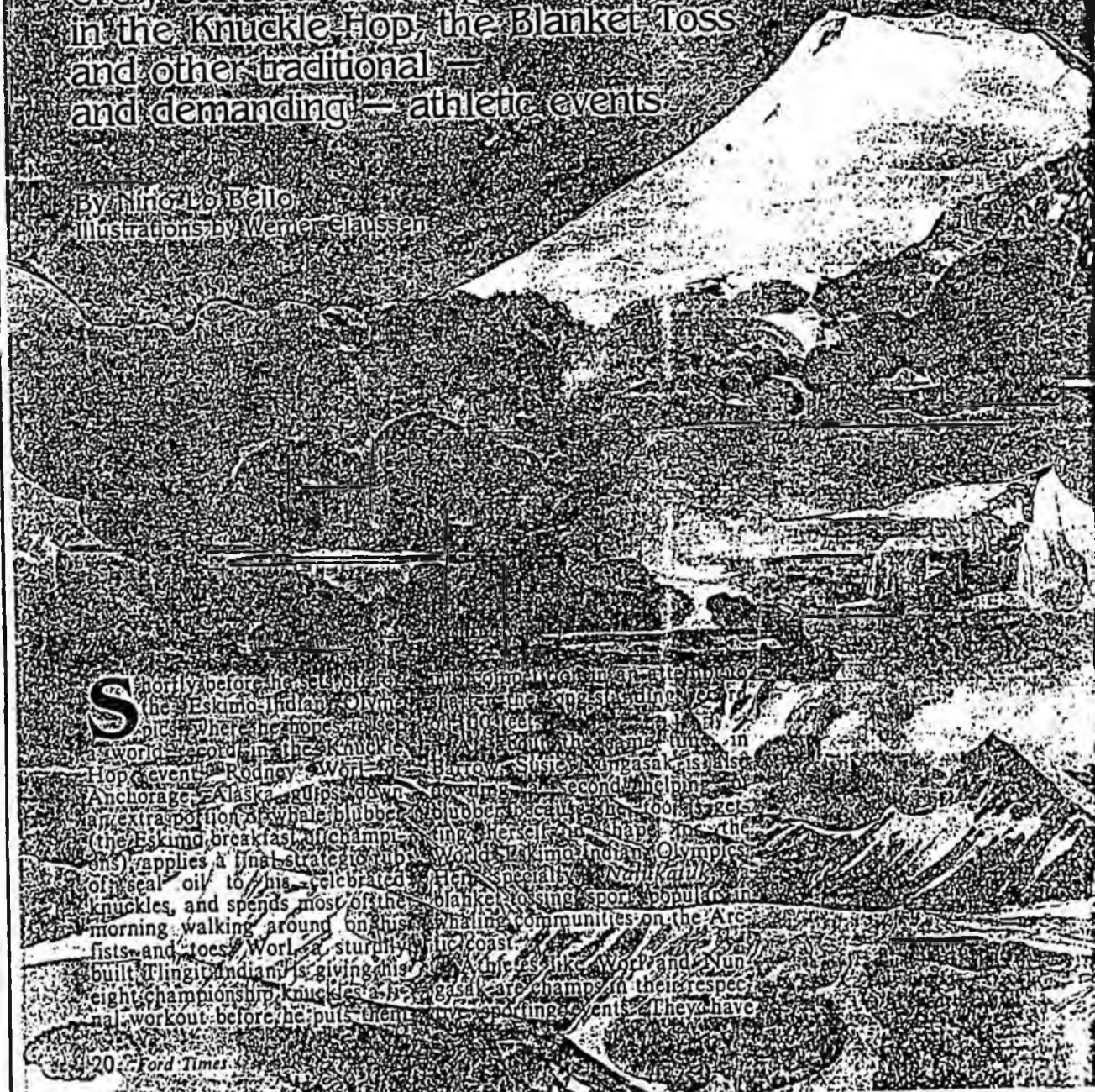


It's not Atlantic City, but Valerie Davidson, 19 (far left) from Bethel, Alaska, beat out 5 others to win the Olympic Queen title

THE WORLD ESKIMO-INDIAN OLYMPICS

Native Alaskans gather in Fairbanks every summer to compete in the Knuckle Hop, the Blanket Toss and other traditional — and demanding — athletic events.

By Nino Lo Bello
Illustrations by Werner Clausen



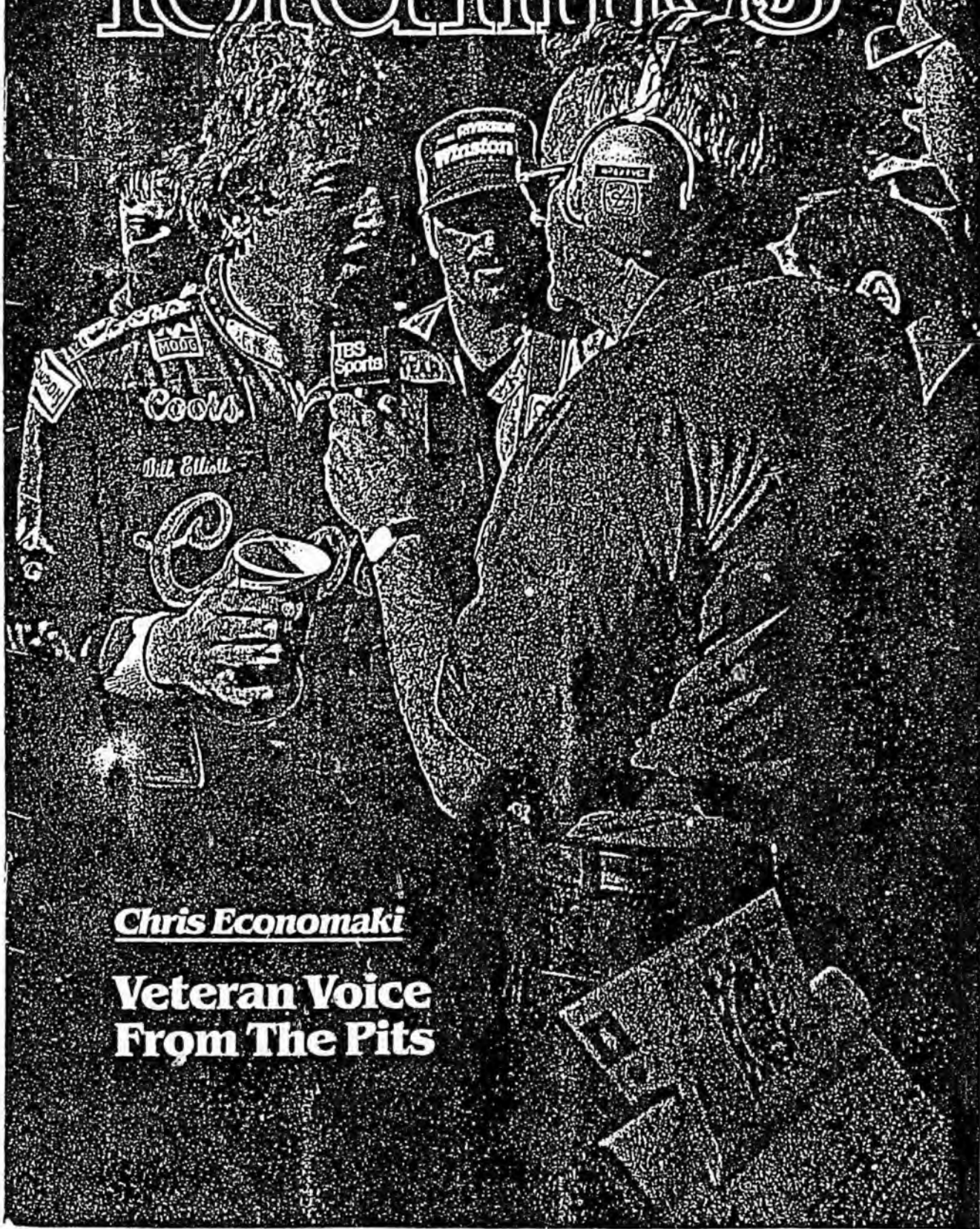
Shortly before he sets out for the Eskimo-Indian Olympics, where he hopes to set a world record in the Knuckle Hop event, Rodney Worl, an Anchorage, Alaska, guide, downs an extra portion of whale blubber (the Eskimo breakfast of champions) and applies a final strategic rub of seal oil to his celebrated knuckles, and spends most of the morning walking around on his fists and toes. Worl, a sturdy built Inuit Indian, is giving his eight championship knuckles a big workout before he puts them into combat with an attempt to shatter the long-standing record of 100 feet.

As about the game time in Barrow, Sisie Nungasak is also helping to get the second helping of blubber because her food gets into her shape. In the World Eskimo-Indian Olympics, she specializes in *Nalikauk*, blanket tossing, sport popular in whaling communities on the Arctic coast.

Others like Worl and Nun-gasal are champs in their respective sporting events. They have

ForoTimes

July 1986/\$1



Chris Economaki

**Veteran Voice
From The Pits**

Some Other Games

These are some of the other contests that will be held at the Eskimo-Indian Olympics.

Race of the Torch: The traditional opening competition. Runners cover a five-kilometer course, with the winner earning the right to carry the torch in a ceremonial run.

Four-Man Carry: The athlete carries four 150-pound men as they hang off his body. Distances reached exceed 156 feet.

Ear Pull: Two athletes loop twine around their ears and play tug-of-war.

Arm Pull: Athletes sit on

the floor facing each other and lock arms around the elbows, each trying to pull the other toward him.

Kneel Jump: The athlete starts sitting on his legs, then springs up and forward for distance.

Toe Kick: The athlete jumps from a standing start to a stick on the floor. The stick is pushed backward by the toes of both feet as the athlete attempts to land forward of the stick's original position.



not yet worked their way into the *Guinness Book of World Records*, but that doesn't cut any ice with the Eskimos of the 49th state. Hundreds of them descend on Fairbanks every summer for the annual Eskimo-Indian games. This year's, the 26th, will take place July 23-26 in the Big Dipper Recreation Arena, and will present an array of athletic contests that have been passed down from one generation to another over the centuries. The Eskimos have their own saying about these games: "Ahleasuniluni-Angnigunaa Naaheh-Hoonh-aan." (Translation: Have fun!)

Although the Olympics of the North have not yet produced the Eskimo equivalent of a Mary Lou Retton or the Indian counterpart of a Greg Louganis, the folks in Alaska have their own Olympic heroes. None of them may be able to out-flip Mary Lou or out-dive Greg — but can Mary Lou skin a seal faster than Rhoda Nageak (her 1967 world record of 57 seconds still stands)? Or can Greg carry 16 pounds of lead weights dangling from his ear, as Jimmy Itta and others have done in the Ear Weight, a contest so rigorous that participants sometimes suffer severe injury.

On opening night there's an audience-participation event that draws a mob of volunteers from the stands. Caucasian men are invited to come down and engage in a tug-of-war with a bevy of Eskimo and Indian women. Last year, about 70 males swooped out of the stands, determined not to let the gals beat them again. They took their positions at one end of a sturdy rope that extended nearly the length of the floor. Grabbing the other end were about 50 women, some not even 5 feet tall and many pushing senior-citizen status. It looked as if the men had it made when the "Go!" signal was given, especially since they outnumbered the women. But though they tugged and tugged, and tugged some

more, within a minute the women had pulled the men clear across the floor and practically out of the arena through a back door that someone with foresight had already opened. Talk about a drag-out battle! Despite attempts by a reporter (male) to find out later how they do it — how 50 women can out-tug 70 men year after year — the women were not giving away any secrets.

Until a few years ago, the games were called the Eskimo Olympics, but then the organizing committee decided to invite Alaska's other native groups — the Aleut, Haida, Tlingit, Tsimshian and Athabaskan Indians — to the competitions, since many of them had athletic games of their own.

Promoted initially by the Fairbanks Chamber of Commerce, the competition was born in 1961 after some sociologically minded white Alaskans suggested the native games be given a showcase before they died out along with many other Eskimo folkways. Enthusiasm ran high, with large crowds of spectators cheering the athletes on, and the games became an annual fixture on the University of Alaska campus. In 1964, the *Tundra Times*, the state's Eskimo, Indian and Aleut newspaper, took over sponsorship. Its late editor, Howard Rock, designed the Olympics insignia — a polar bear on ice with six interwoven rings on its back representing the major Eskimo and Indian tribes. Another meaningful symbol is the Olympic flame, which is carried in a ceremonial run around the arena, then is used to light two lamps — one burning seal oil for the Eskimos, the other moose tallow for the Indians.

"Such Indian and Eskimo customs go way, way back," explains Richard Frank, former president of the Olympics organization. "So do the athletic games, which the elders of the northern villages staged as a means of conditioning the young men for the harsh,

"The elders staged athletic games to condition the young men for the harsh Arctic environment and for the hunts that lasted days"

subzero environment of the Arctic and for the hunts that lasted days on end. To survive, they had to be strong in body and had to know how to endure pain, while developing certain skills in order to obtain food for their families."

Although Eskimo games still dominate the events, the Indians have brought several new events into the Olympics — Leg Wrestling, the Stick Pull and the Grease Pole Walk. This last competition invariably provokes much mirth among the spectators. A 20-foot log is set on two wooden sawhorses and then generously greased with Crisco. Each bare-foot contestant oozes his way along the log as far as he can go before slipping off. Only a few have made the log's full length.

Another Indian game, the Stick Pull, also involves grease. Using a slicked-up baton about 12 inches long and an inch and a half in diameter, two opponents sit facing each other, feet touching. Each tugs on the stick until one succeeds in pulling it out of the other's hands.

One of the most difficult events is called Drop the Bomb. A contestant lies on the floor face down, arms and legs stretched out. Three men grab his hands and feet and carry him in this spread-eagle position while he keeps his body rigid. Enduring a torturous strain on his shoulder and stomach muscles, the contestant stays in the game until he begins to sag in the middle. As

soon as his belly touches the floor or his body simply collapses — Dropping the Bomb — the distance is recorded.

A few years back, the event produced a dramatic twist that has now become legend. Joshua Okpik, who held the previous Drop the Bomb record of 90 feet, made an attempt to better his own mark on the first try and did so by 40 feet, to applause and cheers. Then Roger Kunayak came along and he apparently had the match sewed up when he stayed rigid for an incredible 195 feet. More applause. More cheers.

At this point, down from the stands came a 39-year-old spectator, one Walter Newman, who had been unobtrusively watching with his wife and kids. Though he had not preregistered for the match and was therefore not listed on the printed program, he asked if he could try it. The judges put their heads together and decided if this "old man" wanted to make a fool of himself, let him. If nothing else, it would give the crowd a good laugh while the next event was being readied.

Nobody, of course, was aware that history was in the making as Newman, a wiry Eskimo dressed in a business suit and a tie (which he removed, together with his jacket), assumed the spread-eagle position, and the three carriers picked him up. Hardly anyone expected much. There were some titters. A lot of spectators, embarrassed, assumed he probably had had a few drinks and was feeling a bit high. No such thing. As Newman surpassed Okpik's old record, the stands became aware that this was no chump. People who had gone out for refreshments started to hustle back as the word spread. Now the ramrod-straight Newman was gunning for Kunayak's new record. The applause turned thunderous as he passed the 195-foot mark — and continued to an amazing 263 feet. As the decibels

(Continued on page 26)

ESKIMO OLYMPICS
(Continued from page 23)

shook the structure, Newman's wife and family unabashedly cried like overjoyed babies.

Not all the Olympic events call for such stamina. Some require sheer skill. The High Kick has two categories: the one-foot kick and the two-foot kick. Heights achieved by the more expert kickers are incredible. It is not uncommon to see a 5-foot athlete kick 12 inches or more over his own height to touch a ball of fur hanging from a pole. The one-foot kicker, by the way, has to jump up from one foot and land on his kicking foot, without losing his balance.

Running the High Kick a close second in spectator interest, and considered the most showy event on the program, is *Nalukatuk*, more popularly known as the Blanket Toss, which was originated in the remote past by whale-hunting Eskimos on the Arctic Circle. Originally, *Nalukatuk* had a practical purpose: to throw a hunter as

high into the air as possible so he could scan the horizon for whales. An agile contestant is hurled into the air from a walrus-skin blanket that is held and pulled with wave-like motions by several dozen muscular men. After launching him, the ground crew scurries to catch the descending athlete, preferably in the bouncier middle of the blanket. As long as the contestant shows skill in coming down in an upright position, landing squarely on his feet (and not on his fanny), he may soar exhilaratingly upwards over and over again. In midair, a competitor will try to touch the ceiling (approximately 40 feet from the floor), put on a vertical "ozone walking" act, or do a fancy somersault — all for extra points from the judges.

The Blanket Toss is not without its dangers, however. A toesee may find himself landing not on a friendly walrus skin but on an unfriendly hardwood floor, if the brawny blanket handlers (called "pullers") fail to scamper under him before gravity takes its toll.

Besides the male-oriented ath-

letic games, the colorful Fairbanks contests embrace family-slanted events which go over big with the crowds. Amid plenty of hoopla, they include a *Muktuk* (blubber) eating contest, the Native Baby competition, a seal skinning event, a native sewing challenge, a traditional Indian dress run-off, Indian and Eskimo folk dancing, and a Miss World Eskimo-Indian Olympics contest.

Some folks consider the last event the greatest feat of endurance of all. For more than two hours in the hot gym, the candidates stand and sit dressed in heavy fur parkas and *mukluks* (fur-lined boots), which they have made themselves back home. Though the undaunted girls glisten with perspiration, their smiles never fade — and the Olympics are assured of having a queen who is not only beautiful but who also shows the stoicism all Eskimos admire. ■

For more information about this year's competition, write the World Eskimo-Indian Olympics Committee at P.O. Box 2433, Fairbanks, AK 99707. Or phone 907/452-6646.



The Road Show

WISHING TO AVOID the pandemonium of my last visit to the veterinarian, I left my large dog in the car while I went in to sign the registration list. Thinking a 75-pound dog would effectively deter any would-be car thieves, I left the keys in the ignition. Minutes later I came out to find my pet eagerly awaiting me — and watched as her big paw came down on the door lock. After an embarrassed call home, I vowed never to leave the keys in the car again. — *Bonnie D. Norman, Westland, Michigan*

AS MY HUSBAND and I concluded our meal at our favorite Chicago seafood restaurant, the waiter offered to pack the leftover fish as a snack for our long trip to our southern Illinois home. He said he would be right back with a "doggie bag." My husband looked up at him and deadpanned, "Don't you think a 'kitty bag' would be more appropriate?" — *Suzanne Curtis-Johnson, Pinckneyville, Illinois*

ON OUR RETURN TRIP from Florida, night was falling before we located a motel with a vacancy. When my husband asked for a room, the clerk replied, "I have one with two double beds, and if you only use one bed, I'll knock two bucks off the price." My husband quickly

accepted the offer, adding, "This is the first time anybody paid me to sleep with my wife!" — *Alberta Frazier-Festus, Missouri*

WE WERE ENJOYING a picnic along a Mexican highway when another American couple stopped their camper nearby to photograph a native leading a burro laden with kindling wood. The native examined their vehicle with considerable curiosity, and the American said, in an attempt at friendliness, "I call my car Pedro. What do you call your burro?" The Mexican pulled himself up to his full height and answered, "Ford truck!" — *Hannah Tompkins, Ashland, Oregon*

HAVING BEEN BORN and raised in a small Southern town, my husband and I, both senior citizens, were overjoyed when we successfully negotiated the Boston subway from our hotel to Symphony Hall. But I had failed to get directions for the return trip. Spotting one of Boston's finest in front of the hall, I mustered my best Georgia drawl and asked, "Sir, can you tell me how to get back home?" Before I could identify home as our hotel, the officer interrupted, "Lady, I think you'd better catch a plane!" — *Mary S. Carpenter, Hartwell, Georgia*

We pay \$50 for each Road Show item. These brief, never-before-published anecdotes relate amusing incidents from personal travel, vacation, automotive or dining-out experiences. If you have one to share, mail it to: The Road Show, Ford Times, One Illinois Center, 111 East Wacker Drive, Suite 1700, Chicago, IL 60601. Items should not exceed 150 words. Volume prevents us from acknowledging or returning submissions.

Also Miss Congeniality

FAIRBANKS DAILY NEWS-MINER Vol. LXXXIV, No. 263 Wednesday, September 24, 1986

Yupik Eskimo earns American Indian crown

Valerie Davidson, the 1986 Miss World Eskimo-Indian Olympics, was crowned Miss National Congress of American Indians Tuesday evening at the NCAI's 43rd annual convention.

A Yupik Eskimo and 1985 graduate of Eielson High School, Davidson was chosen over 12 other candidates representing American Indi-

ans from across the nation.

"I was standing around in back smiling and they said, 'From Fairbanks, Alaska,' and my jaw just dropped," Davidson said from Phoenix, Ariz., where she will spend the week representing the NCAI. "Sharon Barker, my chaperone, supporter and friend, was there and I could hear her

screaming in the audience. The delegation from Alaska was screaming and crying and hugging each other. Then, they (pageant officials) started handing me all these gifts. I had a hard time holding on to them all."

Shortly before the 1985 Miss NCAI, Karmelita Plain Bull, a Crow Indian from Montana, placed

the crown on Davidson's head, Lisa Williams of Sitka was named first runner-up. Williams, who is half Tlingit and half Navajo, also earned the most talented award.

Davidson, an elementary education major at the University of Alaska-Fairbanks, was voted Miss Congeniality by her fellow contestants, an honor she was especially pleased with. "It made me feel very good, as far as the Miss Congeniality award is concerned, that they thought that of me," she said.

This morning, Davidson began her reign as queen, appearing on a segment of the "Good Morning America" show and attending various activities. NCAI officials were putting together a budget for Davidson that would allow her to travel to Indian gatherings in the Lower 48 during the coming year.

For a young woman born in Bethel, and raised in the cold temperatures of Alaska, the heat of the Arizona desert took its toll. "It was the first experience I've ever had with hot weather," said Davidson, who plans to teach in the Bush.

She was initially bothered by a bloody nose and on the day the judging started, she didn't feel well. "I got up really sick," Davidson said. "I couldn't hold my food down. I drank a lot of water and 7-Up and stuff like that. I feel a lot better. It was a combination of the heat and not having a chance to rest because of all the running around we've done."

Alaska Airlines provided two round-trip tickets for Davidson and

Barker, the 1985 Miss WEIO. The Riverboat Discovery paid for room and board. "I really couldn't have been here without them," Davidson said.

Davidson and Barker are scheduled to return to Fairbanks around 1 a.m. Saturday.



VALERIE DAVIDSON Wins new crown

Board of Education to meet Friday

The state Board of Education will hold its regular meeting in Fairbanks this month, beginning Friday in the borough assembly chambers.

After conducting its regular business, the board will meet at 2 p.m. with gubernatorial candidates to discuss educational issues.

The meeting will be preceded by a work session Thursday at 10 a.m. during which the board will discuss the school foundation formula, vocational education issues, its 1986-87 goals and priorities, review the revised 1987 budget and discuss 1988 budget development.

A meeting with the public school fund advisory board, originally scheduled for 9 a.m. Thursday, has been moved to 9 a.m. Friday and will be followed by the regular meeting.

The tentative agenda for the regular meeting includes consideration of the school district capital request priority list, the Department of Education capital budget priority list, and adoption of state BOE goals and priorities for 1986-87.

The board will hear public comment on a regulation dealing with the state library grant program. It will also consider several regulations for

adoption. Those regulations cover certificate renewal requirements, establishment of a professional development plan, added definitions for teacher certification, establishing an admission fee for any branch of the Alaska State Museum, refinancing and restructuring of outstanding bonded indebtedness, increase in certification fees, provisions for appointment of a hearing officer in resolution of disputes, and others.

The board was also scheduled to adopt a regulation that would allow financially strapped districts to lay off certificated employees after establishing a budget reduction plan. That measure was first adopted last month as an emergency regulation, but was declared invalid and unlawful by Juneau Superior Court Judge Walter Carpeneti in a decision last Friday after it was challenged by the National Education Association-Alaska.

The board will hear a report from the vocational education advisory council and will approve revisions to the state plan for vocational education.

Board members are Ernestine Griffin, Barney Gottstein, Mary Schaeffer, William Eubank, Sue Hull, Don Gray, Janie Leask, military advisory member Col. Roger Strosnider and student advisory member Brian Kind.



P. O. Box 2433
Fairbanks, Alaska 99707

Saturday, February 21, 1987

The Honorable Don Bennett
ALASKA STATE LEGISLATURE
Post Office Box V
Juneau, Alaska 99811

Dear Senator Bennett:

As I'm sure you are aware of, the World Eskimo-Indian Olympics is a 27 year old fixture held annually in Fairbanks that features athletic games of strength and endurance and dances and songs telling stories of old from the Arctic and Sub-Arctic People of the World. Because the annual celebration had grown so formidably in its beginnings, the organization of volunteers had incorporated under State of Alaska statute to meet the demands of those wishing to see and participate in the unique activities presented. Just this last September, the WEIO had received from the IRS in Seattle a 501(c)(3) tax exempt rating which would now make it much easier for the group to accept and expend monies from the private sector. We are pursuing this area of funding at the present time and things are going pretty slow.

Because the Olympics is patterned after traditional celebrations held throughout Alaska, Canada, Greenland, and even, Siberia, the Olympics organization incurs the costs of room and board for the invited participants. Those invited and decide to attend and participate fund their own way into Fairbanks and back. Further, just like celebrations passed down through countless centuries, one village would invite neighboring residents to join in the festive occasion celebrating a successful whaling or hunting season - so it is with the World Eskimo-Indian Olympics.

Just recently, we have received a letter from the University of Alaska Fairbanks (copy enclosed for your information) in response for our request to set aside some 400 plus rooms on campus for the expected amount of people that have traditionally attended the Event. Their response is that they have had

PAGE THREE
Letter From WEIO
2/21/87

Aside from the enclosed materials outlining how we have successfully brought this State to the national level, there have been many film and journalistic crews from all corners of the world in attendance to document the unique games. We have filled one of the goals of the organization - to educate the more dominant society that cultural activities of this sort are, indeed, taking pace now as they have for many generations; it is an effort to preserve and protect and perpetuate the delicate culture of the People of Alaska and its neighbors. If the US-Soviet exchange becomes a reality, it could, without a doubt, put Alaska in a leadership position to international peace and intercultural exchanges not to mention the strengthening of Pacific trade agreements.

It is my hope in the limited information provide for you the potential the State Legislature has in becoming an active participant in something very important in this day and age. I sincerely hope that you give your best consideration over this request with the spirit and enthusiasm for which it is given.

Thank you very much for your time and I wish you the best of luck in your deliberations for the rest of the session. I hope you find it in you heart to share in the institution of learning.

Sincerely,
WORLD ESKIMO-INDIAN OLYMPICS, INC.



Chris Anderson
General Manager

THE WHITE HOUSE
WASHINGTON

July 22, 1986

I am pleased to send greetings to the participants, volunteers, and spectators at the 1986 World Eskimo Indian Olympics in Fairbanks. As a former athlete, I know the many hours of dedicated training each of the participants has put in to be ready for these events. I know you will exhibit the good sportsmanship and camaraderie that are in the best tradition of the Olympics.

In addition, these games represent a cultural legacy of the Eskimo Indian that is centuries old. I commend you for your efforts to keep these traditional games alive. You are upholding the rich heritage of the native peoples of the Arctic for all to appreciate.

Nancy joins me in wishing all of you a fun-filled Olympic event. Let the games begin, and God bless you all.

Ronald Reagan

CSSB

180

HOUSE COMMITTEE REPORT

(11)

Date referred: 5/14/87

FURTHER REFERRALS:

DATE: 5-17-87

The Finance Committee has considered CSSB 180(SA)

"An Act relating to contributions from permanent fund dividends for the World Eskimo-Indian Olympics; and providing for an effective date."

RECOMMENDS:

- replace with _____ the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact
- zero fiscal note
- zero with analysis
- same as previous fiscal note published _____
- same as previous zero fiscal note published _____

SIGNING DO PASS:

Kay Wallis

Mark Boyer

Rita Jones

SIGNING OTHER RECOMMENDATIONS:

Les Adams - Do NOT PASS

Tom Fawcett no rec

Ronald J. Jones No Rec

Clifford No Rec

Michael No Rec

Tony Brown No Rec

Steve Thrin No Recommendation

Robert L. Linder

Chairman's signature

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

Bill Version: CSSB 180 (SA)
Publish Date: _____

REQUEST: _____
Revision Date: _____
Title: Act relating to the World
Eskimo-Indian Olympics
Sponsor: Bennett, et al
Requestor: Senate Finance

Agency Affected: Dept. of Revenue
BRU: Administrative Services
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: *John Binkley*
Division: Senator John Binkley, Co-chairman
Senate Finance Committee

Phone: 465-4985
Date: April 9, 1987

Approved by Commissioner: _____
Agency: _____

Date: _____

Distribution (by preparer):

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

Original sponsors: Bennett, Coghill,
Fahrenkamp and Hensley

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR SENATE BILL NO. 180 (State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL
6 For an Act entitled: "An Act relating to contributions from permanent fund
7 dividends for the World Eskimo-Indian Olympics; and
8 providing for an effective date."

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

10 * Section 1. AS 43.23 is amended by adding a new section to read:

11 Sec. 43.23.016. CONTRIBUTIONS FROM DIVIDENDS. (a) The depart-
12 ment shall prepare the permanent fund dividend application to allow an
13 applicant to elect to have money subtracted from the dividend check
14 and contributed to the official organizing committee for the World
15 Eskimo-Indian Olympics.

16 (b) The amount of each contribution elected under (a) of this
17 section is \$5. Contributions shall be deposited in a special dividend
18 contribution account in the general fund and allocated by the depart-
19 ment in accordance with the contribution elections made by applicants
20 except that the department shall use money in the account to pay
21 administrative costs incurred under this section.

22 * Sec. 2. This Act takes effect July 1, 1987.

Original sponsors: Bennett, Coghill,
Fahrenkamp and Hensley

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1 IN THE SENATE

BY BENNETT, COGHILL,
FAHRENKAMP AND HENSLEY

2

SENATE BILL NO. 180

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the World Eskimo-Indian Olympics;

7

and providing for an effective date."

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

9

* Section 1. AS 05.35 is amended by adding a new section to read:

10

Sec. 05.35.120. WORLD ESKIMO-INDIAN OLYMPICS ACCOUNT. (a)

11

There is created in the general fund a World Eskimo-Indian Olympics

12

account. The Department of Revenue shall prepare the permanent fund

13

dividend application to allow an applicant to designate that \$5 of the

14

dividend be subtracted from the check and contributed to the World

15

Eskimo-Indian Olympics account. Permanent fund dividend contributions

16

shall be deposited in the World Eskimo-Indian Olympics account. The

17

Department of Revenue may use money in the account to pay administra-

18

tive costs incurred under this section.

19

(b) The World Eskimo-Indian Olympics account shall be held in

20

trust by the Department of Administration for distribution to the

21

official organizing committee for the World Eskimo-Indian Olympics to

22

be used for expenses incurred in organizing and conducting the World

23

Eskimo-Indian Olympics.

24

* Sec. 2. This Act takes effect July 1, 1987.

S B

1 8 2

SENATE COMMITTEE REPORT

FURTHER:

4/22/87

DATE TURNED INTO OFFICE 5/5/87

Mr. President:

FINANCE Committee considered SB 182

state oil and gas lease sales.

and recommended:

replace with CS FOR _____) same title
 or adopt _____ CS FOR SB 182 (Yes)) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Handwritten signatures: Don Dube, Willie Kuyler, Rick Leh]

[Handwritten signature: Don Dube] DO PASS
Chairman signature and recommendation

Committee Backup Attached

A/B

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version: SSB 1820 + H
Publish Date: 3-25-87

Revision Date: March 23, 1987

Agency Affected: Natural Resources
BRJ: Petroleum Management

Title: State Oil and Gas Lease Sales

Sponsor: Senate Oil & Gas Special Committee
Requester: Senate Oil & Gas Committee

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
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	*	*	*	*	*	*
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS :

- * Earlier offering of exempt acreage sales resulting from this bill will result in earlier receipt of bonus and rental payments and, in the event of a discovery, earlier receipt of royalties and taxes.
- ** Some savings in contractual and travel costs related to public meetings could occur, depending on the location of the exempt sale and the public's interest.

Prepared by: Carol Wilson Phone: 465-2400
Division: Commissioner's Office Date: 3/23/87

Approved by Commissioner: Judith M. Brown Date: 3/24/87
Agency: Natural Resources

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)
 - Senate Secretary

Original sponsor: The Senate Special Committee
on Oil and Gas

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 CS FOR SENATE BILL NO. 182 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the written findings required for
7 certain state oil and gas lease sales."

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

9 * Section 1. AS 38.05.035(e) is amended to read:

10 (e) Upon a written finding that the interests of the state will
11 be best served, the director may, with the consent of the commis-
12 sioner, approve contracts for the sale, lease, or other disposal of
13 available land, resources, property or interests in them, and, in
14 addition to the conditions and limitations imposed by law, may impose
15 additional conditions or limitations in the contracts as the director
16 determines, with the consent of the commissioner, will best serve the
17 interests of the state. A contract for the sale, lease, or other
18 disposal of available land or an interest in land is not legally
19 binding on the state until the commissioner approves the contract but
20 if the appraised value is not greater than \$50,000 in the case of the
21 sale of land or an interest in land, or \$5,000 in the case of the
22 annual rental of land or interest in land, the director may execute
23 the contract without the approval of the commissioner. Before a
24 public hearing, if held, or in any case no less than 21 days before
25 the sale, lease, or other disposal of available land, property, re-
26 sources, or interests in them, the director shall make available to
27 the public a written finding that sets out the facts and applicable
28 law upon which the determination that the sale, lease, or other dis-
29 posal will best serve the interests of the state was based. A written

1 finding is not required before the approval of

2 (1) a contract for a negotiated sale authorized under
3 AS 38.05.115;

4 (2) a lease of land for a shore fishery site under AS 38.-
5 05.082;

6 (3) a permit or other authorization revocable by the com-
7 missioner;

8 (4) a mineral claim located under AS 38.05.195;

9 (5) a mineral lease issued under AS 38.05.205; [OR]

10 (6) a production license issued under AS 38.05.207; or

11 (7) an oil or gas lease sale under AS 38.05.180(d), if
12 within 36 months before the lease sale a written finding under this
13 subsection has been made for the area of the proposed lease sale or
14 for an area that is contiguous with or adjacent to the area of the
15 proposed lease sale.



ALASKA STATE LEGISLATURE

SENATE SPECIAL COMMITTEE ON OIL AND GAS

Senator Bettye Fahrenkamp
Chairman
Senator Jack Coghill
Senator Paul Fischer

P.O. Box V, State Capitol
Juneau, Alaska 99811
(907) 465-3834

M E M O R A N D U M

TO: Senator John Binkley, Co-Chairman
Senate Finance Committee

FROM: Senator Bettye Fahrenkamp, ^{BF}Chairman
Senate Special Committee on Oil and Gas

RE: Committee Hearing on SB 182

DATE: April 30, 1987

I would appreciate your scheduling SB 182, An Act relating to the written findings required for certain state oil and gas lease sales, for a hearing before the Senate Finance Committee.

Current statute requires that all proposed state oil and gas lease sales be included in a yearly five year leasing program submitted to the legislature. However, under certain circumstances, sales that are not included in the five year plan, or "exempt sales", may be held. Exempt sales usually include previously offered leases, areas adjacent to those leases, or areas in which industry has shown high interest. Current statute requires that a written best interest finding be made for most exempt sales.

SB 182 would waive the best interest finding requirement for exempt sales if a previous finding has been made for that area within the preceding three years. This change may enable the department to add new areas to the leasing schedule with reduced administrative costs and delay.

Original sponsor: The Senate Special Committee
on Oil and Gas

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 CS FOR SENATE BILL NO. 182 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION
5 A BILL

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12 sioner, approve contracts for the sale, lease, or other disposal of
13 available land, resources, property or interests in them, and, in
14 addition to the conditions and limitations imposed by law, may impose
15 additional conditions or limitations in the contracts as the director
16 determines, with the consent of the commissioner, will best serve the
17 interests of the state. A contract for the sale, lease, or other
18 disposal of available land or an interest in land is not legally
19 binding on the state until the commissioner approves the contract but
20 if the appraised value is not greater than \$50,000 in the case of the
21 sale of land or an interest in land, or \$5,000 in the case of the
22 annual rental of land or interest in land, the director may execute
23 the contract without the approval of the commissioner. Before a
24 public hearing, if held, or in any case no less than 21 days before
25 the sale, lease, or other disposal of available land, property, re-
26 sources, or interests in them, the director shall make available to
27 the public a written finding that sets out the facts and applicable
28 law upon which the determination that the sale, lease, or other dis-
29 posal will best serve the interests of the state was based. A written

1 finding is not required before the approval of

2 (1) a contract for a negotiated sale authorized under
3 AS 38.05.115;

4 (2) a lease of land for a shore fishery site under AS 38.-
5 05.082;

6 (3) a permit or other authorization revocable by the com-
7 missioner;

8 (4) a mineral claim located under AS 38.05.195;

9 (5) a mineral lease issued under AS 38.05.205; [OR]

10 (6) a production license issued under AS 38.05.207; or

11 (7) an oil or gas lease sale under AS 38.05.180(d), if
12 within 36 months before the lease sale a written finding under this
13 subsection has been made for the area of the proposed lease sale or
14 for an area that is contiguous with or adjacent to the area of the
15 proposed lease sale.

MEMORANDUM

DEPARTMENT OF NATURAL RESOURCES

State of Alaska

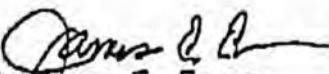
DIVISION OF OIL AND GAS

TO: Carol Wilson, Special Assistant
to the Commissioner

DATE: February 3, 1987

FILE NO:

TELEPHONE NO: 762-4241

FROM: 
James E. Eason
Director

SUBJECT: Proposals to Streamline
Exempt Lease Sale Process

While I was in Juneau the week of January 26-30, I was asked by both Senator Bettye Fahrenkamp and Senator Jack Coghill for recommendations on how to promote early exploration of the state's lands; specifically, how to streamline the procedures for exempt oil and gas lease sales. On January 30, Ned Farquhar called me on behalf of Representative Sam Cotten and said that Rep. Cotten might be interested in possible changes to Title 38 that would make it easier to hold exempt acreage sales.

At present, exempt acreage sales must follow all of the procedural "hoops" required of scheduled sales. One way to streamline the process would be to apply previous best interest findings under AS 38.05.035 to the exempt sale area. This would greatly reduce administrative costs and delay. I am sending you a suggested change to AS 38.05.035 that would enable the state to hold exempt sales without having to write preliminary or final .035 best interest findings if the leases offered are in, contiguous with or adjacent to an area for which a written .035 finding has been prepared during the preceding 36 months. I would appreciate your discussing this proposal with the Commissioner, and if it meets with her approval, transmitting it on my behalf to Senators Fahrenkamp and Coghill and Representative Cotten.

AS 38.05.035(e). Amend by adding a new section (7), as follows: "(7) an exempt oil and gas lease sale under AS 38.05.180(d) for which a written finding has been issued, within a period of 36 months before the date of the sale, for the area of the proposed sale, or for contiguous or adjacent areas."

cc: Mark Worcester
Pam Rogers

0737R

DELIVER TO: <u>Carol Wilson</u>	LOCATION: <u>Juneau</u>
FROM: <u>Jim Eason</u>	LOCATION: <u>Oil & Gas</u>
TELEPHONE/TELECOPIER # <u>586-2754</u>	TOTAL NUMBER OF PAGES: _____
TRANSMITTING ON/SPEED: _____	DATE: <u>2/3/87</u> TIME: <u>4:00</u>
PHONE FOR PROBLEMS-NAME/NUMBER: _____	<u>762-4244</u>
COMMENTS: _____	

Neil
SR
sol

Comments of
D. M. Smith
Exxon Company, U.S.A.
Senate Special Committee on Oil and Gas
SB-182
March 24, 1987

Good Afternoon. My name is Dan Smith and I am a Senior Government Affairs Representative with Exxon Company, U.S.A. I appear before you today to offer Exxon's support for Senate Bill 182.

Current law requires that land not included on the states five year lease program for two years can only be offered for leasing under specific conditions. Most of those conditions require that the Department of Natural Resources must, after a hearing, make a written finding in order to lease the lands in question. Such lands include land contiguous to already leased properties, land adjacent to land owned or controlled by another party on which discoveries of commercial quantities have been made, or land adjacent to land included in the Federal OCS leasing program.

By streamlining the pre-leasing requirements to use existing findings for these well studied areas, this bill would simultaneously help the state avoid unnecessary costs and facilitate leasing in known areas of interest. In supporting this bill, we would hope that this accelerated timing would not be so rapid as to deprive potential bidders of time to adequately prepare to participate in a lease sale.

We appreciate the opportunity to comment.

JDH/4284:dag
3/23/87

§ 38.05.035

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§ 38.05.035

PUBLIC LANDS

§ 38.05.035

(5) when the director determines it is in the best interest of the state and will avoid injustice to a person or the heirs or devisees of a person, dispose of land, by direct negotiation to that person who presently uses and who used and made improvements to that land before January 3, 1959 or to the heirs or devisees of the person; the amount paid for the land shall be its fair market value on the date that the person first entered the land, as determined by the director; a parcel of land disposed of under this paragraph shall be of a size consistent with the person's prior use, but may not exceed five acres;

(6) dispose of an interest in land limited to use for agricultural purposes by lottery;

(7) convey to an adjoining landowner for its fair market value a remnant of land that the director considers unmanageable or a parcel of land created by a highway right-of-way alignment or realignment, or a parcel created by the vacation of a state-owned right-of-way if

(A) the director determines that it is in the best interests of the state;

(B) the parcel does not exceed the minimum lot size under an applicable zoning code; and

(C) the director and the platting authority having land use planning jurisdiction agree that conveyance of the parcel to the adjoining landowner will result in boundaries that are convenient for the use of the land by the landowner and compatible with municipal land use plans;

(8) for good cause extend for up to 90 days the time for rental or installment payments by a lessee or purchaser of state land under this chapter if reasonable penalties and interest set by the director are paid;

(9) quitclaim land or an interest in land to the federal government on a determination that the land or the interest in land was wrongfully or erroneously conveyed by the federal government to the state.

(c) A parcel of land may be conveyed under (b) of this section without classification or reclassification under AS 38.05.300.

(d) A parcel of land described in (b) (7) of this section must be sold at its fair market value as determined by the director on the basis of an appraisal completed as provided in AS 38.05.840. Nothing in this subsection prevents the sale of land under AS 38.05.055 or 38.05.057 to a person not qualifying as an adjoining landowner if the adjoining landowner declines to purchase the land.

(e) Upon a written finding that the interests of the state will be best served, the director may, with the consent of the commissioner, approve contracts for the sale, lease, or other disposal of available land, resources, property or interests in them, and, in addition to the conditions and limitations imposed by law, may impose additional conditions or limitations in the contracts as the director determines, with the consent of the commissioner, will best serve the interests of the state. A contract for the sale, lease, or other disposal of available land or an interest in land is not legally binding on the state until the

commissioner approves the contract but if the appraised value is not greater than \$50,000 in the case of the sale of land or an interest in land, or \$5,000 in the case of the annual rental of land or interest in land, the director may execute the contract without the approval of the commissioner. Before a public hearing, if held, or in any case no less than 21 days before the sale, lease, or other disposal of available land, property, resources, or interests in them, the director shall make available to the public a written finding that sets out the facts and applicable law upon which the determination that the sale, lease, or other disposal will best serve the interests of the state was based. A written finding is not required before the approval of

- (1) a contract for a negotiated sale authorized under AS 38.05.115;
- (2) a lease of land for a shore fishery site under AS 38.05.082;
- (3) a permit or other authorization revocable by the commissioner;
- (4) a mineral claim located under AS 38.05.195;
- (5) a mineral lease issued under AS 38.05.205; or
- (6) a production license issued under AS 38.05.207.

(f) The director shall grant a preference right to the purchase or lease without competitive bid of up to five acres of state land to an individual who has erected a building on the land and used the land for bona fide business purposes for five or more years under a federal permit or without the need for a permit and, after selection by the state, under a state use permit or lease, if the business produced no less than 25 percent of the total income of the applicant for the five years preceding the application to purchase or lease the land. The director shall sell or lease the land at a price determined by the director to represent the current fair market value of the unimproved land but in no event less than the cost of administration including survey if required. If the director determines in a written finding that the purchase or lease of the land would interfere with public use by residents of the area, the director may condition the purchase or lease to mitigate the adverse effects on the public use or may reject the application for the preference right. A lease granted under this subsection may not be for a period in excess of 50 years. In this subsection, "business purposes" means a purpose permitted under the classification of the land at the time the land was entered. (§ 5 art II ch 169 SLA 1959; am § 1 ch 57 SLA 1960; am §§ 2 — 4 ch 61 SLA 1960; am § 1 ch 55 SLA 1962; am § 1 ch 56 SLA 1964; am § 1 ch 98 SLA 1964; am § 1 ch 5 SLA 1965; am § 1 ch 58 SLA 1965; am § 1 ch 194 SLA 1968; am § 1 ch 164 SLA 1972; am §§ 2, 3 ch 257 SLA 1976; am §§ 1, 2 ch 176 SLA 1978; am § 15 ch 181 SLA 1978; am § 20 ch 182 SLA 1978; am § 1 ch 61 SLA 1980; am §§ 9 — 13 ch 113 SLA 1981; am §§ 19, 20, 88 ch 152 SLA 1984)

Revisor's notes. — In 1981, in subsection (b) (7), the word "convey" was substituted for "dispose" at the beginning of the

paragraph and in subsection (d), the words "of land" were added following "parcel" under AS 01.05.031.

Effect of amendment a AS 38.05.036' graph (a)(9)(L The 1981 "50,000" for case of the "55,000" for case of the an: tuted semicol "the written "before a publi finding is not r of" following added subpar: subsection (a) amendment ac date of origina price was not sc "a price deterr: subsection (b) tuted "on the entered the la: preceding "as de The amendmen: and (8) of subse: tions (c) and (d The 1984 am paragraph (14) subsection (e) to (14) of subsection (f). The 1984 a. graph (2) of subs guage into int: subparagraph (future" follow: introductory lan: end of subparag paragraph (B); ir.

The leasing governed by re by the commissio Natural Resour: 38.05.020(b)(1), a: tor of the Divisio subsection (a)(3) c Kelly, Sup. Ct. : 1416, 1418, 499 : Construction c reserving right : — Provision in a l of Alaska, Divisi: reserving the rig: or right-of-way ac: was construed to transfer of a right: ment of Transp: Facilities. Wessei Hwy's., Sup. Ct. C 2534, 562 P.2d 10

§ 38.05.175

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VIII ch 169 SLA

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§ 38.05.180

PUBLIC LANDS

§ 38.05.180

per cent of the quantity or gross value of the output of potassium compounds and other related products, except sodium. at the point of shipment to market. The commissioner may lease land known to contain valuable deposits of potassium compounds that is not covered by permits or leases through advertisement, competitive bidding, or other methods prescribed by regulation. The area covered by the lease may not exceed 2,560 acres.

(b) Each lease shall be conditioned upon payment by the lessee of a royalty of not less than two per cent of the quantity or gross value of the output of potassium compounds and other related products, except sodium, at the point of shipment to market, and the payment in advance of a rental of 25 cents an acre for the first calendar year or fraction of it, 50 cents an acre for the second calendar year, third calendar year, fourth calendar year, and fifth calendar year, and \$1 an acre a year thereafter during the continuance of the lease. The rental for any one year shall be credited against royalties accruing for that year.

(c) Each lease shall be for a term of 20 years and so long thereafter as the lessee complies with the terms and conditions of the lease. (§ 3(6) art VIII ch 169 SLA 1959)

Sec. 38.05.180. Oil and gas leasing. (a) The legislature finds that

(1) the people of Alaska have an interest in the development of the state's oil and gas resources to

- (A) maximize the economic and physical recovery of the resources;
- (B) maximize competition among parties seeking to explore and develop the resources;
- (C) maximize use of Alaska's human resources in the development of the resources;

(2) it is in the best interests of the state to encourage an assessment of its oil and gas resources and to allow the maximum flexibility in the methods of issuing leases to

- (A) recognize the many varied geographical regions of the state and the different costs of exploring for oil and gas in these regions;
- (B) minimize the adverse impact of exploration, development, production, and transportation activity.

(b) The commissioner shall annually prepare and submit to the legislature, between the first and the fifteenth day of each regular legislative session, a five-year proposed oil and gas leasing program consisting of a schedule of proposed lease sales and specifying as precisely as practicable the location of tracts proposed to be offered for oil and gas leasing during the calendar year in which the proposed program is submitted to the legislature and the following four calendar years.

(c) Except as provided in (d) and (w) of this section, an oil and gas lease sale may not be held unless it was included in the proposed leasing programs submitted to the legislature during the two calendar

years preceding the year in which the sale is held. A lease sale shall be held during the calendar quarter for which it is scheduled in the proposed oil and gas leasing program but may be delayed by the commissioner for not more than 90 days after the last day of the calendar quarter for which it was scheduled if the commissioner determines that a delay is in the best interest of the state. A lease sale which is not held during the calendar quarter for which it was scheduled in the oil and gas leasing program, or in the following 90-day period authorized by this subsection, may be held only if rescheduled as provided in (b) of this section. A lease sale may not be held before the date it is scheduled in the proposed oil and gas leasing program.

(d) The commissioner may issue oil and gas leases in an area that has not been included in a leasing program submitted, in accordance with (b) of this section, to the legislature if

(1) the land to be leased was previously subject to a valid state or federal oil and gas lease; or

(2) the land to be leased is contiguous to land already under state, federal or private lease and the commissioner makes a written finding, after hearing, that leasing of the land would result in a substantial probability of early evaluation and development of the land to be leased; or

(3) the land to be leased is adjacent to land owned or controlled by another party on which a discovery of commercial quantities of oil or gas has been made, and the commissioner finds, after hearing, that there is a reasonable probability that the land to be leased contains oil or gas in communication with the oil or gas discovered on the land of the other party; or

(4) the land to be leased is adjacent to land included in the federal five-year Outer Continental Shelf leasing program under 43 U.S.C. sec. 1344, and the commissioner makes a written finding, after hearing, that coordinated or simultaneous leasing with the federal government is in the public interest.

(e) Simultaneously with submission of the leasing program required under (b) of this section, the commissioner shall submit to the legislature a report containing the following:

(1) the schedule of all lease sales held during the preceding calendar year, the bidding method or methods utilized, and an analysis of the results of the bidding;

(2) if determined, a description of the bidding methods to be used for all lease sales to be held during the current and next two succeeding calendar years;

(3) the reasons a particular bidding method has been selected.

(f) The commissioner may issue oil and gas leases on state land to the highest responsible qualified bidder determined by competitive bidding under regulations adopted by the commissioner. Bidding may be by sealed bid or according to any other bidding procedure the com-

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Original sponsor: The Senate Special Committee
on Oil and Gas

1 IN THE SENATE

BY THE SENATE SPECIAL
COMMITTEE ON OIL AND GAS

2

CS FOR SENATE BILL NO. 182 (O&G)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the written findings required for
7 certain state oil and gas lease sales."

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

9 * Section 1. AS 38.05.035(e) is amended to read:

10 (e) Upon a written finding that the interests of the state will
11 be best served, the director may, with the consent of the commis-
12 sioner, approve contracts for the sale, lease, or other disposal of
13 available land, resources, property or interests in them, and, in
14 addition to the conditions and limitations imposed by law, may impose
15 additional conditions or limitations in the contracts as the director
16 determines, with the consent of the commissioner, will best serve the
17 interests of the state. A contract for the sale, lease, or other
18 disposal of available land or an interest in land is not legally
19 binding on the state until the commissioner approves the contract but
20 if the appraised value is not greater than \$50,000 in the case of the
21 sale of land or an interest in land, or \$5,000 in the case of the
22 annual rental of land or interest in land, the director may execute
23 the contract without the approval of the commissioner. Before a
24 public hearing, if held, or in any case no less than 21 days before
25 the sale, lease, or other disposal of available land, property, re-
26 sources, or interests in them, the director shall make available to
27 the public a written finding that sets out the facts and applicable
28 law upon which the determination that the sale, lease, or other dis-
29 posal will best serve the interests of the state was based. A written

1 finding is not required before the approval of
2 (1) a contract for a negotiated sale authorized under
3 AS 38.05.115;
4 (2) a lease of land for a shore fishery site under AS 38.-
5 05.082;
6 (3) a permit or other authorization revocable by the com-
7 missioner;
8 (4) a mineral claim located under AS 38.05.195;
9 (5) a mineral lease issued under AS 38.05.205; [OR]
10 (6) a production license issued under AS 38.05.207; or
11 (7) an oil or gas lease sale under AS 38.05.180(d), if
12 within 36 months before the lease sale a written finding under this
13 subsection has been made for the area of the proposed lease sale.

Introduced: 3/12/87
Referred: Senate Special Committee on
Oil & Gas, Resources &
Finance

5-0732A

1 IN THE SENATE

BY THE SENATE SPECIAL
COMMITTEE ON OIL AND GAS

2

SENATE BILL NO. 182

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to state oil and gas lease sales."

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

8 * Section 1. AS 38.05.035(e) is amended to read:

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10 be best served, the director may, with the consent of the commis-
11 sioner, approve contracts for the sale, lease, or other disposal of
12 available land, resources, property or interests in them, and, in
13 addition to the conditions and limitations imposed by law, may impose
14 additional conditions or limitations in the contracts as the director
15 determines, with the consent of the commissioner, will best serve the
16 interests of the state. A contract for the sale, lease, or other
17 disposal of available land or an interest in land is not legally
18 binding on the state until the commissioner approves the contract but
19 if the appraised value is not greater than \$50,000 in the case of the
20 sale of land or an interest in land, or \$5,000 in the case of the
21 annual rental of land or interest in land, the director may execute
22 the contract without the approval of the commissioner. Before a
23 public hearing, if held, or in any case no less than 21 days before
24 the sale, lease, or other disposal of available land, property, re-
25 sources, or interests in them, the director shall make available to
26 the public a written finding that sets out the facts and applicable
27 law upon which the determination that the sale, lease, or other dis-
28 posal will best serve the interests of the state was based. A written
29 finding is not required before the approval of

- 1 (1) a contract for a negotiated sale authorized under
2 AS 38.05.115;
- 3 (2) a lease of land for a shore fishery site under AS 38.-
4 05.082;
- 5 (3) a permit or other authorization revocable by the com-
6 missioner;
- 7 (4) a mineral claim located under AS 38.05.195;
- 8 (5) a mineral lease issued under AS 38.05.205; [OR]
- 9 (6) a production license issued under AS 38.05.207; or
- 10 (7) an oil or gas lease sale under AS 38.05.180(d), if
11 within 36 months before the lease sale a written finding under this
12 subsection has been made for the area of the proposed lease sale or
13 for an area that is contiguous with or adjacent to the area of the
14 proposed lease sale.

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

400 WILLOUGHBY AVE.
JUNEAU, ALASKA 99801-1796
PHONE: (907) 465-2400

March 24, 1987

The Honorable Bettye Fahrenkamp, Chair
Senate Special Committee on Oil and Gas
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Fahrenkamp:

Subject: Senate Bill 182, which would allow the Department of Natural Resources to streamline procedures for exempt acreage oil and gas lease sales.

Position: The Department of Natural Resources supports this bill, with a slight change in wording, because it would promote early exploration of state lands previously leased or adjacent to existing oil and gas leases or discoveries. Early exploration of exempt acreage will result in earlier receipt of lease bonus and rental payments and, in the event of a discovery, earlier receipt of royalties and taxes.

Background: Exempt acreage oil and gas lease sales are allowed under AS 38.05.180(d). To qualify, acreage must have previously been subject to an oil and gas lease, contiguous to land under an oil and gas lease, or adjacent to land where a commercial oil or gas discovery has been made.

Exempt sales need not be listed on the formal five-year leasing schedule presented to the Legislature each January. Exempt sales are requested by the oil and gas industry when a genuine interest in leasing and exploring the area exists.

The department receives at least two or more requests for exempt sales each year. Before an exempt acreage sale can be held, just as for all other state oil and gas lease sales, Division of Oil and Gas staff are required by AS 38.05.035(e) to prepare a written finding that the proposed sale is in the state's best interest.

Since exempt sales are for previously leased acreage or for areas adjacent to leased acreage, written findings for the already leased areas are revised slightly to serve as the

March 24, 1987

exempt acreage sale finding. However, since exempt acreage written findings are prepared by existing staff, they can only be completed as time is available.

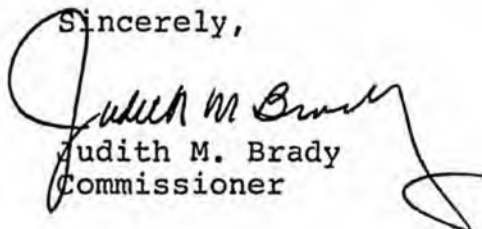
This bill would allow the findings previously prepared for the general sale area, if completed within 36 months of the exempt sale, to meet the best interest finding requirement for the proposed exempt sale.

Recommendation: Delete lines 13 and 14, page 2 and the word "or" at the end of line 12, page 2. This will clarify the intent of the bill.

Conclusion: By streamlining the exempt sale process, additional exempt sales could be offered each year and less time would elapse between the sale request and the sale. Early exploration of exempt acreage land would be encouraged. Public notice requirements would still be in effect, as would all other oil and gas lease sale requirements.

Please let me know if you would like additional information about our oil and gas lease sale process.

Sincerely,


Judith M. Brady
Commissioner

cc: Committee Members
George Sullivan
Rod Swope
Commissioner Collinsworth, DF&G
Commissioner Kelso, DEC

SENATE COMMITTEE REPORT

FURTHER:

FINANCE

3/25/87

DATE TURNED INTO OFFICE _____

Mr. President:

RESOURCES _____ Committee considered _____ SB 182

state oil and gas lease sales.

and recommended:

replace with CS FOR SB 182 (Re)) same title
 or adopt _____ CS FOR _____) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Richard
Paul
John

[Signature] DO PASS
Chairman signature and recommendation

Committee Backup Attached

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 3/19/87 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: RESOURCES
FINANCE

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)

3/12/87

DATE TURNED INTO OFFICE 3/25/87

Mr. President:

Senate Sp. Com Oil & Gas Committee considered SB 182

state oil and gas lease sales.

and recommended:

replace with CS SB 182 (Oil+Gas) same title
 attached amendment(s) and new title

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted and attached

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

[Handwritten signatures]
Paul Hill

OTHER RECOMMENDATIONS

[Handwritten signature]
Chairman signature and recommendation

Committee Backup Attached