

ALASKA LEGISLATURE COMMITTEE BILL FILES - 1987 - 1988 8879

SB 304 cont. thru SB 310 97

SENATE-HOUSE JOINT SUPPLEMENT

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FRIDAY

No. 7

Letter of April 20, 1987 and

Memorandum of April 20, 1987
(sectional analysis of proposed Code
Revision Commission bill on the
Recording of Documents)

from Legislative Affairs Agency

concerning

SENATE BILL NO. 304 and

HOUSE BILL NO. 320

(An Act relating to filing and recording,
recordable documents, conveyances, plats,
and platting authorities; and providing
for an effective date)

SB 304 &
HB 320STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

April 10, 1987

The Honorable Bettye Fahrenkamp
Chairman, Alaska Legislative Council
P.O. Box V, State Capitol
Juneau, Alaska 99811

RE: Bill on recording and recorded documents

Dear Senator Fahrenkamp:

The attached bill is submitted to the Alaska Legislative Council pursuant to AS 24.20.075 with the request that it be introduced in the Fifteenth Legislature.

The bill has been in the legislature before. In the Thirteenth Legislature it was HB 342/SB245 which in turn was a somewhat revised version of SB 78 of the Twelfth Legislature. In the Fourteenth Legislature it was HB 244/SB 197.

The commission continues to believe the legislation is needed and, in fact, overdue. It appears that the recording system is being left behind in the state's communication system. The bill would lay the groundwork for recording in a central place that is connected electronically with recording offices around the state. From those offices documents would be transmitted and in those offices the central records could be searched with equipment available in each office.

The bill provides that each existing recording office could participate in the interconnected system only when that office is ready and the central office is ready for it. Full statewide participation would evolve over whatever time period proved to be feasible.

As a necessary part of providing the framework for an electronically interconnected system, the bill gathers together and clarifies provisions on recording that are scattered through Alaska Statutes. Other features of the bill include provision for recording a subordinate class of document for

safekeeping only and provision for recording federal liens consistent with the Uniform Federal Lien Registration Act.

Respectfully submitted,

*Tamara Brandt Cook*Tamara Brandt Cook
Executive Secretary
Alaska Code Revision Commission

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This is the revised sectional analysis that you requested for the proposed Code Revision Commission bill on the recording of documents and it accompanies the latest version of the bill. The bulk of the analysis and language is taken directly from House and Senate Joint Journal Supplement No. 6 of February 27, 1985; I have merely brought it up to date with the proposed bill. The main differences between this bill and prior CRC bill on the recording of documents (HB 244/SB 197) are the amendments necessitated by the relatively new municipal code (AS 29) and Uniform Common Interest Ownership Act (AS 34.08).

INDEX TO RECORDING BILL

Sec. 1 Creating a Chapter 17 in Title 40 on RECORDING IN PUBLIC RECORDS.

AS 40.17.010--PLACE OF RECORDING AND ACCESS TO RECORDS
 AS 40.17.020--RECORDING CONVEYANCES
 AS 40.17.030--FORMAL REQUISITES FOR RECORDING
 AS 40.17.040--INDEXING
 AS 40.17.050--INCORPORATION OF MASTER FORM
 AS 40.17.060--DOCUMENTS EXECUTED UNDER FORMER LAW
 AS 40.17.070--DUTIES OF RECORDER
 AS 40.17.080--EFFECT OF RECORDING ON TITLE AND RIGHTS:
 CONSTRUCTIVE NOTICE
 AS 40.17.090--CONVEYANCES AND RECORDED DOCUMENTS AS EVIDENCE
 AS 40.17.100--RECORDING A RECONVEYANCE
 AS 40.17.110--CLASSES OF DOCUMENTS ELIGIBLE FOR RECORDING
 AS 40.17.120--RECORDING MEMORANDUM OF LEASE
 AS 40.17.130--ACTIONS AGAINST RECORDER AND STATE
 AS 40.17.900--DEFINITIONS

Secs. 2-37 Amending and adding miscellaneous AS sections to carry out the purpose of the bill.

Sec. 38 Creating a Chapter 19 in Title 40 on RECORDING FEDERAL LIENS.

AS 40.19.010--APPLICABILITY
 AS 40.19.020--PLACE OF RECORDING
 AS 40.19.030--EXECUTION OF NOTICE AND CERTIFICATES
 AS 40.19.040--DUTIES OF RECORDER
 AS 40.19.050--UNIFORMITY OF APPLICATION AND CONSTRUCTION

Secs. 39-40 Amending two statutory sections.

Sec. 41 Listing section in which Revisor of Statutes is to change terminology.

Sec. 42 Repealer.

Sec. 43 Effective date.

GENERAL FEATURES OF THE BILL

The main purposes of the bill are (1) to gather together and clarify the jumble of Alaska law on recording, and (2) to provide a structure for future centralized recording. That

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structure, with other provisions in the bill, would make it possible to use existing and future advanced technology for transmitting, indexing, storing, retrieving and searching title documents. There is continually improving technology available for computer assisted search of documents in which the image of the document is called up from central storage and viewed at a remote terminal and copied at the remote terminal if a copy is needed. With safeguards in the bill, and with flexibility for either rapid or gradual extension of the high technology system into recording districts, there need be no lessening of access to recording and retrieval in any recording district during development of the improved system.

An earlier version of the bill would have removed a requirement of existing law that a conveyance be acknowledged before a person authorized to take an oath. This provision in the bill proved to be extremely controversial, as did its corollary that permitted recording of an unacknowledged conveyance. Although title company representatives who testified in the past about the provision agreed that there are shortcomings in the practices of some notaries public, they argued that the acknowledgment requirement not be dropped. The commission has accepted their position in the attached bill.

The attached bill requires subdivision plats and certain other maps and plats maps to be recorded. However, it also requires that the original be retained in the recording office, which is the practice under existing law. What results is a system in which access to the original plat is retained, but the document also is photocopied as a record that may be called up for viewing at a remote terminal where copies can be made.

The bill provides for recording two general classes of documents. Section 40.17.110 defines the two classes. Class A includes documents relating to title to real property and includes all other documents required or permitted to be recorded by other statute or by regulation of the Department of Natural Resources. Recording of a class A document would provide constructive notice of the document to all persons, and therefore would protect the rights of the person whose document is recorded. The second class of document, class B, would be recordable for safekeeping but with no constructive notice afforded by the recording. Any document that is not included in class A and that can be processed by the recording equipment falls into class B.

In order to meet past concerns of the Department of Natural Resources, a requirement is added to the bill that class B convenience recording be physically separate from class A constructive notice recording. In the attached bill class B recording will be done only at a central recording office in the state. A separate indexing system will be used to further assure that the class A system is safe from any possible confusion with class B convenience recording.

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While the bill deals with all recorded documents in general, it also deals specifically with federal liens. Existing Alaska law on federal liens is the obsolete Uniform Federal Tax Lien Registration Act, AS 43.10.090--43.10.150. That Act would be repealed and replaced by proposed AS 40.19.010--40.19.050. The new sections follow the current Uniform

Federal Lien Registration Act (1978) with changes and deletions to fit Alaska's statewide recording system, and, according to the previous sectional analysis, the form of these sections has been approved by the Internal Revenue Service at both the state and national levels. The bill applies part of these sections to state tax liens as well.

SECTIONAL ANALYSIS

Section 1. The main body of the bill is Section 1. It creates a new chapter 17 in AS 40 to replace AS 34.15.260--34.15.350. The Uniform Simplification of Land Transfers Act is the basis for several of the sections and is referred to in these notes as the USLTA. Alaska Statute numbers are used here for reference within the section.

AS 40.17.010

SOURCE: The section is original drafting.

COMMENT: This section is an overview of the recording system expressed in terms of the recording and retrieval services to be provided by the Department of Natural Resources. References to class B documents in (c) and to class A documents in (d) can be clarified by looking at AS 40.17.110 in the bill where class A and class B are defined. Class A may be thought of as the existing recording system, while class B is a new and subordinate system with no purpose beyond providing a convenience to persons who wish a permanent repository of a copy of any document. Therefore, the concentration of the bill is on class A recording.

Basic to the class A system are provisions for future recording in a central place by electronic transmission of documents from offices for the various recording districts, and records will be available for search in those offices.

By subsection (c), the date for starting the class B system is the effective date of the bill. Although recording of class B documents will be in one central place, the B system is relatively informal and recording B documents in a central place need not wait for readiness of electronic transmission and access. Central recording of B documents is to permit tight control by the recorded--one of the devices to assure that class B convenience recording is kept separate from the class A system.

In contrast, central recording of documents in the basic "constructive notice" (class A) recording system can be and perhaps must be, deferred. One or more recording districts

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at a time can be shifted to central recording based upon readiness for the transfer as reflected in appropriations the department requests and receives for the purpose. (Reference (a) (4)). Under (d), complete transfer to central recording is mandated only when the DNR staff and equipment are ready. The broad standard of readiness in (d) seems necessary at this stage since no malfunction of the system can be risked. Subsection (d) should be read with AS 44.37.025, which gives the Department of Natural Resources broad authority over establishing, modifying, or discontinuing recording districts.

AS 40.17.020

SOURCE: AS 34.15.260 with major changes and additions. Part of existing AS 34.15.260 also appears in Sections 40.17.080 and 40.17.090 in this bill.

COMMENT: (a) is traditional recording law except for reference to "class A" documents. "Class A" is the class of traditional recorded (constructive notice) documents listed and defined in Sec. 110, as opposed to "class B" which is all other documents.

Subsection (b) provides that certified copies of documents recorded or filed in public recording offices in other states or in the Bureau of Land Management are entitled to recordation as class A documents. It is sometimes necessary to go to these records to complete a chain of title. Recording is defined in the general definitions section, AS 40.17.900.

AS 40.17.030

SOURCE: (a)(1) is from USLTA sec. 2-301(a)(1); (a)(2) is from USLTA sec. 2-301(a)(2); (a)(3) is from USLTA sec. 2-301(a)(3); (a)(4) and (a)(5) are original drafting; (a)(6) is AS 34.15.345 paraphrased; (b) is original drafting; (c) is based on USLTA sec. 2-301(b); (d) is from AS 34.08.170(h).

COMMENT: Except for subsection (e), the form requirements of this section are applicable to all documents offered for recording. The section fits the definition of "document" which may even be in the form of electronic signals so long as the form is compatible with equipment in the recording office.

Subparagraph (a)(4) contains only a minimal reference to the requirement of indexing information. Indexing is the subject of the following section, AS 40.17.040. Subparagraph (a)(5) is to discourage the unauthorized presentation of a document for recording and to provide a record of how each document came to the recording office. At present, a document is mailed back after it is recorded. Subparagraph (a)(6) is information needed by municipalities to keep up real property tax rolls and provides assistance in locating parties to transactions.

Because anything can be recorded as a class B document, subsection (b) requires that the name of the person in whose behalf a class B document is recorded be included in or accompany the document when it is presented for recording. This should prevent the recording of anonymous defamatory material.

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Regarding subsection (c), the bill leaves intact the requirement that a conveyance must be acknowledged before it can be recorded. Reference AS 40.17.110(b)(1) in the bill. The term is broadly defined in the "definitions" section, AS 40.17.900, to mean any transfer of an interest in real property other than by will or operation of law. But where another document is made recordable by law, only the form requirements of that law and this section apply.

AS 40.17.040

SOURCE: The section is original drafting.

COMMENT: In the bill, except for the specific indexing requirements of AS 34.08 (Uniform Common Interest Ownership Act) that are included in (b) of this section, indexing of class A documents has been left to regulation of the department responsible for the recording system. Indexing a document to a specific tract is highly desirable. But parts of the state are not sufficiently accustomed to the existing formalities of recording to make it practical to require sophisticated tract indexing information in all recording districts. Regulation is the more flexible approach and seems the desirable one for the present. Unofficial tract indices are kept at present and would be continued in any event.

The index of class B documents is kept with the class B records at one central recording office, another safeguard to ensure that class B recording will not be confused with class A.

The indexing of class B documents is specifically limited to emphasize that class B is for personal safekeeping of documents not part of the chain of title to real property. It is intended that a title search should never involve searching the class B index.

AS 40.17.050

SOURCE: The section is from USLTA sec. 2-309.

COMMENT: The purpose of allowing the recording of master forms is to reduce the volume of documents recorded. A final sentence of USLTA sec. 2-309(a) provides: "This section does not affect contractual relations of parties to a title transaction." The sentence is omitted as superfluous.

Indexing of a master form is not covered here since indexing is to be generally covered by regulation.

AS 40.17.060

SOURCE: AS 34.15.270, paraphrased.

COMMENT: The section of Alaska Statutes this section would replace applies only to "conveyances" and provides that a conveyance legal when executed remains recordable and

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retains "the same force as evidence." The redraft is broader since it applies to all class A documents. The reference to "same force as evidence" is not included since it is considered to be unnecessary. The "force" of recorded documents as evidence is addressed in AS 40.17.090.

AS 40.17.070

SOURCE: (a) is from USLTA sec. 6-203; (b) and (c) are based upon USLTA sec. 6-204(a) and 6-204(b) with additions; (d) is original drafting; (e) is from USLTA sec. 6-204(c); (f) is from USLTA sec. 6-205(a); (g) is from USLTA sec.

6-205(d); (h) is from USLTA sec. 6-201(b); and (i) is from USLTA sec. 6-205(d) paraphrased.

COMMENT: The recorder's duties are spelled out in this section. Subsection (b) is another provision to assure that class B recording will not be confused with class A. Subsection (b) does not refer to book and page indexing, but book and page indexing is consistent with it and can be continued as long as it is useful. Consistent with the definition of "record", (c) requires acceptance (recording) of a recordable document without delay in the order in which it is received. Subsections (c) and (d) make it clear that the time of recording is the time of acceptance even when a document is erroneously rejected and later accepted. If a person is damaged by erroneous rejection of a recordable class A document, the person's remedy is to seek damages from the state under AS 40.17.130 in this bill. The reference in (i) is to a master form recorded under AS 40.17.050.

AS 40.17.080

SOURCE: (a) is from AS 34.15.260(a); (b) is from AS 34.15.290; (c) is AS 34.20.010 redrafted; and (d) is from USLTA sec. 3-206 paraphrased.

COMMENT: Law on constructive notice is gathered in this section. Constructive notice is limited to class A documents which are defined in AS 40.17.110 in the bill. Within class A existing and traditional law is perpetuated. Subsection (d) allows a title searcher to assume that no contract or deed was executed pursuant to a recorded option or earnest money agreement after passage of a reasonable period of time.

AS 40.17.090

SOURCE: Subsection (a) is from AS 34.15.260(a)(1). Subsections (b) and (c) are based upon USLTA sec. 2-305(a) and (b), which in turn are based upon the Model Act concerning Evidentiary Effect of the Record. Subsection (d) is original drafting, and subsection (e) is from USLTA sec. 2-305(c) and Alaska Rules of Evidence, Rule 301(c).

COMMENT: This section is generally designed to pull together provisions for the evidentiary effect of recorded documents. Subsection (a) makes a recorded conveyance in proper form admissible in evidence without further proof.

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This is consistent with Rule 1065, Alaska Rules of Evidence. Subsections (b) and (c) provide in detail for several rebuttable presumptions arising from recording. By Alaska Rule of Evidence 301(a), a presumption created here would not shift the burden of proof, but a person seeking to avoid the presumption would have to present some evidence to rebut it.

AS 40.17.100

SOURCE: AS 34.15.310 redrafted.

COMMENT: No change in the substance of existing law is intended by this section, but the statutory language is simplified.

AS 40.17.110

SOURCE: (a) is original drafting. (b) is a list of documents derived from the following sources, with substantial changes in some instances. (b)(1) as indicated in the subparagraph; (b)(2) is from AS 34.15.320(a)(1) and AS 34.15.330; (b)(3) is from AS 34.15.320(a)(2); (b)(4) is original drafting; (b)(5) is from Conn. Gen. Stat. Ann. 47-1(a); (b)(6) is from AS 34.20.130; (b)(7), (b)(8) and (b)(9) are original drafting; (b)(10) is from AS 34.15.340(a)(6) but is expanded in coverage to apply to any otherwise recordable document; (b)(11) is from AS 34.15.340(a)(1); (b)(12) is based on 11 U.S.C. sec. 549(c) of the Bankruptcy Act; (b)(13) is from AS 34.15.340(a)(2); (b)(14) and (b)(15) are original drafting; (b)(16) is from AS 34.15.340(a)(3); (b)(17) is from AS 34.15.340(a)(4); (b)(18) is from AS 34.15.340(a)(5); (b)(19) is from AS 06.30.560; (b)(20) is from AS 09.30.010; (b)(21) is from AS 09.40.050; (b)(22) is from AS 09.55.370; (b)(23) is from AS 19.05.090; (b)(24) is from AS 10.30.020; (b)(25) is from AS 10.15.230--10.15.235; (b)(26) is from AS 10.15.260; (b)(27) is from AS 13.26.265; (b)(28) is from AS 23.10.047 (b)(29) is from AS 23.20.200; (b)(30) is from AS 23.30.165; (b)(31) is from AS 27.10.050 and AS 27.10.070, AS 38.05.185--38.05.220 and 38.05.245; (b)(32) is from AS 27.10.020 and AS 27.15.010; (b)(33) is from AS 27.10.160; (b)(34) is from AS 27.10.190; (b)(35) is from AS 40.15; (b)(36) is from AS 32.10.010 and 32.10.240; (b)(37) is from AS 34.07 and AS 34.08; (b)(38) is from AS 34.07.030 and AS 34.08; (b)(39) is from AS 34.20.120; (b)(40) is from AS 34.20.070--34.20.080; (b)(41) is from AS 34.35.064; (b)(42) is from AS 34.35.065; (b)(43) is from AS 34.35.069; (b)(44) is from AS 34.35.070, 34.35.085, 34.35.160, 34.35.185, 34.35.240, 34.35.250, 34.35.305, 34.35.330, 34.35.405, 34.35.440 and 34.35.450; (b)(45) is from AS 34.35.071; (b)(46) is from AS 34.35.072; (b)(47) is from AS 34.35.080; (b)(48) is from AS 43.10.042; (b)(49) is from AS 43.10.090--43.10.150 (and see sec. 38 of this bill); (b)(50) is from AS 46.15.160; (b)(51) is from the UCC, secs. 9-313-(1)(b) and 9-402(5); (b)(52) and (b)(53) are original drafting; (b)(54) is from AS 19.10.260(2); (b)(55) is from AS 26.10.070; (b)(56), (b)(57) and (c) are original drafting.

COMMENT: This section maintains control over what recorded documents will constitute constructive notice in the real property recording system (class A), but permits other writings to be recorded in a class B that will not be in-

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dexed with or clutter the real property recording system. The section pulls together as class A documents all documents made recordable throughout existing law and also includes documents made recordable in class A by departmental regulation. Class B includes any other document a person may wish to place in the public records for a private purpose, generally for safekeeping. Throughout the bill the traditional recording function is confined to class A, while class B is provided as a service that does not give constructive notice and would not be searched in a real property title search.

By (b)(1) a document that is a conveyance must be acknowledged or proven to be eligible for recording. Since every document by which an interest in land is transferred (except a will) is a conveyance, all such documents must be acknowledged or proven before they are recordable whether or not the term "acknowledged" or "proven" is used in listing the document as recordable.

Paragraph (b)(5) allows affidavits to be recorded. Recorded affidavits in other states have been helpful in clearing land titles and have caused no special problems. Paragraph (b)(7) broadly affords the opportunity to record a document that limits property rights, including a Public Land Order. Paragraph (b)(12) provides for recording a bankruptcy petition; 11 U.S.C. sec. 549(c) gives a particular legal effect to a recorded bankruptcy petition where a transfer of real property to a good faith purchaser is involved. Paragraph (b)(13) provides for recording a traditional notice of cases pending in Alaska and United States courts that affect Alaska real property. Paragraph (b)(14) provides for recording a lis pendens from outside the state in specified domestic relations cases where persons dealing with Alaska marital property should know a property settlement is pending; and (b)(16) provides for recording an order or judgment from such a case. Paragraph (b)(51) is a category called "fixture filing" in the 1972 uniform amendments to the UCC. (Reference: AS 45.09.313 and 45.09.402(f)). Paragraph (b)(55), an armed forces report of separation, is an example of a document not related directly related to real property but specifically made recordable by another statute, AS 26.10.070.

Subsection (c) allows recordation of all documents made recordable by other law or by regulation of the department.

AS 40.17.120

SOURCE: USLTA sec. 2-310.

COMMENT: This USLTA section is based upon the law of Pennsylvania and provides in simple terms for the recording of a memorandum of a lease. Some state laws on the subject are much more complex. A memorandum of lease avoids cluttering the records with lengthy documents of temporary significance.

AS 40.17.130

SOURCE: (a) is from USLTA sec. 6-210 with changes and (b) is from USLTA sec. 6-211 with changes.

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COMMENT: This section provides for an action to compel recording, clarifies the state's liability, and limits the conditions for liability of recording employees.

AS 40.17.900

SOURCE: (1) is original drafting; (2) is based on Rule 902, Alaska Rules of Evidence; (3) is from USLTA sec. 1-201; (4) is founded on AS 44.37.025; (5) is based on USLTA sec. 1-201; (6) is original drafting (7) is based upon USLTA sec. 1-201; (8) and (9) are original drafting; and (10) is based on USLTA sec. 1-201.

COMMENT: The broad definition of "document" is used in the draft to permit advanced technology in recording. Paragraph (7) makes acceptance for recording the event that determines when a document is recorded.

Sections 2-26

Except for sec. 7, which changes a statutory reference to conform to the new 40.17 chapter, sections 2 through 26 deal with plats, floor and constructions plans, and maps, and can be considered as a unit.

Some of the existing statutes on plats used the terms "file" and "record" interchangeably, Although statutory directions are not always clear, existing practice is to not record plats but to keep them on file in the recording offices.

Section 2 through 26 (except sec. 7) require that plats and plans be kept on file and that they be recorded, that is, copied into public records. In generations past, recording required laborious coping in longhand. These days a document is quickly copied by a photo process exactly in the form in which it is presented. (By AS 40.17.030 in the bill, if a plat, map or other document cannot be copied, it is not accepted for recording.)

The bill is drafted both for the existing system and for the future time when most use of the recording system will be through remote terminals. As noted above, plats, plans and maps that are required to be filed for public access will also be recorded so they can be viewed and copied at remote terminals. Since not all needs for a plat or plan will be met by the recorded copy, the original will be available in the district recorder's office to the same extent as at present.

Sections 2 through 26 (except sec. 7) accomplish this purpose for the following:

- maps Sec. 2 (AS 19.10.260(2))--state highway right-of-way
- plats Sec. 3 (AS 29.40.090(b))--subdivision and dedication
- plats Sec. 4 (As 29.40.110(b))--subdivision and dedication
- Sec. 5 (AS 29.40.150)--subdivision and dedication plats
- Sec. 6 (AS 29.40.180)--subdivision and dedication plats

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- Sec. 8 (AS 34.07.020(14))--condominium floor plans
- Sec. 9 (AS 34.07.030)--condominium floor plans and survey maps
- Sec. 10 (AS 34.07.040(a))--condominium floor plans
- Sec. 11 (AS 34.07.050)--condominium floor plans
- Sec. 12 (AS 34.08.090)--common interest community plats/plans
- Sec. 13 (AS 34.08.140(b))--common interest community plats/plans
- Sec. 14 (AS 34.08.140(d))--common interest community plats/plans
- Sec. 15 (AS 34.08.160(b))--common interest community plats/plans
- Sec. 16 (AS 34.08.170(b))--common interest community plats/plans
- Sec. 17 (AS 34.08.170(f))--common interest community plats/plans
- Sec. 18 (AS 34.08.170(h))--common interest community plats/plans
- Sec. 19 (AS 34.08.180(a))--common interest community plats/plans
- Sec. 20 (AS 34.08.200(b))--common interest community plats/plans
- Sec. 21 (AS 34.08.210(a))--common interest community plats/plans
- Sec. 22 (AS 34.08.250(c))--common interest community plats/plans
- Sec. 23 (AS 34.08.320(a))--common interest community plats/plans
- Sec. 24 (AS 34.08.440(h))--common interest community plats/plans
- Sec. 25 (AS 34.08.700)--common interest community plats/plans
- Sec. 26 (AS 34.08.740(a))--common interest community plats/plans
- Sec. 27 (AS 34.08.990(30))--common interest community plats/plans

Section 28

SOURCE: This section is original drafting.

COMMENT: Recording of a master form is provided by AS 40.17.050 in section 1 of this bill. Section 28 is inserted to prevent a possible misuse of the recordable form.

Sections 29 - 37

Except as indicated for sec. 36, sections 28 - 37 are included for the same purpose as sections 2 - 27. Sections 29 - 37 accomplish this purpose for the following:

- Sec. 29 (AS 38.04.045(b))--state subdivision plats
- Sec. 30 (AS 40.15.010)--subdivision and dedication plats
- Sec. 31 (AS 40.15.020)--subdivision and dedication plats
- Sec. 32 (AS 40.15.030)--subdivision and dedication plats
- Sec. 33 (AS 40.15.040)--subdivision and dedication plats

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Sec. 34 (AS 40.15.050)--subdivision and dedication
plats
Sec. 35 (AS 40.15.060)--subdivision and dedication
plats
Sec. 36 (AS 40.15.070)--subdivision and dedication
plats
Sec. 37 (AS 40.15.075)--subdivision and dedication
plats

Section 36 also changes the specified platting authority for certain areas of the state from the Division of Lands to the Department of Natural Resources.

Section 38

SOURCE: AS 40.19.010--40.19.050 are the Uniform Federal Lien Registration Act (1978), with significant changes and deletions.

COMMENT: Several features of the Uniform Federal Lien Registration Act (1978) were found to be objectionable or unnecessary and are changed or deleted from this bill. The changes and deletions were all approved, according to the original sectional analysis, by the Internal Revenue Service, are:

(1) The uniform act provides for "filing" of federal liens. This bill provides for recording them. Filing requires the recorder to retain paper liens and releases, a procedure inconsistent with the photocopying system in use for documents generally in the recorder's offices. Although 26 U.S.C. sec. 6323 refers to "filing" of federal tax liens, the original sectional analysis indicated that IRS regional counsel considers the term to be used broadly to include recording, the procedure called for in this bill.

(2) The uniform act provides generally for filing (here the term includes recording) of both real and personal property liens with the recorder but calls for filing liens on personal property of corporations and partnerships with the "secretary of state." This is an apparent reference to Uniform Commercial Code filing. Federal law (26 U.S.C. sec. 6323) contains no such requirement. The original sectional analysis indicated that recording officials of King County, Washington had indicated that adoption of the provision in that state led to much confusion there. It is deleted from AS 40.19.020--40.19.050 in this bill, which provides a single method of recording all federal liens.

(3) The uniform act provides that the recorder, upon request, shall certify whether liens are filed against a named person. This would be a departure from the tradition that the recorder only keep the records available for search and not be required to search them. The provision is deleted from AS 40.19.040 in this bill.

(4) The uniform act sets fees and provides for billing. Since statutes are a poor place for such details, and since AS 44.37.025(b) gives broad power to the Department of Natural Resources to set fees and establish procedures, the provisions are deleted from this bill.

SB 304 &
HB 320

A repealer at the end of the bill provides for repeal of the obsolete earlier version of the Uniform Federal Tax Lien Registration Act (AS 43.10.090--43.10.150) which was adopted by Alaska as ch. 94, CLA 1933. Existing state law is inadequate mainly because (1) it lacks provisions for determining where personal property will be deemed to be located; (2) it requires separate tax liens indices that are unnecessary and are not being kept as separate indices; and (3) its provisions for physically attaching a release to the original lien is not workable for recorded liens.

Section 39

SOURCE: AS 43.10.042

COMMENT: By this section, the method of recording federal tax liens in AS 40.19.040 in the bill is made applicable to state tax liens also.

Section 40

SOURCE: AS 44.37.025

COMMENT: The changes are designed to be compatible both with the existing system and with a central place of recording. The original sectional analysis indicated that the revisor of statutes might wish to move this section to Title 40 with recording statutes rather than leave it in Title 44 with statutes on duties of state departments.

Section 41

COMMENT: Except as indicated earlier in the commentary for sections 2-26 of the bill, there is no clear reason for the distinction made in existing laws that provide for filing some documents and recording (copying) others. With the concept of a central place of recording where all records (copies) are to be stored with access through remote terminals, maintaining the distinction between filing and recording becomes impractical. Keeping original documents such as tax liens on file instead of recording them would be cumbersome and would serve no useful purpose. In keeping with this concept, the various statutes are listed in which terminology should be changed to "record" from "file" or "file for record."

Section 42

This section repeals the following sections:

- AS 34.15.260, Recording conveyances and conveyances as evidence;
- AS 34.15.270, Conveyances executed and acknowledged under former laws;
- AS 34.15.280, Certificate of reception and recording of conveyance;
- AS 34.15.290, Invalidity of unrecorded conveyance;
- AS 34.15.300, Record or transcript of conveyance as evidence;
- AS 34.15.310, Recording instrument of defeasance;

5/15/87

SENATE-HOUSE JOINT SUPPLEMENT

No. 7

SB 304 &
HB 320

- AS 34.15.320, Powers to convey and contracts to sell or purchase land;
- AS 34.15.330, Revocation;
- AS 34.15.340, Other real instruments that may be recorded;
- AS 34.15.345, Disclosure of address of record purchaser;
- AS 34.15.350, Definition;
- AS 34.20.020, Discharge of mortgage by entry in margin of record;

- AS 43.10.090, Filing notices of liens and certificates of discharge;
- AS 43.10.100, Entry and filing of tax lien notices in Federal Tax Lien Index;
- AS 43.10.110, Entry of discharge certificate in Federal Tax Lien Index and attachment to notice of lien;
- AS 43.10.120, Manner of furnishing Federal Tax Lien Index and Federal Tax Lien Notices file;
- AS 43.10.130, Purpose;
- AS 43.10.140, Interpretation;
- AS 43.10.150, Short title.

Section 43

Makes the act effective January 1, 1989.

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465-3800

April 10, 1987

The Honorable Bettye Fahrenkamp
Chairman, Alaska Legislative Council
P.O. Box V, State Capitol
Juneau, Alaska 99811

RE: Bill on recording and recorded documents

Dear Senator Fahrenkamp:

The attached bill is submitted to the Alaska Legislative Council pursuant to AS 24.20.075 with the request that it be introduced in the Fifteenth Legislature.

The bill has been in the legislature before. In the Thirteenth Legislature it was HB 342/SB245 which in turn was a somewhat revised version of SB 78 of the Twelfth Legislature. In the Fourteenth Legislature it was HB 244/SB 197.

The commission continues to believe the legislation is needed and, in fact, overdue. It appears that the recording system is being left behind in the state's communication system. The bill would lay the groundwork for recording in a central place that is connected electronically with recording offices around the state. From those offices documents would be transmitted and in those offices the central records could be searched with equipment available in each office.

The bill provides that each existing recording office could participate in the interconnected system only when that office is ready and the central office is ready for it. Full statewide participation would evolve over whatever time period proved to be feasible.

As a necessary part of providing the framework for an electronically interconnected system, the bill gathers together and clarifies provisions on recording that are scattered through Alaska Statutes. Other features of the bill include provision for recording a subordinate class of document for

Senator Fahrenkamp
Page 2
April 10, 1987

safekeeping only and provision for recording federal liens
consistent with the Uniform Federal Lien Registration Act.

Respectfully submitted,

Tamara Brandt Cook

Tamara Brandt Cook
Executive Secretary
Alaska Code Revision Commission

TBC:mkr
m11/006

cc: Hon. Steve Cowper
Hon. Jay Rabinowitz, Chief Justice
Executive Director, Legislative Affairs Agency

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 1-28-88 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER:

FINANCE

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

5/15/87

DATE TURNED INTO OFFICE _____

Mr. President:

RESOURCES

Committee considered SB 304

filing and recording, recordable documents, conveyances, plats, and
plattting authorities; efd.

and recommended:

- replace with CS SB 304 (Res) same title
- attached amendment(s) and the Cmte records do pass 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

1. [Signature]
1. [Signature]
1. [Signature]
1. [Signature]

[Signature] No Rec

Chairman signature and recommendation

Committee Backup Attached

SB

307

Funding Information
General Fund \$-0-
Other Funds -0-
\$-0-

1 IN THE SENATE

BY HALFORD AND FAIKS

2

SENATE BILL NO. 307

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act making a special appropriation to the princi-
7 pal of the Alaska permanent fund from the earnings
8 reserve account; and providing for an effective
9 date."

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

11 * Section 1. The balance in the earnings reserve account of the Alaska
12 permanent fund (AS 37.13.145) on July 1, 1987, is appropriated to the
13 principal of the Alaska permanent fund.

14 * Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

S B

308

SENATE COMMITTEE REPORT

FURTHER

DATE TURNED INTO OFFICE 5/2/88

3/29/88
Mr. President:

Finance Committee considered SB 308

establishing the Alaska energy efficient home equity fund

and recommended

[] replace with _____ CS _____) [] same title
[] or adopt _____ CS SB 308 (C+RA)) [] 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

Paul F. Zbruff
Tom Duda
Dan Fisher
W. Kemle
John B. Riley

Rick Halford do pass
Chairman signature and recommendation

[] Committee Backup attached

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act.. Alaska energy efficient home equity fund."
Sponsor: Fahrenkang, Sturculewski, etc
Requestor: _____

Agency Affected: Community & Regional Affairs
BRU: Housing Assistance

Components: Housing Loans

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		27.7	28.3	29.1	29.9	30.6
TRAVEL		2.0	2.0	2.0	2.0	2.0
CONTRACTUAL		2.4	2.4	2.4	2.4	2.4
SUPPLIES		.7	.7	.7	.7	.7
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		32.8	33.4	34.2	35.0	35.7

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND		32.8	33.4	34.2	35.0	35.7
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Jim Plasman, Deputy Director Phone: 465-4750
Division: Municipal & Regional Assistance Date: 3/22/88

Approved by Commissioner: [Signature] Date: 3/22/88
Agency: Community & Regional Affairs

Distribution (by preparer):

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

Offered: 3/21/88
Referred: Labor and Commerce and
Finance

5-1234L

Original sponsors: Fahrenkamp, Sturgulewski,
Josephson, et al.

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

1 IN THE SENATE

2

CS FOR SENATE BILL NO. 308 (C&RA)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to grants for energy efficient
7 homes."

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

9 * Section 1. FINDINGS AND POLICY. (a) The legislature finds that

10 (1) high quality energy efficient building technology developed
11 by the Alaska Craftsman Home Program would substantially reduce home energy
12 consumption, improve the health and safety of the occupants, improve indoor
13 air quality, reduce the contributions of dwellings to outdoor pollution,
14 increase home durability, reduce home maintenance needs, and increase the
15 economic stability of the home owner;

16 (2) state money now being spent to subsidize energy bills, to
17 weatherize and repair poorly constructed homes, and to improve the health
18 of people affected by poor indoor air quality would be reduced or eliminat-
19 ed as existing homes are replaced by homes that are built to meet Alaska
20 Craftsman Home Program standards;

21 (3) state money now used to finance and repair homes would be
22 invested more wisely in homes that are built to meet the Alaska Craftsman
23 Home Program standards;

24 (4) local economic benefits are achieved when money being spent
25 on energy, home repair, and health are reduced because of building to meet
26 the improved building standards of the Alaska Craftsman Home Program;

27 (5) the principal responsibility for development of housing
28 rests with the private sector;

29 (6) research and development of energy efficient housing will

CORRECTION

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

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: CSSB 308
PUBLISH DATE: Senate 3/28/88

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act..Alaska energy efficient home equity fund."
Sponsor: Fahrenkanu, Sturgulewski, etc
Requestor: _____

Agency Affected: Community & Regional Affairs
BRU: Housing Assistance

Components: Housing Loans

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		27.7	28.3	29.1	29.9	30.6
TRAVEL		2.0	2.0	2.0	2.0	2.0
CONTRACTUAL		2.4	2.4	2.4	2.4	2.4
SUPPLIES		.7	.7	.7	.7	.7
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		32.8	33.4	34.2	35.0	35.7

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND		32.8	33.4	34.2	35.0	35.7
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Jim Plasman, Deputy Director Phone: 465-4750
Division: Municipal & Regional Assistance Date: 3/22/88

Approved by Commissioner: [Signature] Date: 3/22/88
Agency: Community & Regional Affairs

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

Position Title Accounting Clerk III		No. of Positions 1	Range/Step 8A	Barg. Unit GGU
Time Status Full time	Staff Months 12	Location Anchorage		Election District
Type of Expenditure		Justification		
1	2	3		
Salary	19.6			
Benefits	8.1			
Premium Pay				
Other				
Total Personal Services		27.7		
Travel		2.0		
Contractual		2.4		
Commodities		.7		
Equipment				
Other				
Total Cost		32.8		
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004			
GF Program Receipts	1005			
Other				

**Request For
New Position**

Agency Community & Regional Affairs
 BRU Housing Assistance
 Component Housing Loans

Page 1 of 1
 Revised Date

FY 89

Offered: 3/21/88
Referred: Labor and Commerce and
Finance

5-1234L

Original sponsors: Fahrenkamp, Sturgulewski,
Josephson, et al.

1 IN THE SENATE
2
3 CS FOR SENATE BILL NO. 308 (C&RA)
4 IN THE LEGISLATURE OF THE STATE OF ALASKA
5 FIFTEENTH LEGISLATURE - SECOND SESSION
6 A BILL
7 For an Act entitled: "An Act relating to grants for energy efficient
8 homes."
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
10 * Section 1. FINDINGS AND POLICY. (a) The legislature finds that
11 (1) high quality energy efficient building technology developed
12 by the Alaska Craftsman Home Program would substantially reduce home energy
13 consumption, improve the health and safety of the occupants, improve indoor
14 air quality, reduce the contributions of dwellings to outdoor pollution,
15 increase home durability, reduce home maintenance needs, and increase the
16 economic stability of the home owner;
17 (2) state money now being spent to subsidize energy bills, to
18 weatherize and repair poorly constructed homes, and to improve the health
19 of people affected by poor indoor air quality would be reduced or eliminat-
20 ed as existing homes are replaced by homes that are built to meet Alaska
21 Craftsman Home Program standards;
22 (3) state money now used to finance and repair homes would be
23 invested more wisely in homes that are built to meet the Alaska Craftsman
24 Home Program standards;
25 (4) local economic benefits are achieved when money being spent
26 on energy, home repair, and health are reduced because of building to meet
27 the improved building standards of the Alaska Craftsman Home Program;
28 (5) the principal responsibility for development of housing
29 rests with the private sector;
30 (6) research and development of energy efficient housing will

1 create new jobs, provide technology that can be exported, develop new
2 business opportunities, and increase the stability of the state's economy.

3 (b) It is the policy of the state to encourage the building of homes
4 that meet the energy efficient standards of the Alaska Craftsman Home
5 Program and to assist in the education, planning, and development of this
6 standard of building in cooperation with the building industry.

7 * Sec. 2. AS 18.55.998(a) is amended to read:

8 (a) There is created in the Department of Community and Regional
9 Affairs a supplemental housing development grant fund. Subject to the
10 availability of appropriations for the purpose, the department shall
11 make grants to regional housing authorities established under AS 18.-
12 55.996 for the cost of on-site sewer and water facilities, road con-
13 struction to project sites, energy efficient design features in homes,
14 and extension of electrical distribution facilities to individual
15 residences.

16 * Sec. 3. AS 44.47 is amended by adding a new section to read:

17 Sec. 44.47.378. ALASKA ENERGY EFFICIENT HOME GRANT FUND. (a)
18 There is established in the department the Alaska energy efficient
19 home grant fund consisting of money appropriated to it by the legisla-
20 ture. The commissioner shall administer the Alaska energy efficient
21 home grant fund under the provisions of this section.

22 (b) The commissioner may grant funds from the Alaska energy
23 efficient home grant fund to agencies of the state or federal govern-
24 ment, individuals, or businesses that retrofit existing single family
25 dwellings or build new single family dwellings that meet criteria
26 adopted by the commissioner.

27 (c) The commissioner shall adopt guidelines and procedures for
28 the fund after consultation with the board of directors of the Alaska
29 Craftsman Home Program.

1 IN THE SENATE BY FAHRENKAMP, STURGULEWSKI, JOSEPHSON,
SZYMANSKI AND RODEY

2 SENATE BILL NO. 308

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Alaska energy efficient home
7 equity fund."

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

9 * Section 1. FINDINGS AND POLICY. (a) The legislature finds that

10 (1) high quality energy efficient building technology developed
11 by the Alaska Craftsman Home Program would substantially reduce home energy
12 consumption, improve the health and safety of the occupants, improve indoor
13 air quality, reduce the contributions of dwellings to outdoor pollution,
14 increase home durability, reduce home maintenance needs, and increase the
15 economic stability of the home owner;

16 (2) state money now being spent to subsidize energy bills, to
17 weatherize and repair poorly constructed homes, and to improve the health
18 of people affected by poor indoor air quality would be reduced or eliminat-
19 ed as existing homes are replaced by homes that are built to Alaska Crafts-
20 man Home Program standards;

21 (3) state money now used to finance and repair homes would be
22 invested more wisely in homes that are built to the Alaska Craftsman Home
23 Program standards;

24 (4) local economic benefits are achieved when money being spent
25 on energy, home repair, and health are reduced because of building to the
26 improved building standards of the Alaska Craftsman Home Program;

27 (5) the principal responsibility for development of housing
28 rests with the private sector;

29 (6) research and development of energy efficient housing will

1 create new jobs, provide technology that can be exported, develop new
2 business opportunities, and increase the stability of the state's economy.

3 (b) It is the policy of the state to encourage the building of homes
4 to the energy efficient standards of the Alaska Craftsman Home Program and
5 to assist in the education, planning, and development of this standard of
6 building in cooperation with the building industry.

7 * Sec. 2. AS 44.47 is amended by adding a new section to read:

8 Sec. 44.4 .378. ALASKA ENERGY EFFICIENT HOME EQUITY FUND. (a)

9 There is established in the department, as a revolving loan fund, the
10 Alaska energy efficient home equity fund consisting of money appropri-
11 ated to it by the legislature and repayments of principal received by
12 the fund under (c) of this section. The commissioner shall administer
13 the Alaska energy efficient home equity fund in accordance with the
14 provisions of this section.

15 (b) The commissioner may issue equity sharing funds from the
16 Alaska energy efficient home equity fund to individuals or businesses
17 that retrofit or build new single family dwellings to criteria estab-
18 lished by the commissioner.

19 (c) Funds received by the commissioner as repayments of princi-
20 pal and from the sale or refinancing of a dwelling shall be deposited
21 in the Alaska energy efficient home equity fund. Funds received by
22 the commissioner as payments of interest shall be deposited in the
23 general fund. The commissioner of administration shall separately
24 account for payments of interest deposited in the general fund under
25 this subsection. The annual estimated balance in the account may be
26 used by the legislature to make appropriations to carry out the pur-
27 poses of this section.

28 (d) The commissioner shall exempt the first 250 homes to receive
29 equity funds from the repayment of the amount issued by the

1 commissioner under (b) of this section if the home serves as a demon-
2 stration home. Low income housing equity funds given to federal or
3 state housing programs are exempt from repayment provisions.

4 (e) The commissioner shall prepare guidelines and procedures for
5 the fund in consultation with the board of directors of the Alaska
6 Craftsman Home Program.

Alaska State Legislature

SENATOR BETTYE FAHRENKAMP
CHAIRMAN, LEGISLATIVE COUNCIL
CHAIRMAN, OIL AND GAS COMMITTEE
515 7TH AVENUE, SUITE 130
FAIRBANKS, ALASKA 99701
OFFICE (907) 452-4882
HOME (907) 456-2899



WHILE IN JUNEAU
P.O. BOX V
JUNEAU, ALASKA 99811
CAPITOL ROOM 125
OFFICE (907) 465-3834
HOME (907) 780-6027

Senate

MEMORANDUM

TO: Senator Arliss Sturgulewski, Chair
Community and Regional Affairs Committee

FROM: Senator Bettye Fahrenkamp

RE: Proposed Committee Substitute for SB 308

DATE: March 7, 1988

This Committee Substitute for Senate Bill 308 would allow money appropriated to the energy efficient grant fund to be applied toward state or federal housing projects.

The attached background information also applies to the proposed companion bill CSHB 318.

Explanation of Changes

New Title. Title has been changed to allow for a new provision in the bill which amends AS 18.55.998(a), relating to an existing grant program. The title would read:

"An Act relating to grants for energy efficient homes."

Section 1. No changes in the findings section.

Section 2. The original section 2 has been replaced with a new section amending AS 18.55.998(a) relating to the supplemental housing development grant fund. This fund is used to pay supplemental costs of building HUD homes in Alaska. Use of this fund is currently limited to supplementing the cost of on-site sewer and water facilities, road construction to project sites, and extension of electrical distribution facilities to individual residences. This section of the bill adds "energy efficient design features in homes" to the list of existing uses. (Current statute attached).

This amendment was suggested by the Department of Community and Regional Affairs. (See attached letter from Commissioner Hoffman).

Page 2

Section 3. This is the original section 2 with one change.
Subsection (b) has been changed to include "agencies of the state
and federal government."

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

- P.O. BOX B
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-430
PHONE: (907) 563-1073

February 11, 1988

The Honorable Kay Brown
Alaska State House of Representatives
P. O. Box V
Juneau, AK 99811

FEB 22 1988

Dear Rep. ^{KAB} Brown:

This is in response to your inquiry as to what options are available to address the energy concerns on this year's HUD housing standards that will not be covered by the new residential energy standard because of the nine-month moratorium.

According to Marlin Knight, Alaska's HUD representative, 277 single-family residences will be constructed in rural Alaska with HUD financing. Of that number, 190 will receive some form of State financial assistance. According to Mr. Knight, HUD will not know until May in which communities the projects will be located, but it will be in all of the rural regions. As a guide, the following are the locations of HUD projects this past year:

<u>Housing Authority</u>	<u>Location</u>	<u>No. Units</u>
Tlingit-Haida	Hydaburg	25
Northwest Inupiat	Kotzebue	25
Bering Straits	Unalakleet	15
	White Mountain	15
AVCP	Nunapitchak	15
	Aniak	24
	Tununak	11
	Pitkas Point	9
Bristol Bay	Ekwok	20
Aleutian	Unalaska	15
Metlakatla	Metlakatla	15
	Total	189

Regarding options to address the energy-efficiency of the 190 HUD homes that will be constructed with State financial assistance, the following are options that can be considered:

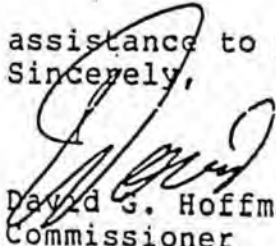
1. Education - This option would represent the status quo, except that education on energy-efficient conservation is being provided to the housing authorities through the Alaska Craftsman Training Program. While the housing authorities have been receptive to the information provided, their actions are limited by HUD's restriction of \$92,000 per home.

February 11, 1988

2. Amend AS 18.55.997 - The Supplemental Housing Development Grant Program matches HUD funding with State funds. Currently, the law allows the program to fund only the cost of on-site sewer and water facilities, road construction to project sites, and extension of electrical distribution facilities to individual residences. The law could be amended to include energy-efficiency in the allowable activities without necessarily needing an increase of State funding. If additional State funds are not earmarked for energy efficiency, however, this category must compete with the present categories which have been using up the funds.
3. Support the Incremental Costs of Building to the State Standard - According to our calculations, depending on the region in which the homes will be built, it will cost from \$1,279 to \$3,307 to build to the State standard over HUD's minimal standard. This would annually save \$209 to \$470, respectively, in energy costs to the low-income consumers. In FY89, this would have cost the State \$400,000 initially, and save an estimated \$94,000 annually in fuel costs (a 4.2-year payback).
4. Pay the Incremental Cost of Making the Homes Superinsulated - For an additional \$4,000, the homes could be built to reduce this energy consumption by at least 50%. This would cost the State an additional \$760,000 in 1983, but would have saved, conservatively, an estimated \$134,000 in fuel costs in the first year. (A 5.6-year paybook)

I agree with your concern regarding the energy-efficiency of new low-income rural housing. That is why we have made it a priority to work with the housing authorities on providing them technical assistance, and have adopted the residential energy standard.

I hope that the information is of assistance to you.
Sincerely,



David G. Hoffman
Commissioner

cc: Steve Baden
Program Coordinator
Conservation Programs
Department of Community and
Regional Affairs



The Alaska Craftsman Home Program is about better built homes and people's health, safety, and comfort. The Consumer Federation of America estimates that poor indoor air pollution costs this country \$100 billion annually. Clearly, with estimates as high as 20,000 radon induced deaths a year nationally, the mitigation methods for indoor air pollution taught in the Alaska Craftsman workshops and embodied in the voluntary standards are sorely needed. Radon is only one of over 100 indoor pollutants found in homes that cost people money and affect health.

Rural Alaskans spend between 16% and 37% of their incomes on energy bills. In many cases the government pays those costs. A superinsulated Alaska Craftsman Home saves the home owner (or government) from 50% to 80% of the heating costs and could eventually reduce Alaska's home heating bill \$80,000,000 annually.

The Alaska Craftsman Home Program is designed to provide technical information for the shelter industry and citizens of Alaska through an information network of people and publications. The program has its roots in the very successful \$50,000,000 Canadian R-2000 program and is closely tied to it. ACHP has trained 24 volunteer Alaskans to conduct workshops on the technology detailed in the new Alaska Craftsman Home Building Manual.

The program is a partnership of The Department of Community and Regional Affairs, University of Alaska Cooperative Extension Service, Energy Rated Homes of Alaska, and Alaska State Homebuilders Association.

The ACHP has set a voluntary performance standard based on the latest technology. Building this way results in significantly reduced energy bills, reduced home maintenance, increased comfort, reduced noise from outside sources, and improved indoor air quality. Plans are evaluated and homes are tested to assure compliance with the standards.

Legislation is pending to appropriate \$1,721,000 to the program by HB 318, 319 and SB 308. Funding is needed in the areas of program support for administration, training activities, monitoring (22%), public education (19%), and incentives (59%). All activities, including the incentives, are educational in nature and approximately 25 jobs will be created as a result of this appropriation.

The program needs state support to revitalize our housing industry and allow Alaska to compete in the international housing market. Many political, economic development, and environmental groups recognize the potential of this program and support it. A growing listing of these include:

The Alaska Municipal League -	Northwest Arctic Mayors Conference -	
The Matanuska Susitna Borough -	The Kenai Peninsula Borough -	
The Kodiak Island Borough -	The Municipality of Anchorage -	
Fairbanks North Star Borough -	City of Kodiak -	City of Palmer -
City of Wasilla -	City of Kenai -	City of Seward -
City of Anderson -	City of Soldotna -	Association of
Housing Authorities -	The Joint Energy Task Force of Utilities -	
North Slope Borough Utilities -	The American Lung Association -	
Alaska Center for the Environment -	Interior Economic Development Council -	
Alaska State Homebuilders Association -	Interior Homebuilders Association -	
Mat-Su Homebuilders Association -	Building Industry Association of Anchorage -	
The Anchorage Daily News -	The Frontiersman -	AVEC - ML&P - AKPIrg



Alaska Craftsman Home program

Research, demonstration and development around the world has changed the way homes are being built in Northern climates. So many technical changes have taken place that an educational network is needed to keep the building industry in Alaska informed of the advancements. With such a network the Alaska building industry can stay abreast of advancements in other parts of the world as well as other parts of the state. The Alaska Craftsman Home Program is that educational network.

The Alaska Craftsman Home Program provides a voluntary education service which today can inform homebuilders of the methods to reduce the thermal requirements of a residence. The energy savings that can be achieved is only one benefit of an education network allowing research and field application experience to be systematically exchanged within the Alaska housing industry. The program is designed to provide:

- . technical information for the industry
- . a forum for the industry to help determine objectives for the State Finance and University Research Community.

GOAL:

The immediate goal of the Alaska Craftsman Home Program is to:

- . build thermal efficiency into the shelter industry in Alaska through education.

The long range goal of the program is to:

- . assist the Alaska shelter industry in providing the best, most appropriate and affordable shelter available.

In order to achieve these goals and to make the Alaska Craftsman Home Program work there will be a coordinated and visible effort on the part of the Alaska State Government, the University of Alaska and building industry trade associations in Alaska. The program will be a voluntary program that will establish an educational network for the shelter industry in Alaska.

DESCRIPTION:

PHASE 1

The Cooperative Extension Service and State Division of Community Development jointly initiated the program in 1986. A pilot series of building seminars were held March of 1986 in Juneau, Anchorage, and Fairbanks. One hundred three shelter industry people were introduced to the "superinsulation" building techniques through the Super Energy Efficient Home Workshop Series taught by internationally acclaimed experts. The reviews from the industry were very favorable. The program achieved its first goal, that being to secure the backing of the shelter industry in Alaska for a high quality builder education program on energy efficient building techniques.

PHASE 2

The second phase of the Alaska Craftsman Home Program began with the development of the first edition of the Alaska Craftsman Home Building Manual. The manual was developed by the Cooperative Extension Service with funding provided by the



U.S. Department of Energy, State Department of Community and Regional Affairs
Office of Energy Programs and Chugach Electric Association.

November of 1986 a select group of Alaskans associated with the shelter industry met with the Cooperative Extension Service and the manual contractor to complete the content of the Alaska Craftsman Home Building Manual. The first edition of the manual was completed March of 1987. This manual is the written guide for the Alaskan homebuilder concerning the energy efficient building technology.

The Cooperative Extension Service began to solicit and find 24 people from around the State to take part in the educational effort November of 1986. These people have since become the backbone of the Alaska Craftsman Building Program and are the industry educators for Alaska. These 24 people represent all regions of the State and are divided into 12 training teams. They came to the program with a vast amount of expertise on building homes in Alaska.

The 12 training teams have been given the knowledge, audiovisuals, materials, manuals, inspiration and a mandate to teach two day workshops on the Alaska Craftsman Building Program superinsulation building technology in their respective regions.

PHASE 3

Phase three activities will continue the educational effort through field workshops introducing the Alaska Craftsman techniques to the builders and interested people throughout Alaska. These workshops will be taught independently by the 12 Alaska training teams.

At the end of one year the training teams will come together again to critique the program. Materials, experiences and techniques will be reviewed. If necessary, the materials and program will be modified to the needs of the training teams and the clientele they serve. Techniques and experiences on retrofitting to Alaska Craftsman standards will be added to the program at this meeting and there is a possibility of rewriting the manual if warranted.

Marketing:

A marketing campaign will be developed and initiated during the phase three activities. The marketing effort will lead to the development of a specific clientele for the Alaska Craftsman Home. Successful promotion and sale of the Alaska Craftsman home will depend on communicating the benefits inherent to them. The marketing campaign will focus on six primary benefits:

- . significantly reduced energy bills
- . increased comfort
- . reduced noise from outside sources
- . improved indoor air quality
- . more durable
- . improved re-sale value

PHASE 4

The future of the program is now being developed. The goal is to establish an educational network that feeds new technology and research information to the builders in the Alaska and practical application experience and field needs to the research and product development community.



April 24, 1987

The Honorable Steve Cowper, Governor
State of Alaska
P.O. Box A
Juneau, Alaska
99811

FEB 22 1987

Dear Governor,

Recently we have received information regarding the Alaska Craftsman Home Program regarding education and implementation of efforts towards promoting high levels of energy efficiency for Alaskan Homes. Benefits to building super-insulated homes are far reaching encompassing home owners and the building industry, as well as having long range positive effects to community savings which assist in stimulating local economies, especially important to rural communities.

Here on the North Slope with communities paying the highest in the nation for heating fuel it is of the utmost importance to find and implement alternatives to insure our financial security for the years to come. Education for this generation and generations to come is very important. A recent state survey pointed out that the least likely way individual home owners learned about home energy efficiency was through the schools. With this in mind it is very important to establish a foundation on which to develop awareness for all alternatives available and capitalize on those alternatives that work.

The Alaska Craftsman Home Program Incentive Proposal is an idea which time has come, not for just our communities, but for all who call Alaska their "home". Development of the State of Alaska's Residential Thermal Standards brought us a long ways to promote the ideals of resource efficiency. Promotion on the commercial, community, and individual home owner level with it,s development committed to education is indeed a worthwhile venture.

As Energy Planner for the North Slope Borough Utilities Dept. I support the Alaska Craftsman Home Program.

Best Regards

[Signature]
Energy Planner
N.S.B Utilities

NORTH SLOPE BOROUGH

Dept. of Public Utilities • P.O. Box 69, Barrow AK 99707 • 214-2222

Introduced by: Sewall, Glick
 Date: September 1, 1987
 Action: Adopted FEB 22 1988
 Vote: Unanimous

RECEIVED SEP 8 1987

KENAI PENINSULA BOROUGH
 RESOLUTION 87-81

IN SUPPORT OF THE ALASKA CRAFTSMAN HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, the citizens of the Kenai Peninsula Borough will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

Section 1. That it is the policy of the Kenai Peninsula Borough to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 1 DAY OF September, 1987.

ATTEST:

Jonathan W. Sewall
 Jonathan W. Sewall, Assembly President

Joanne Brundage
 Borough Clerk

by Catherine J. R. Kew, Rep. UK

BERING STRAITS REGIONAL HOUSING AUTHORITY

Regular Meeting
of the
Board of Commissioners
April 14, 1987

Resolution 87-07

WHEREAS, high heating bills remain the greatest drain on income for Rural Alaska Residents, and

WHEREAS, programs such as the Low Income Household Energy Assistance Program (LIHEAP) and Power Cost Equalization (PCE) help Rural Alaska residents pay energy bills, and


WHEREAS, even with these programs, many low income Rural Alaska residents must use large amounts of their limited cash to buy heating oil, and

WHEREAS, new high efficiency heating equipment could reduce oil consumption in thousands of rural homes by 30 - 50% , and

WHEREAS, these high efficiency units cost \$500 to \$1,000 and most Rural Alaska residents do not have sufficient capital to purchase these units,

NOW THEREFORE, be it resolved that the Board of Commissioners of the Bering Straits Regional Housing Authority support the idea of the State of Alaska establishing a Low Interest Revolving Loan Fund that would enable people to reduce their heating oil consumption and save money;

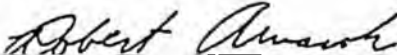
Passed and approved by the Board of Commissioners of the Bering Straits Regional Housing Authority this 14 day of April, 1987.



Chairman (Harold Bell)

SEAL

Attest:



Secretary (Robert Amarok)

Sum/11/1987 / AKEA proposal

FY1 + comments

Paul St - 43-5652

REVOLVING LOAN FUND
TO PROMOTE EFFICIENT USE OF HEATING OIL IN RURAL ALASKA

SUMMARY: Establish a revolving loan fund which would enable rural residents to borrow up to \$1000 to purchase either a high efficiency heater or a high efficiency (retention-head) burner.

The loan fund should be administered by the Department of Community and Regional Affairs. Contracts to approve loans and collect payments should be given to rural oriented social service agencies or rural municipal governments.

Loans should be provided for a two and one half year period at five percent interest.

The size of the fund would depend upon the approach:

A single agency fund of \$100,000 could reach 225 households in an eight year period.

A statewide multi-agency fund of \$500,000 could reach 1164 households in an eight year period.

PROBLEM STATEMENT:

High heating bills remain the greatest drain on income for rural residents. In times of economic distress, rural residents have the ability to cut back and/or do without many items that require cash. Heat, however, is essential and in many areas of the state heat is synonymous with heating oil which can only be obtained with cash.

Various programs help rural residents pay energy bills. The Low Income Household Energy Assistance Program (LIHEAP) and the Power Cost Equalization (PCE) program provide significant help for large numbers of rural residents each year. The Low Income Weatherization Program has gradually helped lower consumption and energy bills in many communities.

Even with these programs, many low income rural residents must use large amounts of their very limited cash to buy heating oil. This situation contributes to the poverty of the individual families and the community as a whole.

Money spent for oil has very little positive effect on the local village economy. Dollars are "exported" to oil companies and only a small percentage circulates in the village or state to provide jobs and other economic benefits.

This situation could be very positively changed if heating equipment in rural areas was improved. New high efficiency heating equipment could reduce oil consumption in thousands of rural homes by thirty to fifty percent!

The most common type of oil heater in rural Alaska is the drip pot burner. Some recently built HUD houses have furnaces or boilers. Virtually all of the drip pot burners could be replaced with high efficiency heaters (Monitors or comparable) and many oil burners in the furnace and boilers systems could be replaced with high efficiency burners.

These replacement units could pay for themselves through reduced energy bills in one to three years.

The cost of these high efficiency units ranges from \$500 to \$1000. Though some rural homeowners have purchased these items on their own, many do not have sufficient capital or are unwilling to spend such a large amount of their limited funds for something that is not an essential need. (A heater is essential but replacing it is not unless it breaks.) Another factor is the fact that many people still do not know enough about the new technology.

The need for efficient heating equipment in rural Alaska is very significant. The Alaskan Statewide Housing Needs Study, Phase I Report, November, 1982, indicated that there were 7,913 occupied housing units in "remote" areas of the state. The study provided not data about the number of drip pot burners. However, RurAL CAP research and experience suggests that drip pot burners or inefficient burners are used in approximately fifty percent of these homes.

The study indicated that there were 28,355 "rural" housing units in Alaska in 1980. It would be safe to conclude that fifteen to twenty-five percent of these use drip pot heaters or inefficient burners.

The Department of Energy weatherization program does allow replacement of drip pot heaters and oil burners. However, this measure has only been authorized in since 1986. In addition, though many people could use the new technology, limited funds often prevent the program from supplying the heaters. Though several items can qualify under the energy saving guidelines, comfort is often a consideration that dictates installing new windows and doors instead of replacing the heating unit.

It is difficult to predict the number of rural people who would use a loan program. Previous energy conservation loan programs have not served rural people well because they were difficult to apply for and to obtain since many people could offer no collateral. Lack of information has also been a factor.

Borrowing money has also been inconsistent with native cultural habits though many do get loans to purchase commercial fishing equipment.

PROPOSAL BENEFITS:

A low interest revolving loan fund would enable people to significantly reduce their heating oil consumption and save money. In order to be most effective, the program should be operated through agencies that

have regular on-site contact with rural people. This would ensure that the program was well publicized. It would also help ensure repayment of the loans.

Quite likely, the program would have a high default rate. Even so, the state should view the program as a way to help rural residents deal with high energy bills in a more productive way than by giving grants or subsidies.

A loan program would have the additional benefit of giving rural people a degree of ownership of their problem. It would provide an incentive to take responsibility for their situation and provide a way for them to help themselves.

FINANCIAL ANALYSIS:

Two scenarios would be feasible. One option would provide a \$100,000 fund to one agency. A second option would appropriate \$500,000 which should be distributed to several agencies.

The attached rough calculations evaluate a ten year period. After the eighth year loans would not be made. Collection efforts would continue until the end of the tenth year. All remaining funds would be returned to the State and the program would end.

These calculations assume the following:

1. Each loan would be for \$1000, 2.5 years, at 5% interest. Repayment of the loan would be monthly.
2. The fund would be banked so as to draw interest at 10%.
3. Costs of operating the program would be 15% of the amount loaned for that year. After the eighth year it would be a fixed amount.
4. All loans would be made at the beginning of the year. (This would likely not be the case but it simplifies calculations.)
5. The default schedule would be:
 - 50% repaying the complete loan.
 - 15% repaying 75% of the loan.
 - 15% repaying 50% of the loan.
 - 10% repaying 25% of the loan.
 - 10% repaying 0% of the loan.

Given these assumptions, a \$500,000 fund would enable the state to finance approximately 1164 units for a total cost of \$385,281.00. A \$100,000 fund would finance approximately 225 units for a total cost of \$82,125.

A larger program could be instituted if demand for the loans warranted it and the state chose to do so.

FEB 07 1988

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION NO. 88-36

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES.

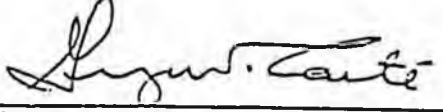
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and, thereby, improve the local economy of the State, and

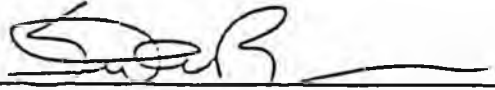
WHEREAS, the citizens of the State of Alaska will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Alaska Municipal League to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home program and further that the Alaska Municipal League supports legislation to establish similar state policy and state support for the Alaska Craftsman Home Program.

Adopted this 13th day of November 1987.


George W. Carte, President

ATTEST:


Scott A. Burgess, Executive Director

CITY OF PALMER, ALASKA

RECORDED
FEB 07 1988

RESOLUTION NO. 765

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska State lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 which supports the Alaska Craftsman Home Program, and

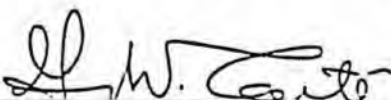
WHEREAS, these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska and City of Palmer will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW, THEREFORE BE IT RESOLVED that the City of Palmer encourages the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program.

BE IT FURTHER RESOLVED that the City of Palmer supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar State policy and State support for the Alaska Craftsman Home Program.

Approved and adopted by the Palmer City Council this 27th day of October, 1987.



GEORGE W. CARTE, MAYOR



S. WELLS WILLIAMS, ACTING CITY CLERK

117 1987

CITY OF KODIAK
RESOLUTION NUMBER 51-87 FEB 11 1988

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK SUPPORTING
THE ALASKA CRAFTSMAN HOME PROGRAM

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce dwellings' contribution to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, the Alaska State Legislature has introduced legislation in the form of Senate Bill 308 and House Bills 318 and 319 that support the Alaska Craftsman Home Program with the expectation that these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the City of Kodiak; and

WHEREAS, the citizens of Kodiak will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

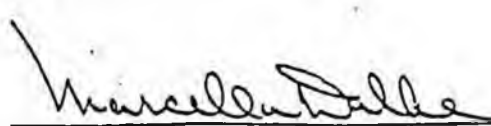
NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, the City of Kodiak encourages the building of homes to the energy efficient standards of the Alaska Craftsman Home Program and further that the City of Kodiak supports Alaska State Senate Bill 308 and House Bills 318 and 319 to establish similar state policy and state support for the Alaska Craftsman Home Program.

PASSED AND APPROVED this 14th day of DECEMBER, 1987.

CITY OF KODIAK


MAYOR

ATTEST:


CITY CLERK

FEB 16 1988

ASSOCIATION OF ALASKA HOUSING AUTHORITIES

RESOLUTION NO. 87-9

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska State lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 which supports the Alaska Craftsman Home Program, and

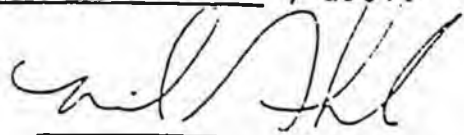
WHEREAS, these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW THEREFORE BE IT RESOLVED that the Association of Alaska Housing Authorities encourages the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program.

BE IF FURTHER RESOLVED that the Association of Alaska Housing Authorities supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar State policy and State support for the Alaska Craftsman Home Program.

Approved and adopted by the Association of Alaska Housing Authorities this 24 day of November, 1987.


Mike Shuler, President


Flo Dicob, Secretary

FEB 16 1988



CITY OF ANDERSON

P.O. Box 3100 • Anderson, AK 99744 • Phone (907) 582-2500

In Reply
Refer To:

APR 11 10, 1987

The Honorable Steve Cowper
Governor
State of Alaska
Pouch
Juneau, Alaska 99811

Dear Governor Cowper:

On behalf of the City I am writing in support of the Alaska Craftsman Home Program, (ACHP). ACHP's efforts to promote residential energy efficiency in home building construction has been impressive.

The reduction in housing costs and maximization of thermal efficiency should be a major component in any attempt to develop Alaska's rural economy(s).

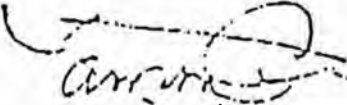
Local economic development efforts, currently underway in communities such as the City of Anderson, would be positively enhanced through the state's support of the ACHP.

Your support of programs such as the Alaska Craftsman Home Program, can help to ensure for the successful development of both rural and urban Alaska alike.

Thank you.

Sincerely,

THE CITY OF ANDERSON


Lanston Chinn
City Administrator

1011

cc: Philip G. Loudon ✓

International Conference of Building Officials

Alaska Southeast Chapter

POSITION PAPER SB-308 HB-318 ENERGY EFFICIENT BUILDING TECHNOLOGY

Our members support this bill and all efforts to achieve affordable well built housing in Alaska.

The standards of the Alaskan Craftsman Home Program represent the latest in scientific technology adapted to our unique climatic and economic conditions. Homes built to these standards will be healthier, less expensive to maintain and more durable than other housing units.

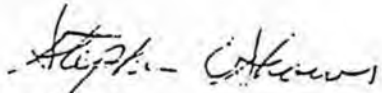
Creation of this fund will provide needed employment in the construction industry. This program could dramatically reduce the energy consumption of both new and existing dwellings in the State.

Local economies will benefit from the increase in disposable income which these energy savings will provide. Increased employment and improved general health of the population will contribute to long term economic stability.

These housing units are the legacy we will leave to future generations. Our innovations and courage will be appreciated now and for many years to come.

We request your continued support in this effort.

Sincerely,



Stephen O. Shows
President

FEB 26 1988

By: Juanita Helms
Introduced: 01/14/88
Adopted: 01/21/88

RESOLUTION NO. 88-008

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES

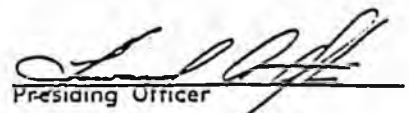
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduced home energy consumption. improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and thereby, improve the local economy of the State, and

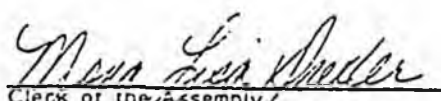
WHEREAS, the citizens of the borough will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program.

NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Fairbanks North Star Borough to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home Program and further that the borough assembly supports legislation to establish similar borough policy and borough support for the Alaska Craftsman Home Program.

PASSED AND APPROVED THIS 21ST DAY OF JANUARY, 1988.


Presiding Officer

ATTEST:


Clerk of the Assembly

FEB 29 1988

Sponsored by: Gieseler

CITY OF SEWARD, ALASKA
RESOLUTION NO. 87-079

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SEWARD, ALASKA, IN SUPPORT OF THE ALASKA CRAFTSMAN
HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs and increase the economic stability of the owner; and

WHEREAS, in the First Session of the Fifteenth Alaska Legislature, Senate Bill 308 and House Bill 318 supporting the Alaska Craftsman Home Program were introduced; and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education, thereby contributing to the overall economy of the state and the city of Seward; and

WHEREAS, the citizens of the city of Seward will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, that:

Section 1. It is the policy of the city of Seward to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

Section 2. The City Council supports the concepts as set out in Senate Bill 308 and House Bill 318 as introduced in the First Session of the Fifteenth Alaska Legislature to establish such a state policy and to provide support for the Alaska Craftsman Home Program. . .

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, this 14 day of September, 1987.

FEB 23 1988

RECEIVED FEB 18 1987

Suggested By: City Council

CITY OF KENAI

RESOLUTION 87-57

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, SUPPORTING THE ALASKA CRAFTSMAN'S HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION CONCEPT.

WHEREAS, in the first session of the Fifteenth Alaska Legislature, SB 308 and HB 318 supporting the Alaska Craftsman's Home Program were introduced, and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education thereby contributing to the overall economy of the state, the Kenai Peninsula Borough and the City of Kenai, Alaska, and

WHEREAS, the Alaska Craftsman's Home Program will be benefitted economically by reducing home energy consumption, they will also be benefitted by improved health and safety of such constructed dwellings, the indoor air quality will be improved and their home maintenance needs will be decreased.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, that said Council supports the concepts as set out in SB 308 and HB 318 as introduced in the first session of the Fifteenth Alaska Legislature to establish a state policy and to provide support for the Alaska Craftsman's Home Program.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 2nd day of September, 1987.

John S. Williams

JOHN S. WILLIAMS, MAYOR

ATTEST:

Janet Whelan

Janet Whelan, City Clerk

MAP 1 24

Introduced by: Mayor Jones
 Introduced: 06/02/87
 Drafted by: G.L.S.

MATANUSKA-SUSITNA BOROUGH

Resolution Serial No. 87-66

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM FOR
 REDUCED HOME ENERGY CONSUMPTION.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, in the First Session of the Fifteenth Alaska Legislature, Senate Bill 308 and House Bill 318 supporting the Alaska Craftsman Home Program were introduced, and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education, thereby contributing to the overall economy of the state and the Matanuska-Susitna Borough, and

WHEREAS, the citizens of the Matanuska-Susitna Borough will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE

1. That ~~it is~~ ^{it is} the policy of the Matanuska-Susitna Borough to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

2. That the Assembly supports the concepts as set out in Senate Bill 308 and House Bill 318 as introduced in the First Session of the Fifteenth Alaska Legislature to establish such a state policy and to provide support for the Alaska Craftsman Home Program.

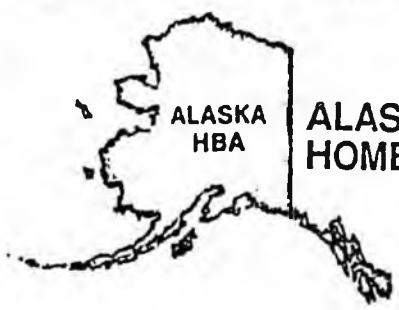
PASSED AND APPROVED by the Assembly of the Matanuska-Susitna Borough this 2nd day of June, 1987

Dorothy A. Jones
 Dorothy A. Jones, Mayor

ATTEST:

Chris Seagraves
 Chris Seagraves, Borough Clerk
 (SEAL)

AK Craftsman



**ALASKA STATE
HOMEBUILDERS ASSOCIATION**

June 2, 1987

Senator Bettye Fahrenkamp
515 7th Ave., Suite 130
Fairbanks, Alaska 99701

Dear Senator Fahrenkamp,

Thank you for cosponsoring Senate bill 308 associated with the Alaska Craftsman Home Program. The Alaska Craftsman Home Program is very innovative and will certainly improve the shelter industry and quality of life for all Alaskans. The legislative interest and support has been very gratifying, in no small part due to your efforts. I am extremely pleased that you have chosen to be an advocate. If there are any questions you have regarding the program please contact me here in Wasilla (376-5130) or Don Markle at the program management office in Anchorage (279-5582). I look forward to working with you next year as we get this needed legislation enacted.

Sincerely,

James Malapanes
President





CITY OF WASILLA

290 E. HERNING AVE.
WASILLA, ALASKA 99687
PHONE: 373-9050



WASILLA
A Bicentennial
Community

Requested By: Councilman Welsh
Prepared By: Clerk's Office

RESOLUTION NO. W87-I-2

A RESOLUTION OF THE CITY OF WASILLA, ALASKA ENCOURAGING THE BUILDING OF HOMES TO THE ENERGY EFFICIENT STANDARDS OF THE ALASKA CRAFTSMAN HOME PROGRAM AND IN SUPPORT OF SB 308 AND HB 318 AND 319.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, Alaska state lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 that support the Alaska Craftsman Home Program, and that these bills will help improve and stimulate the home building industry in Alaska through incentives and education and thereby improve the local economy of the State; and

WHEREAS, the citizens of the State of Alaska and the City of Wasilla will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program;

NOW THEREFORE BE IT RESOLVED, that it is the policy of the City of Wasilla to encourage the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program; and

BE IT FURTHER RESOLVED, that the City of Wasilla supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar state policy and state support for the Alaska Craftsman Home Program.

I certify that a resolution in substantially the above form was passed by a majority of those voting at a duly called and conducted meeting of the governing body of the City of Wasilla this 14 day of December, 1987.

ATTEST:

Erling P. Nelson
ERLING P. NELSON, CMC
City Clerk

APPROVED:

John C. Stein
JOHN C. STEIN, Mayor

(SEAL)

RECEIVED NOV 24 1987

MJD

KODIAK ISLAND BOROUGH
RESOLUTION NO. 87-71-R

A RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy construction, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, Alaska state lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 that support the Alaska Craftsman Home Program. And that these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the Kodiak Island Borough; and

WHEREAS, the citizens of the Kodiak Island Borough will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program.

NOW, THEREFORE, BE IT RESOLVED by the Kodiak Island Borough Assembly that it is the policy of the Kodiak Island Borough to encourage the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program;

AND BE IT FURTHER RESOLVED that the Kodiak Island Borough supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar state policy and state support for the Alaska Craftsman Home Program.

PASSED AND APPROVED this 5 day of November, 1987

KODIAK ISLAND BOROUGH

By Jim H. Selt
Borough Mayor

By John W. [Signature]
Presiding Officer

ATTEST:

By David [Signature] Clerk
Borough Clerk

Municipality
of
Anchorage



P.O. BOX 196650
ANCHORAGE, ALASKA 99519-6650
(907) 264-4111

Tom Fink
MAYOR

FYI

MUNICIPAL HEALTH & HUMAN SERVICES COMMISSION

March 9, 1988

Senator Jan Faiks
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

Dear Senator Faiks,

The Municipal Health and Human Services Commission wishes to support SB 308 which establishes the Alaska energy efficient home equity fund. Seldom does a proposed program contain so many positive aspects.. Not only does this bill address long standing needs in the area of energy conservation, but it will also have a significant impact on the problem of indoor air pollution.

Energy utilization was one of the areas which was addressed in the recently completed Anchorage Health and Human Services Plan. In fact, one of the objectives of the plan directly supports HB 308. This objective stated

"The Municipality of Anchorage should encourage and promote the use of energy efficient construction techniques by means of education programs or other appropriate methods."

It should also be noted that the Health and Human Services Commission has ranked air pollution (both indoor and outdoor) as the highest priority among environmental health problem areas. This was due primarily to the severity of the problem and the number of persons affected by it. Although it may take many years before the indoor air quality of existing homes and offices improve, it is very important that new construction does not contribute to the problem. This bill represents a significant start in that direction.

In summary, the Commission feels that the passage of this bill would have beneficial results for the residents of Anchorage as well as residents of other parts of the state.

If the Commission can be of further assistance in the passage of this bill please feel free to contact our staff at 343-4674.

Sincerely,



Gari Andreini, Chair

Municipal Health and Human Services Commission

cc: Senator Bettye Fahrenkamp, Sponsor
Governor Steve Cowper
Don Markle
Robert A. (Bert) Hall, Director, Department of Health
and Human Services, Municipality of Anchorage
Tom Fink, Mayor
Ron Garzini, Manager, Municipality of Anchorage
Anchorage Assembly

SENATE COMMITTEE REPORT

5-12344

(b)

FIRST COMMITTEE OF REFERRAL

Date of 3/10/88 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER:



L&C
FINANCE

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

5/16/87
Mr. President:
C&RA

DATE TURNED INTO OFFICE 3/18/88

Committee considered SB 308

establishing the Alaska energy efficient home equity fund

majority
and recommended:

- replace with CS on SB 302 (cross) same title
- attached amendment(s) and addition 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

[Signature]
[Signature]

[Signature]
Chairman signature and recommendation

Committee Backup Attached

SENATE COMMITTEE REPORT

FURTHER

FINANCE

DATE TURNED INTO OFFICE _____

3/21/88

Mr. President:

LABOR AND COMMERCE Committee considered SB 308

establishing the Alaska energy efficient home equity fund

Majority
and recommended *the CIRA CS be adopted & do pass*

replace with _____ CS SB 308 (CIRA) same title
 or adopt _____ CS _____ 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

Donna Fabrikant
Michael J. ...
Kate ...

Tim Kelly - Do Pass
Chairman signature and recommendation

Committee Backup attached

SR

310

SENATE COMMITTEE REPORT

FURTHER

DATE TURNED INTO OFFICE _____

3/28/88
Mr. President:

_____ Finance _____ Committee considered _____ SB 310 _____

contributions from permanent fund dividends to the University of Alaska Foundation; efd

and recommended

[] replace with _____ CS _____) [] same title
[] or adopt _____ CS _____) [] 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

Chairman signature and recommendation

[] Committee Backup attached

SENATE COMMITTEE REPORT

FURTHER Finance

DATE TURNED INTO OFFICE 3/28/88

2/11/88

Mr. President:

HESS Committee considered SB 310

contributions from permanent fund dividends to the University of Alaska Foundation; efd

and recommended

replace with _____ CS _____) same title
 or adopt _____ CS SB 310 (STATE FEEFUND)) new title

attached amendment(s) and *and recommends the S.A. CS be adopted + do pass*

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 *ND*
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Handwritten signatures: HESS, Josephson, Fanning]

1 Paul Fiske (Do Pass)
Chairman signature and recommendation

Committee Backup attached

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 2-3-88 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: HESS
FINANCE

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

5/19/87

DATE TURNED INTO OFFICE 2/11/88

Mr. President:

STATE AFFAIRS Committee considered SB 310

contributions from permanent fund dividends to the University of
Alaska Foundation; efd.

may
and recommended:

replace with CS SB 310 (SA) same title
 attached amendment(s) and + do pass 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

Rich Kelly

Joe Jones

Sen. Keith Arnold
Chairman signature and recommendation

Committee Backup Attached

Offered: 2/11/88
Referred: Health, Education and Social
Services and Finance

5-1241B

Original sponsors: Sturgulewski and Fahrenkamp

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 310 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to contributions from permanent fund
7 dividends to the University of Alaska Foundation,
8 Inc.; and 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 University of Alaska Foundation, Inc.

15 (b) The amount of a contribution elected under (a) of this
16 section is \$5. Contributions shall be deposited in a special trust
17 account and allocated by the department to the University of Alaska
18 Foundation, Inc., except that the department shall use money in the
19 account to pay administrative costs incurred under this section.

20 * Sec. 2. This Act takes effect July 1, 1988.

Introduced: 5/19/87
Referred: State Affairs,
Health, Education & Social Services
& Finance

5-1241A

1 IN THE SENATE

BY STURGULEWSKI AND FAHRENKAMP

2 SENATE BILL NO. 310

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 to the University of Alaska Foundation,
8 Inc.; and providing for an effective date."

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

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15 (b) The amount of a contribution elected under (a) of this
16 section is \$5. Contributions shall be deposited in a special trust
17 account and allocated by the department to the University of Alaska
18 Foundation, Inc., except that the department shall use money in the
19 account to pay administrative costs incurred under this section.

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

FISCAL NOTE

REQUEST

Revision Date: _____
Title: Contributions from PFDS to
University of Alaska Foundation
Sponsor: Sturgulewski, Fahrenkamp
Requestor: Senate State Affairs

Agency Affected: Revenue
BRU: Permanent Fund Dividend Operations
Components: Permanent Fund Dividend
Division

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES	-	21.2	11.2	11.2	11.2	11.2
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	-	32.4	22.4	22.4	22.4	22.4
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	32.4	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	22.4	22.4	22.4	22.4
TOTAL	-	32.4	22.4	22.4	22.4	22.4

POSITIONS:

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

ANALYSIS: See attached.

Prepared By: Ervin Jones
Division: Permanent Fund Dividend Division

Phone: 465-2323
Date: February 10, 1988

Approved by Commissioner: [Signature]
Agency: Revenue

Date: 2/10/88

Distribution (by preparer):

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

FISCAL NOTE

REQUEST

Revision Date: _____
Title: Contributions from PFDs to
University of Alaska Foundation
Sponsor: Sturgulewski, Fahrenkamp
Requestor: Senate State Affairs

Agency Affected: Revenue
BRU: Permanent Fund Dividend Operations
Components: Permanent Fund Dividend
Division

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES	-	21.2	11.2	11.2	11.2	11.2
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	-	32.4	22.4	22.4	22.4	22.4
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	32.4	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	22.4	22.4	22.4	22.4
TOTAL	-	32.4	22.4	22.4	22.4	22.4

POSITIONS:

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

ANALYSIS: See attached.

Prepared By: Ervin Jones
Division: Permanent Fund Dividend Division

Phone: 465-2323
Date: February 10, 1988

Approved by Commissioner: [Signature]
Agency: Revenue

Date: 2/10/88

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

Department of Revenue
Permanent Fund Dividend Division
Fiscal Note Analysis
SB 310
February 10, 1988

Assumptions:

- 1) The bill will take effect for the 1989 permanent fund dividend year and application. The 1988 dividend application has already been printed.
- 2) There are currently 17 bills which if signed into law, would result in some form of "check-off" on the 1989 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, \$25, 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) All FY89 costs of administering this law will be borne by the general fund, since no funds will be available to the trust account until October 1, 1989. Funding for administrative costs in FY90 and thereafter will be taken from the trust account 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 trust account (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.
- d) The accounting for the trust account will be performed by existing staff.

1. Positions

1 PPT Analyst/Programmer V, R21
 @ \$4,991.72/Mo including salary
 and benefits for 2 months = \$10.0

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
 @ \$2,212.37/Mo, including salary and
 benefits for 3 months = \$6.6

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,
 @ \$2,317.81/Mo, including salary and
 benefits for 2 months = \$4.6

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 \$21.2

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 \$32.4

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:

1. Sec. 2, line 20 is amended as follows:

"*Sec. 2. This act takes effect January 1, 1989 [JULY 1, 1987].

Attachments: Attachment A: "Summary of DP Needs"

Department of Revenue
Administrative Services Division
Fiscal Note Analysis
SB 310
Summary of Data Processing Requirements
February 10, 1988

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 trust 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

Introduced: 5/19/87
Referred: State Affairs,
Health, Education & Social Services
& Finance

5-1241A

1 IN THE SENATE

BY STURGULEWSKI AND FAHRENKAMP

2

SENATE BILL NO. 310

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 to the University of Alaska Foundation,

8

Inc.; and providing for an effective date."

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

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(b) The amount of a contribution elected under (a) of this

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section is \$5. Contributions shall be deposited in a special trust

17

account and allocated by the department to the University of Alaska

18

Foundation, Inc., except that the department shall use money in the

19

account to pay administrative costs incurred under this section.

20

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

1/1/89

ALASKA STATE LEGISLATURE

.15th. Legislature 1st...Session

SENATE...BILL..... NO...310

By .. STURGULEWSKI, FAHRENKAMP..

"An Act relating to contributions from permanent fund dividends to the University of Alaska Foundation; and providing for an effective date."

Introduced in the Senate ..5/19....., 19 .87...

HISTORY IN THE SENATE

19 87	Read first time and referred to Committee on										
5 19	State Affairs, HESS and Finance Reported back with recommendation that										
19 88											
2 11	<i>Sta Aff. replace w/ CS-3 do pass FN to HESS</i>										
3 28	<i>HESS: 5 adopt SA CS + do pass, prev FN to remain</i>										
	Read second time and										
	Read third time and										
	<table border="0"> <tr><td>PASSED</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Excused</td><td>Excused</td></tr> <tr><td>Absent</td><td>Absent</td></tr> </table>	PASSED	Effective Date	Yeas	Yeas	Nays	Nays	Excused	Excused	Absent	Absent
PASSED	Effective Date										
Yeas	Yeas										
Nays	Nays										
Excused	Excused										
Absent	Absent										
	Reconsideration Reconsideration not taken up										
	<table border="0"> <tr><td>PASSED</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Excused</td><td>Excused</td></tr> <tr><td>Absent</td><td>Absent</td></tr> </table>	PASSED	Effective Date	Yeas	Yeas	Nays	Nays	Excused	Excused	Absent	Absent
PASSED	Effective Date										
Yeas	Yeas										
Nays	Nays										
Excused	Excused										
Absent	Absent										
	Reported correctly engrossed Signed by President Sent to House										
SECRETARY OF THE SENATE											

HISTORY IN THE HOUSE

19	Read first time and referred to Committee on										
	Reported back with recommendation that										
	Read second time and										
	Read third time and										
	<table border="0"> <tr><td>PASSED</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Excused</td><td>Excused</td></tr> <tr><td>Absent</td><td>Absent</td></tr> </table>	PASSED	Effective Date	Yeas	Yeas	Nays	Nays	Excused	Excused	Absent	Absent
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Yeas	Yeas										
Nays	Nays										
Excused	Excused										
Absent	Absent										
	Reconsideration Reconsideration not taken up										
	<table border="0"> <tr><td>PASSED</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Excused</td><td>Excused</td></tr> <tr><td>Absent</td><td>Absent</td></tr> </table>	PASSED	Effective Date	Yeas	Yeas	Nays	Nays	Excused	Excused	Absent	Absent
PASSED	Effective Date										
Yeas	Yeas										
Nays	Nays										
Excused	Excused										
Absent	Absent										
	Reported correctly engrossed Signed by Speaker Returned to Senate										
CHIEF CLERK OF THE HOUSE											

HISTORY IN THE SENATE

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