

LEGISLATIVE FINANCE-HOUSE / SENATE FINANCE COMM. FILES 8879

HB 8 cont. - 10 425 16

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8

**STATE OF ALASKA
1989 LEGISLATIVE SESSION**

BILL VERSION: SCS CSHB 8 (RES)
PUBLISH DATE: 4/7/89

FISCAL NOTE

REQUEST:

Revision Date: 2/1/89
Title: Addition to Kachemak Bay
State Park
Sponsor: Navarre/Swackhammer
Requestor: _____
Agency Affected: DNR
BRU: Park Management
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: House Finance Committee
Division: Co-Chairman Ron Larson *Ronald Larson*
Phone: 465-3727
Date: 2/1/89

Approved by Commissioner: _____ Date: _____
Agency: _____

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

*Changes in The Resources CS have
no fiscal effect - This fiscal note
is appropriate*

page 1 of 1

DC. 4/7/89

Original sponsors: Navarre, Swackhammer,
and Ellis

1 IN THE HOUSE BY THE RESOURCES COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 8 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the addition of land to Kachemak
7 Bay State Park and Kachemak Bay State Wilderness
8 Park."

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

10 * Section 1. LEGISLATIVE FINDINGS. The legislature, in its designation
11 of additional land to the Kachemak Bay State Park and Kachemak Bay State
12 Wilderness Park, intends that the land within the park be managed for its
13 recreational values without preventing reasonable access, including air-
14 strip or harbor facilities, to inholdings in the Petrof View subdivision.
15 On Nuka Island, in recognition of planning conducted by the commissioner of
16 natural resources under AS 38.04.065, the legislature intends that the
17 island support

- 18 (1) a commercial lodge in a suitable place;
19 (2) renovation of existing facilities at Herring Pete's Cove;
20 (3) the construction and operation of one or two public use
21 cabins;
22 (4) docks, trails, and moorings necessary to provide for recre-
23 ational use; and
24 (5) maintenance of Berger Bay in an undeveloped state.

25 * Sec. 2. AS 41.21.131(a) is amended to read:

26 (a) The presently state-owned land and water, and all that
27 acquired in the future by the state, lying within the parcels describ-
28 ed in this section are designated as the Kachemak Bay State Park. In
29 order to protect and preserve this land and water for its unique and

1 exceptional scenic value, the park is established and shall be managed
2 as a scenic park. The land and water lying within the following
3 described parcels is reserved from all uses incompatible with its
4 primary function as a scenic park and is assigned to the department
5 for control, development and maintenance:

6 (1) Township 5 South, Range 10 West, Seward Meridian

7 Chugachik Island

8 Sections 31 - 32

9 (2) Township 5 South, Range 11 West, Seward Meridian

10 Section 2: Lot 1, excluding Tract A

11 Section 3: Lots 1 - 8, SW1/4NE1/4, S1/2NW1/4,

12 N1/2SW1/4

13 Section 4: Lots 1 - 4, S1/2N1/2, SE1/4, E1/2SW1/4

14 Section 8: E1/2NE1/4, SE1/4

15 Section 9: Lots 1 and 2, NW1/4NE1/4, NE1/4NW1/4,

16 W1/2NW1/4, N1/2NE1/4SW1/4, SW1/4NE1/4SW1/4,

17 excluding Lot 6

18 Section 10: Lot 1

19 Section 16: Lot 1

20 Section 17: Lots 1, 3, 4, NW1/4SW1/4, S1/2NW1/4

21 Section 18: Lot 4, SE1/4, E1/2NE1/4

22 Section 19: Lots 1-6, NW1/4NE1/4, NE1/4NW1/4

23 Section 20: Lot 1

24 Sections 24 - 25, excluding tide and submerged land

25 within the Kachemak Bay Critical Habitat Area

26 Section 26: SE1/4, excluding tide and submerged land

27 within the Kachemak Bay Critical Habitat Area

28 Section 35, excluding tide and submerged land

29 within the Kachemak Bay Critical Habitat Area

1 Section 36
2 (3) [(2)] Township 6 South, Range 11 West, Seward Meridian
3 (4) [(3)] Township 7 South, Range 11 West, Seward Meridian
4 Sections 1 - 4
5 Section 5: N1/2
6 Sections 7 - 36
7 (5) [(4)] Township 7 South, Range 12 West, Seward Meridian
8 Section 12, except N1/2 NE1/4
9 Section 13
10 Sections 19 - 36
11 (6) [(5)] Township 7 South, Range 13 West, Seward Meridian
12 Sections 25 - 26
13 Sections 35 - 36 [25, 26, 35 AND 36]
14 (7) [(6)] Township 8 South, Range 11 West, Seward Meridian
15 Sections 1 - 8
16 Section 9: N1/2
17 Section 10: N1/2
18 Section 11: N1/2
19 Section 12: N1/2
20 Sections 17 - 18 [17 AND 18]
21 (8) [(7)] Township 8 South, Range 12 West, Seward Meridian
22 (9) [(8)] Township 8 South, Range 13 West, Seward Meridian
23 Sections 1 - 2 [1 AND 2]
24 Sections 10 - 14
25 Section 15: E1/2
26 Section 23: N1/2 and SE1/4
27 Sections 24 - 25 [24 AND 25]
28 Section 26: E1/2
29 Section 35: E1/2

- 1 Section 36
- 2 (10) Township 9 South, Range 8 West, Seward Meridian
- 3 Section 2: W1/2
- 4 Sections 3 - 10
- 5 Sections 15 - 22
- 6 Sections 27 - 34
- 7 (11) Township 9 South, Range 9 West, Seward Meridian
- 8 (12) Township 9 South, Range 10 West, Seward Meridian
- 9 Sections 10 - 15
- 10 Sections 22 - 27
- 11 Sections 34 - 36
- 12 (13) [(9)] Township 9 South, Range 12 West, Seward Meridian
- 13 Sections 1 - 6
- 14 Section 8: NE1/4
- 15 Sections 9 - 12
- 16 Section 13: N1/2
- 17 Section 14: N1/2
- 18 (14) [(10)] Township 9 South, Range 13 West, Seward Meridian
- 19 Sections 1 - 2 [1 AND 2]
- 20 (15) Township 10 South, Range 8 West, Seward Meridian
- 21 Sections 4 - 8
- 22 Sections 17 - 19
- 23 (16) Township 10 South, Range 9 West, Seward Meridian
- 24 Sections 1 - 4
- 25 Sections 10 - 15
- 26 Sections 22 - 24.

* Sec 3. AS 41.21.140(a) is amended to read:

(a) The presently state-owned land and water, and all that acquired in the future by the state, lying within the parcels

1 described in this section are designated as the Kachemak Bay State
2 Wilderness Park. In order to protect and preserve this land and water
3 for its unique and exceptional wilderness value, the park is estab-
4 lished and shall be managed as a wilderness park. The land and water
5 lying within the following described parcels is reserved from all uses
6 incompatible with its primary function as a wilderness park and is
7 assigned to the department for control and maintenance:

8 (1) Township 8 South, Range 11 West, Seward Meridian
9 Section 9: S 1/2
10 Section 10: S 1/2
11 Section 11: S 1/2
12 Section 12: S 1/2
13 Sections 13 - 16
14 Sections 19 - 36

15 (2) Township 9 South, Range 10 West, Seward Meridian
16 Sections 1 - 3

17 (3) Township 9 South, Range 12 West, Seward Meridian
18 Section 7
19 Section 8: S 1/2 and NW 1/4
20 Section 13: S 1/2
21 Section 14: S 1/2
22 Sections 15 - 36

23 (4) [(3)] Township 9 South, Range 13 West, Seward Meridian
24 Section 11: NE 1/4
25 Sections 12 - 13

26 (5) [(4)] Township 10 South, Range 9 West, Seward Meridian
27 Sections 5 - 7

28 (6) [(5)] Township 10 South, Range 10 West, Seward Meridian

29 (7) [(6)] Township 10 South, Range 11 West, Seward Meridian

1 (8) [(7)] Township 10 South, Range 12 West, Seward Meridian
2 (9) [(8)] Township 11 South, Range 10 West, Seward Meridian
3 (10) [(9)] Township 11 South, Range 11 West, Seward Meridian
4 (11) [(10)] Township 11 South, Range 12 West, Seward Merid-

5 ian

6 Sections 1 - 10

7 Section 11: W 1/2 and E 1/2

8 Sections 12 - 17

9 Sections 21 - 24.

10 * Sec. 4. This Act does not prohibit the commissioner of natural re-
11 sources from conveying 50 acres, more or less, on Nuka Island to the Uni-
12 versity of Alaska in accordance with the final finding of the commissioner
13 of natural resources issued December 4, 1987, or its amendments. This Act
14 does not apply to land conveyed to the University of Alaska under the
15 commissioner's decision dated December 4, 1987.

Alaska State Legislature

Senate Resources Committee

Senator Bettye Fahrenkamp, Chairman

Senator Jay Kertula, Vice Chairman
Senator Dick Eliason
Senator Steve Frank
Senator Rick Halford
Senator Arliss Sturgulewski
Senator Fred Zharoff



P.O. Box V
Juneau, Alaska 99811
(907) 465-4907

LETTER OF INTENT FOR SCS HB8 (Resources)

It is the intent of the Senate Resources Committee that permitted commercial activities, park concessions, or commercial outfitters shall not impede traditional recreational activities, hunting, or fishing occurring in Kachemak Bay State Park.

5/3/89
SFC did not
adopt Intent

SCSCS HB 8 (Resources)

"An Act relating to the addition of land to Kachemak Bay State Park and Kachemak Bay State Wilderness Park."

JUSTIFICATION SUMMARY

Rep. Mike Navarre

House Bill 8 adds three major parcels to Kachemak Bay State Park and Kachemak Bay State Wilderness Park. Those additions (and one proposed in an amendment offered by the prime sponsor) are outlined in this summary.

NUKA ISLAND AND NUKA UPLANDS: 42, 092 ACRES +/-

Nuka Island and its adjacent uplands have been identified in the U.S. Congressional Record for inclusion within the boundary of the Kenai Fjords National Park. As state land, it cannot be part of Kenai Fjords, but this is a good illustration of the nationally recognized values of this island area.

(As a matter of interest, the February 1988 edition of Alaska Magazine contains an article on the Kenai Fjords National Park. The article and its accompanying illustrations still describe Nuka Island and Nuka uplands as national park lands.)

Some of the significant values are:

- * The area has some of the most varied representation of shore and tidal marine life along the Kenai Fjord area.

- * The outstanding scenic beauty complements hiking, fishing, boating and other similar recreational opportunities.

- * Management of a commercial lease for facility development on the west side of the island corresponds with the current Nuka Island Management Plan. Development of recreational and tourism use by the Division of Parks and Outdoor Recreation make Nuka Island the logical "jumping off" point for enjoyment of Kachemak Bay State Wilderness Park, Kenai Fjords National Park, and other parts of the island itself.

- * It is the only potential development link between Seward and Homer via cruise ship and state ferry system, and the only sheltered development site from Gore Point to Cape Resurrection also safe from earthquake and tsunami waves.

- * Nuka Island has been identified by the Kachemak Bay State Park Citizen's Advisory Board for inclusion into the park since 1982. The Nuka Island Management Plan, completed in December of 1986, cites the islands high recreational potential.

NUKA ISLAND (cont'd.)

NOTE: The state has reached a land settlement with the University of Alaska, and certain Nuka Island lands are part of this agreement. The University has made a tentative selection of two 25 acres sites (one at Mike's Bay, and one at Herring Pete's Cove). These sites are available for commercial lodge development under the Nuka Island Management Plan, and are subject to conditions of the plan. House Bill 8 provides for these parcels.

COTTONWOOD CREEK AND EASTLAND CREEK: 2,310 ACRES, +/-

The Cottonwood-Eastland Creek parcels have been under consideration as potential park for over a decade. In 1979, the Division of Parks and Outdoor Recreation identified these parcels as desirable park land, following a recreational development feasibility study.

Located on the northern shore of Kachemak Bay, these lands are not contiguous to the balance of Kachemak Bay State Park. However, they will meet a strong need for road accessible recreational park land near Homer that can be readily developed. The nearest developed state park facility is the Anchor River State Recreational Area (approximately 16 miles north of Homer on the Sterling Highway), which is primarily used for fishing and camping. The Homer Spit is the only other area with public recreational facilities (operated by the City of Homer), and the summer impact to the spit will be relieved somewhat by development of Cottonwood-Eastland.

The 1979 feasibility study noted archaeological sites in the area, and recommended investigation, evaluation, and excavation if necessary, to preserve and protect these sites. Transfer to park status would help assure this.

Other justification for inclusion of Cottonwood-Eastland parcels in this legislation include:

- * High scenic and wildlife values
- * Developed road to area
- * Strong likelihood of year-round public use, when facilities are developed.

AURORA LAGOON: 2, 553 ACRES +/-

This is a logical adjustment to the boundary of the park. In discussions with former legislators, it seems apparent that the omission of Aurora Lagoon from the original Kachemak Bay State Park legislation was an oversight. Currently, the lagoon is heavily used for recreational pursuits.

AURORA LAGOON (cont'd.)

Aurora Lagoon itself offers high scenic and recreational values, and is one of the few locations of safe high tide moorage in this area of Kachemak Bay unaffected by inclement weather. Additionally, there are good beach landing sites for small craft.

Other justifications include:

- * Excellent camping and hiking potential.
- * Strong potential as a public use cabin site.
- * Good recreational fishing in area - salmon, crab, clams.
- * The Kachemak Bay State Park Citizen's advisory board has identified Aurora Lagoon for inclusion in the park since 1984.
- * Commercial development (a wilderness lodge) is taking place on private lands at nearby Bear Cove. State park status of these Aurora Lagoon lands would enhance and encourage recreation in the entire Aurora Lagoon/Bear Cove area, which has an excellent potential for trail development.

MCDONALD SPIT: 16 ACRES +/-

(in amendment offered to the Senate Finance Committee)

This small parcel of land at the end of McDonald Spit has a great deal of local use. There is increasing tourist use, particularly as a "stop-over" for kayakers while travelling between Halibut Cove and Seldovia. Aside from the obvious scenic values of this parcel, there is an eagle nesting area on the spit.

Alaska State Legislature

5/3/89
Amendment
Withdrawn

WHILE IN SESSION:
PO BOX V
JUNEAU, ALASKA 99811
(907) 465-3779

HOUSE MAJORITY LEADER



HOME ADDRESS:
PO BOX 169
KENAI, ALASKA 99611
(907) 262-9366

DISTRICT 5

Representative Mike Navarre

Date: April 20, 1989

MEMORANDUM

TO: Senator John Binkley, Co-Chair
Senator Rick Uehling, Co-Chair
Senate Finance Committee

FROM: Rep. Mike Navarre

SUBJECT: Amendment to SCCSHB 8 (Resources)

When HB 8 was originally introduced in the last legislature (as HB 244), it included McDonald Spit as one of the parcels to be added to Kachemak Bay State Park. During the committee process, McDonald Spit fell out of the bill, as it was also offered to Seldovia Native Association as part of the pool of lands in the Kachemak Bay land exchange. It was decided that rather than jeopardize the trade, it was better to keep the parcel out of the park.

Since that time, Seldovia Native Association has indicated it has no interest in McDonald Spit. I met with the SNA board of directors on last Saturday, April 15, and they confirmed this was the case. Therefore, I am requesting an amendment be made by the Senate Finance Committee to include McDonald Spit in the bill.

Attached is a draft of the amendment, and a revised justification summary for HB 8, including the rationale for inclusion of McDonald Spit.

Thanks for your assistance.

Amendment

to SCS CS HB 8 (Resources)

offered by Rep. Navarre

page 3, line 26, insert:

Section 18: Lot 10

renumber following lines accordingly.

НВ

9

HOUSE COMMITTEE REPORT

(11)

Date Referred: February 10, 1989

FURTHER REFERRALS:

Date of Committee Action: 3/1/89

The FINANCE Committee considered:

HB 9

HOUSE BILL NO. 9

[APPRO: LOBBY CONGRESS FOR ANWR]

"An Act making a special appropriation to the Office of the Governor to promote support for oil and gas development in the Arctic National Wildlife Refuge; and providing for an effective date."

RECOMMENDS:

- Replacing with CS HB 9 (Resources) the same title
[] the attached amendment(s)
[] do pass
[] do not pass
[] no recommendation
[] individual recommendations
[] additional referral to the Committee

ADOPTS: House Resources letter of intent

ATTACHES NEW FISCAL NOTE(S):

- [] fiscal impact
[] zero fiscal note
[] zero with analysis

APPROVES PREVIOUS:

- [X] fiscal note(s) published: 2/10/89
[] zero fiscal notes(s) published:

SIGNING DO PASS:

Signatures of committee members: Hoffman, Larson, Barnes, Phillips, Brown, Shultz, Riegler

SIGNING OTHER THAN DO PASS:

(Do Not Pass, No Recommendation, Amend)

Signatures: Swackhammer (No Rec), Koponen (w/ rec)

Chairman's signature: Ronald J. Larson

FISCAL NOTE

REQUEST:

Revision Date: 2/8/89
Title: "An Act making a special appropriation to the Office of the Governor"
Sponsor: Cotten, Navarre, Lemah, Barnes
Requestor: House Resources Committee

Agency Affected: Office of the Governor
BRU: _____
Components: ANWR Lobby Efforts

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		30.0				
TRAVEL		103.2				
CONTRACTUAL		216.8				
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	350.0	-0-	-0-	-0-	-0-

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

GENERAL FUND	-0-	350.0	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-				
OTHER	-0-	-0-				
TOTAL	-0-	350.0	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	.5	-0-	-0-	-0-	-0-
PART-TIME	-0-	-0-				
TEMPORARY	-0-	-0-				

ANALYSIS : (Attach a separate page if necessary)

Please see attachment:

NOTE: This fiscal note assumes an appropriation period of twelve months from July 1, 1989 through June 30, 1990.

Prepared by: Representative Curt Menard *Curt Menard* Phone: 465-4944
Division: Chairman, House Resources Committee Date: 2/8/89

Approved by Commissioner: _____ Date: _____
Agency: _____

Distribution (by preparer):

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

Adopted

Analysis

OFFICE OF THE GOVERNOR

EXECUTIVE OFFICE

Travel \$ 28.0

Travel and per diem to Washington, D.C. to provide testimony before Congress, meet with Congressional committees. In-state travel including ANWR and North Slope field visits, meetings and hearings.

Contractual \$129.0

Expanded lobbyist effort @ \$18.0 per month. ANWR operating budget presently includes \$87.1, an additional \$129.0 is required.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Travel \$ 26.7

Travel and per diem to Washington, D.C. to provide testimony before Congress, meet with Congressional committees. In-state travel including ANWR and North Slope field visits, meetings and hearings.

Contractual \$ 3.3

Printing, duplication, distribution of reports, materials and preparation of graphics.

DEPARTMENT OF FISH AND GAME

Travel \$ 18.5

Travel and per diem to Washington, D.C. to provide testimony before Congress, meet with Congressional committees. In-state travel including ANWR and North Slope field visits, meetings and hearings.

CSHB 9 (RES)
HOUSE 2/10/89

Fiscal Analysis.

DEPARTMENT OF NATURAL RESOURCESTravel \$30.0

Travel and per diem to Washington, D.C. to provide testimony before Congress, meet with Congressional Committees. In-State travel including ANWR and North Slope field visits, meetings and hearings.

Contractual \$30.0

Costs for materials and contractual services to produce graphics, briefing booklets, displays used in hearings and briefings.

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRSPersonal Services \$30.0

Provide 1/2 time liaison and logistical services for Kaktovik to alleviate impact experienced by village due to personnel and Congressional travel to ANWR

RESERVE CONTRACTUAL FUND \$54.5

TOTAL: \$350.0



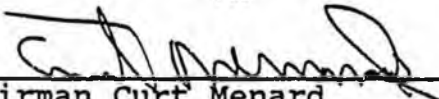
Alaska State Legislature

HOUSE OF REPRESENTATIVES
COMMITTEE ON RESOURCES

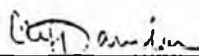
PCUCHV
JUNEAU, ALASKA 99811
(907) 465-3715

LETTER OF INTENT

It is the intent of the House Resources Committee that CS HB 9 (RES) include a reserve contractual fund of \$54,500 for unanticipated contractual services which may become necessary during FY 90. The reserve contractual fund would be available to the Executive Office of the Governor, the Department of Natural Resources, the Department of Environmental Conservation, and the Department of Fish and Game on an as needed basis and allocated at the discretion of the Governor. This particular fiscal item is in addition to the \$162,300 itemized for contractual services by the Office of the Governor.



Co-Chairman Curt Menard



Co-Chairman Cliff Davidson

Offered: 2/10/89
Referred: Finance

6-0103E

Original sponsors: Cotten, Navarre,
Leman, et al.

Funding Information
General Fund \$350,000
Other Funds -0-
\$350,000

1 IN THE HOUSE BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 9 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Office
7 of the Governor to promote support for oil and gas
8 development in the Arctic National Wildlife Refuge;
9 and providing for an effective date."

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

11 * Section 1. The sum of \$350,000 is appropriated from the general fund
12 to the Office of the Governor to promote support for oil and gas
13 development in the Arctic National Wildlife Refuge among members of the
14 Congress of the United States.

15 * Sec. 2. The unexpended and unobligated balance of the appropriation
16 made by this Act lapses into the general fund June 30, 1990.

17 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Office of the Governor
 Title: "An Act making a special appropriation to the Office of the Governor..." BRU: ANWR
 Sponsor: Cotten, Navarre, Leman, Barnes Components: ANWR Lobby Effort
 Requestor: House Resources

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		30.0				
TRAVEL		103.2				
CONTRACTUAL		162.3				
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS		1,204.5				
TOTAL OPERATING		1,500.0	-0-	-0-	-0-	-0-

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

GENERAL FUND		1,500.0	-0-	-0-	-0-	-0-
FEDERAL FUNDS		-0-				
OTHER		-0-				
TOTAL		1,500.0	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME		.5	-0-	-0-	-0-	-0-
PART-TIME		-0-				
TEMPORARY		-0-				

ANALYSIS : (Attach a separate page if necessary)

Please see attachment:

NOTE: This fiscal note assumes an appropriation period of twelve months from July 1, 1989 through June 30, 1990

Prepared by: Michael A. Nizich, Director
 Division: Administrative Services

Phone: 465-3616
 Date: 2-2-89

Approved by Commissioner: Garrev M. Peska
 Agency: Chief of Staff

Date: February 2, 1989

Distribution (by preparer):

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

RECEIVED

FEB 2 1989

OFFICE OF THE GOVERNOR

EXECUTIVE OFFICE

Travel \$ 28.0

Travel and per diem to Washington, D.C. to provide testimony before Congress, meet with Congressional committees. In-state travel including ANWR and North Slope field visits, meetings and hearings.

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Expanded lobbyist effort @ \$18.0 per month. ANWR operating budget presently includes \$87.1, an additional \$129.0 is required.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Travel \$ 26.7

Travel and per diem to Washington, D.C. to provide testimony before Congress, meet with Congressional committees. In-state travel including ANWR and North Slope field visits, meetings and hearings.

Contractual \$ 3.3

Printing, duplication, distribution of reports, materials and preparation of graphics.

DEPARTMENT OF FISH AND GAME

Travel \$ 18.5

Travel and per diem to Washington, D.C. to provide testimony before Congress, meet with Congressional committees. In-state travel including ANWR and North Slope field visits, meetings and hearings.

DEPARTMENT OF NATURAL RESOURCES

Travel \$ 30.0

Travel and per diem to Washington, D.C. to provide testimony before Congress, meet with Congressional committees. In-state travel including ANWR and North Slope field visits, meetings and hearings.

Contractual \$ 30.0

Costs for materials and contractual services to produce graphics, briefing booklets, displays used in hearings and briefings.

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

Personal Services \$ 30.0

Provide 1/2 time liaison and logistical services for Kaktovik to alleviate impact experienced by village due to personnel and Congressional travel to ANWR.

TOTAL: \$295.5

HB

Q

SENATE COMMITTEE REPORT

FURTHER

4/11/89

DATE TURNED INTO OFFICE 5/7/89

Mr. President:

FINANCE Committee considered C SHB 9 (RES)

special appropriation to the Office of the Governor to promote support for oil and gas development in the Arctic National Wildlife Refuge; efd and recommended

- replace with SCS CS HB 9 (Fin)) same title
- or adopt _____ CS _____) new title
- attached amendment(s) and technical title change (HB only)
- SCS letter of intent adopted

- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____

FISCAL NOTE(S) zero fiscal impact appropriation no FN
 new updated previous
 same as previous fiscal note(s) published _____

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Chairman signature and recommendation
[Signature] Co-Chair
 Do Pass
 RINKLEY

Committee Backup attached
 Finance - see attached letter from Resources

**Letter of Intent for Senate Finance Committee Substitute
for House Bill 9**

For the past several years the State of Alaska has lobbied in Washington, D.C. for the opening of the Arctic National Wildlife Range to oil and gas exploration. In light of the Prince William Sound oil spill, it has become apparent that any future efforts to convince Congress to open the coastal plain of ANWR to environmentally responsible oil and gas development are inextricably tied to Congressional resolution of the issues surrounding the oil spill. It appears likely that Congress will complete action on oil spill legislation and investigations before moving to consideration of ANWR legislation. Given this scenario, it is the intent of the Legislature that using the appropriation to the Office of the Governor listed in Section 1 of this bill, the State should focus its efforts on responding to oil spill related matters in Congress and on promoting wise and environmentally responsible development of Alaska's oil and gas resources.

It is expected that State activities will include, but not be limited to, continued lobbying of members of Congress; participation by State personnel in hearings and briefings on oil spill and ANWR legislation; and the continuation of one full-time staff person in the Governor's Washington, D.C. Office devoted solely to these issues.

The interception of millions of North American salmon and steelhead by foreign fishermen on the high seas, and the resultant death of hundreds of thousands of marine mammals and seabirds, has continued to be of major concern to the State of Alaska. This issue will have a high profile this year both on the national and the international fronts.

Activities in Washington, D.C. this year include reauthorization of the Magnuson Act, oversight of the Driftnet Act, possible certification and sanctions against those nations not in compliance with the Driftnet Act, expansion of the Pelly Amendment, and opposition to legislation authorizing Japanese fishing within the United States' 200 mile limit.

Action on the international level includes negotiations with the Soviet Union for a new multi-lateral salmon conservation organization and for management of the groundfish resources in the central Bering Sea, with South Korea, Taiwan and Japan on their squid driftnet fleets, and with Japan on its directed high seas salmon fisheries.

It is the intent of the Legislature that the appropriation listed in Section 2 of this bill will be used to promote the State's positions on these and other issues related to high seas interceptions and that actual expenditures will be determined in conjunction with the Governor's High Seas Advisory Group.

Original sponsors: Cotten, Navarre,
Leman, et al.

<u>Funding Information</u>	
General Fund	\$520,000
Other Funds	-0-
	<u>\$520,000</u>

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 9 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Office
7 of the Governor to respond to oil spill legislation
8 and investigations in Congress and to promote envi-
9 ronmentally responsible development of the oil and
10 gas resources of the state; making a special appro-
11 priation to the Department of Fish and Game to pro-
12 mote the end of foreign interceptions on the high
13 seas; and providing for an effective date."

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

15 * Section 1. The sum of \$260,000 is appropriated from the general fund
16 to the Office of the Governor to respond to oil spill legislation and
17 investigations in Congress and to promote environmentally responsible
18 development of the oil and gas resources of the state.

19 * Sec. 2. The sum of \$260,000 is appropriated from the general fund to
20 the Department of Fish and Game to promote the end of foreign interceptions
21 of Alaska anadromous fish, marine mammals, and seabirds on the high seas
22 among members of Congress and among other affected nations.

23 * Sec. 3. The unexpended and unobligated balances of the appropriations
24 made by this Act lapse into the general fund June 30, 1990.

25 * Sec. 4. This Act takes effect immediately under AS 01.10.070(c).
26
27
28
29

6-1417A ✓
Utermohle
5/5/89
APPROVED
for Introduction
5/7/89 SFC

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 SENATE CONCURRENT RESOLUTION NO. 34

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 Suspending Uniform Rules 41(b), 24(c),
6 and 35 of the Alaska State Legislature
7 concerning House Bill No. 9.

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

9 That under Rule 54 of the Uniform Rules of the Alaska State Legisla-
10 ture the provisions of Rule 41(b), Rule 24(c), and Rule 35 of the Uniform
11 Rules, regarding changes to the title of a bill, are suspended in consid-
12 eration of House Bill No. 9, making a special appropriation to the Office
13 of the Governor to promote support for oil and gas development in the
14 Arctic National Wildlife Refuge.

Anchorage Daily
News

Sun, April 30
1989

5/1/89
DPC-

Hey, Alaskans, clean up 'your' oil yourselves

WASHINGTON — Weep not for Alaska, the state now wringing its handkerchief in Washington. Alaska would like the federal government to declare the recent oil spill a "natural disaster," to qualify it for all sorts of goodies — mostly loans. It wants the Coast Guard to clean up the mess, the Army to bathe birds and Exxon to pay the state a bundle for fouling its beaches and endangering its fisheries.

You would think that Alaska was part of the Union.

But until the spill, Alaskans acted very much as if the oil was theirs and theirs alone. Simply by living in the state, every resident qualifies for an annual oil dividend. The most recent was about \$800. Since oil was discovered in 1969, the state has distributed more than \$1 billion to its residents, socked away \$9 billion in its "permanent fund" and eliminated state income and sales taxes. Its residents reaped the benefit of oil. Now, it would like the rest of us to pay for its consequences.

Hoo ha! And why? Seems to me that we have been paying all along at the pump. No one sent us a check even though, at last reference, Alaska was part of the United States. Alaska's oil revenues did not go into a national "permanent fund" and not a cent of this money helped build a school in the District of Columbia. In financial terms, there have been two beneficiaries of Alaskan oil: Alaska and the oil companies. As for the rest of us, the oil might as well be in Kuwait.

Let Alaska clean up the mess.

Perhaps it's not fair to single out Alaska. After all, the fortunes of many Americans are dependent on where they happen to live — or be born. A child with the good sense to have parents who live in the suburbs is probably going to get a better education than one in the city. Welfare payments are higher in one state than another. And the punishment of criminals is often more a consequence of where they committed their crimes than by the crime itself. Murder will cost you life in some states but not in others.

Oil is no exception. Texas got rich on oil. So did Louisiana. And, lest my memory is slipping, I don't recall receiving a check from either Austin or Baton Rouge. Alaska followed these precedents — and then some — when it won statehood. It bargained brilliantly for the rights to its minerals. Its current policies are a result of three things: the discovery of oil, an awesome ability to cut a favorable deal and the determination not to be exploited by others.

The coal wealth of Appalachia was often controlled by out-of-state interests. When the coal was gone, so



**richard
cohen**

were those interests, leaving nothing but a hole in the ground, a mess to clean up and a folk song about Muhlenberg County, Ky., that says it all: "Mr. Peabody's coal train has hauled it away."

But good intentions aside, the fact remains that Alaska has become rich on oil — so rich that the annual dividend goes out to rich and poor alike. It has built roads, schools and libraries with oil money. Yet, when the Exxon Valdez ran aground and spilled more than 10 million gallons of oil, the state was as unprepared as the oil company to deal with it. If it is true that Exxon had nowhere near sufficient equipment to handle the spill, then it also has

to be true that the state allowed Exxon to be so casual. Why did Exxon's unpreparedness come as such a surprise to Alaska?

None of this is to let Exxon off the hook or to trivialize the ecological tragedy.

But Exxon will recoup its losses by raising the price of gas. (It already has gone up.) Alaska will continue to extract mineral wealth that belongs, really, to all of us, rewarding each resident annually for the privilege of living in the state. At great cost, the federal courts will settle the liability question. And we will all pay at the pump.

The purchase of Alaska in 1867 was called a "folly" — Seward's Folly, after U.S. Secretary of State William H. Seward. To Americans at the time, it seemed the United States had exchanged \$7 million for a vast, frozen wilderness. But as exchanges go, that one was nothing compared to the one Alaska now has in mind: Checks from oil will continue to go to its residents. The bill will come to us.

□ Richard Cohen is a Washington Post columnist.



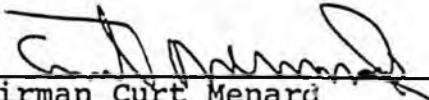
Alaska State Legislature

HOUSE OF REPRESENTATIVES
COMMITTEE ON RESOURCES

POUCH V
JUNEAU, ALASKA 99811
(907) 465-3715

LETTER OF INTENT

It is the intent of the House Resources Committee that CS HB 9 (RES) include a reserve contractual fund of \$54,500 for unanticipated contractual services which may become necessary during FY 90. The reserve contractual fund would be available to the Executive Office of the Governor, the Department of Natural Resources, the Department of Environmental Conservation, and the Department of Fish and Game on an as needed basis and allocated at the discretion of the Governor. This particular fiscal item is in addition to the \$162,300 itemized for contractual services by the Office of the Governor.



Co-Chairman Curt Menard



Co-Chairman Cliff Davidson

H (Res) Intent

Alaska State Legislature

Senate Resources Committee

Senator Bettye Fahrenkamp, Chairman

Senator Jay Kerttula, Vice Chairman
Senator Dick Eliason
Senator Steve Frank
Senator Rick Halford
Senator Arliss Sturgulewski
Senator Fred Zharoff



P.O. Box V
Juneau, Alaska 99811
(907) 465-4907

April 10, 1989


Senator John Binkley, Co-Chairman
Senator Rick Uehling, Co-Chairman
Senate Finance Committee
P.O. Box V
Juneau, Alaska 99811

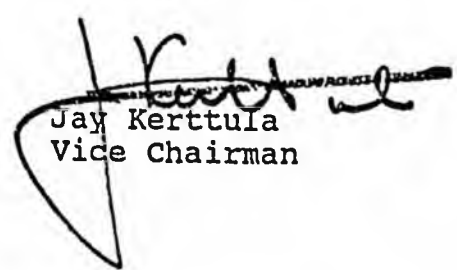
Dear Senators:

This letter accompanies CS HB 9 (Resources). The Senate Resources Committee, in considering this bill, heard testimony from John Katz, from the Governor's office in Washington, D.C.. Mr. Katz indicated that he was preparing a proposal for additional funding for the ANWR advocacy program. Specifically, he recommended additional funding for enhanced direct advocacy for members of Congress, a new, straightforward media development program, and technical assistance from state agencies. He indicated that specific, conservative funding recommendations would be forthcoming.

Instead of delaying the progress of the bill to wait for the specific budget request, the Committee moved to send this letter to the Finance Committee expressing support for the proposed funding increase.

Sincerely,


Bettye Fahrenkamp
Chairman


Jay Kerttula
Vice Chairman

CS (Res) Letter



STEVE COWPER
GOVERNOR

STATE OF ALASKA
OFFICE OF THE GOVERNOR
WASHINGTON, D.C.

May 3, 1989

TRANSMITTAL MEMORANDUM

TO: TALLY JOHNSON, Office of Senator Drue Pearce
MOLLY MCCAMMON, Office of Senator John Binkley
KEN JOHNSON, Office of the Speaker, Sam Cotten

FROM: MARGARET A. MORAN, Special Assistant for the
Arctic National Wildlife Refuge (ANWR)

THROUGH: JOHN W. KATZ, Director of State/Federal
Relations and Special Counsel to the Governor

SUBJECT: DRAFT REPORT LANGUAGE
HB 9

Attached is the draft report language that John Katz discussed with you.

If you have any questions, please give me a call.

HB 9 - DRAFT REPORT LANGUAGE

In light of the impact of the Prince William Sound oil spill, the Committee finds that it would be prudent to broaden the scope of this budget item.

Over the past month, since the spill, it has become apparent that any future efforts to convince Congress to open the coastal plain of ANWR to environmentally responsible oil and gas development are inextricably tied to congressional resolution of the issues surrounding the oil spill.

It appears likely that Congress will complete action on oil spill legislation and investigations before moving to consideration of ANWR legislation. Given this scenario, the State should combine its efforts on ANWR and oil spill legislation.

The Committee envisions the expenditures of funds in the following areas.

I. LOBBYING

Currently, the State has on contract a Washington, D.C. lobbying firm. The firm is involved in lobbying efforts with members of Congress. Their efforts will be helpful in implementing the State's strategy on both oil spill and ANWR legislation.

II. AGENCY BUDGETS

We anticipate an extensive hearing process on oil spill and ANWR legislation. Agency personnel and the Governor's office will be expected to participate.

TRAVEL Agency personnel will be needed on congressional trips to the North Slope and Prince William Sound. They will also be asked to participate in hearings held in Alaska and Washington, D.C.

TECHNICAL ASSISTANCE Agency personnel will be needed to provide assistance in the preparation of testimony, graphics, briefing booklets, and displays used in hearings and briefings.

III. TARGETED TRAVEL

Travel by State officials into targeted congressional districts can be extremely valuable in the generation of grass roots support at critical times in the legislative process. Our experience has been that local media are receptive to talking to officials from Alaska that come to their area. This can be helpful in laying out the facts on the Prince William Sound oil spill along with reiterating the importance of Alaska oil and gas development to the energy security of this country.

IV. FULL-TIME PERSON IN WASHINGTON, D.C. OFFICE

ANWR and oil spill-related matters will continue to be very important issues for the Governor's Washington, D.C. Office. For the foreseeable future, this staff person will be involved in tracking Congressional legislation, advocating State positions, and coordinating the State's varied efforts in Washington, D.C. on the oil spill, ANWR, and related matters. In addition, this staff person will be involved in liaison work with the Washington, D.C. and national media. In this regard, the spill has generated a workload for the D.C. office which is significantly greater than its usual capacity.



Resource Development Council for Alaska, Inc.

887 "G" Street, Suite 200, Anchorage, Alaska 99501-3440
Box 100510, Anchorage, Alaska 99510-0510 - 907/270-0700

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Becky L. Gay

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EX-OFFICIO MEMBERS

Senator Ted Stevens
Senator Frank Murkowski
Congressman Don Young

RDC POSITION ON HB 9

The Resource Development Council for Alaska, Inc., appreciates the opportunity to submit its comments before the Senate Finance Committee on House Bill 9.

The measure, as proposed, would appropriate funds for the purpose of advocating opening the Arctic National Wildlife Refuge to oil and gas exploration and development. Sponsored by House Speaker Sam Cotten, the bill originally set aside \$1.5 million for a pro-ANWR campaign designed to educate members of the U.S. Congress and Senate.

The appropriation was whittled on the House side to \$350,000. While RDC still supports a higher figure for the state's pro-ANWR effort, we are encouraged by the recent comments of the governor's Washington, D.C. staff, which believes the appropriation is a necessity, particularly in light of the Valdez oil spill and subsequent national publicity regarding oil development.

RDC supports HB 9 and encourages the Senate Finance committee to consider amending the bill, as suggested by the Senate Resources committee, to include additional funds to augment the state's pro-ANWR campaign.

Given the importance of oil development and oil dollars to the state of Alaska, the appropriation proposed in HB 9 seems a small sum to pay in an attempt to re-educate members of Congress and the public about the necessity for domestic oil production.

FISCAL NOTE

REQUEST:

Revision Date: 2/8/89
 Title: "An Act making a special appropriation to the Office of the Governor"
 Sponsor: Gotten, Navarre, Lemait, Barnes
 Requestor: House Resources Committee

Agency Affected: Office of the Governor
 BRU: _____
 Components: ANWR Lobby Efforts

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		30.0				
TRAVEL		103.2				
CONTRACTUAL		216.8				
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	350.0	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	350.0	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-				
OTHER	-0-	-0-				
TOTAL	-0-	350.0	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	.5	-0-	-0-	-0-	-0-
PART-TIME	-0-	-0-				
TEMPORARY	-0-	-0-				

ANALYSIS : (Attach a separate page if necessary)

Please see attachment:

NOTE: This fiscal note assumes an appropriation period of twelve months from July 1, 1989 through June 30, 1990.

Prepared by: Representative Curt Menard Phone: 465-4944
 Division: Chairman, House Resources Committee Date: 2/8/89

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by preparer):

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

Analysis

OFFICE OF THE GOVERNOR

EXECUTIVE OFFICE

<u>Travel</u>	\$ 28.0
---------------	---------

Travel and per diem to Washington, D.C. to provide testimony before Congress, meet with Congressional committees. In-state travel including ANWR and North Slope field visits, meetings and hearings.

<u>Contractual</u>	\$129.0
--------------------	---------

Expanded lobbyist effort @ \$18.0 per month. ANWR operating budget presently includes \$87.1, an additional \$129.0 is required.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

<u>Travel</u>	\$ 26.7
---------------	---------

Travel and per diem to Washington, D.C. to provide testimony before Congress, meet with Congressional committees. In-state travel including ANWR and North Slope field visits, meetings and hearings.

<u>Contractual</u>	\$ 3.3
--------------------	--------

Printing, duplication, distribution of reports, materials and preparation of graphics.

DEPARTMENT OF FISH AND GAME

<u>Travel</u>	\$ 18.5
---------------	---------

Travel and per diem to Washington, D.C. to provide testimony before Congress, meet with Congressional committees. In-state travel including ANWR and North Slope field visits, meetings and hearings.

CSHB 9 (RES)
HOUSE 2/10/89

Fiscal Analysis.

DEPARTMENT OF NATURAL RESOURCESTravel \$30.0

Travel and per diem to Washington, D.C. to provide testimony before Congress, meet with Congressional Committees. In-State travel including ANWR and North Slope field visits, meetings and hearings.

Contractual \$30.0

Costs for materials and contractual services to produce graphics, briefing booklets, displays used in hearings and briefings.

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRSPersonal Services \$30.0

Provide 1/2 time liaison and logistical services for Kaktovik to alleviate impact experienced by village due to personnel and Congressional travel to ANWR

RESERVE CONTRACTUAL FUND \$54.5

TOTAL: \$350.0

Н В

10

FINANCE COMMITTEE REPORT

(11)

Date Referred: March 8, 1989

FURTHER REFERRALS:

Date of Committee Action: 4/11/89

The FINANCE Committee considered:

HB 10

HOUSE BILL NO. 10

[STUDENT LOANS/HEALTH CARE]

"An Act relating to forgiveness of student loans of certain health care professionals; and providing for an effective date."

RECOMMENDATIONS:

- be replaced with CS HB 10 (HESS) the same title
- have attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- fiscal impact _____
- zero fiscal note _____
- zero with analysis _____

- fiscal note(s) Postsec. Ed. Comm. 3/8; H&SS 3/8
- zero fiscal note(s) _____
- zero fn/analysis _____

SIGNING DO PASS:

SIGNING:

(Check approp. column)

[Signature] Hoffman
[Signature] Larson
[Signature] Brown
[Signature] Koponen
[Signature] Ulmer

	Do Not Pass	No Rec	Amend
<u>[Signature]</u> Barnes			
<u>[Signature]</u> Shultz		<input checked="" type="checkbox"/>	
<u>[Signature]</u> Phillips		<input checked="" type="checkbox"/>	
<u>[Signature]</u> Rieger		<input checked="" type="checkbox"/>	
<u>[Signature]</u> Ulmer		<input checked="" type="checkbox"/>	

CO- [Signature]
 CO- [Signature] Chairman's signature

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CSHB 10 (HESS)
PUBLISH DATE: HOUSE 3/8/89

FISCAL NOTE

REQUEST:

Revision Date: March 7, 1989
Title: RE: Forgiveness of Student
Loans - Health Care Providers
Sponsor: Ellis, Koponen and Gruenberg
Requestor: House HESS

Agency Affected: Education
BRU: Postsecondary Education/
Student Loan Corporation
Components: Student Loan Fund

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	-0-	-0-	36.6	80.5	131.8	136.2
MISCELLANEOUS						
TOTAL OPERATING						

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	36.6	80.5	131.8	136.2
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See attached

Prepared by: Ronald A. Phipps, Executive Director
Division: Alaska Commission on Postsecondary Education

Phone: 465-2854
Date: March 7, 1989

Approved by Commissioner: _____
Agency: _____

Date: _____

Distribution (by preparer):

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

Adopted

Analysis of Fiscal ImpactA. Assumptions

1. The current student loan population is representative of the future attendance patterns for students of selected health care fields.
2. Only a small proportion of health care graduates will actually qualify for the benefits of CS HB 10. The estimate used for the analysis is 1-in-10 medical graduates (physicians, surgeons, psychiatrists), and 1-in-8 nursing, physician assistant, physical therapy, and occupational graduates. Additionally, of these, it is estimated that the average forgiveness will be 36% (that is, 3-of-5 years of eligible forgiveness).
3. Borrowing years will vary by health care field. For this fiscal analysis, the following are assumed:

<u>Fields</u>	<u>Years of Borrowing</u>
Medical Profession	8 years
Nursing	3 years
Occupational Therapy	4 years
Physical Therapy	4 years
Physician Assistant	4 years

B. ProjectionsGraduates by Field

<u>Field</u>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>
Medical Profession	32	32	31	32	33	34
Nursing	67	67	68	70	71	72
Occupational Therapy	2	3	3	3	3	4
Physical Therapy	4	4	4	4	5	5
Physician Assistant	2	2	2	2	3	3
Total	107	108	108	111	116	118

C. Fiscal Impact

<u>Year</u>	<u>Amount</u>
1989-90	\$ -0-
1990-91	36,600
1991-92	80,520
1992-93	131,760
1993-94	136,160

FISCAL NOTE

REQUEST:

Revision Date: 1/19/89
Title: "An Act relating to forgiveness of student loans of certain health."
Sponsor Ellis, Koponen & Gruenberg
Requestor: _____

Agency Affected: Health & Social Services
BRU: State Health Services
Components: Public Health Admin.

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		21.5				
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	21.5	-0-	-0-	-0-	-0-

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	21.5	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	21.5	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See Attached.

Prepared by: Elizabeth Ward, Director
Division: Public Health

Phone: 465-3090
Date: 1/19/89

Approved by Commissioner: Myra M. Munson
Agency: Health & Social Services

Date: 1/24/89

Distribution (by preparer):

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

Adopted

In order for the Department of Health and Social Services to establish the health professional shortage designation system in a timely manner, limited contractual services would be required during the first year. This additional cost would be necessary due to limited availability of Division of Public Health Staff to focus on developing a information system which could be readily maintained to provide the Alaska Commission on Post Secondary Education the necessary information.

It is anticipated that once a computerized system was established, the information could be updated on annual basis utilizing existing personnel and equipment.

Contractual Line 73000

Professional Services: Personal Services contract for the purpose of developing the health professional shortage designation regulations, conducting the public review and adoption of the regulations, establishing a data base to be updated and monitored by department staff, and developing the initial shortage area designation for the Alaska Commissioner on Post Secondary Education. 4 months at \$5.0 per month \$20.0

Communication: Printing of regulations, public notification of regulations and program availability, teleconference for public hearings in the regulation adoption process. \$ 1.5

Total Contract Line \$ 21.5

Original sponsors: Ellis, Koponen,
and Gruenberg

1 IN THE HOUSE

BY THE HEALTH, EDUCATION, AND
SOCIAL SERVICES COMMITTEE

2

CS FOR HOUSE BILL NO. 10 (HESS)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to forgiveness of student loans of
7 certain health care professionals; and providing for
8 an effective date."

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

10 * Section 1. AS 14.43.120 is amended by adding new subsections to read:

11 (s) If a borrower meets the conditions provided in this section
12 and is employed as a health care professional in an area determined to
13 have a health care professional shortage for the borrower's profession
14 by the Department of Health and Social Services under AS 44.29.020(b),
15 a portion of the loan shall, subject to appropriation by the legisla-
16 ture, be paid by the state equal to the following percentages of the
17 total loan received plus interest up to a total of 70 percent of the
18 total loan: (1) one year employment, 10 percent; (2) two years em-
19 ployment, an additional 12 percent; (3) three years employment, an
20 additional 14 percent; (4) four years employment, an additional 16
21 percent; (5) five years employment, an additional 18 percent. In this
22 subsection, "health care professional" means a person who is licensed
23 as a physician or osteopath under AS 08.64.230, as a physical thera-
24 pist or occupational therapist under AS 08.84, as a registered nurse
25 under AS 08.68.190 or 08.68.200, or a person practicing medicine as a
26 physician's assistant.

27 (t) Notwithstanding any other provision of law, while a person's
28 loan is being paid by the state under (s) of this section, that person
29 may not receive forgiveness of a loan under any other section of this

1 chapter.

2 * Sec. 2. AS 44.29.020 is amended by adding a new subsection to read:

3 (b) The department shall, by September 30 of each year, prepare
4 a report that (1) lists by profession those geographic areas of the
5 state that have a health care professional shortage, (2) identifies
6 the number of health care professionals employed in each area of
7 shortage, and (3) recommends changes to the health care professional
8 loan forgiveness program under AS 14.43.120(s). The report prepared
9 under this subsection shall be provided to the Alaska Commission on
10 Postsecondary Education. The commissioner of health and social ser-
11 vices shall adopt regulations regarding the determination of geo-
12 graphic areas with a health care professional shortage. In this
13 subsection "health care professional" has the meaning given in AS 14.-
14 43.120(s).

15 * Sec. 3. APPLICABILITY. This Act applies to a person's employment as
16 a health care professional that occurs after July 1, 1989.

17 * Sec. 4. This Act takes effect July 1, 1989.

3111 C STREET, SUITE 455
ANCHORAGE, ALASKA 99503
(907) 581-7628

WHILE IN SESSION
P.O. BOX V
JUNEAU, ALASKA 99801
(907) 485-3704

ALASKA STATE HOUSE

OFFICE OF MAJORITY WHIP

CHAIR
HEALTH, EDUCATION & SOCIAL SERVICES

JUDICIARY

SPECIAL COMMITTEE ON
FOREIGN & DOMESTIC TRADE

REPRESENTATIVE JOHNNY ELLIS

M E M O R A N D U M

TO: The Honorable Ron Larson and
The Honorable Lyman Hoffman
Co-chairs, House Finance Committee

FROM: Representative Johnny Ellis *JE*

RE: HB 10, establishing a student loan forgiveness
provision for certain health care professionals

DATE: April 4, 1989

I respectfully request that you schedule a hearing on HB 10 at your earliest convenience. The bill passed out of the House Health, Education, and Social Services Committee on March 6th, and has been transmitted to the House Finance Committee.

Regions in Alaska that are now medically underserved pose problems that need addressing as soon as possible. Included in HB 10 are provisions that would allow the state to forgive a portion of the Alaska Student Loans of students graduating from certain health care practitioner curriculums. It is felt that these students would be more motivated to stay in Alaska and practice in the underserved areas upon graduation.

To limit fiscal impact, eligibility would be limited to specific regions and professions where shortages exist. Program needs would be updated by the Department of Health and Social Services on a yearly basis, and bill provisions would allow for future program adjustments as needed.

Attached is a recent article from the Juneau Empire that brings to light the nursing shortage now occurring in Alaska.

Please contact me at X3704 if there are any questions regarding HB 10, and thank you for your consideration of this bill.

CORRECTION

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

Original sponsors: Ellis, Koponen,
and Gruenberg

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2
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Wanted: More nurses

Alaska desperate for nurses in every medical field

By ANNABEL LUND

THE JUNEAU EMPIRE

In Alaska, the desperate shortage of nurses is an acute condition threatening to become chronic.

State agencies as well as private hospitals and clinics are hard-pressed to fill vacancies in all kinds of nursing positions. The problem has become so critical for the state an interagency task force has been created to deal with it.

"I think Alaska may be the last state to be hit with the nursing shortage because in the past we've been able to offer competitive salaries and benefits. That isn't true any more," said task force member Walter Majeros, a Department of Corrections spokesman.

Alaska's shortage of nurses is part of a nationwide trend. In 1988, more than half of the hospitals and nursing homes responding to a nationwide survey were having trouble recruiting and keeping nurses. Enrollment in nursing schools has dropped 5 to 8 percent each year and some schools have closed. In recent years, the federal government has drastically cut its funding for nurses' education. The American Hospital Association predicts the need for registered nurses will climb 33 percent by 1995, at the same time the supply dwindles.

A nurse's work has never been easy; it's growing increasingly more complicated and demanding as medical technology improves. It requires special training and education but has never been a well-paid profession. Dissat-

isfied nurses say it's a deadend job. Salaries generally cap off in about eight years so there is little hope for an improvement in pay or working conditions as a nurse gains experience.

Registered nurses' starting salaries -- because they have not been adjusted for inflation -- were actually lower in 1987 than they were a decade before. Nurses are in greater demand today in hospitals because insurance companies are encouraging shorter hospital stays, necessitating more intensive care for patients in acute phases of their illnesses. Hospitals have gone from using 50 nurses per 100 patients in 1972 to 91 nurses per 100 patients in 1988.

Nursing is predominated by women. The American Hospital Association estimates 97 percent of the nursing profession is female. American women, however, are choosing other professions. Their role in society has changed drastically in the past 30 years and the workplace offers many more opportunities for women than it did when nursing was one of the few jobs available.

"Nowadays a woman can become a doctor instead of a nurse if she wants to. There are a lot of fields that weren't open to women before. You can earn a lot of money driving a truck -- something women couldn't do 10 years ago -- and you don't need to spend the same time and money on an education. There are some very real reasons why fewer women are going into nursing."

Please turn to Nurses, Page 8

JUNEAU Empire
MARCH 31, 1989

Nurses...

Continued from Page 1

said Debra Smith, a member of the nursing task force.

Smith, from the state Division of Mental Health and Developmental Disabilities, said the Alaska Psychiatric Institute is facing a severe shortage of qualified nurses.

"There's been a traditional devaluation of nurses' contributions to medicine and that's a difficult attitude to turn around. If nurses don't feel validated within their work environment, they're going to leave their profession," she said.

In the past, Alaska filled its nursing quota because it offered higher salaries and better benefits than other states, said Jean Lucius, assistant chief of nursing for the Alaska Department of Public Health.

"Alaska's biggest problem is that we are a nurse-importing state. Other states are now offering salaries and benefits as competitive as Alaska has offered in the past. They don't want their trained nurses leaving and so in terms of salaries and benefits we've been left behind," she said. Smith said incentives offered by other states — including Hawaiian vacations — make it more difficult to compete for personnel.

The Alaska Division of Public Health operates 35 health-care centers from Barrow to Ketchikan, staffed by public health nurses. Lucius said the state has been recruiting for public health nurses for six or seven months without response. She describes the shortage as "severe and frightening."

The most difficult positions to fill are the single-nurse duty stations in remote areas like McGrath or the Aleutian Islands. Trained nurses hankering for adventure are finding many international opportunities available today that weren't being offered before, she said.

Vacancies for nurses in the state Department of Corrections are endemic. There are positions all over the state including one at the Lemon Creek Correctional Center in Juneau. The department is required to offer 24-hour health care to inmates and does so by creative juggling of state positions and private contracts. The Department of Corrections employs about 100 nurses statewide, most at an average salary of about \$2,447 a month.

Alaska Pioneers' Homes, which are state-operated senior citizens homes, are drastically in need of nurses statewide.

Bruce Aronson, deputy director of pioneers' benefits for the state Department of Administration, said it's simple: a good number of nurses are finding more lucrative work elsewhere.

Aronson, whose division employs 551 people, is looking for nurses for several of the state's pioneers' homes, including two positions in Juneau. The position of director of nursing for the Juneau home pays \$2,890 a month.

Aronson said understaffing stresses the system.

"Not having enough qualified nurses means other people have to work additional shifts or some services aren't provided in as timely a manner as we'd like," he said.

In a survey of nursing vacancies conducted by the Health Association of Alaska, St. Ann's Nursing Home reports a five nurse shortage. The facility has had to recruit temporary nurses from outside Alaska to fill the gap, which costs almost double what it costs to retain full time RN in Alaska, association executive director Harlan Knudson said.

Last summer, Bartlett Memorial Hospital in Juneau suffered a desperate shortage of nurses. A combination of aggressive recruiting and serendipity filled those positions, said Bartlett Memorial Hospital Nursing Supervisor Cathy Kollin. She said some of her new nurses moved to Juneau for other reasons — their husband's employment, for example — and have walked in the door fully qualified, looking for work.

"It's not hard to sell Juneau, either. It's such a beautiful place. People have been very impressed with the information we send them," Kollin said.

The state's task force on nursing is looking for long- and short-term solutions.

"Pay must be considered. We want to work on upgrading the positions themselves to validate the nurses' contributions to the medical team. We've got to provide continuing education, to recruit in and out of state and to work with the university system to encourage more young people to go into the nursing profession," Smith said.

Public health nurse Lucius said the long-term solution to the nurse shortage in rural Alaska is to recruit and train Native Alaskans to work within their own communities. In general, the state should re-target its recruitment strategies to appeal to people considering second or third careers and single parents, she said. Bringing in temporary nursing help from Outside will continue to be a trend in Alaska, Knudson said. Continuing to recruit within the state using innovative approaches like student loan forgiveness clauses is crucial to a long-term solution for Alaska, he said.

Such a bill, sponsored by Anchorage Democratic Rep. Johnny Ellis, is working its way through the House Finance Committee now. Registered nurses, physical and occupational therapists and physician assistants would be forgiven up to 70 percent of their Alaska student loans, if they returned to the state upon graduation and worked for five years in an area considered by the Alaska Department of Health and Social Services to be underserved. The fiscal note on the bill is \$35,000 for the first year it is put into effect.

The state must develop a career ladder for nurses, rewarding experience and continuing education and nurses should be given a more active role in policy making decisions, Majoros said.

Knudson said a pay check may speak the loudest.

"There is a tremendous pressure to control costs and with health care being so labor intensive, it's just impossible to bring those wages up as much as they should be. We need to realize that nursing is an extremely important part of our health care service and to get good nurses we'll have to pay responsible salaries," Knudson said.



Official Business

Alaska State Legislature

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

REPRESENTATIVE JOHNNY ELLIS

SPONSOR POSITION PAPER

HB 10

"An Act relating to forgiveness of student loans of certain health care providers."

The purpose of this bill is to create an incentive program for medically trained Alaskans to work in those areas of Alaska that need health care provider services most.

Modeled after the Teacher Scholarship Loan Program, this legislation offers the incentive of Alaska Student Loan forgiveness in return for health care service in areas of the State determined to be medically undeserved.

This program would also allow students who qualify to take advantage of the new National Health Service Corps Loan Repayment Program, which offers up to 75% Federal matching funds for such a State program.

***WHY HB 10?**

1. Federal recruitment program ending.

The National Health Service Corps (NHSC) Scholarship Program, which placed 1000 national health care providers in medically undeserved areas in 1987, will issue no new scholarships. According to the US Congressional Office of Technology Assessments, NHSC had 413 scholars in 1988, 76 in 1989; and 4 in 1990, to place nationwide. Ken Bahms, the NHSC Region X Director, indicated that, no new NHSC scholars will be designated for Alaska.

2. Indian Health Service (IHS) dependent upon NHSC placements.

According to the Office of Technology Assessment, "Problems of training and retaining health professionals will become critical for IHS over the next 5 years as the NHSC program is phased out."

3. Existing NHSC placement expires August 1989.

There are currently THREE NHSC placements in Alaska:

- (1) Nome--Family Practitioner
Summer '86 to September '89
- (2) Anchorage--Physiatrist (physical rehabilitation)

(3) Dillingham--Family Practitioner
Summer '87 to August '89

***WHO is medically undeserved?**

42 U.S.C. 254(e) is a Federal distinction to determine a "health manpower shortage area". The Department of Health and Human Services has distinguished:

In Alaska:

- 29 psychiatry areas
- 14 primary medical care areas
- 4 dental service areas

***WHY forgiveness?**

1. Recruitment increasing problem.

All reports indicate that recruitment of health care professionals into rural/medically undeserved areas is a chronic problem. Studies indicate that the national shortage of nurses will only enhance this problem.

2. Retention difficult.

Office of Technology Assessments indicate that, "Nearly all physicians who enter IHS with NHSC scholarships payback obligations, however, leave after their obligation is fulfilled. Only about 5 percent stay at least one additional year."

3. Alaska Student Loan established program.

Forgiveness of Alaska Student Loans will ensure that Alaskan residents are encouraged to remain in Alaska and serve in those areas of greatest need.

4. 100 percent forgiveness is an adequate incentive.

A forgiveness program designed over a five-year period with increasing percentages in the fourth and fifth years will not only help in recruiting but also in retaining health care professionals to areas that have been traditionally difficult to fill.

***HOW to receive Federal matching funds?**

PL 100-177 provides for state programs similar to the NHSC Loan Repayment Program to receive up to 75 percent Federal matching funds through a three-year grant program. Although specific regulations have not yet been published, all relevant Federal agencies contacted have recommended that Alaska establish an independent State program first. matching funds will be issued in accordance with demonstrated need and existing State programs.



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ANSWERS TO THE MOST FREQUENTLY ASKED QUESTIONS

REGARDING HB 10

HB 10 - "An Act relating to forgiveness of student loans of certain health care professionals; and providing for an effective date."

1. What is the purpose of HB 10?

The purpose of this bill is to create an incentive program for medically trained Alaskans to work in those areas of Alaska that need health care provider services most.

2. Why forgiveness of Alaska Student Loans?

All reports indicate that recruitment of health care professionals into rural/medically underserved areas is a chronic problem in Alaska and that the national shortage of nurses will only enhance this problem. A forgiveness program of up to 70 percent over a five-year service period will not only help in recruiting but also in retaining health care professionals in areas that have traditionally been difficult to serve.

3. Will this affect the bonding of student loans?

No. Since the mechanism in this legislation utilizes a line item appropriation through the Commission on Postsecondary Education, it neither obligates future legislatures nor affects the bonding of Alaska Student Loans.

4. Who supports HB 10?

This bill has received unanimous support from health care facilities and practitioners throughout the State. It has also received the endorsement of both the Department of Health and Social Services and the Commission on Postsecondary Education.

Position Paper

HB 10

For an Act entitled: "An act relating to forgiveness of student loans of certain health care professionals; and providing for an effective date.

HB 10 would provide a student loan forgiveness program for health care professionals who provide services in areas designated by the Department of Health and Social Services as meeting professional shortage criteria. Loan forgiveness would be based on a yearly percentage of service in designated area, up to five years, at which point the entire loan would be forgiven by the state.

Recruitment and retention of health care professionals for rural areas is often difficult and expensive. Agencies and communities providing services in these areas are faced with the ongoing problem of obtaining qualified individuals who will live in rural areas for an extended period of time. This chronic turnover results in substantial cost increases and service disruption due to vacancies.

Eligible professionals providing health services in designated areas would benefit economically from this program. This economic incentive will enhance the ability of communities and agencies to recruit and retain health care providers. In addition, rural Alaskans would be encouraged to obtain advanced education and return to practice in their communities.

Position

The Department of Health and Social Services, while deferring the cost analysis of this legislation to the Department of Education, supports the economic incentives in assisting rural areas to recruit and retain qualified health professionals.

Recommended by: Elizabeth Ward
Elizabeth Ward, M.N.
Director
Division of Public Health

Date: 1/19/89

Approved by: Myra M. Munson
Myra M. Munson
Commissioner
Department of Health and
Social Services

Date: 1/24/89

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HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES



P.O. BOX V, JUNEAU 99811
(907) 465-3759

HOUSE HESS COMMITTEE
LETTER OF INTENT CSHB 10 (HESS)

It is the intent of the 16th Alaska State Legislature in passing HB 10, that the Commission on Postsecondary Education in writing clearly inform borrowers potentially eligible under A.S. 14.43.120(s) that forgiveness is subject to legislative appropriation.

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

Rep. Johnny Ellis
Chairman

March 6 1989

Date of Adoption

HB 10

Health Care Shortage Area Elements:

distance to services
provider to population ratios; absolutes or special demands
overutilization or inaccessibility

definition

A health care professional shortage area exist when health care is unavailable or inaccessible due to lack of affordable and dependable transportation, or due to lack of health care providers to meet the needs of the population of the area.

A health service area is a geographic region determined by population characteristics and transportation systems which provides a reasonable service demand and economic support for specified level of professional care.

PART I
LEVELS OF CARE

LEVELS OF CARE: ORGANIZATION

Organization of the Alaska health care system utilizes a regional approach with types of health services and levels of care established for a determined community level. These levels are defined as:

- Level I Village
 - Level II Sub-Regional Center
 - Level III Regional Center
 - Level IV Urban Center
 - Level V Metropolis
- Other Settings

The resources (services, manpower and facilities) identified for each of the five levels are recommended as Guidelines in this plan. However, specific resources to be provided in any individual community should be determined on the basis of need. Characteristics to be considered include:

- Demographic factors (population, age, etc.)
- Health Status
- Anticipated frequency that the service will be required
- Economic feasibility of providing the service.

Regardless of the level classification within which a community may be designated, obviously economic realities do not permit provision of every recommended health service, manpower, facility or equipment in each individual community. Compromises must also be made with respect to time and distance from services as well as to the scope of services available. The levels of care concept encompasses the elements of continuity, coordination and a continuum of service delivery and referral patterns. However, in Alaska, transportation, communication and patient/consumer needs will often determine service and referral patterns. In the absence of the next higher level community, there will be times when a community will relate to the level which can provide the care in the most expeditious and convenient manner.

The State Health Plan incorporates an additional comment in the form of other settings. Other settings are discussed on pages 5-14 through 5-23. For the settings identified as Community Clusters and Highway Communities, new designations for certain communities are recommended.

Level I

Community Designation

Village

CRITERIA

Population

25 - 750, immediate community

Proximity

more than 30 minute access to a higher level (of care) by year round surface transportation

GUIDELINES

SERVICES

- Primary Care for common acute illness
- Reception, System entry
- Referral services
- Diagnostic screening, preliminary workup
- Preventive services
- Limited formulary pharmacy services
- Education, counseling
- Health Promotion Services
- Itinerant Services
 - Dental
 - Eye
 - Behavioral Health
 - Physician
 - Audiology
 - Preventive
- Home Health Aide/Homemaker Services
- Basic Life Support System

→ FACILITIES

Space that can be used for Clinic purposes. As possible the space should be provided with:

- Electricity
- Water
- Heat
- Private Examination Area with Examination Table .
- Secure storage
- Reliable communications link to a Referral Center (radio and/or telephone)

HANPOWER

Community Health Aide and Alternate or Equivalent
Person trained at EMT I Level
Homemaker

Itinerant Public Health Nurse
Itinerant Behavioral Health Worker
Itinerant Health Specialist(s)

Level II

Community Designation

Sub-regional center

CRITERIA

Government (or Social Organization)

preferably incorporated government; de facto town council; active formal community organizations, especially those with human services orientation.

Population

500 - 2500 in immediate community or a service area population of at least 1000.

Accessibility

generally should be within 30 minutes access time to outlying villages.

Proximity

generally should be more than 30 minutes by year-round surface transportation from a community providing a level II or higher level of services.

Transportation

transportation network to outlying villages and to a level III or IV community.

Communications

a reliable radio or phone service to a level III or IV community.

Economic Development

basic services to outlying villages.

GUIDELINES

SERVICES

All Services proposed for Level I
Consultation to Providers in Level I
Ambulatory Medical and Surgical Procedures
Supervised Overnight Patient Care Capability
Itinerant Dental Services
Basic Diagnostic Services Including Limited X-Ray Capability & Lab Capability
General Pharmaceutical Services
Education, Counseling, Promotive Services
Support, Supply, Administrative Services for Level I Communities
Long Term Care Alternatives
Nutrition Services
Advanced life support system without cardiac capability

FACILITIES

Health Center

MANPOWER

Physician Assistant or
Nurse Practitioner
Public Health Nurse
EMT II
Behavioral Health Counselor

Home Health Aide(s)/Homemakers
(As appropriate)

(Manpower should be available as appropriate to the particular community)

Level III

Community Designation

Regional Center

CRITERIA

Government

Should be incorporated

Population

1500 - 60,000 in immediate community and
Greater than 3,000 in Primary Service Area

Proximity

Should be more than 30 minutes by year round surface transportation from a community providing a Level III or higher level of service

Accessibility

Immediate community should be within 60 minutes travel time for at least 90% of population in Primary Service Area.

Transportation

Should have daily scheduled airline, rail, marine, or bus services to a Level IV or V community
or
should have less than 60 minutes travel time by private auto to a Level IV or V community

Communications

Statewide phone network; radio

Economic Development

Serve as a service center (maintenance services, commodities, financial, transportation) to Level I and II communities within its Primary Service Area

GUIDELINES

SERVICES

All services proposed for Level II
Consultation to Level I and II providers
Short stay institutional services
Chronic care and long-stay institutional services
Pharmacy services
Optometric services
Diagnostic x-ray services
Support, supply & administrative services to Level II
Community based:
- mental health
- substance abuse/alcohol rehab.
Mobile EMS capacity
Short term shelter care
Detox. capabilities
Dental services
Clinical laboratory services including walk-in blood bank
Advanced life support systems with cardiac capabilities

FACILITIES

Hospital
- general surgery as appropriate
- acute and long term beds
- class 3 emergency care
Health Center
Community Mental Health Center
Physician clinic(s)
Dental clinic(s)
Nursing home or LTC nursing beds associated with hospital

MANPOWER

Same as Level II plus:
Primary care physician(s)
Itinerant specialist physician(s)
Hospital support staff
- x-ray technician
- medical technologist
- laboratory technician
Dentist(s)
Optometrist(s)
Pharmacist(s)
Psychologist/mental health clinician(s)
MSW/social worker(s)
Sanitarian

* Primary service area refers to that area which rationally relates to the community for most of the services not provided elsewhere in that area and includes that population within the immediate and surrounding area.

Level IV

Community Designation

Urban Center

CRITERIA

Government

be incorporated and either be a unified home rule municipality (preferably having health powers and providing health services) or be located in an organized borough.

Population

40,000 - 750,000 immediate community.

Transportation

daily scheduled transportation services to Level III communities within its health service area and to closest Level V community.

Communications

statewide phone network; radio, T.V.

Economic Development

serve as a commercial service center including specialty health services to Level III communities within its secondary service area (generally, a health service area); preferably some industrial activity.

GUIDELINES

SERVICES

All Services Proposed for Levels I, II, III Communities
Consultation to Level I, II, III Providers
Specialized Major Medical Services
Class II Emergency Services Capability (Horiz)* (Hospital)
Major Diagnostic Services
Clinical Laboratory Services including Blood Bank
Basic Rehabilitation Services
Ophthalmic Care Services
Center for a Uniform Health Information System
Communication Linkages to All Levels
Mechanisms for Mobilizing EMS Services for Catastrophic Disasters involving mass casualties
Therapeutic Radiation Capability
Pathology and Autopsy Capability
State designated Capacity for Mental Health & Alcoholism inpatient committal.

→ FACILITIES

See discussion on previous page. Appropriateness in general will be determined on the basis of population and expected utilization of such facilities as well as economic and practical feasibility. Delineation of such facilities (or portions thereof) will occur through the review of new and existing institutional health services.

→ MANPOWER

To be determined according to services.

Level V

Community Designation

Metropolis

Government

Incorporated, within a higher level substate entity (county equivalent) having health powers and providing health services and/or health industry regulation.

Population

450,000 +, immediate community.

Accessibility

daily major airline service to Level IV Communities.

Transportation

national - international transportation network.

Communications

sophisticated and comprehensive communications network.

Economic Development

major trade and service center; stable industry.

The SHCC will develop recommendations to influence decisions concerning Level V services which serve as multistate resources.

Highly advanced specialized care is recommended for Level V, including the following examples:

Services

Organ Transplants
Complex Pediatric Heart Surgery
Burn Center

Facilities

Medical/Dental School Center

International Brotherhood of Electrical Workers
Local 1547

2702 DENALI STREET
ANCHORAGE, ALASKA 99503-2778

TELEPHONE
(907) 272-6571

DISPATCH
(907) 276-1547

GARY BROOKS
BUSINESS MANAGER • FINANCIAL SECRETARY

JOSEPH HODGE
PRESIDENT



February 24, 1989

Mr. Bowman, Aide
Office of Rep. Johnny Ellis
P.O. Box V
Juneau, Alaska 99811

Dear Mr. Bowman:

I wish to take this opportunity to thank you for allowing me to be a witness for House Bill #10 (HESS). Please don't hesitate to call on me, again, in the future should the need arise. I am presently in the process of organizing and representing health-care workers in the Anchorage and surrounding areas. This association does allow me an ability to hear the problems, concerns, and needs of various members of the health-care industry firsthand.

There is much need for change and improvement in the health-care industry. Our current national crisis regarding the shortage of health-care workers in the United States is a good indicator of the urgent need for public, private, and governmental involvement, intervention, and assistance. Your efforts, and that of the HESS Committee, in helping to provide tuition reimbursement for health-care graduates is a good beginning in helping to eliminate this crisis. Any future assistance or intervention in this direction will help to cushion, and possibly help to alleviate the health-care crisis.

Helene Antel, IBEW Legal Counsel, also says "Thank you" for your generous invitation, and please continue to contact her in the future if she can be of service to you and the HESS Committee members.

Sincerely,

GLENDAL CLARK, R.N.
Health-Care Representative

LETTERS OF SUPPORT written for HB 409 which was introduced in the Fifteenth Alaska State Legislature, and which is identical to HB 10.

HB 10: "An Act relating to forgiveness of student loans of certain health care professionals; and providing for an effective date."

1. University of Alaska, Board of Regents 11/23/87
2. Alaska Commission on Postsecondary Education 3/25/88
3. Department of Health & Social Services 2/10/88
4. Alaska Board of Nursing 4/13/88
5. Alaska Mental Health Board 3/29/88
6. University of Alaska, Anchorage 4/13/88
7. Alaska Native Health Board 2/10/88
8. Dept. of Health & Human Services 2/10/88
9. Tanana Chiefs Conference, Inc. 2/08/88
10. Norton Sound Health Corporation 3/07/88



Office of Regents' Affairs
(907) 474-7908

UNIVERSITY OF ALASKA
FAIRBANKS, ALASKA 99775-5080

FEB 4 1988

November 23, 1987

NOV 27 1987

Alaska Commission on
Postsecondary Education

Dr. Kerry D. Romesburg
Executive Director
Alaska Postsecondary Education Commission
P.O. Box FP
Juneau, Alaska 99811

Dear Dr. Romesburg:

Members of the University of Alaska Board of Regents requested that a copy of the following motion, adopted by the Board at its November 20, 1987 meeting in Anchorage, be forwarded to your attention:

PASSED:

"The Board of Regents directs its representatives on the Alaska Postsecondary Education Commission to forward to the commission a proposal for the development of a scholarship program for medical students from Alaska, similar to the Teacher Scholarship Loan Program, which would include forgiveness of payment if an individual practices medicine for a specified period of time in rural Alaska. This motion is effective November 20, 1987."

The above motion was made by Regent Susan Stitham, seconded by Regent Mark Helmericks, and passed unanimously by the Board of Regents.

Very truly yours,

A handwritten signature in cursive script that reads "Julie E. Chavez".

Julie E. Chavez,
Regents' Affairs Officer

cc: Regents Stitham, Helmericks, and Rasmuson
President Donald O'Dowd
Dr. Donald Behrend

STEVE COWPER, GOVERNOR

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

POUCH FP
JUNEAU, ALASKA 99811
PHONE: (907) 465-2854

**ALASKA COMMISSION ON POSTSECONDARY EDUCATION
POSITION PAPER
CSHB 409**

At the December 12, 1987 meeting of the Alaska Commission on Postsecondary Education, the Commission concurred with the UA Board of Regents resolution for the development of an Alaska Student Loan forgiveness provision for graduates of health care programs. The Commission moved that staff work with appropriate legislative committees to establish such a provision. On March 25, 1988, the Commission endorsed CSHB 409 as the means for providing an incentive for health care providers to practice in rural Alaska.

Position Paper

CSHB 409

For an Act entitled: "An Act relating to forgiveness of student loans of certain health care providers."

HB 409 would provide a student loan forgiveness program for health care professionals who provide services in areas designated by the United States Public Health Service as meeting professional shortage criteria. Loan forgiveness would be based on a yearly percentage of service in a designated area, up to five years, at which point the entire loan would be forgiven by the state.

Recruitment and retention of health care professionals for rural areas is often difficult and expensive. Agencies and communities providing services in these areas are faced with the ongoing problem of obtaining qualified individuals who will live in rural areas for an extended period of time. This chronic turnover results in substantial cost increases and service disruption due to vacancies.

Eligible professionals providing health services in designated areas would benefit economically from this program. This economic incentive will enhance the ability of communities and agencies to recruit and retain health care providers. In addition, rural Alaskans would be encouraged to obtain advanced education and return to practice in their communities.

Position

The Department of Health and Social Services, while deferring the cost analysis of this legislation to the Department of Education, supports the economic incentives in assisting rural areas to recruit and retain qualified health professionals.

Recommended by:

Elizabeth Ward
Elizabeth Ward, M.N.

Director

Division of Public Health

Date:

February 10, 1989

Approved by:

Myra M. Munson 2/10/88
Myra M. Munson

Commissioner

Department of Health and
Social Services

STATE OF ALASKA

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

DIVISION OF OCCUPATIONAL LICENSING

STEVE COWPER, GOVERNOR

7TH FLOOR FRONTIER BLDG.
3601 C STREET, SUITE 722
ANCHORAGE, ALASKA 99503
PHONE: (907) 561-2878

April 13, 1988

Johnny Ellis, Representative
P.O. BOX V
Juneau, Alaska 99811

Dear Representative Ellis,

This letter is being written in support of CS HB 409. The Board of Nursing continues to support this bill relating to forgiveness of student loans of certain health care providers including registered nurses. As indicated in previous correspondence related to this bill, the Board believes having a state agency designate the shortage area is more reasonable than using the federal designations.

Registered nurses are more in demand now in many Alaska communities than we had identified in November, 1987. We see student loan forgiveness as an incentive to encourage nurses to seek employment in those communities with the greatest need for nursing services.

We thank you for your efforts in securing this legislation and urge its passage.

Sincerely,



Gail McGuill, RN
Executive Secretary
Alaska Board of Nursing

STATE OF ALASKA
DEPT. OF HEALTH AND SOCIAL SERVICES

ALASKA MENTAL HEALTH BOARD

STEVE COWPER, GOVERNOR

P.O. BOX H 04
JUNEAU, ALASKA 99811-0620
PHONE: (907) 465-3370

March 29, 1988

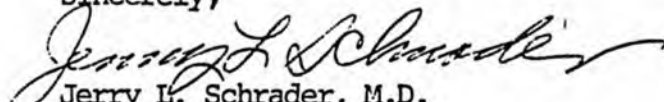
APR 1 1988

The Honorable Johnny Ellis
Alaska State Representative
P.O. Box V
Mail Stop 3100
Juneau, AK 99811

Dear Representative Ellis:

I personally support HB 409 as one of many steps that may reduce the rapid turnover of Mental Health Professionals in rural areas. The Alaska Mental Health Board has identified the manpower issue as one its priorities for study during this next year. Unfortunately, the information you request is not readily available to me at this time, but when it is I will forward it to you.

Sincerely,


Jerry L. Schrader, M.D.
Chairman, Temporary

JLS/sg



UNIVERSITY OF ALASKA, ANCHORAGE

3211 Providence Drive
Anchorage, Alaska 99508

13 April 1988

COLLEGE OF NURSING
AND HEALTH SCIENCES

Representative Johnny Ellis
State House of Representatives
Juneau, AK

Dear Representative Ellis:

As you know, the faculty of the College of Nursing at the University of Alaska has followed the progress of House Bill 409 with interest. Having reviewed the final version of this bill, I would now like to express strong support for its passage.

I was particularly pleased to see that the Department of Health and Social Services is now identified as being the agency that designates a geographic area as having a "manpower shortage". Although Federal guidelines for making such designations exist, they are quite rigid and tend to limit the ability to respond to changing local conditions. It is unlikely that any agency would be more likely to be aware of local conditions than the DHSS.

While it would not be desirable for an individual to choose to pursue higher education in the health care field solely because of the financial incentive that this Bill would provide, it is likely that the provisions of HB 409 will make it feasible for individuals who truly desire to work as registered nurses or physicians to complete their education in their chosen fields. Thus, the provisions of this bill serve to encourage individuals to fulfill personal educational needs in a manner that will also serve the health care needs of Alaskans.

While this bill will not immediately solve the current nursing shortage in the State, it does represent a long-term approach to solving that problem. Since certain geographic areas within the State have experienced a chronic shortage of registered nurses and physicians, this long view seems to be particularly appropriate.

You are to be commended for your attention to the health care needs of Alaskans and for the long view that you have taken toward solving this problem.

Please feel free to contact me if you wish a further elaboration of the potential benefits of the passage of this Bill.

Sincerely,

Tina D. DeLapp, R.N.C., Ed.D.
Associate Dean for Nursing

Alaska Native Health Board

1135 W. 8th AVENUE, SUITE 2, ANCHORAGE, ALASKA 99501

PHONE (907) 276-8989

February 10, 1988

Representative Johnny Ellis
Alaska State Legislature

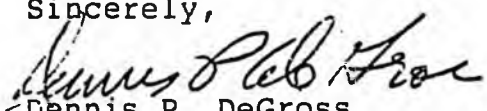
Dear Representative Ellis:

The Alaska Native Health Board strongly supports HB 409, "An Act Relating to Forgiveness of Student Loans of Certain Health Care Providers". In our statewide system of Native health care (Comprised of the Indian Health Service and 16 regional and other Native tribal health provider agencies), the number of vacant positions has varied between 41 and 59 over the past two months. At the present time there is a need for 9 physicians, 1 dentist, 22 nurses, 1 med tech, 1 physician assistant, 1 pharmacist, and 2 Xray technicians.

While the general requirement for employment in our system is that new hires have a minimum of 3 years past experience, our Internship program would allow about 14 new health provider graduates per year to enter the system directly from graduation. Our view is that the proposed bill would help us and other employers of health professionals in Alaska, such as municipalities and the State of Alaska, to hire Alaskans.

Thank you for the opportunity to comment in support of HB 409.

Sincerely,


Dennis P. DeGross
Executive Director

337-0026

Handwritten notes

ALEUTIAN PIRIBILOF ISLAND ASSOC. INC.
BRISTOL BAY AREA HEALTH CORPORATION
COOK INLET NATIVE ASSOCIATION
COPPER RIVER NATIVE ASSOCIATION

KODIAK AREA NATIVE ASSOCIATION
MANILAQ ASSOCIATION
THE NORTH PACIFIC RIM
NORTH SLOPE BOROUGH HEALTH CORP.

NORTON SOUND HEALTH CORPORATION
SOUTHEAST ALASKA REGIONAL HEALTH CORP.
TANANA CHIEFS CONFERENCE
YUKON-KUSKOKWIM HEALTH CORPORATION



DEPARTMENT OF HEALTH & HUMAN SERVICES
PUBLIC HEALTH SERVICE

February 10, 1988

FEB 16 1988

Refer to: A-NSS

Rep. Johnny Ellis
Co-chair HESS Committee
Pouch V
State Capitol
Juneau, AK 99811

hoola

Dear Rep. Ellis:

Response on behalf of Marion Bayless, Administrator, Alaska Area Nursing Services Section, in support of HB409 "An act relating to forgiveness of student loans of certain health care providers", we offer the following data and information:

The area, number, and type of nursing vacancies in Alaska-PHS, IHS are as follows:

Anchorage - ANMC

- 7 - Supervisory Clinical Nurses
- 24 - Clinical Nurses

	<u>Current</u>	<u>Anticipated</u>	
Med-Surg	6	3	
*OB	2	2	
***Peds Infant	5 (3 neonate, 2 older peds)		
ICU	2		
**OR	2		
OPD		1	
Specialty Cl.	1		
	<hr style="width: 100px; margin-left: 0;"/>		
	18	6	= 24-26 running number vacancies for past 5 months.

Barrow

- 1 Assistant Administrator of Nursing
- 1 Outpatient Dept. Head Nurse
- 6 Clinical nurses

Bethel

- 1 Night Supervisor
- 5 Clinical Nurses

Kanakanak

- 4 Clinical Nurses

Kotzebue

- 1 Assistant Administrator of Nursing
- 4 Clinical Nurses

Mt. Edgecumbe

- 2 Mental Health Nurses
- 3.5 Med-Surg Nurses

Rep. Johnny Ellis
February 10, 1988
Page 2

* It currently takes ANMC 5-6 months to recruit qualified Obstetric Clinical Nurses due to the high skill requirement of this high risk patient population and the complexity of care, equipment, and procedures.

** It takes up to 12 months to recruit qualified OR nurses.

*** It takes 6-8 months to recruit qualified neonatal nurses.

Current literature and research on Recruitment and Retention reflects educational opportunity and advancement to be high priorities for nurses surveyed in the Lower 48 States.

A Federal Interagency Staff Nurse Recruitment and Retention Task Force has identified educational opportunity and advancement to be among the top three priorities for recruitment and retention.

Attraction of minority students unable to meet financial obligation to field of nursing.

Alaska PHS-IHS exit interviews consistently reflect a primary reason for a change of employment location being:

- a) Lack of educational opportunities or advancement in present position.
- b) Seeking continuing educational opportunities with another agency (often East Coast States).

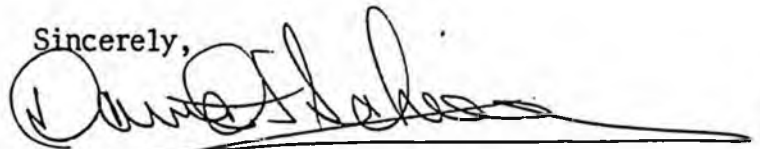
* Financial Support/Loan Forgiveness: Among the most comprehensive approaches to the recruitment into nursing problem is the one undertaken by some hospital-based schools of nursing which have decided to underwrite the costs of tuition for nursing students. The students must be willing to commit themselves to a designated period of employment in their school's hospital which will qualify them for full tuition reimbursement. Some programs will advance the required tuition while others will reimburse after the fact. In making the mutual commitment to this relationship, the student nurse and the hospital are investing time and energy in each other. The hospital stands to gain a certain number of guaranteed staff nurses upon graduation, and the student is able to obtain a nursing education without becoming encumbered with loans. In many respects this arrangement has much in common with the U. S. military R.O.T.C. programs, which supports a student in collegiate nursing education in exchange for a commitment to a given number of years in military nursing service. Two hospital-based schools of nursing which have been notably successful in recruiting students with this strategy are: Framingham Union Hospital, 115 Lincoln St., Framingham, MA 01701, Jane Woodward, Associate Administrator; and Crouse-Irving Memorial Hospital School of Nursing, 736 Irving Avenue, Syracuse, NY 13210, Dr. Suzanne Spaulding, Director.

Rep. Johnny Ellis
February 10, 1988
Page 3

* The Adult Pool of Potential RNs: In maximizing the impact of available resources, it would be advisable to consider the pool of current health care workers, such as LPNs, EMTs and paramedics. They are familiar with the hospital world, so facilitating their transition into the RN pool may provide a rapid return on available resources. Several diploma schools of nursing as well as AD programs in community colleges are recruiting this population into their RN educational programs. In order to make these programs more accessible, several offer weekend classes and evening classes for those who are employed full time. Some hospitals which might have laid off LPNs in the past have decided to try to meet the manpower needs of their institutions by offering generous academic loans to these individual with commitments to "forgive" these loans if the graduate will return to work as an RN for a given period of time.

Thank you for the opportunity to comment on this vital Alaska Health Care issue.

Sincerely,



David J. Schraer, MD
Chief, Area Patient Care Standards Br.

*Reference: American Organization Nurse Executives, American Hospital Association.

Tanana Chiefs Conference, Inc.

201 First Ave.
Fairbanks, Alaska 99701
(907) 452-8251

FEB 11 1988

FEB. 8, 1988

REP. JOHNNY ELLIS
HOUSE HESS COMMITTEE
ALASKA STATE LEGISLATURE
POUCH V
JUNEAU, ALASKA

REFERENCE: HB 409: HEALTH PROVIDER STUDENT LOAN FORGIVENESS

DEAR REP. ELLIS:

THIS IS IN RESPONSE TO YOUR LETTER OF FEBRUARY 5, 1988 REQUESTING COMMENTS CONCERNING HB409, SUPPORTING LOAN FORGIVENESS FOR HEALTH PROFESSIONAL STUDENT LOANS.

THE TANANA CHIEFS CONFERENCE, INC. IS SUPPORTIVE OF THIS PROPOSED LEGISLATION.

HEALTH PROFESSIONAL RECRUITMENT IS AN ON-GOING CONCERN FOR US, ALTHOUGH FAIRBANKS IS GENERALLY ONE OF THE MORE DESIRABLE LOCATIONS FOR PROFESSIONALS IN ALASKA, AND WE HAVE LESS OF A PROBLEM THAN MANY OF THE OTHER REGIONS OF THE STATE.

OUR MOST SIGNIFICANT RECRUITMENT PROBLEM HAS BEEN FOR A REGIONAL PSYCHIATRIST TO SERVE INTERIOR ALASKA VILLAGES. WE ARE A DESIGNATED PSYCHIATRIC MANPOWER SHORTAGE AREA, AND HAVE NOT BEEN ABLE TO FIND A CANDIDATE DESPITE NEARLY TWO YEARS OF ACTIVE RECRUITMENT (FINANCING IS ALSO A PROBLEM: WE HAVE REQUESTED AN INCREASE IN OUR DHSS B.R.U. TO PROVIDE THIS SUPPORT).

OTHER ONGOING RECRUITING NEEDS INCLUDE PHYSICIAN'S ASSISTANTS TO SERVE AS PRIMARY CARE PROVIDERS AND HEALTH AIDE SUPERVISORS (CURRENT VACANCIES IN TOK AND MCGRATH), AND MENTAL HEALTH CLINICIANS (MSW OR PHD). WE HAVE REGULAR VACANCIES IN THESE TYPES OF POSITIONS (EVERY TWO-THREE YEARS).

RECRUITMENT FOR PHYSICIANS, DENTISTS, AND NURSES HAS NOT BEEN A SIGNIFICANT PROBLEM FOR US, ALTHOUGH WE WOULD PREFER TO HIRE INDIVIDUALS WHO HAVE ALASKA EXPERIENCE VS. RELOCATING INDIVIDUALS FROM THE LOWER 48.

ONE AREA OF CRITICAL CONCERN FOR THE TCC IS THE DEVELOPMENT OF ALASKA NATIVE HEALTH CARE PROFESSIONALS. AT PRESENT ONLY TEN PERCENT OF PROFESSIONAL PROVIDERS SERVING THE RURAL INTERIOR ARE ALASKA NATIVE (TWO PHYSICIANS ASSISTANTS AND ONE DEPARTMENT MANAGER IN HEALTH EDUCATION). SUCCESSFUL NATIVE COLLEGE GRADUATES SEEM TO BE CHOOSING CAREERS IN EDUCATION AND BUSINESS RATHER THAN HEALTH CARE PROFESSIONS.

LETTER TO REP. ELLIS

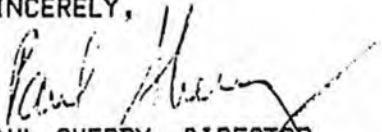
PAGE TWO

THE PROVISIONS OF HB489 WOULD APPEAR TO PROVIDE RELIEF AND SUPPORT FOR OUR EFFORTS TO INCREASE ALASKAN HIRE IN HEALTH PROFESSIONS.

THE FORGIVENESS PROVISIONS WOULD ENCOURAGE COLLEGE STUDENTS TO MORE FAVORABLY CONSIDER HEALTH CAREERS, AND INCREASE THE AVAILABILITY OF PROFESSIONALS WHO WOULD MAKE A LONGER TERM COMMITMENT TO ALASKAN SERVICE.

YOU HAVE THE SUPPORT OF THE TANANA CHIEFS CONFERENCE, INC. IN YOUR EFFORTS TO ENACT THIS LEGISLATION.

SINCERELY,


PAUL SHERRY, DIRECTOR
DEPT. OF HEALTH SERVICES

CC: SEN. JOHNE BINKLEY
REP. KAY WALLIS
MITCH DEMIENTIEFF, TCC PRESIDENT



NORTON SOUND HEALTH CORPORATION

P.O. BOX 966
NOME, ALASKA 99762
(907) 443-5411

March 7, 1988

Leola M. Weimer
Legislative Aide for Rep. Ellis
Alaska State Legislature House
Pouch V
Juneau, Alaska 99811

Dear Mrs. Weimer:

I have recently become aware of House Bill 409, an act relating to the forgiveness of student loans of certain health care professionals. I have phoned my comments in support of this bill to our local legislative affairs office in Nome, and I would like to address my comments further on paper via this letter.

I am an Alaska Student Loan Recipient in an amount greater than \$20,000. I am a physician employed by Norton Sound Health Corporation and have been practicing here since graduation from my residency in August 1986. I am an Alaska resident since 1975 and had always planned on returning to Alaska to work upon completing my education. I am currently finishing a 2 year contract with Norton Sound Health Corporation and have recently extended my contract for an additional 2 years to be served in the Norton Sound area.

Since coming here I have discovered that recruitment of medical personnel is tenuous at best. This applies not only to physicians staff, but other ancillary medical personnel as well. As I understand House Bill 409, it appears to be an honest attempt at dealing with this problem faced by rural communities in Alaska.

Though the current bill would not have affected my decision to return to Alaska, it certainly could impact on my decision to stay for a longer period of time in a rural community. More specifically, under my current loan agreement if I practice in Alaska for a period of 6 years I will have 40% of my loan forgiven. Under those provisions I might choose to work 2 years on a rural setting and then move to a more comfortable and perhaps more profitable location in the state. However with the provisions of House Bill 409 I can have complete loan forgiveness after a period of 6 years thus encouraging me to stay for an extended period in a rural community. It is my feeling that others faced with this opportunity would feel the same, electing to stay for longer periods of time in a rural community, with the added benefit of increased continuity of care for the peoples of those communities.

This is growing lengthy, but I wish to express my support for House Bill 409 and encourage your efforts along these lines. If you have any questions please feel free to contact me.

Sincerely,

Byron Perkins

Byron Perkins, D.O.
BP:m