

LEGISLATIVE FINANCE-HOUSE / SENATE FINANCE COMM. FILES 8879

SB 93 cont. - SB 100 608 1999

Original sponsor: Rules/Governor

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 93 (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 relating to workers' compensation benefits
7 for members of the state's organized militia; and
8 providing for an effective date."

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

10 * Section 1. AS 26.05.260(d) is amended to read:

11 (d) A member of the organized militia [ALASKA NATIONAL GUARD OR
12 ALASKA NAVAL MILITIA] who, while performing duties [ON ACTIVE SERVICE]
13 under AS 26.05.070 [AND LAWFULLY PERFORMING DUTIES], including transit
14 to and from the member's home of record, suffers an injury or [A]
15 disability in the line of duty is entitled to all compensation and
16 benefits available under the Alaska Workers' Compensation Act
17 (AS 23.30).

18 * Sec. 2. AS 26.05.260(e) is amended to read:

19 (e) If a member of the organized militia [ALASKA NATIONAL GUARD
20 OR ALASKA NAVAL MILITIA] dies as a result of an injury or [A] disabil-
21 ity suffered in the line of duty while performing duties [ON ACTIVE
22 SERVICE] under AS 26.05.070 [AND WHILE LAWFULLY PERFORMING DUTIES],
23 including transit to and from the member's home of record, death
24 benefits shall be paid to the persons in the amounts specified in
25 AS 23.30.215.

26 * Sec. 3. AS 26.05.260(h) is amended to read:

27 (h) In this section, "member" means an active commissioned or
28 warrant officer or enlisted man or woman in the organized militia
29 [ALASKA NATIONAL GUARD OR ALASKA NAVAL MILITIA].

1 * Sec. 4. AS 26.05.260 is amended by adding a new subsection to read:

2 (i) For purposes of computation of benefits under AS 23.30, the
3 earnings of a member of the organized militia will be presumed to be
4 no less than the pay and allowances authorized for a member of the
5 regular armed forces of the United States in the same grade or rank as
6 the organized militia member at the time of the injury or death.

7 * Sec. 5. This Act takes effect July 1, 1989.
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STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 9, 1989

The Honorable Tim Kelly
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Kelly:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to workers' compensation benefits for members of the Alaska State Militia, Alaska National Guard, and Alaska Naval Militia.

Under AS 26.05.010, the "organized militia" is composed of the Alaska State Militia (also known as the Alaska State Defense Force), the Alaska National Guard (composed of the Alaska Army National Guard and the Alaska Air National Guard), and the Alaska Naval Militia.

The Alaska National Guard is concurrently a reserve component of the armed forces of the United States. The National Guard drills one weekend each month and two weeks annually. For this duty, members of the National Guard are paid by the federal government from money appropriated to the Department of Defense.

Members of the Alaska Naval Militia are concurrently members of the U.S. Naval Reserve. When performing drill for the U.S. Navy, naval reservists are compensated either by retirement points or by money appropriated to the Navy Department or by both.

The Alaska State Militia (ASM) has no status as a reserve of the armed forces of the United States and its members receive no compensation from the federal government.

The governor has authority to call the organized militia into active state service or training duty under AS 26.05.070. As currently written, AS 26.05.260(d) expressly provides that members of the Alaska National Guard and Alaska Naval Militia who are injured or killed while performing duties under AS 26.05.070 are entitled to workers' compensation. The statute is silent regarding compensation of members of the ASM who are injured or killed

Letter from the Governor

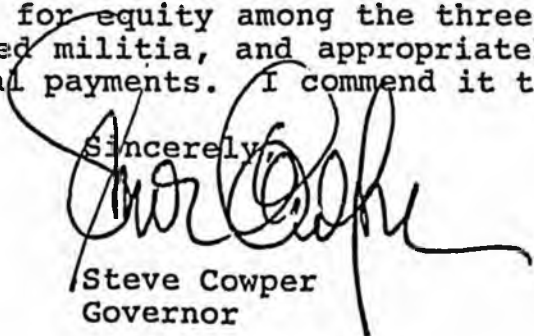
while performing duties under AS 26.05.070. No state workers' compensation coverage is presently provided for members of the National Guard who are injured or killed in the line of duty in the reserve component of the armed forces of the United States.

This bill expressly extends workers' compensation coverage to members of the ASM. Sections 1, 2, and 3 of the bill. This ensures that injured militia members receive adequate compensation for injuries incurred incident to state service, and the bill limits the state's liability for injuries to the remedy provided for in AS 23.30. The bill also expressly extends workers' compensation coverage to members of the organized militia who are injured or killed in the line of duty under certain federal statutes, including federal details, drills, exercises, and training. However, members injured or killed in the line of federal duty are not covered while in transit to and from duty, and workers' compensation benefits are subject to a setoff described below. Section 4 of the bill, in proposed AS 26.05.260(i) and (j).

For purposes of computing workers' compensation benefits for a member of the organized militia, the bill provides that a member's earnings are presumed to be no less than the pay and allowances authorized for a member of the armed forces in the same grade and rank as the member at the time of the injury or death. Section 4 of the bill, in proposed AS 26.05.260(l). The bill also provides that members, or survivors of members, of the Alaska National Guard must apply for available benefits payable by the federal government for the injury or death of the member, and that workers' compensation payments will be reduced by the amount payable by the federal government for the disability or death. Section 4 of the bill, in proposed AS 26.05.260(k). The provisions on the federal setoff apply only to the National Guard because, of the three components of the organized militia, only that one is entitled to federal compensation under federal law. Notwithstanding the federal benefits, there will be some occasions when individuals will have recourse to the Alaska workers' compensation system. Therefore, some additional appropriation to cover the premium for this responsibility is anticipated.

This bill, then, provides for equity among the three components of Alaska's organized militia, and appropriately provides for setoff of federal payments. I commend it to you.

Sincerely,



Steve Cowper
Governor

STATE OF ALASKA

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

OFFICE OF THE ADJUTANT GENERAL

STEVE COWPER, GOVERNOR

FRONTIER BUILDING
SUITE 620
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ANCHORAGE ALASKA 99503 5989
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AUTOVON 626 1444

Administrative & Support
Services Division
P.O. Box L
Juneau, AK 99811

March 24, 1989

The Honorable Rick Uehling
Co-Chairman, Senate Finance Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Uehling,

Senate Bill 93, relating to workers compensation coverage for the State's organized militia, was last heard in the Senate Finance Committee on February 13. At that time there were considerable reservations expressed concerning the amount of the fiscal note, and we indicated to you that we would go back to the drawing board and thoroughly review the basis of the fiscal note.

The Division of Risk Management has received an independent assessment of the fiscal impact of the bill from their actuaries, which is in general terms about the same as the original fiscal note. Your office received a memo transmitting this information on February 24. The Department of Military and Veterans Affairs has carefully considered the current situation and has concluded that we would support a significant change in the bill in order to substantially reduce its fiscal impact. A copy of the proposed committee substitute which we now support is attached for your review.

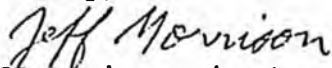
As was brought out in testimony on the bill, almost all of the bill's fiscal impact is due to the creation of a "safety net" of workers compensation coverage for members of the Alaska National Guard. The bill also extended workers compensation coverage to members of the Alaska State Militia, or Alaska State Defense Force, at an annual cost of \$2400. The committee substitute which we are proposing would eliminate the "safety net" provisions of the bill and retain the coverage for the State Defense Force. We believe it is still very advisable to proceed with this aspect of the bill in order to both limit the state's potential liability in the event of a work-related injury to a member of the State Defense Force, as well as define the compensation due to any such injured member.

The Department still believes that the "safety net" provisions, which we are reluctantly withdrawing at this time, are desirable for the long-term interests of both the State of Alaska, as well as for the welfare of the members of the National Guard who would be covered by such provisions. However, General Schaeffer has directed that I proceed with the requested committee substitute in recognition of the current fiscal limitations.

One of the main purposes of the "safety net" provisions of the bill would have been to plug up some of the cracks and loopholes that, in isolated instances in the past, have resulted in members of the Alaska National Guard not being fairly treated by the federal system of compensation for time spent out of work as the result of work-related injuries. We have worked with the federal government in the past to try to remove these gaps in coverage, and will aggressively pursue this in the immediate future. Any progress that we are able to make prior to the next session of the legislature would probably reduce the state's exposure, and likely reduce the fiscal impact of the "safety net" provisions of the original bill. We will work closely with the Office of the Governor and the Division of Risk Management to determine whether or not the "safety net" provisions will be introduced as separate legislation next session.

I hope that the proposed committee substitute, and the accompanying revised fiscal notes, will address the reservations on the cost of the bill that were raised in the hearing on February 13. We would appreciate your rescheduling the bill for a second hearing at your convenience. Please contact me if you need any additional information.

Sincerely,



Jeff Morrison, Director
Administrative and Support Services

enclosures

cc: MG John W. Schaeffer, The Adjutant General
Charles T. Borg, Deputy Commissioner, DMVA
Don Hitchcock, Director, Division of Risk Management
Jackie McClintock, Director, Division of Workers Compensation
MAJ Gary W. Bowen, Staff Judge Advocate, DMVA
Shari Kochman, Legislative Staff Assistant, Office of the Governor

SB93-1

MEMORANDUM

State of Alaska

TO: Jeff Morrison
Director
Administrative & Support
Services Division

THRU: Department of Military
& Veterans Affairs

DATE: April 6, 1989

FILE NO.:

TELEPHONE NO.: 465-2180

FROM: Donald J. ~~Mc~~chcock
Director
Division of Risk Management
Department of Administration

SUBJECT: Draft Committee
Substitute for SB93
Workers' Compensation
Benefits for State
Militia

Thank you for the copy of the "draft" committee substitute for SB93.

The Department of Administration does not write fiscal notes on draft legislation, however, we will provide our estimated costs based on the present draft wording.

The final impact is difficult to project given that it would only affect future claims of a small number of employees. The Division of Risk Management would increase allocated cost of workers' compensation insurance to the Department of Military and Veterans Affairs by \$2,400 in FY 90. However, since this additional exposure represents only a very small portion of total State workers' compensation exposure it is unlikely that total cost of risk to the State would be immediately or seriously impacted.

Based on the present draft we would issue a zero fiscal note with stipulations as outlined in the previous paragraph.

I trust this information will be helpful. Please call if you need additional information.

DJH/ch

cc: Senator Rick Uehling, Co-Chairman, Senate Finance Committee
MG John W. Schaeffer, The Adjutant General
Charles T. Borg, Deputy Commissioner, DMVA
Jackie McClintock, Director, Div. of Workers' Compensation
MAJ. Gary W. Bowen, Staff Judge Advocate, DMVA
Shari Kochman, Legislative Staff Assistant, Office of the
Governor

MEMORANDUM

State of Alaska

Department of Law

TO: Jeff Morrison, Director
Administrative and Support
Services Division
Department of Military and
Veterans' Affairs

DATE: March 21, 1989

FILE NO.: 773-89-0021

TEL. NO.: 465-3600

SUBJECT: Committee substitute for
HB 93 -- workers' comp-
ensation benefits for
state militia

FROM: Arthur H. Peterson
Assistant Attorney General
Legislation/Regulations Section

As you requested Friday, here is a draft of a committee substitute for HB 93 (our file 773-89-0021). We understand that you would like to present this version to the Senate Finance Committee.

We will be able to provide the Senate Finance Committee or the Legislative Affairs Agency a copy of this committee substitute on a Displaywriter diskette if those folks so request.

AHP:cb

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act relating to workers'
compensation benefits..."
Sponsor: Rules Committee
Requestor: Governor

Agency Affected: Labor
BRU: Workers' Compensation
Components: Workers' Compensation

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	0.0	0.0	0.0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Jacque McClintock Phone: 465-2790
 Division: Workers' Compensation Date: 12-19-88
 Approved by Commissioner: Jim Sampson Date: 12-19-88
 Agency: Department of Labor

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

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Administration
 Title: An act relating to workers' comp. benefits for member of the ANG, ANM & ASM BRU: Risk Management
 Sponsor: Rules Committee Components: _____
 Requestor: Governor

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0.0	88.0	114.0	148.0	193.0	250.0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0.0	88.0	114.0	148.0	193.0	250.0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER*	0	88.0	114.0	148.0	193.0	250.0
TOTAL	0	88.0	114.0	148.0	193.0	250.0

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

* These funds will be interagency receipts from DMVA.

This fiscal note is extremely difficult to project---see Fiscal Note Analysis on page 2.

Prepared By: Donald J. Hitchcock, Director Phone: 465-2180
 Division: Risk Management Date: 1/6/89
 Approved by Commissioner: John M. Andrews Date: 1-6-89
 Agency: Department of Administration

Distribution (by preparer):

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

CONTINUATION OF FISCAL NOTE ANALYSIS

This fiscal note is based on present estimated costs of the State self-insured Workers' Compensation program prorated to the number of days of probable National Guard or militia exposure.

It is further estimated that the federal government would pay 75% of loss and the State of Alaska would pay any additional in order to provide the injured person with Alaska Workers' Compensation benefits. If no federal coverage was available, then the State may become obligated to the entire amount of loss.

As of July 1, 1989, there will be approximately 5,000 people in these affected military units of which approximately 1,300 will be full-time.

It is very difficult to estimate total additional exposure to the State as no loss history is presently available.

FISCAL NOTE

REQUEST:

Revision Date: December 19, 1988
Title: An Act relating to workers comp benefits for members of the org militia
Sponsor: Riles Committee
Requestor: Governor

Agency Affected: Military & Veterans Affairs
BRU: Alaska National Guard
Components: Office of the Adjutant General

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		88.0	114.0	148.0	193.0	250.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		88.0	114.0	148.0	193.0	250.0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND		88.0	114.0	148.0	193.0	250.0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Amounts budgeted by this fiscal note will be transferred by RSA to the Division of Risk Management to pay for additional insurance coverage created by this bill. See attached analysis.

Prepared by: Jeff Morrison Phone: 465-4600
Division: Administrative & Support Services, DMVA Date: 12/19/88

Approved by Commissioner for MG John Schaeffer Date: 12/19/88
Agency: Department of Military & Veterans Affairs

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

*Replaced by updated
#2.4 note for CS(Fix)*

Attachment to fiscal note for "An Act relating to worker's compensation benefits for members of the state's organized militia, and providing for an effective date."

Overview: This act makes two changes to existing statutes: 1) to expand workers compensation coverage to members of the Alaska State Militia (State Defense Force); and 2) to provide a safety net of state workers compensation coverage to members of the Alaska National Guard on training status.

1. Alaska State Militia (ASM) workers compensation coverage: Premiums for workers compensation coverage are calculated by multiplying the total payroll covered by the specific rate for the type of work being performed. Members of the ASM serve without pay for their training, which consists of two days per month, for a total of 24 days per year. Under the bill, the earnings of a member of the ASM are presumed to be the same as they would be if the ASM member held the same grade or rank as a member of the U.S. Armed Forces. Under this assumption, the total covered payroll of the ASM amounts to about \$10,000 per day. For the 24 days of drill per year, the total payroll covered is about \$240,000. During drills, members of the ASM train in an office setting. The rate for workers compensation for office workers is approximately 1% of the total payroll. At an assumed total payroll of \$240,000, and a premium rate of 1%, the total annual premium due to the Division of Risk Management is \$2,400.

2. Safety net coverage for Alaska National Guard members: Alaska National Guard members are already covered under state workers compensation while on state active duty. The proposed legislation would extend that coverage to include the times that a guardsman is on federal duty under 32 U.S.C. Since guardsmen are also covered under federal workers compensation while on federal duty, the state would only be paying for the coverage which exceeds the federal workers compensation coverage. The legislation also provides that any state workers compensation payable under the proposed new language of the law would be reduced and offset by the amount payable under the federal coverage. The Division of Risk Management has estimated that the additional workers compensation exposure created by this bill will cost the state an additional \$ 85,600 in the first year.

3. FY91 and beyond: Recent workers compensation loss history documented by the Division of Risk Management shows a growth rate in risk management costs of about 30% per year. This growth rate is applied to the total first year expense of \$88,000, to project the likely cost of this legislation for the years following FY90.

Prepared by: Jeff Morrison, Director
Administrative and Support Services Division
Department of Military and Veterans Affairs
465-4600

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HOUSE COMMITTEE REPORT

(11)

Date Referred: May 6, 1989
 (Waived from LABOR & COMMERCE 5/5)

FURTHER REFERRALS:

Date of Committee Action: 5/6/89

The FINANCE Committee considered:

CSSB 93 (FINANCE)

CS FOR SENATE BILL NO. 93 (Finance)

[WORKERS' COMP FOR MILITIA MEMBERS]

"An Act relating to workers' compensation benefits for members of the state's organized militia; and providing for an effective date."

RECOMMENDATIONS:

- [] be replaced with _____ [] 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) M & VA 4/7/89
- [] zero fiscal note(s) Labor 4/7/89
- [] zero fn/analysis Admin 4/7/89

SIGNING DO PASS:

SIGNING:

(Check approp. column)

Do Not Pass No Rec Amend

Ronald J. Larson
James H. Swackhammer
Thomas W. Barnes
Dick Schultz
Steve Rieger
Key Wallis

SIGNING	Do Not Pass	No Rec	Amend
<u>Ann H. Hoffmann</u>	X		
<u>Jay Brown</u>	X		
<u>Kapone</u>	X		
<u>Ulmer</u>	X		
<u>Phillips</u>		X	

cc - Ronald J. Larson
 Chairman's Signature
 cc - Ann H. Hoffmann

FISCAL NOTE *R/O* **HFC 5-6-89**

REQUEST:

Revision Date: March 24, 1989
 Title: An Act relating to workers comp benefits for members of the org militia
 Sponsor: Rules Committee (Governor)
 Requestor: Senate Finance

Agency Affected: Military & Veterans Affairs
 BRU: Alaska National Guard
 Components: Office of the Adjutant General

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		2.4	3.1	4.0	5.3	6.8
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		2.4	3.1	4.0	5.3	6.8

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND		2.4	3.1	4.0	5.3	6.8
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Amounts budgeted by this fiscal note will be transferred by RSA to the Division of Risk Management to pay for additional insurance coverage created by this bill. See attached analysis.

Prepared by: Jeff Morrison Phone: 465-4600
 Division: Administrative & Support Services, DMVA Date: 3/24/89
 Approved by Commissioner: *J Morrison* MG John Schaeffer Date: 3/24/89
 Agency: Department of Military & Veterans Affairs

Distribution (by preparer):

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

Attachment to fiscal note for "An Act relating to worker's compensation benefits for members of the state's organized militia, and providing for an effective date."

This act expands workers compensation coverage to members of the Alaska State Militia (State Defense Force). Premiums for workers compensation coverage are calculated by multiplying the total payroll covered by the specific rate for the type of work being performed. Members of the ASM serve without pay for their training, which consists of two days per month, for a total of 24 days per year. Under the bill, the earnings of a member of the ASM are presumed to be the same as they would be if the ASM member held the same grade or rank as a member of the U.S. Armed Forces. Under this assumption, the total covered payroll of the ASM amounts to about \$10,000 per day. For the 24 days of drill per year, the total payroll covered is about \$240,000. During drills, members of the ASM train in an office setting. The rate for workers compensation for office workers is approximately 1% of the total payroll. At an assumed total payroll of \$240,000, and a premium rate of 1%, the total annual premium due to the Division of Risk Management is \$2,400.

FY91 and beyond: Recent workers compensation loss history documented by the Division of Risk Management shows a growth rate in risk management costs of about 30% per year. This growth rate is applied to the total first year expense of \$2,400, to project the likely cost of this legislation for the years following FY90.

Prepared by: Jeff Morrison, Director
Administrative and Support Services Division
Department of Military and Veterans Affairs
465-4600

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Administration
 Title: An Act relating to workers' compensation benefits for member of ASM BRU: Division of Risk Management
 Sponsor: Rules Committee Components: _____
 Requestor: Governor

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

The fiscal impact is difficult to project given that it will only affect future claims of a small number of employees. The Division of Risk Management would increase cost of insurance allocations to the Department of Military and Veterans Affairs by \$2.4 in FY 90. However, since this additional exposure represents only a very small portion of total State exposures, it is unlikely that total cost of risk to the State would be immediately affected.

Prepared By: Don Hitchcock, Director *Don Hitchcock* Phone: 465- 2180
 Division: Risk Management Date: 4/17/89
 Approved by Commissioner: John M. Andrews *John M. Andrews* Date: 4/10/89
 Agency: Department of Administration

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

RECEIVED
APR 11 1989

STATE OF ALASKA
1989 LEGISLATIVE SESSION

740 MFC 5-6-89

BILL VERSION

CSSD 93 (Fin)

(c)

PUBLISH DATE:

4/7/89

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Labor
 Title: "An Act relating to workers' compensation benefits for state's militia..." BRU: Workers' Compensation
 Sponsor: Rules Committee Components: _____
 Requestor: Senate Finance Workers' Compensation

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	0.0	0.0	0.0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Jacquelyn McClintock Phone: 465-2790
 Division: Workers' Compensation Date: 3/24/89
 Approved by Commissioner: Jim Sampson Date: 3/24/89
 Agency: Department of Labor

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

Original sponsor: Rules/Governor

1 IN THE SENATE BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 93 (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 relating to workers' compensation benefits
7 for members of the state's organized militia; and
8 providing for an effective date."

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

10 * Section 1. AS 26.05.260(d) is amended to read:

11 (d) A member of the organized militia [ALASKA NATIONAL GUARD OR
12 ALASKA NAVAL MILITIA] who, while performing duties [ON ACTIVE SERVICE]
13 under AS 26.05.070 [AND LAWFULLY PERFORMING DUTIES], including transit
14 to and from the member's home of record, suffers an injury or [A]
15 disability in the line of duty is entitled to all compensation and
16 benefits available under the Alaska Workers' Compensation Act
17 (AS 23.30).

18 * Sec. 2. AS 26.05.260(e) is amended to read:

19 (e) If a member of the organized militia [ALASKA NATIONAL GUARD
20 OR ALASKA NAVAL MILITIA] dies as a result of an injury or [A] disabil-
21 ity suffered in the line of duty while performing duties [ON ACTIVE
22 SERVICE] under AS 26.05.070 [AND WHILE LAWFULLY PERFORMING DUTIES],
23 including transit to and from the member's home of record, death
24 benefits shall be paid to the persons in the amounts specified in
25 AS 23.30.215.

26 * Sec. 3. AS 26.05.260(h) is amended to read:

27 (h) In this section, "member" means an active commissioned or
28 warrant officer or enlisted man or woman in the organized militia
29 [ALASKA NATIONAL GUARD OR ALASKA NAVAL MILITIA].

1 * Sec. 4. AS 26.05.260 is amended by adding a new subsection to read:

2 (i) For purposes of computation of benefits under AS 23.30, the
3 earnings of a member of the organized militia will be presumed to be
4 no less than the pay and allowances authorized for a member of the
5 regular armed forces of the United States in the same grade or rank as
6 the organized militia member at the time of the injury or death.

7 * Sec. 5. This Act takes effect July 1, 1989.

SB 93 SUMMARY

SB93 is a Governor's bill that expands Workers compensation to members of the Alaska State Guard, also known as the Alaska State Defense Force. The State Defense Force trains one weekend a month with the National Guard for the purpose of supplementing the National Guard in the event of emergencies, and providing an organizational structure to replace the National Guard in the event that the Guard is called to federal service in wartime.

Members of the State Defense Force are volunteers, and currently have no remedy for recovery of lost wages or medical expenses if they are injured while doing their monthly training. This bill would include them in the state worker's compensation coverage to provide for this coverage.

The bill also protects the state by limiting the benefit paid for any damages to the workers compensation remedy, instead of leaving the door open for a tort claim against the state. This is one of the basic reasons for having workers compensation laws.

Since the training of the Alaska State Defense Force members takes place in an office setting, the rates to provide coverage for them are the same as office workers, or very low. The total fiscal impact of this bill is \$2,400.

The bill before the Committee is a Senate Finance Committee Substitute. The Senate Finance CS removed a provision in the original bill which would have provided additional "safety net" coverage of state workers compensation for members of the Alaska National Guard. The fiscal impact of this section was projected to grow to \$250,000 over the next five years. This section was removed with the Department's concurrence due to the fiscal impact, and the department will be reevaluating this need during the interim. This bill passed the House last year as HB 529, and died on the Senate floor on the last day of session.

Prepared by: Jeff Morrison, DMVA 465-4600

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B

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SENATE COMMITTEE REPORT

FURTHER

3/1/89

DATE TURNED INTO OFFICE 4/11/89

Mr. President:

Finance

Committee considered SB 94

limiting liability for certain activities of the Alaska National Guard
and recommended

- replace with _____ CS _____) same title
- or adopt _____ CS SB 94 (Jud)) new title
- attached amendment(s) and technical title change (HB only)
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

- FISCAL NOTE(S) ^{New} zero fiscal impact appropriation no FN
- new updated previous DM 4 UA (50.0)
- same as previous fiscal note(s) published 3/1/89

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Pearce
Pearce
Paul Frick

Rich West (DO PASS)
 Chairman signature and recommendation

Committee Backup attached

John B. ... CO-CHAIR
 Do Pass

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Administration
 Title: An act limiting liabilities for BRU: Risk Management
activities of the Alaska National Guard
 Sponsor: Rules Committee Components: _____
 Requestor: Governor

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

The fiscal benefit is difficult to project because State retentions (deductibles) have varied in past years and this legislation applies only to future claims. The Division of Risk Management would reduce costs of insurance allocations to the Department of Military and Veterans Affairs by \$50.0. However, since this exposure represents only a small portion of total State exposures, it is unlikely that total cost of risk to the State would be immediately affected. Certainly passage of this bill might save considerable defense costs should claims occur in the future.

Prepared By: Donald J. Hitchcock Phone: 465-2180
 Division: Risk Management Date: _____

Approved by Commissioner: John M. Andrews Date: 3/6/89
 Agency: Department of Administration

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

FISCAL NOTE

REQUEST:

Revision Date: February 28, 1989
Title: An Act limiting liability for activities of the Alaska National Guard
Sponsor: Sen. Judiciary
Requestor: Sen. Judiciary

Agency Affected: Military & Veterans Affairs
BRU: Alaska National Guard
Components: Office of the Adjutant General

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		(50.0)	(50.0)	(50.0)	(50.0)	(50.0)
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		(50.0)	(50.0)	(50.0)	(50.0)	(50.0)

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND		(50.0)	(50.0)	(50.0)	(50.0)	(50.0)
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Passage of this bill will reduce the civil liability exposure of the State of Alaska. This reduction in exposure will be reflected by a reduction in the insurance costs charged to DMVA by the Division of Risk Management.

Prepared by: Jeff Morrison
Division: Administrative & Support Services, DMVA

Phone: 465-4600
Date: February 28, 1989

Approved by *for* Commissioner MG John Schaeffer
Agency: Department of Military & Veterans Affairs

Date: February 28, 1989

Distribution (by preparer):

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

Offered: 3/1/89
Referred: Rules

740 SFC 4-11-89
go0229sE

Original sponsor: Rules/Governor

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2

CS FOR SENATE BILL NO. 94 (Judiciary)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act limiting civil liability for certain activ-
7 ities of the Alaska National Guard."

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

9 * Section 1. AS 26.05 is amended by adding a new section to read:

10 Sec. 26.05.145. IMMUNITY FROM CIVIL LIABILITY. The state, an
11 employee or representative of the state, and an individual member of
12 the Alaska National Guard are not civilly liable for damages arising
13 from Alaska National Guard activities of a member of the Alaska
14 National Guard while acting as an employee of the government. In this
15 section, "employee of the government" has the meaning given in
16 28 U.S.C. 2671 (Federal Tort Claims Act).

17

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 9, 1989

The Honorable Tim Kelly
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

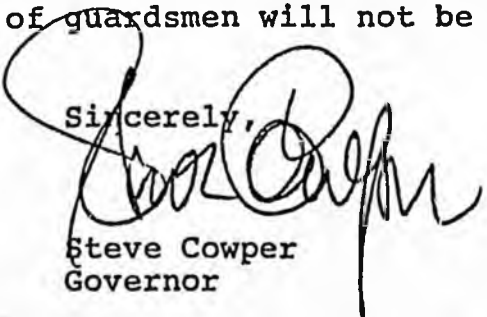
Dear Senator Kelly:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to liability immunity of the state, its employees and agents, and members of the Alaska National Guard.

While training or on duty under federal mandate, the state national guards are performing a United States Government activity. Nevertheless, there have been occasions in which states, rather than the United States, have been exposed to tort liability for injuries or damage resulting from federally mandated guard activities.

In 1981, Congress amended 28 U.S.C. 2671 by adding to the definition of "employees of the government" members of the National Guard while training or on duty under federal order under 32 U.S.C. The effect of this amendment was to clarify that the United States considers the Guard as a federal function during 32 U.S.C. activities and that claims for injuries resulting from such activities could be pursued under the Federal Tort Claims Act, 28 U.S.C. 2671 et seq. In spite of this change in the law, there are rare occasions when the state remedy is preferred by an injured third party, who consequently will file a claim for damages in state court on the basis of state law. This bill will prevent suits of this nature, and assure that persons injured or property damaged as a result of federally mandated and controlled Guard activities will be required to seek damages from the United States Government. Existing worker's compensation coverage of guardsmen will not be affected by this bill.

Sincerely,


Steve Cowper
Governor

Transmittal Letter

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An act limiting liabilities for activities of the Alaska National Guard
Sponsor: Rules Committee
Requestor: Governor

Agency Affected: Dept. of Military & Veterans Affairs
BRU: ~~Alaska National Guard~~ Risk Management
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	(50.0)	(50.0)	(50.0)	(50.0)	(50.0)
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	(50.0)	(50.0)	(50.0)	(50.0)	(50.0)
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	(50.0)	(50.0)	(50.0)	(50.0)	(50.0)
TOTAL	0	(50.0)	(50.0)	(50.0)	(50.0)	(50.0)

OTHER FUNDS
(interagency receipts)

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

The fiscal benefit is difficult to project because the State insurance deductible has varied, also this legislation would apply only to future claims. There could, however, be rather substantial savings in claims defense costs.

Prepared By: Donald J. Hitchcock
Division: Risk Management

Phone: 465-2180

Date: 12-19-88

Approved by Commissioner: John M. Andrews

Date: 12-19-88

Agency: Department of Administration

Distribution (by preparer):

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

Updated by 3-6-89
note.

FISCAL NOTE

REQUEST:

Revision Date: December 22, 1988
Title: An Act limiting liability for activities of the Alaska National Guard
Sponsor: Rules Committee
Requestor: Governor

Agency Affected: Military & Veterans Affairs
BRU: Alaska National Guard
Components: Office of the Adjutant General

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL		(50.0)	(50.0)	(50.0)	(50.0)	(50.0)
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		(50.0)	(50.0)	(50.0)	(50.0)	(50.0)

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

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

GENERAL FUNDS

FUNDING: (Thousands of Dollars)

GENERAL FUND		(50.0)	(50.0)	(50.0)	(50.0)	(50.0)
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Passage of this bill will reduce the civil liability exposure of the State of Alaska. This reduction in exposure will be reflected by a reduction in the insurance costs charged to DMVA by the Division of Risk Management.

Prepared by: Jeff Morrison Phone: 465-4600
Division: Administrative & Support Services, DMVA Date: 12/21/88
Approved by *J. Morrison* Commissioner: MG John Schaeffer Date: 12/21/88
Agency: Department of Military & Veterans Affairs

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

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HOUSE COMMITTEE REPORT

File copy

(11)

Date Referred: April 18, 1989

FURTHER REFERRALS:

Date of Committee Action: 3-12-90

The FINANCE Committee considered:

CSSB 96(RES)(Title am)

CS FOR SENATE BILL NO. 96 (Res)(title am) : [FISH & GAME LICENSE AGENTS]
"An Act relating to penalties against and duties of agents who sell or collect fees for certain licenses, tags, and permits; requiring reports and proceeds to be received before compensation is paid to agents who sell certain licenses, tags, and permits; repealing the duties of and compensation for agents who assist in completing forms for interim-use and entry permits; and providing for an effective date."

RECOMMENDATIONS:

- [] be replaced with _____ [] the same title
- [] _____ [] a new title
- [] have attached amendment(s)
- [X] 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 _____
- [X] zero fiscal note ^{F&G} _{REV} _____ ; [] zero fiscal note(s) _____
- [] zero with analysis _____ [] zero fn/analysis _____

SIGNING DO PASS:

SIGNING: (Check approp. column)

Do Not Pass No Rec Amend

<u>[Signature]</u> Hoffman	<u>[Signature]</u> BROWN		✓	
<u>[Signature]</u> CARSON	<u>[Signature]</u> KOPONEN		✓	
<u>[Signature]</u> SWANKHAMMER				
<u>[Signature]</u> ULMER				
<u>[Signature]</u> BARNES				
<u>[Signature]</u> RIEGER				

[Signature] CARSON
Chairman's Signature
[Signature] Hoffman

R/O HFC 3-12-90

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: CSSB 96

PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: March 3, 1990 Amended
Title: An Act transferring issuance of fishing, hunting, trapping licenses...
Sponsor: Rules Committee
Requestor: Governor

Agency Affected: Revenue
BRU: Income & Excise Audit

Components: Operating

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

Prepared By: Steven E. Kettel
Division: Income and Excise Audit

Phone: (907) 465-2320
Date: March 9, 1990

Approved by Commissioner: Hugh Malone
Agency: Department of Revenue

Date: March 9, 1990

Distribution (by preparer):

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

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: An Act relating to compensation for penalties, proceeds. . .
 Sponsor: Rules
 Requestor: Governor Cowser

Agency Affected: Fish and Game
 BRU: Administration and Support
 Components: Administrative Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

No fiscal impact, FY 90

Prepared by: Beverly Reaume *Beverly Reaume*
 Division: Administration

Phone: 465-4120
 Date: 3/12/90

Approved by Commissioner: *Conrad Calverworth*
 Agency: Fish and Game

Date: 3/12/90

Distribution (by preparer):

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

Amended: 4/14/89
Offered: 3/9/89
Referred: Finance

go0029sE

Original sponsor: Rules/Governor

1 IN THE SENATE BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 96 (Resources)(title am)

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 penalties against and duties of
7 agents who sell or collect fees for certain licenses,
8 tags, and permits; requiring reports and proceeds to
9 be received before compensation is paid to agents who
10 sell certain licenses, tags, and permits; repealing
11 the duties of and compensation for agents who assist
12 in completing forms for interim-use and entry per-
13 mits; and providing for an effective date."

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

15 * Section 1. AS 16.05.390(c) is amended to read:

16 (c) On March 31, June 30, September 30, and December 31 of each
17 year the commissioner [OF REVENUE] shall calculate the compensation
18 earned by an agent under (a)(2) of this section, minus the penalties
19 assessed under (g) of this section. If the compensation due exceeds
20 \$50, the commissioner shall pay the compensation not later than 30
21 days after the date for which the compensation was calculated. If the
22 compensation due is \$50 or less, the commissioner shall pay the com-
23 pensation not later than January 30 of the year following the year in
24 which the compensation was earned. The commissioner shall pay compen-
25 sation [IN AN AMOUNT EXCEEDING \$50] only for sales of licenses or tags
26 for which the commissioner has received the report and proceeds
27 required to be transmitted under (b) of this section.

28 * Sec. 2. AS 16.05.390 is amended by adding new subsections to read:

29 (f) Proceeds and reports under (b) of this section shall be

1 (d) The commissioner may assess a penalty against an agent who
2 does not transmit fees within the time allowed under (c) of this
3 section. The penalty is equal to one and one-half percent of the
4 amount of fees due. The penalty may be assessed for each month or
5 portion of a month that the fees are delinquent.

6 * Sec. 5. AS 16.05.470(b) is repealed.

7 * Sec. 6. This Act takes effect immediately under AS 01.10.070(c).

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

96

January 9, 1989

The Honorable Tim Kelly
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Kelly:

Under the authority of art. III, sec. 23, of the Alaska Constitution, I am transmitting Executive Order No. 73, transferring the functions of issuing fishing, hunting, and trapping licenses, tags, and identification cards from the Department of Revenue to the Department of Fish and Game.

Also, under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a related bill that would make some changes and additions to AS 16.05.390, 16.05.460, and 16.05.470, concerning agents appointed to serve as private license vendors.

The Executive Order will make the operation of state government more efficient because the transfer of the fish and game licensing function places that function in the department that is responsible for the resource management programs that are partially funded by the license revenue. Also, that department, the Department of Fish and Game, can more efficiently gather the most appropriate information during the license issuance process to assist in its management functions. The transfer will reduce the number of departments an individual must contact if the individual intends to take fish or game. At the same time, because the Department of Fish and Game has more field offices than does the Department of Revenue, the transfer will probably make the contact more convenient.

In addition, the transfer will enable the Department of Revenue to focus more of its attention and resources on its primary responsibility -- collecting revenue owed to our state government.

Sections 1 -- 12 of the Executive Order delete references in AS 16.05.335 -- 16.05.826 to the commissioner of revenue and to the Department of Revenue, leaving only references to the "commissioner" and the "department." Those terms are then defined in AS 16.05.940(6) and (7), respectively, as the commissioner of fish and game and the Department of Fish and Game.

Sections 13 and 14, respectively, of the Order delete the power to issue fish and game licenses from the Department of Revenue powers listed in AS 44.25.020 and add it to the Department of Fish and Game powers set out in AS 44.39.020. Section 15 of the Order sets out transition provisions regarding regulations relating to the transferred function.

The only other changes made by the Executive Order are a few housekeeping clarifications in AS 16.05.390 and 16.05.470, and in AS 44.25.020 (secs. 6, 11, and 13 of the Order). No substantive changes, other than the transfer itself, are made by this Order.

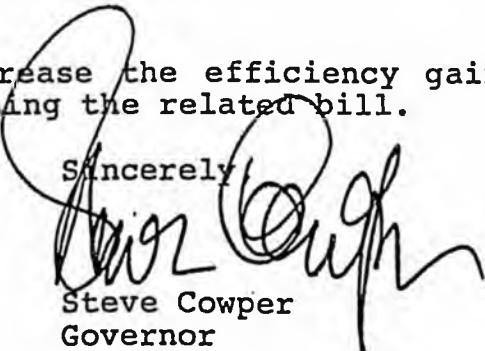
Sections 1, 2, and 4 of the related bill amend AS 16.05.390 (concerning vendors of all licenses but commercial fishing licenses) and 16.05.470 (concerning vendors of commercial fishing licenses), to allow penalties to be assessed against license vendors or agents who do not transmit to the Department of Fish and Game, in a timely manner, the license fees that they collect.

Sections 2 and 4 of the related bill also specify that the monthly reports and fee transmittals that are already required from vendors must be made by the last day of the month after fees are collected, unless an alternative schedule is set by contract for vendors covered by AS 16.05.390, or unless an extension is granted for vendors covered by AS 16.05.470.

Finally, secs. 3 and 5 of the related bill delete reference in AS 16.05.460 and 16.05.470 to issuance of interim-use and entry permits by vendors. This deletion merely eliminates possible confusion, and conforms the statute to the reality that private vendors have not issued limited entry permits since 1979.

I urge you to further increase the efficiency gained from the Executive Order by passing the related bill.

Sincerely,


Steve Cowper
Governor

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SENATE COMMITTEE REPORT

FURTHER

3/9/89

DATE TURNED INTO OFFICE

4/12/89

Mr. President:

FINANCE

Committee considered

SB 96

compensation for, penalties against, and proceeds, fees, forms, and reports transmitted by agents who sell or collect fees for certain licenses, tags, and permits; efd and recommended

- replace with _____ CS) same title
- or adopt _____ CS 53 96 (Rea)) new title
- attached amendment(s) and) technical title change (HB only)
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

- FISCAL NOTE(S) ^{2: DEFG/DOR} zero fiscal impact appropriation no FN
- new updated previous
- same as previous fiscal note(s) published _____

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Signature]

Reaver - do pass

Paul Grub

[Signature]

[Signature] - no Rec

Do pass

[Signature]

[Signature] DO-PASS

Chairman signature and recommendation

Committee Backup attached

R/O SFC 4-12-89 1/B

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CS /SB 96 RES (a)
PUBLISH DATE: 3/9/89

FISCAL NOTE

REQUEST:

Revision Date: 03/03/89
Title: "An act relating to compensation
for, penalties against, proceeds..."
Sponsor: Rules
Requestor: Steve Cowder

Agency Affected: Fish and Game
BRU:
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						
---------	--	--	--	--	--	--

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

FUNDING: (Thousands of Dollars)


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

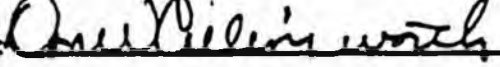
POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See Bill Analysis.

Prepared by: Douglas S. Hanon  Phone: 465-4120
Division: Administration Date: 03-03-89

Approved by Commissioner:  Date: 03-03-89
Agency: Fish and Game

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

The actual legislation proposed by the Governor does the following:

1. Transfers administration of the program from the Department of Revenue to the Department of Fish and Game.
2. Allows for tailoring vendor contracts to specific vendors to allow flexibility in relieving small vendors of monthly reporting.
3. Allows for assessment of penalties for vendors who fail to report according to their contractual schedules.

No. 12

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: SB 96 (b)
PUBLISH DATE: 1/9/89

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act transferring issuance of
fishing, hunting, trapping licenses..."
Sponsor: Rules Committee
Requestor: Governor

Agency Affected: Revenue
BRU: Income and Excise Audit
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS:

Prepared By: Steven E. Kettel
Division: Income and Excise Audit

Phone: (907) 465-2320
Date: December 19, 1988

Approved by Commissioner: Hugh Malone
Agency: Department of Revenue

Date: December 19, 1988

Distribution (by preparer):

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

R/O SEC

4-12-89

Offered: 3/9/89
Referred: Finance

go0029sE

Original sponsor: Rules/Governor

1 IN THE SENATE BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 96 (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 compensation for, penalties
7 against, duties of, and proceeds, fees, forms, and
8 reports transmitted by agents who sell or collect
9 fees for certain licenses, tags, and permits; and
10 providing for an effective date."

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

12 * Section 1. AS 16.05.390(c) is amended to read:

13 (c) On March 31, June 30, September 30, and December 31 of each
14 year the commissioner [OF REVENUE] shall calculate the compensation
15 earned by an agent under (a)(2) of this section, minus the penalties
16 assessed under (g) of this section. If the compensation due exceeds
17 \$50, the commissioner shall pay the compensation not later than 30
18 days after the date for which the compensation was calculated. If the
19 compensation due is \$50 or less, the commissioner shall pay the com-
20 pensation not later than January 30 of the year following the year in
21 which the compensation was earned. The commissioner shall pay compen-
22 sation [IN AN AMOUNT EXCEEDING \$50] only for sales of licenses or tags
23 for which the commissioner has received the report and proceeds
24 required to be transmitted under (b) of this section.

25 * Sec. 2. AS 16.05.390 is amended by adding new subsections to read:

26 (f) Proceeds and reports under (b) of this section shall be
27 transmitted to the commissioner by the last day of the month following
28 the month in which the licenses and tags are sold, unless an alterna-
29 tive reporting schedule has been established by contract.

1 (g) The commissioner may assess a penalty against an agent who
2 does not transmit proceeds within the time allowed under (f) of this
3 section. The penalty is equal to one and one-half percent of the
4 amount of proceeds due. The penalty may be assessed for each month or
5 portion of a month that the proceeds are delinquent. A penalty under
6 this subsection shall be withheld from the agent's compensation under
7 (a)(2) of this section.

8 * Sec. 3. AS 16.05.460 is amended to read:

9 Sec. 16.05.460. COMMISSIONER [OF REVENUE] MAY APPOINT AGENTS.
10 The commissioner [OF REVENUE] may appoint qualified persons as agents
11 to receive applications, issue licenses, and collect license fees
12 under AS 16.05.440 - 16.05.480 [, AND TO ASSIST IN THE COMPLETION OF
13 ANNUAL APPLICATION OR RENEWAL FORMS FOR INTERIM-USE PERMITS AND ENTRY
14 PERMITS ISSUED UNDER AS 16.43].

15 * Sec. 4. AS 16.05.470 is amended by adding new subsections to read:

16 (c) Forms and fees under (a) of this section shall be transmit-
17 ted to the commissioner by the last day of the month following the
18 month in which the fees are collected. The commissioner may grant an
19 extension of not more than 30 days if the agent establishes that

20 (1) failure to grant an extension would impose an excessive
21 financial hardship on the agent;

22 (2) the fees collected by the agent for the period, includ-
23 ing the amount that the agent is authorized to retain, totals less
24 than \$1,000; and

25 (3) the cumulative amount of fees due from the agent,
26 including the fees due for the current period, does not exceed \$1,000.

27 (d) The commissioner may assess a penalty against an agent who
28 does not transmit fees within the time allowed under (c) of this
29 section. The penalty is equal to one and one-half percent of the

1 amount of fees due. The penalty may be assessed for each month or
2 portion of a month that the fees are delinquent.
3 * Sec. 5. AS 16.05.470(b) is repealed.
4 * Sec. 6. This Act takes effect immediately under AS 01.10.070(c).

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3900

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 12, 1989

SUBJECT: Title of Senate Bill 96
TO: Senator Bettye Fahrenkamp
Senate Resources Committee
FROM: George Utermohle *GU*
Legislative Counsel

Senate Bill 96, introduced by the Governor, has been referred to your committee.

The bill relates to agents who sell or collect fees for certain fish and game licenses, tags, and permits.

Among the things the bill does is to amend AS 16.05.460 by repealing the responsibilities of these agents to assist applicants in the completion of annual application or renewal forms for interim-use and limited entry permits. This change in the duties of the agents is not expressed in the title of the bill. Under Article II, section 13 of the Alaska Constitution the subject of a bill must be expressed in the bill title.

The defect in the bill title may be cured by inserting the words "duties of," on page 1, line 7, following "against,".

Also, on page 2, lines 16 - 17, the bill attempts to amend the catchline for AS 16.05.470 in a bill section that does not set out the full section. This is not consistent with legislative drafting style; the catchline line should be deleted. Any amendment of a catchline that should be made as the result of an amendment of a statute will be done editorially by the Revisor of Statutes when the Alaska Statutes are updated following the session.

If I may be of further assistance, please advise.

GU:kb
wkk1/028

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

96

January 9, 1989

The Honorable Tim Kelly
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Kelly:

Under the authority of art. III, sec. 23, of the Alaska Constitution, I am transmitting Executive Order No. 73, transferring the functions of issuing fishing, hunting, and trapping licenses, tags, and identification cards from the Department of Revenue to the Department of Fish and Game.

Also, under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a related bill that would make some changes and additions to AS 16.05.390, 16.05.460, and 16.05.470, concerning agents appointed to serve as private license vendors.

The Executive Order will make the operation of state government more efficient because the transfer of the fish and game licensing function places that function in the department that is responsible for the resource management programs that are partially funded by the license revenue. Also, that department, the Department of Fish and Game, can more efficiently gather the most appropriate information during the license issuance process to assist in its management functions. The transfer will reduce the number of departments an individual must contact if the individual intends to take fish or game. At the same time, because the Department of Fish and Game has more field offices than does the Department of Revenue, the transfer will probably make the contact more convenient.

In addition, the transfer will enable the Department of Revenue to focus more of its attention and resources on its primary responsibility -- collecting revenue owed to our state government.

Sections 1 -- 12 of the Executive Order delete references in AS 16.05.335 -- 16.05.826 to the commissioner of revenue and to the Department of Revenue, leaving only references to the "commissioner" and the "department." Those terms are then defined in AS 16.05.940(6) and (7), respectively, as the commissioner of fish and game and the Department of Fish and Game.

Sections 13 and 14, respectively, of the Order delete the power to issue fish and game licenses from the Department of Revenue powers listed in AS 44.25.020 and add it to the Department of Fish and Game powers set out in AS 44.39.020. Section 15 of the Order sets out transition provisions regarding regulations relating to the transferred function.

The only other changes made by the Executive Order are a few housekeeping clarifications in AS 16.05.390 and 16.05.470, and in AS 44.25.020 (secs. 6, 11, and 13 of the Order). No substantive changes, other than the transfer itself, are made by this Order.

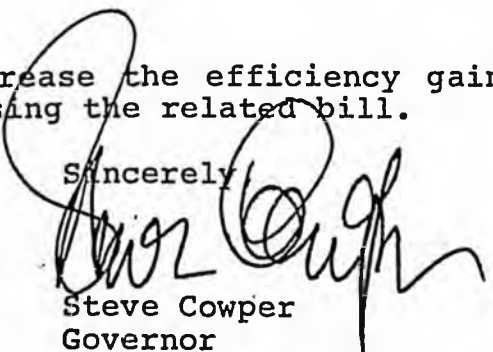
Sections 1, 2, and 4 of the related bill amend AS 16.05.390 (concerning vendors of all licenses but commercial fishing licenses) and 16.05.470 (concerning vendors of commercial fishing licenses), to allow penalties to be assessed against license vendors or agents who do not transmit to the Department of Fish and Game, in a timely manner, the license fees that they collect.

Sections 2 and 4 of the related bill also specify that the monthly reports and fee transmittals that are already required from vendors must be made by the last day of the month after fees are collected, unless an alternative schedule is set by contract for vendors covered by AS 16.05.390, or unless an extension is granted for vendors covered by AS 16.05.470.

Finally, secs. 3 and 5 of the related bill delete reference in AS 16.05.460 and 16.05.470 to issuance of interim-use and entry permits by vendors. This deletion merely eliminates possible confusion, and conforms the statute to the reality that private vendors have not issued limited entry permits since 1979.

I urge you to further increase the efficiency gained from the Executive Order by passing the related bill.

Sincerely,



Steve Cowper
Governor



STATE OF ALASKA
OFFICE OF THE GOVERNOR

BILL ANALYSIS

DEPARTMENT Fish and Game	DIVISION Administration	BILL NUMBER HB 76/SB 96	SPONSOR Rules
SHORT TITLE OF BILL "An act relating to compensation for, penalties against, proceeds..."			
DEPARTMENT POSITION Recommend for approval.			
PREPARED BY Douglas S. Hanon	DATE 03-03-89	COMMISSIONER'S SIGNATURE <i>[Signature]</i>	DATE 3.3.89

SUMMARY

OTHER AGENCIES AFFECTED BY BILL	CONSTITUENT GROUP(S) AFFECTED BY BILL
ORGANIZATIONAL SUPPORT FOR BILL	ORGANIZATIONAL OPPOSITION TO BILL

FISCAL IMPACT: NONE FISCAL NOTE ATTACHED

BACKGROUND/LEGISLATIVE INTENT

ANALYSIS OF BILL/PROGRAM EFFECTS

Changes in the proposed bill allow the department to enhance the revenue collection and statistically data gathering aspects of the licensing system by providing penalties for late filing of required reports and past due accounts and permitting tailoring of vendor contracts to specific vendor situations. The bill also eliminates minimum vendor commission payment restrictions, allowing the department to issue vendor compensation payments in amounts that are less than fifty dollars (\$50.00).

AMENDMENTS PROPOSED

PLEASE ATTACH A SEPARATE SHEET FOR ADDITIONAL COMMENTS OR ANALYSIS.

FISCAL NOTE

REQUEST:

Revision Date: 03/15/89
Title: "An Act relating to compensation for..."
Sponsor: Rules, Governor
Requestor: Senate Resources

Agency Affected: Fish and Game
BRU: Administration and Support
Components: Administrative Services

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						
---------	--	--	--	--	--	--

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Beverly Reaume Phone: 465-4120
Division: Administration Date: 03/15/89
Approved by Commissioner: [Signature] Date: 3/14/89
Agency: Fish and Game

Distribution (by preparer):
Legislative Finance 3/17/89
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

S

B

9

8

SENATE COMMITTEE REPORT

FURTHER

3/10/89
Mr. President:
FINANCE

DATE TURNED INTO OFFICE 4/24/89

Committee considered SB 98

penalty imposed for certain traffic offenses

and recommended


- replace with _____ CS _____) same title
- or adopt _____ CS SB 98 (Jud)) new title
- attached amendment(s) and technical title change (HB only)
- _____ letter of intent adopted

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

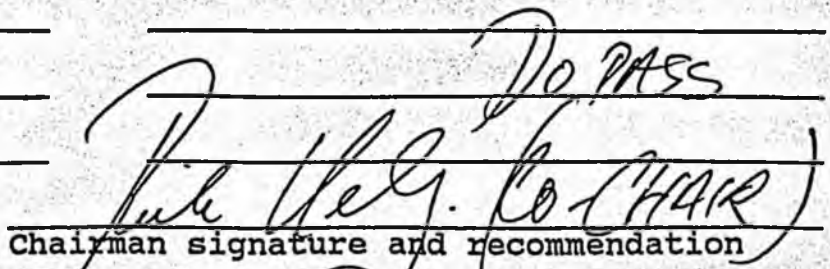
FISCAL NOTE(S) zero fiscal impact appropriation no FN
 new updated previous DPS & 3/10/89 COURTS (19.2) 3/10/89
 same as previous fiscal note(s) published _____

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS



Do not rec
that of Sheriff Nolan

Do PASS


 Chairman signature and recommendation

Committee Backup attached

John R...

 CO-CHAIR

R/O SFC 4-24-89

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CSSB 98 (Jud) (b)
PUBLISH DATE: 3/13/89

FISCAL NOTE

REQUEST:

Revision Date: 3/10/89
Title: Reduction of fines and bail
for seatbelt use
Sponsor: Senate Judiciary
Requestor: Senate Judiciary

Agency Affected: Public Safety
BRU: Alaska State Troopers
Component: Detachments & CIB

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

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	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact is anticipated.

JAM
3/10/89

Prepared by: Francis C. Allan
Division: Alaska State Troopers

Phone: 269-5591
Date: 3/10/89

Approved by Commissioner: A.A.H. Arthur English
Agency: Department of Public Safety

Date: 3/10/89

R/O SEC 4-24-89

STATE OF ALASKA 1989 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST:

Bill Version: CS SB 98 (JUD) (a)
Publish Date: 3/10/89

Revision Date: 3/10/89
Title: An act relating to the penalty imposed for certain traffic offenses
Sponsor:
Requestor: Fahrenkamp

Agency Affected: Alaska Court System
BRU: Trial Courts
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
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

REVENUE	(19.2)	(19.2)	(19.2)	(19.2)	(19.2)
---------	---------	--------	--------	--------	--------	--------

FUNDING:	(Thousands of Dollars)					
General Funds	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
Other	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:						
Full-time	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
Part-time	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
Temporary	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .

ANALYSIS: (Attach a separate page if necessary)

See attached analysis.

Prepared by: *Jan Strandberg*
 Division: Alaska Court System
 Phone: 264-8228
 Date: 03/10/89

Approved by: *Arthur H. Snowden, II*
 Agency: Alaska Court System
 Date: 03/10/89

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

Alaska Court System

Fiscal Analysis for CS SB 98

This legislation allows a 10 percent reduction in traffic bail or fine amounts for moving violations, if all persons in the vehicle are wearing seatbelts at the time of committing the infraction. This legislation will reduce fine and forfeiture revenues to the state.

To estimate the fiscal impact, the court obtained information from the Alaska Seatbelt Use Coalition on seatbelt utilization. The Coalition's studies indicate that approximately 35 percent of Anchorage drivers and 39 percent of Fairbanks drivers wear seatbelts or a simple average of 37 percent for both areas. Information is not available for other areas of the state or for passenger seatbelt usage. For estimating the impact of this legislation on revenues, it is assumed that driver and passenger seatbelt utilization will average 37 percent for the entire state.

Although this CS takes effect immediately, the necessary changes to the bail schedules and their implementation should not significantly impact revenues for FY 89.

The fiscal impact is estimated as follows:

Estimated statewide traffic violation revenues from moving violations	\$520,000
Estimated percentage of seatbelt usage	37% -----
Estimated statewide revenues for traffic violations involving drivers and passengers using seatbelts.	192,400
Bail or fine reduction percentage for seatbelt use	10% -----
Estimated reduction in statewide traffic violation revenues	\$19,240 -----

Offered: 3/10/89
Referred: Finance

R/O SFC 4-24-89
6-0462E

Original sponsors: Fahrenkamp, Coghill,
Eliason, and Zharoff

1 IN THE SENATE BY THE JUDICIARY COMMITTEE

2 CS FOR SENATE BILL NO. 98 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing a reduction in the scheduled bail
7 or fine imposed against certain persons cited for
8 committing a moving traffic infraction; and providing
9 for an effective date."

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

11 * Section 1. AS 28.05.151 is amended to read:

12 Sec. 28.05.151. CITATIONS FOR SCHEDULED VEHICLE AND TRAFFIC
13 OFFENSES. The supreme court shall determine by rule or order those
14 motor vehicle and traffic offenses, except for offenses subject to a
15 scheduled municipal fine, that are amenable to disposition without
16 court appearance and shall establish a scheduled amount of bail, not
17 to exceed fines prescribed by law, for each offense. A municipality
18 shall determine by ordinance the municipal motor vehicle and traffic
19 offenses that may be disposed of without court appearance and shall
20 establish a fine schedule for each offense. A schedule of bail estab-
21 lished by the supreme court or a schedule of fines established by a
22 municipality must incorporate the reduction applicable under AS 28.-
23 40.050(f).

24 * Sec. 2. AS 28.40.050 is amended by adding a new subsection to read:

25 (f) A person who is cited for committing a moving traffic in-
26 fraction for which the supreme court or a municipality has established
27 a scheduled amount of bail or fine shall receive a 10 percent re-
28 duction in the amount of bail or fine otherwise applicable to the
29 offense if the person and all passengers were wearing seat belts or

98-46-4 940 0/9

- 1 were secured in child safety devices as required under AS 28.05.095,
- 2 at the time of the commission of the infraction.
- 3 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).

Alaska State Legislature

SENATOR BETTYE FAHRENKAMP
CHAIRMAN, RESOURCES COMMITTEE
119 N. CUSHMAN STREET, SUITE 201
FAIRBANKS, ALASKA 99701
OFFICE (907) 452-4882
HOME (907) 456-2899



Senate

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

MEMORANDUM

TO: Senator Rick Uehling, Co-Chairman
Senate Finance Committee

FROM: Senator Bettye Fahrenkamp

DATE: April 11, 1989

RE: Sectional Analysis of CSSB 98

CSSB 98 "An Act providing a reduction in the scheduled bail or fine imposed against certain persons cited for committing moving traffic infraction; and providing for an effective date."

Section 1. AS 28.05.151 Citations for scheduled vehicle and traffic offenses.

Amended to include reference to proposed Section 2 of the bill.

Section 2. AS 28.40.050 Penalty for violations of law, regulations, and municipal ordinances.

Adds a new subsection (f) which would give a 10% reduction in the amount of a bail or fine if the driver and any passengers were wearing seatbelts, or if children were secured in restraint devices, at the time of a commission of a moving traffic infraction for which the Supreme Court has established a scheduled amount of bail.*

*Examples of such infractions are speeding, ignoring a stop sign or red light, i.e. infractions that do not carry jail time or require a court appearance. It does not apply to felonies, misdemeanors, or infractions requiring court appearances. For instance, if a driver was charged with driving while intoxicated, reckless driving, or negligent homicide, he or she would not receive a reduction.

SECTIONAL ANALYSIS - CS (JUD)

Alaska State Legislature

SENATOR BETTYE FAHRENKAMP
CHAIRMAN, RESOURCES COMMITTEE
119 N. CUSHMAN STREET, SUITE 201
FAIRBANKS, ALASKA 99701
OFFICE (907) 452-4882
HOME (907) 456-2899



Senate

WHILE IN JUNEAU
P.O. BOX V
JUNEAU, ALASKA 99811
CAPITOL, ROOM 125
OFFICE (907) 465-3334
HOME (907) 780-6027

MEMORANDUM

TO: Senator Rick Uehling, Co-Chairman
Senate Finance Committee

FROM: Senator Bettye Fahrenkamp

DATE: April 10, 1989

RE: Schedule CSSB 98 (JUD), "An Act providing a reduction in the scheduled bail or fine imposed against certain persons cited for committing a moving traffic infraction; and providing for an effective date."

I would appreciate it if you would schedule CSSB 98 for a hearing at the earliest possible time. Attached is a sectional analysis and fiscal notes. If you have any questions, please call me or my staff person, Tom Moyer. Thank you.

Alaska State Legislature

SENATOR BETTYE FAHRENKAMP
CHAIRMAN, RESOURCES COMMITTEE
119 N. CUSHMAN STREET, SUITE 201
FAIRBANKS, ALASKA 99701
OFFICE (907) 452-4882
HOME (907) 458-2899



Senate

WHILE IN JUNEAU
P.O. BOX V
JUNEAU, ALASKA 99811
CAPITOL, ROOM 125
OFFICE (907) 465-3834
HOME (907) 780-8027

MEMORANDUM

TO: Senator Al Adams, Chairman
Senate Community & Regional Affairs Committee

FROM: Senator Bettye Fahrenkamp

DATE: February 20, 1989

RE: Sectional Analysis of SB 98

SB 98 "An Act Relating to the penalty imposed for certain traffic offenses".

Section 1. AS 28.05.151 Citations for scheduled vehicle and traffic offenses.

Amended to include reference to proposed Section 2 of the bill.

Section 2. AS 28.40.050 Penalty for violations of law, regulations, and municipal ordinances.

Adds a new subsection (f) which would give a 10% reduction in the amount of a bail or fine if the driver and any passengers were wearing seatbelts at the time of a commission of a moving traffic infraction for which the Supreme Court has established a scheduled amount of bail.*

*Examples of such infractions are speeding, ignoring a stop sign or red light, i.e. infractions that do not carry jail time or require a court appearance. It does not apply to felonies, misdemeanors, or infractions requiring court appearances. For instance, if a driver was charged with driving while intoxicated, reckless driving, or negligent homicide, he or she would not receive a reduction.

Analysis - Original Bill

BILL NO: SB 98

DATE: 02/21/89

TITLE: "An act relating to the
penalty imposed for
certain traffic offenses"

CONTACT: Ellen Moore
Program Coordinator
HSPA
465-4375

DEPARTMENT OF
PUBLIC SAFETY

This bill would reduce by 10 percent the fine imposed on violators of traffic laws if they and their passengers were wearing seatbelts when stopped by the citing officer. This bill may provide an incentive for persons to wear seatbelts.

The citing officer would have to be very alert to know if the occupants were actually using their seatbelts at the time of the offense, or simply put them on when they realized they were being stopped.

The Department of Public Safety takes no position on this legislation.



for Arthur English
Commissioner

Position Paper - DPS

1/B

**STATE OF ALASKA 1989 LEGISLATIVE SESSION
FISCAL NOTE**

JAN 26 1989

REQUEST:

Bill Version: SB 98 (a)
Publish Date: 2/22/89

Revision Date:
Title: An act relating to the penalty imposed for certain traffic offenses
Sponsor:
Requestor: Fahrenkamp

Agency Affected: Alaska Court System
BRU: Trial Courts

Components:

EXPENDITURES/REVENUES:		(Thousands of Dollars)				
	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
OPERATING						
Personal Services
Travel
Contractual
Supplies
Equipment
Land & Structures
Grants & Claims
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL
REVENUE	(19.2)	(19.2)	(19.2)	(19.2)	(19.2)

FUNDING:		(Thousands of Dollars)				
	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
General Funds	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
Other	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:						
	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
Full-time
Part-time
Temporary

ANALYSIS: (Attach a separate page if necessary)

See attached analysis.

Prepared by: *Jan Strandberg* Jan Strandberg, General Counsel
 Division: Alaska Court System
 Phone: 264-8228
 Date: 01/23/89

Approved by: *Stephanie Cole for* Arthur H. Snowden, II, Administrative Director
 Agency: Alaska Court System
 Date: 01/23/89

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

Fiscal Analysis for SB 98

This legislation allows a 10 percent reduction in traffic bail or fine amounts for moving violations, if all persons in the vehicle are wearing seatbelts at the time of committing the infraction. This legislation will reduce fine and forfeiture revenues to the state.

To estimate the fiscal impact, the court obtained information from the Alaska Seatbelt Use Coalition on seatbelt utilization. The Coalition's studies indicate that approximately 35 percent of Anchorage drivers and 39 percent of Fairbanks drivers wear seatbelts or a simple average of 37 percent for both areas. Information is not available for other areas of the state or for passenger seatbelt usage. For estimating the impact of this legislation on revenues, it is assumed that driver and passenger seatbelt utilization will average 37 percent for the entire state.

The fiscal impact is estimated as follows:

Estimated statewide traffic violation revenues from moving violations	\$520,000
Estimated percentage of seatbelt usage	37% -----
Estimated statewide revenues for traffic violations involving drivers and passengers using seatbelts	192,400
Bail or fine reduction percentage for seatbelt use	10% -----
Estimated reduction in statewide traffic violation revenues	\$19,240 =====

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: SB 98 (b)
PUBLISH DATE: 2/22/89

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act relating to the penalty imposed for certain traffic offenses."
Sponsor: Senator Fahrenkamp
Requestor: Senate C&RA

Agency Affected: Public Safety
BRU: Alaska State Troopers
Component: Detachments & C.I.B.

EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)

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	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)
No fiscal impact is anticipated.

Prepared by: Francis C. Allan *G.C.A.*
Division: Alaska State Troopers

Phone: 269-5691
Date: 01/20/89

Approved by Commissioner: S.U.H. Arthur English
Agency: Department of Public Safety

Date: 1-24-89

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: H&SS
 Title: An Act relating to the penalty
imposed for certain traffic offenses BRU: State Health Services
 Sponsor: Fahrenkamp Components: _____
 Requestor: (S) CRA

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	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

FUNDING: (Thousands of Dollars)

GENERAL FUND						
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: Elizabeth Ward, Director *E. Ward* Phone: 465-3090
 Division: Public Health Date: 2/24/89

Approved by Commissioner: Myra M. Munson *Myra M. Munson* Date: 3/6/89
 Agency: Department of Health and Social Services

Distribution (by preparer):

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

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MAR 8 1989

page 1 of 1

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SENATE COMMITTEE REPORT

FURTHER

4/6/89

DATE TURNED INTO OFFICE _____

Mr. President:

_____ Finance _____ Committee considered SB 100

insurance for school facilities and equipment and state aid for school construction; efd

and recommended

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

- do pass *Hearing 4-19-89*
- do not pass *Bill died in committee.*
- no recommendation *CS HB 37 (Fin) am*
- individual recommendations *acted on instead.*
- 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

Committee Backup attached

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

b
6 -0461 H

Date of 5-DAY NOTICE 3/6/89
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER FINANCE

**FISCAL NOTE(S) MUST BE ATTACHED
IN ACCORDANCE WITH AS 24.08.035

1/10/89

DATE TURNED INTO OFFICE 4/6/89

Mr. President:

HESS Committee considered SB 100

insurance for school facilities and equipment and state aid for school construction; efd

and recommended:

- replace with CS SB 100 (HESS) same title new title
- attached amendment(s) and *+ report it back as follows*
- _____ letter of intent adopted
- do pass
- do not pass
- no recommendation
- individual recommendations *OPM*
- further referral to _____

*4/6
Fiscal Note
forthcoming.
Depth of id.*

FISCAL NOTE(S) attached zero fiscal impact
 appropriation no FN attached Gov. FN introduced w/ bill

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Handwritten signatures: Duncan, Tim Bell, Lloyd Jones]

Paul Grish (No Rec)

Committee backup attached

Chairman signature and recommendation

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Education
 Title: Insurance for School Facilities and BRU: _____
Equipment, State Aid for School Construction
 Sponsor: Senate HESS Components: _____
 Requestor: Senate HESS

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						
REVENUE						

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Mary Hakala Phone: 465-2800
 Division: Commissioner's Office Date: 4/6/89

Approved by Commissioner: Mary Hakala for Date: 4/6/89
 Agency: Education Requestor: William G. Denhart

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

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APR 14 1989

Corrected
Version
CS SB 100

Introduced: 4/6/89
Referred: Finance

6-0461H

Original sponsors: Sturgulewski and
Pearce

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 CS FOR SENATE BILL NO. 100 (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 insurance for school facilities
7 and equipment, state aid for school construction, and
8 division of duties between a borough and a borough
9 school board; and providing for an effective date."

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

11 * Section 1. AS 14.03 is amended by adding a new section to read:

12 Sec. 14.03.150. INSURANCE REQUIRED. (a) Each school district
13 shall purchase and maintain or provide proof of adequate property
14 insurance for the replacement cost of all school facilities and equip-
15 ment. Insurance purchased to comply with this section may contain a
16 deductible amount, if approved by the department. A school district
17 may comply with this section by initiating and maintaining a program
18 of self-insurance, if the department annually determines that the
19 school district has submitted adequate evidence of the district's
20 ability to self-insure for the replacement cost of all school facil-
21 ities and equipment. A copy of the insurance policy or other informa-
22 tion indicating compliance with this section shall be provided to the
23 department.

24 (b) If the department determines that a school district is not
25 insured as required under (a) of this section, the department shall
26 notify the school district of the determination. Unless the school
27 district obtains adequate insurance within 30 days after the school
28 district receives notice under this subsection, the department shall
29 purchase the insurance required by (a) of this section for that school
S

1 district.

2 (c) The department may not award a school construction grant
3 under AS 14.11 to a municipality that is a school district or a re-
4 gional educational attendance area that is not in compliance with (a)
5 of this section. The department shall reduce the amount of state
6 foundation aid under AS 14.17.021 for which a school district may
7 qualify, by the amount, if any, paid by the department under (b) of
8 this section.

9 * Sec. 2. AS 14.07.020(a)(13) is amended to read:

10 (13) administer the grants awarded under AS 14.11 [AS 14.-
11 11.020];

12 * Sec. 3. AS 14.07.170 is amended by adding a new subsection to read:

13 (b) The board shall review grant applications recommended under
14 AS 14.11.013 and may approve grant applications under AS 14.11.015.

15 * Sec. 4. AS 14.08.101(7) is amended to read:

16 (7) recommend to the department projects for construction,
17 rehabilitation, and improvement of schools and education-related
18 facilities as specified in AS 14.11.011(b) [AS 14.11.010(a)], and
19 plan, design, and construct the project when the responsibility for it
20 is assumed under AS 14.11.020;

21 * Sec. 5. AS 14.11 is amended by adding a new section to read:

22 Sec. 14.11.005. SCHOOL CONSTRUCTION GRANT ACCOUNT. There is
23 created a school construction grant fund as an account in the general
24 fund. The fund shall be used to make grants for the costs of school
25 construction. Legislative appropriations for school construction
26 shall be deposited in the fund, and the proceeds from the sale of
27 general obligation bonds for school construction may be deposited in
28 the fund.

29 * Sec. 6. AS 14.11 is amended by adding new sections to read:

1 Sec. 14.11.011. GRANT APPLICATIONS. (a) A municipality that is
2 a school district or a regional educational attendance area may submit
3 a grant request to the department for a school construction grant.

4 (b) For a municipality that is a school district or a regional
5 educational attendance area to be eligible for a school construction
6 grant the district shall submit

7 (1) a six-year capital improvement plan that includes a
8 description of the district's fixed asset inventory system and preven-
9 tive maintenance program no later than September 1 before the fiscal
10 year for which the request is made; the six-year plan must contain for
11 each proposed project a detailed scope of work, a project budget, and
12 documentation of conditions justifying the project;

13 (2) evidence that the district has secured and will main-
14 tain adequate property loss insurance for the replacement cost of all
15 facilities for which state funds are available under AS 14.11.005 or a
16 program of insurance acceptable to the department; and

17 (3) evidence that the proposed project should be a capital
18 construction project and not part of a preventive maintenance program
19 or regular custodial care program.

20 Sec. 14.11.013. DEPARTMENT REVIEW OF GRANT APPLICATIONS. (a)
21 With regard to projects for which grants are requested under AS 14.-
22 11.011, the department shall

23 (1) annually review the six-year plans submitted by each
24 district under AS 14.11.011(b) and recommend to the board a revised
25 and updated six-year construction grant schedule that serves the best
26 interests of the state and each district; in recommending projects for
27 this schedule, the department shall verify that each proposed project
28 qualifies as a project required to

29 (A) avert imminent danger or correct life-threatening

1 situations;

2 (B) house students who would otherwise be unhoused;

3 (C) protect the structure of existing school facil-
4 ities;

5 (D) correct building code deficiencies that require
6 major repair or rehabilitation in order for the facility to
7 continue to be used for the educational program;

8 (E) achieve an operating cost savings;

9 (F) modify or rehabilitate facilities for the purpose
10 of improving the instructional program;

11 (G) meet an educational need not specified in (A) -
12 (F) of this paragraph, identified by the department;

13 (2) prepare an estimate of the amount of money needed to
14 finance each project;

15 (3) provide to the governor, by November 1, and to the
16 legislature within the first 10 days of each regular legislative
17 session, a revised and updated six-year construction grant schedule
18 together with a proposed schedule of appropriations.

19 (b) In preparing the construction grant schedule, the department
20 shall establish priorities among projects for which grants are re-
21 quested and shall award school construction grants in the order of
22 priority established. In establishing priorities the department shall
23 evaluate at least the following factors:

24 (1) emergency requirements;

25 (2) priorities assigned by the district to the projects
26 requested;

27 (3) the number of students affected by the project;

28 (4) new local elementary and secondary programs;

29 (5) existing regional, community, and school facilities.

1 and their condition; and

2 (6) alternate education program options for accomplishing
3 the project's objectives.

4 (c) The department may reject project requests and omit them
5 from the six-year schedule due to

6 (1) incomplete information or documentation provided by the
7 district;

8 (2) a determination by the department that existing facili-
9 ties can adequately serve the program requirements, or that alterna-
10 tive projects are in the best interests of the state;

11 (3) a determination that the project is not in the best
12 interest of the state.

13 (d) The department shall reduce a project budget by the cost of
14 those portions of a project design that the department determines are
15 for construction of student residential space, planetariums, hockey
16 rinks, saunas, and other facilities for single purpose sporting or
17 recreational uses that are not suitable for other activities. This
18 subsection does not apply to funding for swimming pools that meet
19 criteria established by the department.

20 (e) By November 5, the department shall provide public notice of
21 the grant applications submitted under (a) of this section and the
22 priorities established under (b) of this section. After public notice
23 has been given, the department shall, not later than December 1, hold
24 a public hearing on the priorities established under (b) of this sec-
25 tion. In this subsection, "public notice" means notice published in a
26 newspaper of general circulation and notice to every person who has
27 requested notice about the grant application program from the depart-
28 ment.

29 (f) The department may not establish priorities among projects

1 under (b) of this section based only on the number of students af-
2 fected by the project.

3 Sec. 14.11.015. APPROVAL OF GRANT APPLICATIONS. (a) The board
4 shall review grant applications that have been recommended by the
5 department under AS 14.11.013, and may approve a grant application if
6 the board determines that the project meets the criteria specified in
7 AS 14.11.013(a)(1). The department may not award a school construc-
8 tion grant unless the grant application is approved by the board.

9 (b) The department shall award grants approved under (a) of this
10 section in the order of the projects' priority on the date the appro-
11 priation bill funding the school construction grant fund is passed by
12 the legislature, regardless of any appeal pending under AS 14.11.016.
13 Appeals pending under AS 14.11.016 at the time that grants are awarded
14 may not delay the funding of grants awarded under this section.

15 (c) If a project is assigned a new priority ranking under AS 14.-
16 11.016 after the date of passage by the legislature of the appropria-
17 tion bill for the school construction grant fund, the project must be
18 funded in accordance with the new priority ranking at the next time
19 that school construction grants are awarded.

20 Sec. 14.11.016. ADMINISTRATIVE AND JUDICIAL REVIEW. (a) A
21 district may request reconsideration of a decision of the department
22 assigning a priority to the district's project, establishing the scope
23 of the project, or establishing the budget for the project. The
24 request must be in writing and must include a statement of the spe-
25 cific changes desired, and a summary of the evidence supporting the
26 district's claim that the department has erred in its review of the
27 district's grant application. A request for reconsideration must be
28 received by the department by the day of the public hearing held under
29 AS 14.11.013(e). The department shall review its decision on the

1 basis of the request by the district and determine whether its deci-
2 sion should be changed. The department shall issue its determination
3 in writing within 15 days after the last day of the public hearing
4 held under AS 14.11.013(e).

5 (b) A district may appeal an adverse decision of the department
6 under (a) of this section by filing a written notice of appeal with
7 the commissioner within 15 days after the date of the department's
8 decision. The notice of appeal must state the legal and factual basis
9 for the appeal and the precise relief sought. The failure of the
10 district to include an issue in a notice of appeal constitutes a
11 waiver of the right to have the issue considered. Not later than 10
12 days after receipt of a notice of appeal, the commissioner shall
13 appoint a hearing officer who is qualified under AS 44.62.350(c) to
14 consider the appeal. If the hearing officer finds that the notice of
15 appeal does not raise a reasonable issue of fact or law, the hearing
16 officer shall issue a written decision denying the appeal. Denial of
17 an appeal by a hearing officer is a final decision that may be ap-
18 pealed under (d) of this section. If the hearing officer determines
19 that the notice of appeal does raise a reasonable issue of fact or
20 law, the hearing officer shall conduct a hearing on those issues and
21 recommend a decision to the board. The hearing officer shall issue a
22 decision on the appeal, not later than 60 days after being appointed.
23 The board shall consider the recommended decision of the hearing
24 officer at its next regularly scheduled meeting and may adopt all,
25 part, or none of the recommended decision or may remand the issue to
26 the hearing officer for further hearings. The board shall issue its
27 decision in writing within 10 days after considering the hearing
28 officer's decision.

29 (c) The hearing officer may consolidate appeals under (b) of

1 this section, if the notices of appeal raise related issues of fact or
2 law.

3 (d) A district may appeal an adverse decision of a hearing
4 officer or the board under (b) of this section to the superior court
5 in the manner provided by AS 44.62.560 - 44.62.570.

6 (e) The board shall adopt regulations governing procedures for
7 the reconsideration and appeal of decisions under this section. The
8 regulations adopted under this subsection are not required to conform
9 to AS 44.62.330 - 44.62.630, but shall be consistent with minimum
10 standards of due process.

11 (f) A district may not request reconsideration of or appeal a
12 priority determination on the grounds that a revised priority assigned
13 to another project, due to a reconsideration or appeal under this sec-
14 tion, has resulted in a lower priority being accorded to the dis-
15 trict's project.

16 Sec. 14.11.017. SCHOOL CONSTRUCTION GRANT CONDITIONS. (a) The
17 department shall require in the grant agreement that a municipality
18 that is a school district or a regional educational attendance area

19 (1) agree to construction of a facility of appropriate size
20 and use that meets criteria adopted by the department;

21 (2) provide reasonable assurance by a means acceptable to
22 the department, that the cost of the project will be uniform with the
23 costs of the most current construction projects in the area;

24 (3) agree to limit equipment purchases to that required for
25 the approved school construction plan and account for all equipment
26 purchased for the project under a fixed asset inventory system ap-
27 proved by the department;

28 (4) submit project budgets for department approval and
29 agree that the grant amount may, at the discretion of the department,

1 be reduced or increased by amounts equal to the amounts by which
2 contracts vary from the budget amounts approved by the department; and

3 (5) submit to the department for approval, before award of
4 the construction contract, a plan for school construction that in-
5 cludes educational specifications, final construction drawings, and
6 contract documents.

7 (b) The cost of any school construction activity encompassed by
8 the definition of "costs of school construction" under AS 14.11.135 is
9 payable under a grant awarded under AS 14.11.015 without regard to
10 whether the costs were incurred prior to the

11 (1) award of the grant;

12 (2) approval of the grant application by the board; or

13 (3) effective date of an appropriation to the school con-
14 struction grant account for the year in which the grant is funded.

15 Sec. 14.11.019. SCHOOL CONSTRUCTION GRANT APPROPRIATIONS.
16 Within the general appropriation bill submitted to the legislature
17 under AS 37.07.020, the governor shall include an appropriation for
18 school construction grants in the succeeding fiscal year as determined
19 by the six-year construction grant schedule prepared under AS 14.-
20 11.013.

21 * Sec. 7. AS 14.11.100(a)(5) is amended to read:

22 (5) subject to (h), (i), and (j) of this section, 80 per-
23 cent of

24 (A) payments made by the municipality during the
25 fiscal year for the retirement of principal and interest on

26 (i) outstanding bonds, notes or other indebted-
27 ness authorized by the qualified voters of the municipality
28 after June 30, 1983, but before July 1, 1989, to pay costs
29 of school construction, additions to schools, and major

1 rehabilitation projects that exceed \$25,000 and are approved
2 under AS 14.07.020(11); or

3 (ii) outstanding bonds, notes, or other indebted-
4 ness authorized by the qualified voters of the municipality
5 before July 1, 1989, and reauthorized before November 1,
6 1989, to pay costs of school construction, additions to
7 schools, and major rehabilitation projects that exceed
8 \$25,000 and are approved under AS 14.07.020(11); and

9 (B) cash payments made after June 30, 1983, by the
10 municipality during the fiscal year two years earlier to pay
11 costs of school construction, additions to schools, and major
12 rehabilitation projects that exceed \$25,000 and are approved by
13 the department before July 1, 1990, under AS 14.07.020(11).

14 * Sec. 8. AS 14.11.100(c) is amended to read:

15 (c) The school construction account is established. Funds to
16 carry out the provisions of this section shall be included within the
17 general appropriation bill submitted to the legislature under AS 37.-
18 07.020 and may be appropriated annually by the legislature to the
19 account. If amounts in the account are insufficient for the purpose
20 of providing the share to which a borough or city is entitled under
21 this section, those funds that are available shall be distributed pro
22 rata among the eligible local governments except that the legislature
23 may direct that additional debt service on refunding bonds that ex-
24 ceeds the total debt service on the refunded bonds be disregarded in
25 whole or in part.

26 * Sec. 9. AS 14.11.102 is amended to read:

27 Sec. 14.11.102. ALLOCATION REQUESTS. [EVALUATION OF PROJECTS.
28 THE DEPARTMENT SHALL EVALUATE PROJECTS FOR WHICH RETIREMENT OF SCHOOL
29 CONSTRUCTION DEBT IS REQUESTED BY SCHOOL DISTRICTS IN ACCORDANCE WITH

1 THE PROCEDURES SET OUT IN AS 14.11.010.] A request for an allocation
2 of funds under AS 14.11.100 must be submitted to the department by the
3 school district not [NO] later than October 15 of the fiscal year
4 before the fiscal year for which the request is made.

5 * Sec. 10. AS 14.11.130 is repealed and reenacted to read:

6 Sec. 14.11.130. CONSTRUCTION OF CHAPTER. This chapter may not
7 be construed to prevent a municipality that is a school district or a
8 regional educational attendance area from using other revenue to
9 include additional or expanded facilities as part of approved school
10 construction projects.

11 * Sec. 11. AS 14.11.135(3) is amended to read:

12 (3) "costs of school construction" means the cost of ac-
13 quiring, constructing, enlarging, repairing, remodeling, equipping or
14 furnishing of public elementary and secondary schools that are owned
15 or operated by the state, a municipality, or a district [SCHOOL BUILD-
16 INGS] and includes the sum total of all costs of financing and carry-
17 ing out the project; these include, but are not limited to, the costs
18 of all necessary studies, surveys, plans and specifications, architec-
19 tural, engineering or other special services, acquisition of real
20 property, site preparation and development, purchase, construction,
21 reconstruction and improvement of real property and the acquisition of
22 machinery and equipment as may be necessary in connection with the
23 project; an allocable portion of the administrative and operating
24 expenses of the grantee; the cost of financing the project, including
25 interest on bonds issued to finance the project; and the cost of other
26 items, including any indemnity and surety bonds and premiums on insur-
27 ance, legal fees, fees and expenses of trustees, depositaries, finan-
28 cial advisors, and paying agents for the bonds issued as the issuer
29 considers necessary;

1 * Sec. 12. AS 14.11.135 is amended by adding a new paragraph to read:

2 (5) "district" means the districts described in AS 14.12.-
3 010.

4 * Sec. 13. AS 14.14.060 is amended by adding a new subsection to read:

5 (1) Notwithstanding (e) and (f) of this section, a borough
6 assembly and a borough school board may divide the duties imposed
7 under (e) and (f) of this section by agreement between the borough
8 assembly and the borough school board.

9 * Sec. 14. AS 46.11.900(8) is amended to read:

10 (8) "state financial assistance" means a loan, grant,
11 guarantee, insurance, payment, rebate, subsidy, or other form of state
12 assistance other than aid under AS 05.35.010 - 05.35.070, AS 14.11,
13 [AS 14.11.100 - 14.11.135,] and AS 29.60, including the purchase by a
14 state agency of a loan to finance the construction of a new resi-
15 dential, commercial, or industrial building;

16 * Sec. 15. AS 46.11.900(8) is amended to read:

17 (8) "state financial assistance" means a loan, grant,
18 guarantee, insurance, payment, rebate, subsidy, or other form of state
19 assistance other than aid under AS 05.35.010 - 05.35.070, [AS 14.11,]
20 and AS 29.60, including the purchase by a state agency of a loan to
21 finance the construction of a new residential, commercial, or in-
22 dustrial building;

23 * Sec. 16. AS 14.11.010, 14.11.105, 14.11.110, 14.11.115, 14.11.120,
24 and 14.11.125 are repealed.

25 * Sec. 17. AS 14.03.150; AS 14.07.020(a)(13), 14.07.170(b); AS 14.08.-
26 101(7); and AS 14.11 are repealed.

27 * Sec. 18. Notwithstanding AS 14.11.013(b), added by sec. 6 of this
28 Act, the Department of Education shall award school construction grants in
29 the following order:

1 (1) projects required to avert imminent danger or correct life-
2 threatening situations;

3 (2) projects that are in their final phase before January 1,
4 1989, and that have received more than \$2,500,000 in school construction
5 grant funds;

6 (3) projects that are:

7 (A) approved by the Department of Education before July 1,
8 1989;

9 (B) approved for reconstruction or renovation by the
10 qualified voters before July 1, 1989; and

11 (C) determined by a federal or state agency to be a threat
12 to the welfare of the public; and

13 (4) other projects approved under AS 14.11.015, added by sec. 6
14 of this Act.

15 * Sec. 19. Except for secs. 15 and 17 of this Act, this Act takes
16 effect July 1, 1989.

17 * Sec. 20. Sections 15 and 17 of this Act take effect July 1, 1995.
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1 IN THE SENATE BY STURGULEWSKI AND PEARCE

2 SENATE BILL NO. 100

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 insurance for school facilities
7 and equipment and state aid for school construction;
8 and providing for an effective date."

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

10 * Section 1. AS 14.03 is amended by adding a new section to read:

11 Sec. 14.03.150. INSURANCE REQUIRED. (a) Each school district
12 shall purchase and maintain adequate property insurance for the re-
13 placement cost of all school facilities and equipment. Insurance
14 purchased to comply with this section may contain a deductible amount,
15 if approved by the department. A school district may comply with this
16 section by initiating and maintaining a program of self-insurance, if
17 the department annually determines that the school district has sub-
18 mitted adequate evidence of the district's ability to self-insure for
19 the replacement cost of all school facilities and equipment. A copy
20 of the insurance policy or other information indicating compliance
21 with this section shall be provided to the department.

22 (b) If the department determines that a school district is not
23 insured as required under (a) of this section, the department shall
24 notify the school district of the determination. Unless the school
25 district obtains adequate insurance within 30 days after the school
26 district receives notice under this subsection, the department shall
27 purchase the insurance required by (a) of this section for that school
28 district.

29 (c) The department may not award a school construction grant
S